THE BARATELLI INSTITUTE
Mentoring at Scale

BARATELLI INSTITUTE TOOLS · USER GUIDE · VOLUME 1 OF 2

Baratelli Bankable

Books organized the way lenders read them.

Volume 1 · Business and lending: setup, sales and banking, rent roll, loans and covenants, the loan readiness checklist and SBA loan package, QuickBooks and TurboTax, the CPA's year-end package, reports and backups

More than books. Everything you expect from bookkeeping software, plus what QuickBooks leaves to spreadsheets:

FOR THE LENDER
- Loan readiness checklist
- Underwriting clean-up
- SBA borrowing capacity and loan package
- Borrowing base and compliance certificates
- Collateral schedule and availability

FOR THE FAMILY OFFICE
- Every company in one file
- Holdings registers
- Family office statement and net worth by member
- Estate inventory
- Private funds and K-1 tracker

FOR THE OWNER
- Rent roll
- Free, and your data stays yours
- Moves both ways

> *Start here: open Baratelli Bankable, look around the sample companies, then go to Settings & backups and choose Start my own books. If you are coming from QuickBooks, follow Section 4 next; to hand your books to a CPA who uses QuickBooks, see Section 5.*

The loan readiness checklist, loan package, borrowing base and collateral reports are organized the way lenders underwrite, but they are only as clean as the books behind them: each transaction has to be classified to the right account, each loan set up with its terms, and each holding valued. Nothing here promises a lender will say yes. Version of September 2026. Not tax, legal or accounting advice; review your books with your CPA.

WHAT BARATELLI BANKABLE DOES THAT QUICKBOOKS DOES NOT

Baratelli Bankable keeps the books you expect: invoices, bills, banking and reconciliation, inventory, payroll entries, budgets and financial statements. Then it does what bookkeeping software leaves to spreadsheets: it organizes the books the way lenders read them, and it brings a family's companies, trusts and holdings together in one place.

BARATELLI BANKABLE	WHAT IT DOES	IN QUICKBOOKS
FOR THE LENDER		
Loan readiness checklist	What a lender checks first, item by item, with the next step for each.	Not built in
Underwriting clean-up	Finds loan payments expensed, loan proceeds and transfers counted as income, and the other misclassifications that distort a lender's schedules, with the effect on EBITDA.	Not built in
SBA borrowing capacity and loan package	How much the business can borrow, and the package in one PDF: personal financial statements, debt schedule, sources and uses, projections.	Not built in
Borrowing base and compliance certificates	The monthly borrowing base for a line of credit and the quarterly covenant certificate, signed and ready to send.	Not built in
Collateral schedule and availability	Every asset at value, advance rate, what is already loaned against it and what is left to borrow.	Not built in
Income tax provision	Current and deferred taxes under ASC 740 with the full schedule, the rate reconciliation and the entry that books it.	Not built in
Loans with collateral and covenants	Escrow, balloons, guarantors and covenant tests every quarter, with warnings before a breach.	Not built in
FOR THE FAMILY OFFICE		
Every company in one file	Operating companies, property companies, trusts and what the family holds personally, combined with intercompany eliminations.	One company per company file
Holdings registers	Real estate, art, wine, jewelry and watches, cars and collectibles, with photos, provenance, appraisals and fair market value, tied to the books.	Not built in
Family office statement and net worth by member	At historical cost and fair market value, with look-through ownership through trusts.	Not built in
Estate inventory	Everything the family owns, by who is to receive it and how it passes.	Not built in
Private funds and K-1 tracker	Commitments, capital calls, distributions, NAV and returns, and every K-1 expected.	Not built in
Family office records and advisory team	Folders for governance, taxes, estate planning, investments, insurance, staff and aircraft, and the advisors by role with their fees.	Not built in
FOR THE OWNER		
Rent roll	Units, leases, deposits and past-due tenants, agreeing with the books.	Not built in
Free, and your data stays yours	No subscription. The books stay on your device or in your own file, encrypted if you choose.	Monthly subscription; data held in Intuit's cloud (Online)
Moves both ways	Imports from QuickBooks, several companies at once, and exports back for a CPA who uses it.	—

Compared with QuickBooks Online and QuickBooks Desktop as sold to small businesses, without add-on apps, as of September 2026. QuickBooks is a trademark of Intuit Inc. Baratelli Bankable is not affiliated with or endorsed by Intuit.

CONTENTS

QUICK START: THE FIRST HOUR

Six steps take a business from the sample books to a first reconciled month. Each step names the section with the details.

1. **Look around the sample.** Open Baratelli Bankable; it starts with two sample companies. Open an invoice, run the profit and loss, try the bank import. Nothing you do here is kept once you start your own books (Section 2).
2. **Start your books.** Settings & backups › Start my own books: your company name, industry and fiscal year. Enter the address, phone, logo and your online payment link under Company details (Sections 2 and 9).
3. **Bring in what you have.** Coming from QuickBooks, import the chart of accounts, customers and vendors, trial balance and open invoices and bills (Section 4). Otherwise enter opening balances with one journal entry (Section 10).
4. **Send an invoice.** Sales › Invoice, choose or add the customer, enter the lines, and **Save and send**: the PDF goes to the customer with your pay link (Section 9).
5. **Bring in the bank.** Banking › Registers & import › Import bank file. Check the columns, import, then Match each line to what is already in the books or Add it to an account; make rules for the lines that repeat (Section 14).
6. **Reconcile and back up.** Banking › Reconcile the month to the bank statement, then Settings & backups › Download backup. Your progress is saved as you go (Sections 15 and 3).

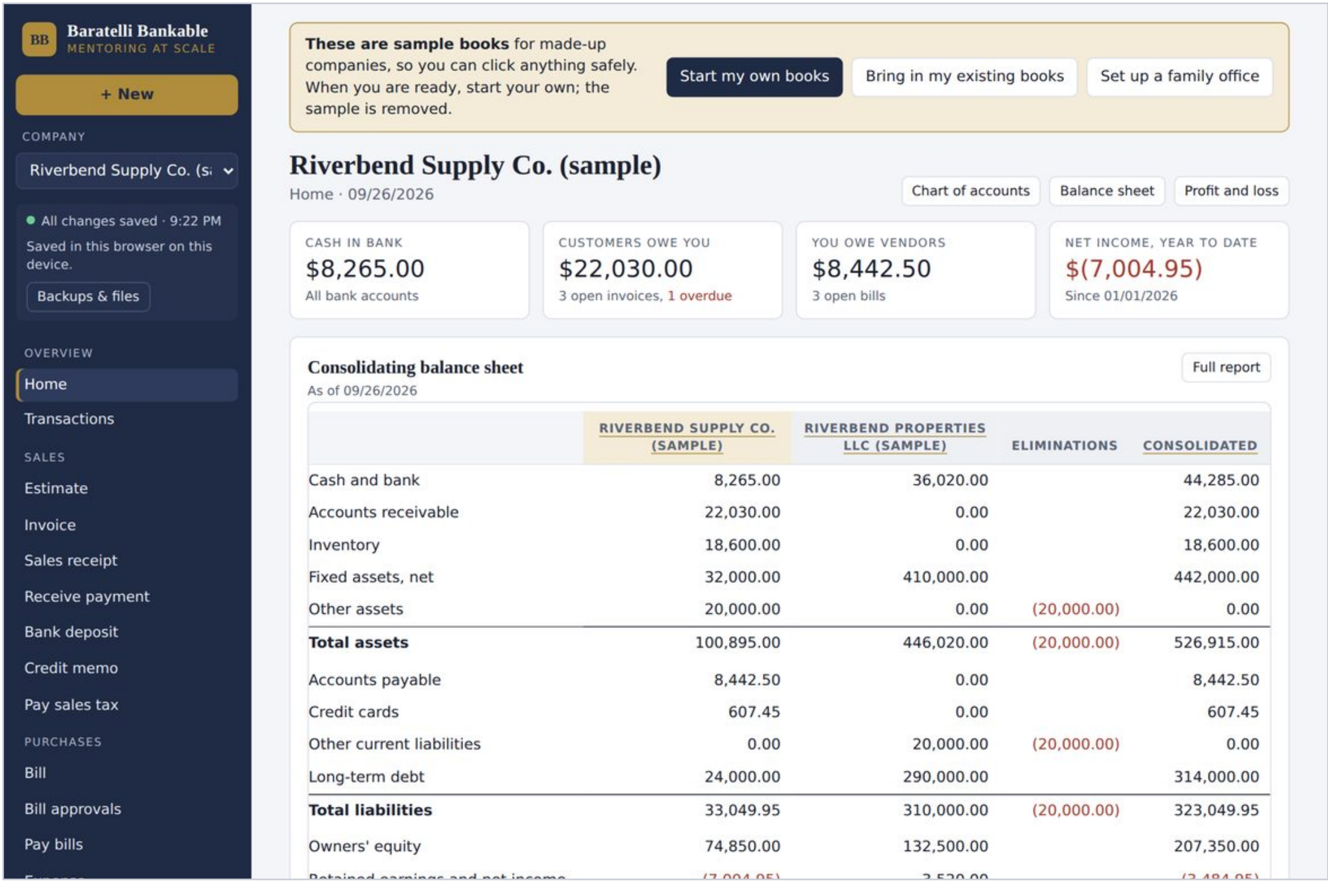
> *Tip: the menu has everything, including accountant and family office tools. The* **Menu** *choice at the bottom of the menu switches to the* **simple menu** *with just the everyday bookkeeping screens, or to the* **classroom menu** *for a Principles of Accounting course.*

1 · WHAT BARATELLI BANKABLE DOES

Baratelli Bankable keeps a full double-entry general ledger. Every screen you fill in (an invoice, a bill, a deposit) posts balanced debits and credits for you, and every report is built from those postings, so the balance sheet always balances and every number traces back to a transaction. It covers the features small businesses use most in QuickBooks, plus consolidation and family office tools QuickBooks does not have.

Area	What you can do
Companies	Any number of companies in one database, each started from an industry chart of accounts; view them one at a time, consolidated, or side by side in consolidating statements with eliminations
Sales	Estimates that convert to invoices; invoices, sales receipts and credit memos with products, quantities, rates and sales tax; payments with credits applied; PDF invoices with your logo and pay-online link, emailed from the app; Undeposited funds and bank deposits; paying sales tax; and customer statements
Purchases	Bills, bill pay, expenses and receipts attached to the transaction; 1099 vendor tracking
Inventory	Quantity on hand and average cost by item; cost of goods sold posted automatically; adjustments for counts and shrinkage; reorder alerts
Banking	Import bank and card activity from Excel or CSV with a column check; matching to payments, open invoices, bills and deposits; bank rules; registers; reconciliation saved as you go
Projects	Job costing by project: budgets, timesheets, billable time and expenses, profitability, and a percentage-of-completion WIP schedule
Automation	Recurring transactions created automatically or as reminders; classes for department or property reporting; budgets
Fixed assets	A register with serial numbers, locations, warranties and insurance; book depreciation posted in one step; MACRS tax schedules; disposals with gain or loss
Photos and cost	Full-quality photos on every holding, fixed asset and inventory item, with a viewer and printable photo inventory, register and catalog; cost built up from price, premium, tax, shipping, closing costs and improvements
Family office	Document vault; holdings registers; investment accounts with realized gains; private funds and K-1s; family members, trusts and look-through ownership; a statement of financial condition at cost and fair market value as of any date
Accountants	Cash or accrual basis, tax line mapping for Forms 1120-S, 1120, 1065 and Schedules C and E with a tax trial balance, adjusting and reversing entries, journal import, a compiled financial statement package, a year-end close, account reconciliation workpapers with sign-off, reclassify, voids, and client questions with a document request list
Analysis	EBITDA, adjusted EBITDA and SDE build-ups with addbacks; financial ratios and quarterly trends, including DSCR
Intercompany	Due to and due from accounts created for every pair of companies; intercompany reconciliation with unmatched items, one-click fixes and sign-off
Lending and planning	The loan readiness checklist and the free quick check; a mentor dashboard across clients; tax return tie-out; SBA borrowing capacity under the October 2026 rules; business acquisition model; the SBA loan package with personal financial statements, debt schedule, uses and sources and your lender; a lender view; 13-week cash flow forecast; three-year projection with DSCR
Year-end filings	1099 preparation with TINs, W-9 tracking and an e-filing file; W-2 reconciliation of payroll to the books and the 941s
Payroll and loans	Payroll import from Gusto, ADP and Paychex; loan amortization, prepaid expense and deferred revenue schedules; foreign-currency bank accounts with revaluation

Area	What you can do
Investments	Positions and activity files from any custodian, asset allocation, investment income, optional posting and mark to market
Reports	P&L, balance sheet, cash flow (indirect and direct), comparisons, P&L by class, budget vs. actual, consolidating statements, aging, sales and expense analysis, inventory valuation, fixed asset register, sales tax, 1099, trial balance, ledger, journal, audit trail
QuickBooks	Import from QuickBooks; export to QuickBooks Online or Desktop for a CPA
Controls	Users with roles (owner, bookkeeper, accountant, CPA reviewer, approver, view only); bill approvals; passcode encryption; closing date; audit trail with before-and-after values and who made each change; voids; backups



Home: the company, the four numbers every owner watches, and the consolidating balance sheet. The gold bar appears only while you look at the sample books.

2 · GETTING STARTED

Opening it

Open Baratelli Bankable from the link on baratelliinstitute.com, from your Claude account, or by double-clicking the downloaded file Baratelli-Bankable.html. No account or sign-in is needed. The first time, it opens with sample books for Riverbend Supply Co. and Riverbend Properties LLC, two made-up operating companies owned by the Baratelli family, complete with products, inventory, fixed assets, a budget, a bank rule and a recurring payroll reminder. Try any screen.

Starting your own books

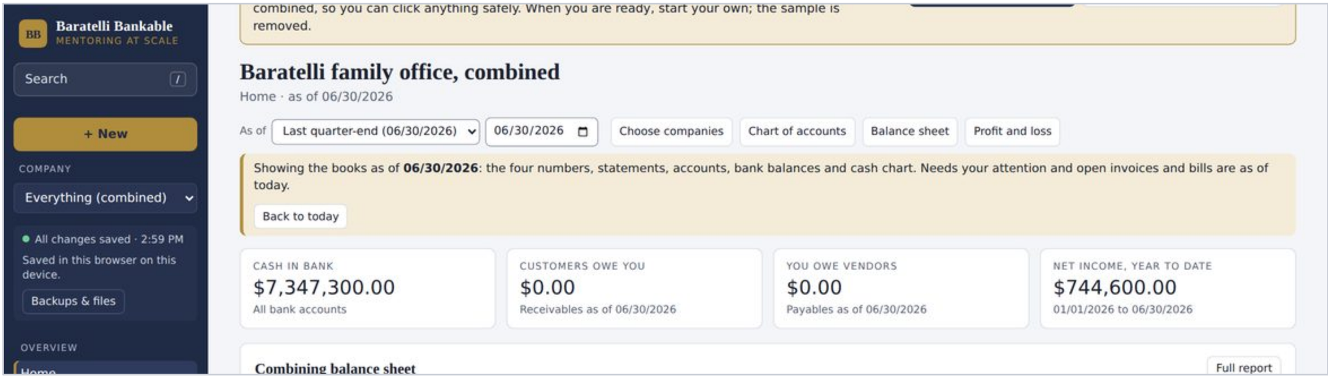
1. Choose **Settings & backups** in the left menu.
2. Under **Start your own books**, type your company name, choose your **industry** and the month your fiscal year starts.
3. Choose **Remove sample and start**, then confirm. Your company opens with the chart of accounts for that industry (Section 6).
4. Under **Company details**, enter the address, phone and email that print on your invoices and statements.
5. Coming from QuickBooks? Go to **Import from QuickBooks** now (Section 4). Otherwise, enter opening balances with a journal entry dated the day before you start (Section 10).

The Home page

Home, first in the menu, opens with the company name at the top and the books laid out the way an accountant reads them. With two or more companies, the statements are **consolidating**: the line items and accounts run down the first column, each company has its own column, then **Eliminations** and **Consolidated**. From the top:

Part of Home	What it shows
Four numbers	Cash in the bank, what customers owe you (and how much is overdue), what you owe vendors, and net income for the fiscal year so far.
Balance sheet	Condensed, as of today: cash, receivables, inventory, fixed assets and other assets; payables, credit cards, other liabilities and long-term debt; owners' equity and retained earnings. Click a company name at the top of its column to open that company's books. **Full report** opens the complete (or consolidating) balance sheet.
Profit and loss	Fiscal year to date: income, cost of goods sold, gross profit, operating expenses, operating income, other income and expense, and net income, with buttons for the full report, trial balance and general ledger.
Chart of accounts	Every account with a balance, grouped as assets, liabilities, equity, income and expenses, with a column for each company. Click an amount to open that account's ledger.
Needs your attention	Everything waiting on you, most urgent first: overdue invoices, bank lines to review, bills due this week, accounts to reconcile, recurring entries, depreciation, client questions, low stock, documents renewing. The first five show; **Show all** lists the rest.
Bank accounts	Each bank and card account with its balance and the last month reconciled.
Below that	Six months of cash in and out, invoices to collect, bills to pay, the measures for your industry (Section 6), a small **Thinking about a loan?** card (Section 28), and recent activity.

As of, beside the company name, shows the books on any date: choose **Last month-end**, **Last quarter-end** or **Last year-end**, or type a date. The four numbers, the statements, the chart of accounts, the bank balances and the cash chart all move to that date, and a gold bar says so. Needs your attention and the open invoices and bills stay on today, because they are about what to do now. **Back to today** returns.



Home as of the last quarter-end, with the gold bar and Back to today.

Consolidating balance sheet

As of 09/26/2026

Full report

	RIVERBEND SUPPLY CO. (SAMPLE)	RIVERBEND PROPERTIES LLC (SAMPLE)	ELIMINATIONS	CONSOLIDATED
Cash and bank	8,265.00	36,020.00		44,285.00
Accounts receivable	22,030.00	0.00		22,030.00
Inventory	18,600.00	0.00		18,600.00
Fixed assets, net	32,000.00	410,000.00		442,000.00
Other assets	20,000.00	0.00	(20,000.00)	0.00
Total assets	100,895.00	446,020.00	(20,000.00)	526,915.00
Accounts payable	8,442.50	0.00		8,442.50
Credit cards	607.45	0.00		607.45
Other current liabilities	0.00	20,000.00	(20,000.00)	0.00
Long-term debt	24,000.00	290,000.00		314,000.00
Total liabilities	33,049.95	310,000.00	(20,000.00)	323,049.95
Owners' equity	74,850.00	132,500.00		207,350.00
Retained earnings and net income	(7,004.95)	3,520.00		(3,484.95)
Total liabilities and equity	100,895.00	446,020.00	(20,000.00)	526,915.00

Click a company name to open its books. Eliminations remove amounts the companies owe or charge each other.

The consolidating balance sheet on Home: each company in its own column, then eliminations and the consolidated total.

Consolidating profit and loss

Full report | Trial balance | General ledger

Fiscal year to date, 01/01/2026 to 09/26/2026

	RIVERBEND SUPPLY CO. (SAMPLE)	RIVERBEND PROPERTIES LLC (SAMPLE)	ELIMINATIONS	CONSOLIDATED
Income	41,430.00	7,500.00	(7,500.00)	41,430.00
Cost of goods sold	(21,050.00)	0.00		(21,050.00)
Gross profit	20,380.00	7,500.00	(7,500.00)	20,380.00
Operating expenses	(27,384.95)	(2,100.00)	7,500.00	(21,984.95)
Operating income	(7,004.95)	5,400.00		(1,604.95)
Other income and expense, net	0.00	(1,880.00)		(1,880.00)
Net income	(7,004.95)	3,520.00		(3,484.95)

The consolidating profit and loss for the fiscal year to date. Intercompany rent is eliminated.

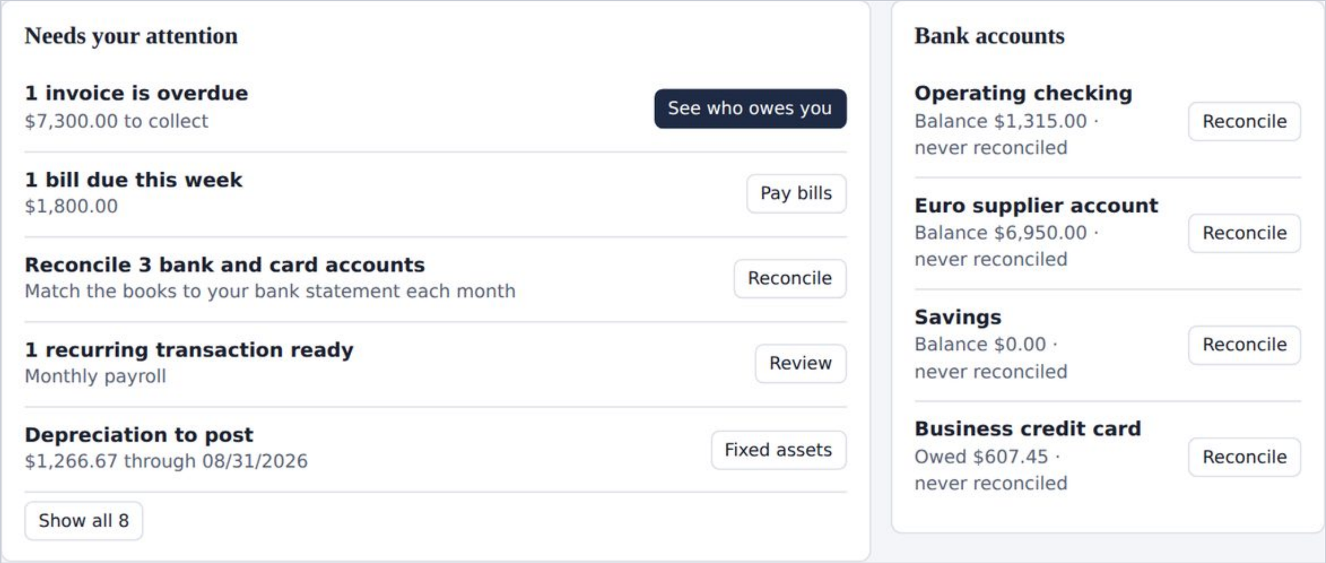
Chart of accounts

All 44 accounts

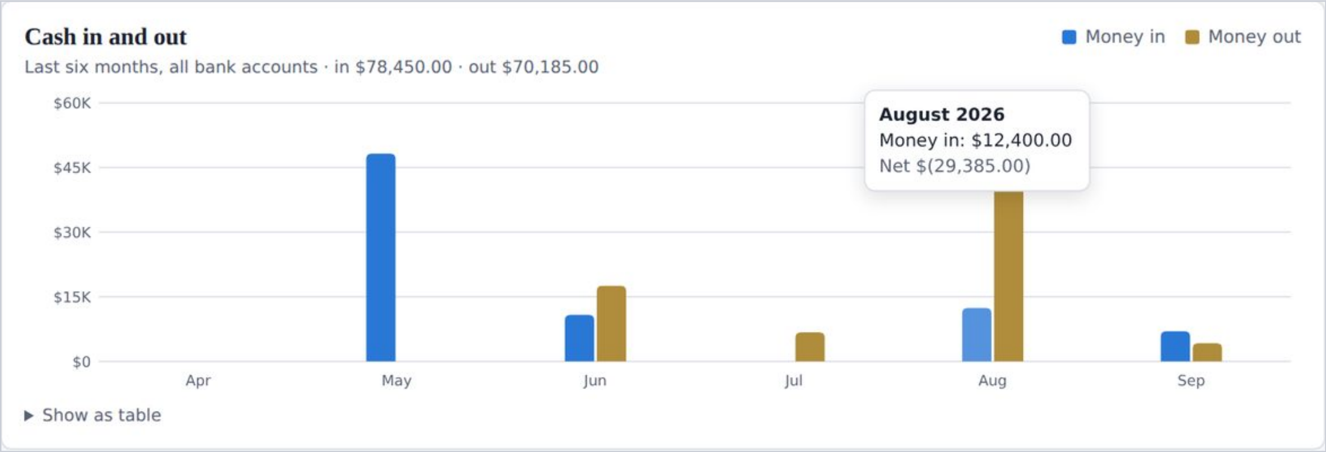
Accounts with a balance: balance sheet accounts as of 09/26/2026; income and expenses for the fiscal year to date. Click an amount for that account's ledger.

ACCOUNT	RIVERBEND SUPPLY CO. (SAMPLE)	RIVERBEND PROPERTIES LLC (SAMPLE)	ELIMINATIONS	CONSOLIDATED
ASSETS				
1000 Operating checking	1,315.00	36,020.00		37,335.00
1020 Euro supplier account	6,950.00	—		6,950.00
1200 Accounts receivable	22,030.00	0.00		22,030.00
1300 Inventory	18,600.00	0.00		18,600.00
1500 Equipment	32,000.00	410,000.00		442,000.00
1900 Due from Riverbend Properties LLC (sample)	20,000.00	—	(20,000.00)	0.00
LIABILITIES				
2000 Accounts payable	8,442.50	0.00		8,442.50
2100 Business credit card	607.45	0.00		607.45

The chart of accounts with balances by company. Click an amount for its ledger.



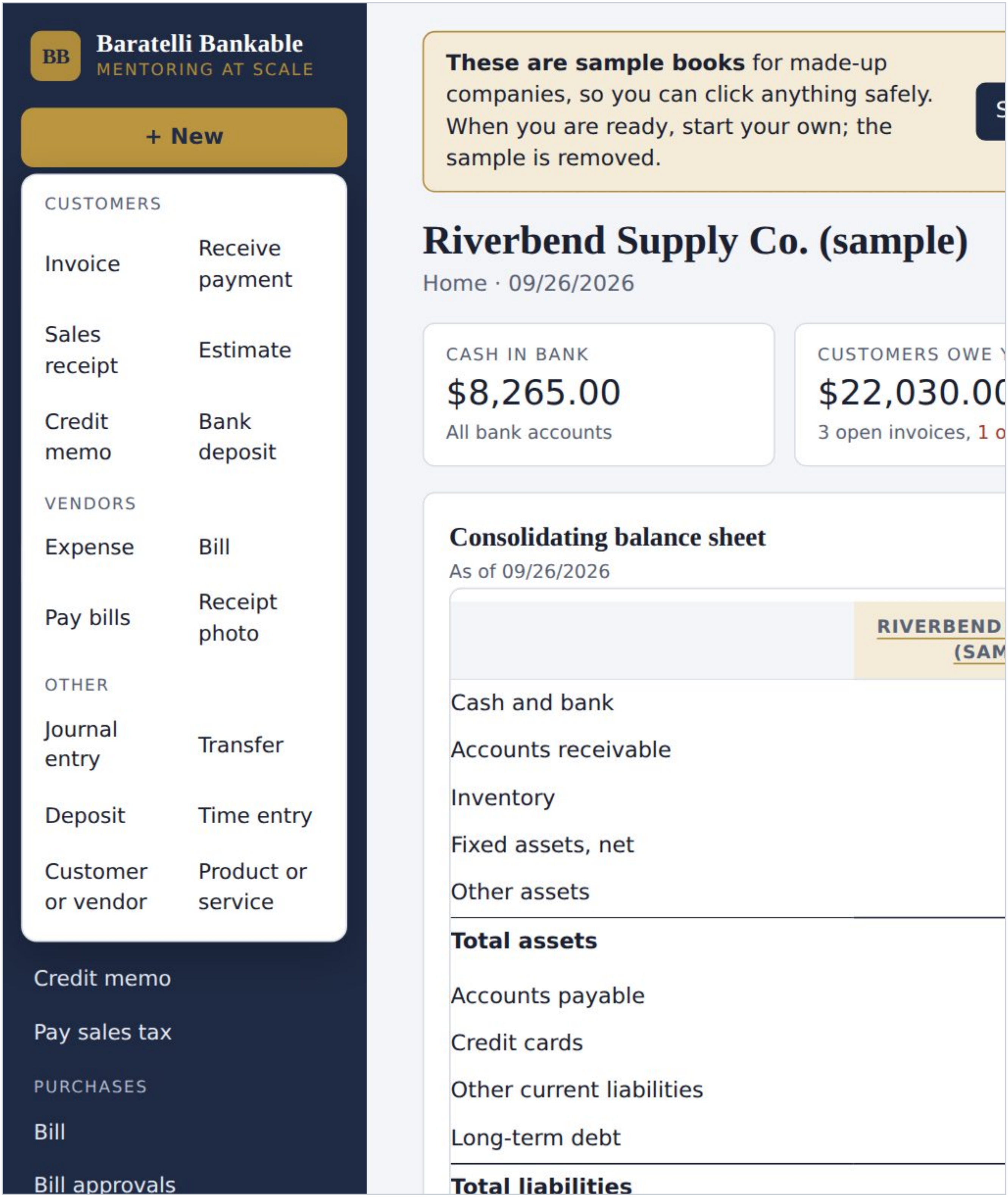
Needs your attention, most urgent first, beside your bank accounts and when each was last reconciled.



Cash in and out for six months. Pointing at a bar shows the month, the amount and the net.

The + New button

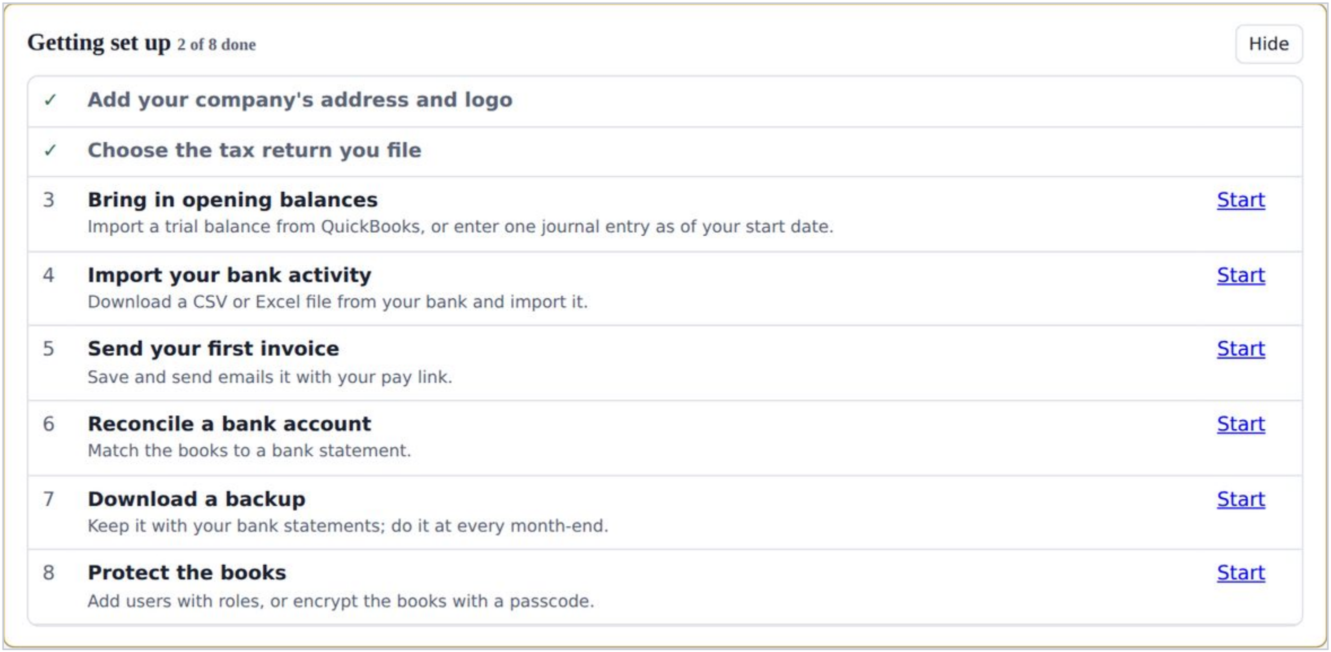
The gold **+ New** button at the top of the menu creates anything from any screen, like the New button in QuickBooks: invoices, payments, sales receipts, estimates, credit memos and deposits for customers; expenses, bills, bill payments and receipt photos for vendors; and journal entries, transfers, time, customers, vendors and products. Press Esc to close it.



The + New menu, grouped by customers, vendors and other.

Getting set up

New books show a **Getting set up** checklist on Home: the address and logo, the tax return you file, opening balances, the first bank import, the first invoice, the first reconciliation, a backup, and users or a passcode. Each step ticks itself off when it is done, and **Start** opens the screen for the next one. **Hide** puts the list away.



Getting set up: two steps done, six to go, each with a Start link.

Adding companies

In **Settings & backups**, type a name under **Add a company** and choose its industry. Each company has its own chart of accounts, products, fixed assets, closing date and transactions; customers, vendors, classes and documents are shared. Switch companies with the **Company** menu at the top left. With two or more companies, the same menu offers **All companies (consolidated)** for Home and reports.

Setting up a family office

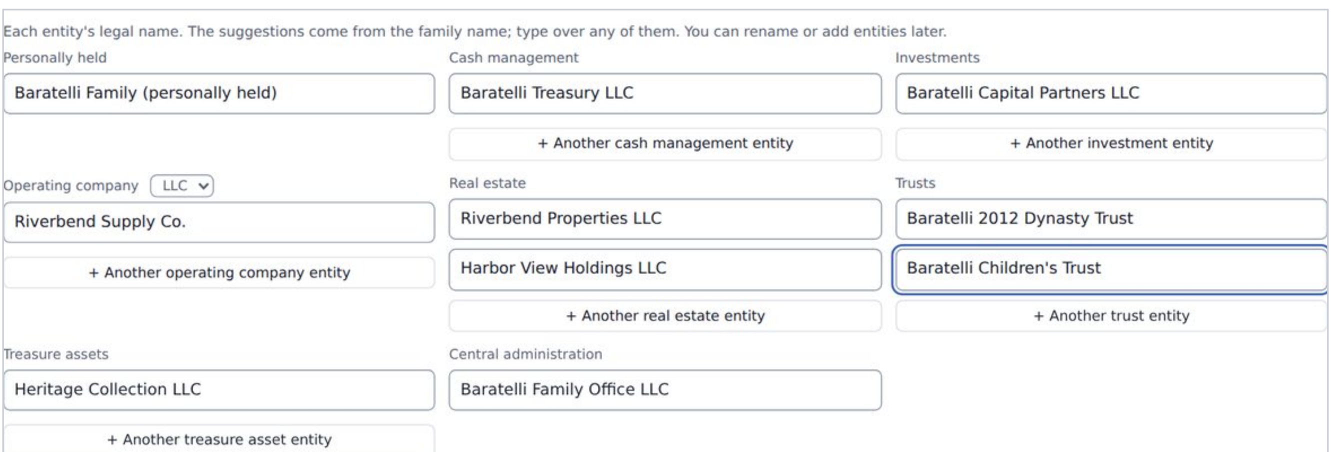
A family office keeps several entities and what the family holds personally, and reads them side by side. In **Settings & backups**, under **Start your own books**, choose **Set up: A family office** (or **Set up a family office** on the sample books), type the family name, choose the operating company's industry and the fiscal year, and type each entity's legal name (Baratelli Bankable suggests names from the family name; type over any of them, and choose LLC or Inc. for the operating company). Then start. Baratelli Bankable creates eight sets of books, each with its own chart of accounts and with intercompany accounts between every pair. The columns read left to right the way a balance sheet reads top to bottom: what the family holds personally, then cash, investments, the operating company, real estate, the trusts, treasure assets and the office itself.

Group	Chart of accounts	What it holds
Personally held	Personally held	What family members own and owe directly, outside any company: homes, personal and retirement accounts, vehicles, mortgages
Cash management	Cash management and treasury	Concentration account, money market, Treasury bills, loans to family entities, line of credit, margin line of credit
Investments	Family office / holding company	Securities, funds, private equity, dividends and gains
Operating company	The industry you choose	The family business
Real estate	Real estate rental	Buildings, land, tenants, rents and mortgages

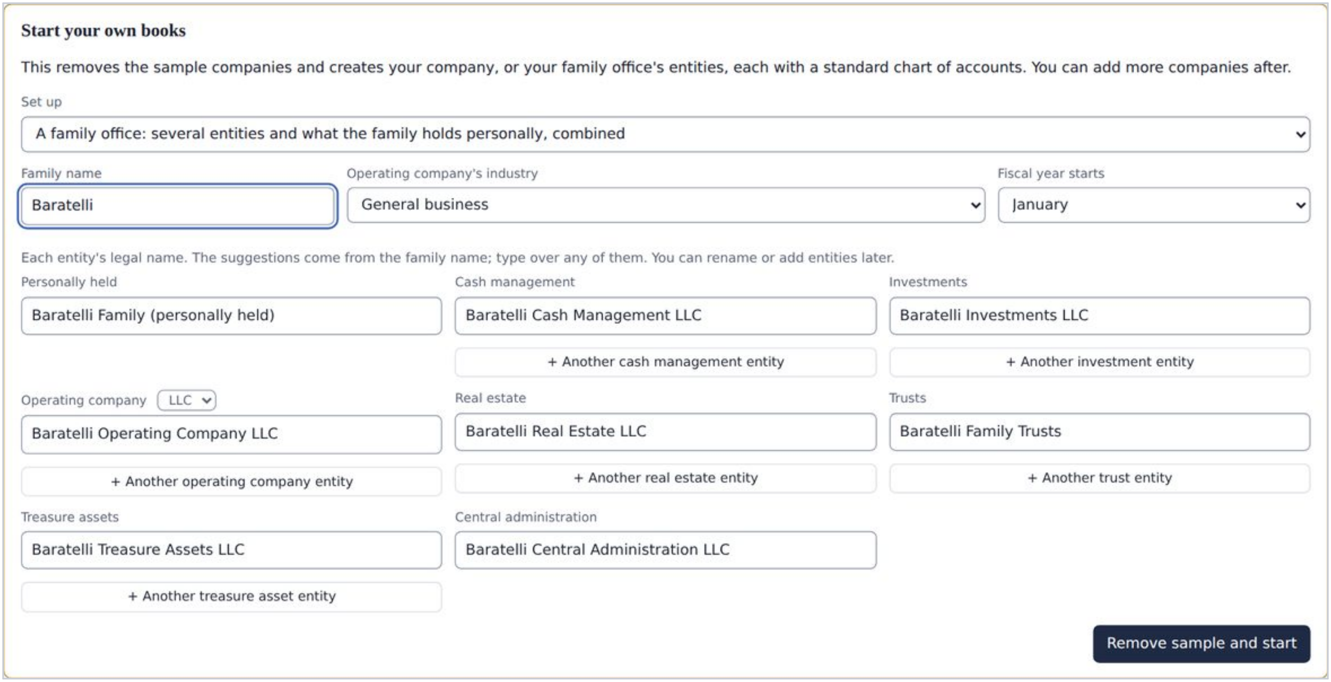
Group	Chart of accounts	What it holds
Trusts	Trust or estate	Trust investments, interests in family entities, corpus, beneficiary distributions, fiduciary tax
Treasure assets	Treasure assets	Art, jewelry, wine, collector cars, coins, with insurance, storage and appraisal
Central administration	Family office / holding company	The office itself: staff, advisers, management fees charged to the entities

Home then opens on **Everything (combined)**: a **combining balance sheet** and **combining profit and loss**. Each column carries a company's name, with its group above it; companies in the same group sit side by side under one heading. Then come **Eliminations** for amounts they owe or charge each other, and **Combined**. To add another company (a second property LLC, another trust), use **Add a company** in Settings and choose its **Family office column**; to rename an entity or move it to another group, open it and use **Rename**. The **Family office statement** (Section 22) adds fair market values.

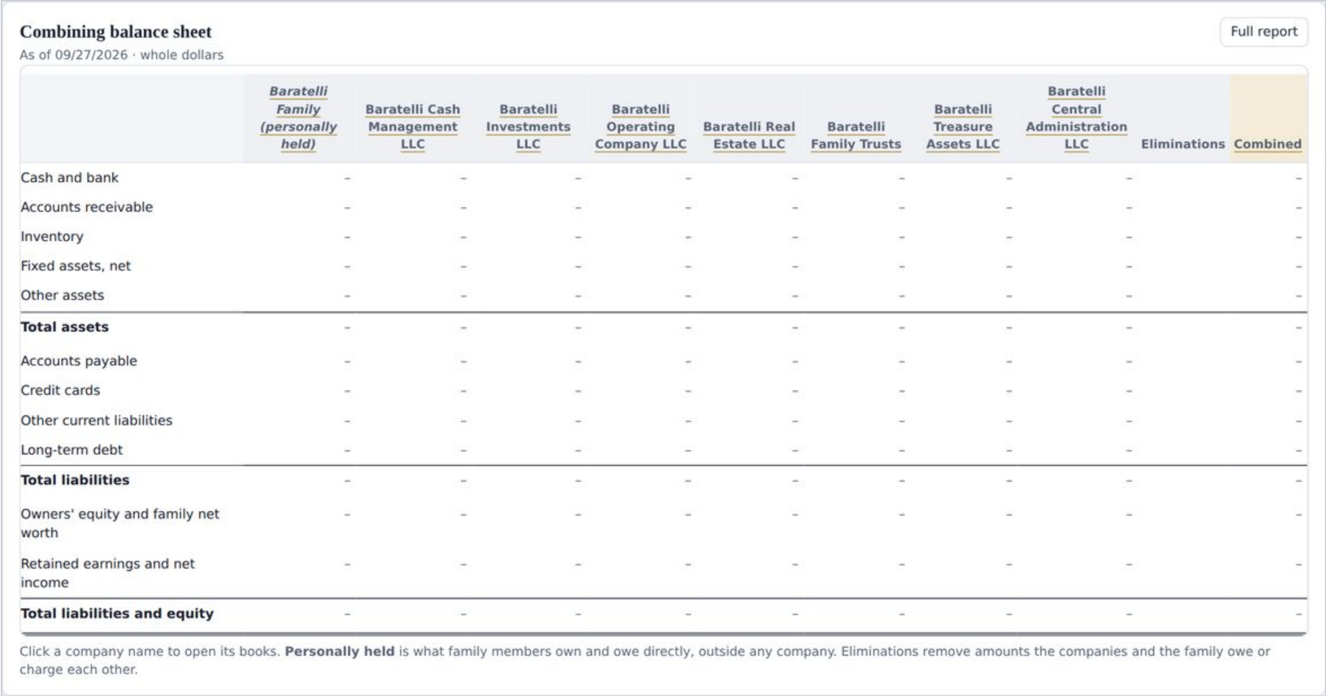
More than one entity under a heading. Families often hold each property in its own LLC, or have several trusts. On the setup screen, **+ Another real estate entity** (and the same under Cash management, Investments, Operating company, Trusts and Treasure assets) adds a line for each one; type its legal name and it is created with that heading. Later, add one in **Settings & backups** under **Add a company** and choose its **Family office column**, or give an existing company a heading when you rename it. Every company under the same heading sits side by side, followed by the heading's total.



A second property company and a second trust added on the setup screen with + Another.



Starting a family office: the family name, the operating company's industry, the fiscal year and each entity's legal name.



Combining balance sheet

As of 09/27/2026 · whole dollars

Full report

	Baratelli Family (personally held)	Baratelli Cash Management LLC	Baratelli Investments LLC	Baratelli Operating Company LLC	Baratelli Real Estate LLC	Baratelli Family Trusts	Baratelli Treasure Assets LLC	Baratelli Central Administration LLC	Eliminations	Combined
Cash and bank	–	–	–	–	–	–	–	–		–
Accounts receivable	–	–	–	–	–	–	–	–		–
Inventory	–	–	–	–	–	–	–	–		–
Fixed assets, net	–	–	–	–	–	–	–	–		–
Other assets	–	–	–	–	–	–	–	–		–
Total assets	–	–	–	–	–	–	–	–		–
Accounts payable	–	–	–	–	–	–	–	–		–
Credit cards	–	–	–	–	–	–	–	–		–
Other current liabilities	–	–	–	–	–	–	–	–		–
Long-term debt	–	–	–	–	–	–	–	–		–
Total liabilities	–	–	–	–	–	–	–	–		–
Owners' equity and family net worth	–	–	–	–	–	–	–	–		–
Retained earnings and net income	–	–	–	–	–	–	–	–		–
Total liabilities and equity	–	–	–	–	–	–	–	–		–

Click a company name to open its books. **Personally held** is what family members own and owe directly, outside any company. Eliminations remove amounts the companies and the family owe or charge each other.

A new family office on Home with the suggested names: each column is a company, then eliminations and combined, ready for the first entries.

A gold heading appears over a column when it tells the reader something the company name does not: what kind of entity *Riverbend Supply Co.* or *Heritage Collection LLC* is, or that two property companies belong together under **Real estate**. Where the name already says it, the heading is left off. When a heading covers two or more companies, such as several LLCs that each own a property, a **total** column follows them: *Real estate, total* shows the family's whole real estate position at a glance, with anything those companies owe each other eliminated, and *Trusts, total* does the same for the trusts. The group totals are for reading; the Combined column adds each company once. Choose a company's heading in Settings & backups (Family office column).

Combining balance sheet
As of 09/27/2026 · whole dollars

Full report

		Cash management	Investments	Operating company	Real estate			Trusts			Treasure assets	Central administration		
	Baratelli Family (personally held)	Baratelli Treasury LLC	Baratelli Capital Partners LLC	Riverbend Supply Co.	Riverbend Properties LLC	Harbor View Holdings LLC	Real estate, total	Baratelli 2012 Dynasty Trust	Baratelli Children's Trust	Trusts, total	Heritage Collection LLC	Baratelli Family Office LLC	Eliminations	Combined
Cash and bank	–	–	–	–	–	–	–	–	–	–	–	–		–
Accounts receivable	–	–	–	–	–	–	–	–	–	–	–	–		–
Inventory	–	–	–	–	–	–	–	–	–	–	–	–		–
Fixed assets, net	–	–	–	–	–	–	–	–	–	–	–	–		–
Other assets	–	–	–	–	–	–	–	–	–	–	–	–		–
Total assets	–	–	–	–	–	–	–	–	–	–	–	–		–
Accounts payable	–	–	–	–	–	–	–	–	–	–	–	–		–
Credit cards	–	–	–	–	–	–	–	–	–	–	–	–		–
Other current liabilities	–	–	–	–	–	–	–	–	–	–	–	–		–
Long-term debt	–	–	–	–	–	–	–	–	–	–	–	–		–
Total liabilities	–	–	–	–	–	–	–	–	–	–	–	–		–
Owners' equity and family net worth	–	–	–	–	–	–	–	–	–	–	–	–		–
Retained earnings and net income	–	–	–	–	–	–	–	–	–	–	–	–		–
Total liabilities and equity	–	–	–	–	–	–	–	–	–	–	–	–		–

Click a company name to open its books. **Personally held** is what family members own and owe directly, outside any company. Eliminations remove amounts the companies and the family owe or charge each other.

The same family office with real names, a second property company and a second trust: each gold heading groups its companies and adds a total.

To see a family office filled in before you set up your own, choose **Explore a sample family office** on the sample books. It opens the Baratellis, the family that owns the two Riverbend companies: the family's own assets and debts, a treasury company, an investment partnership, Riverbend Supply Co., two property companies (Riverbend Properties LLC and Harbor View Holdings LLC), two trusts, a collection company and the family office itself, with nine months of activity. The $1.5 million loan from the treasury company to buy Harbor View, the management fees each entity pays the family office and the distributions to the family are all eliminated, so you can watch the combining statements work. Statements this wide show whole dollars. **Back to the business sample** returns.

Combining balance sheet

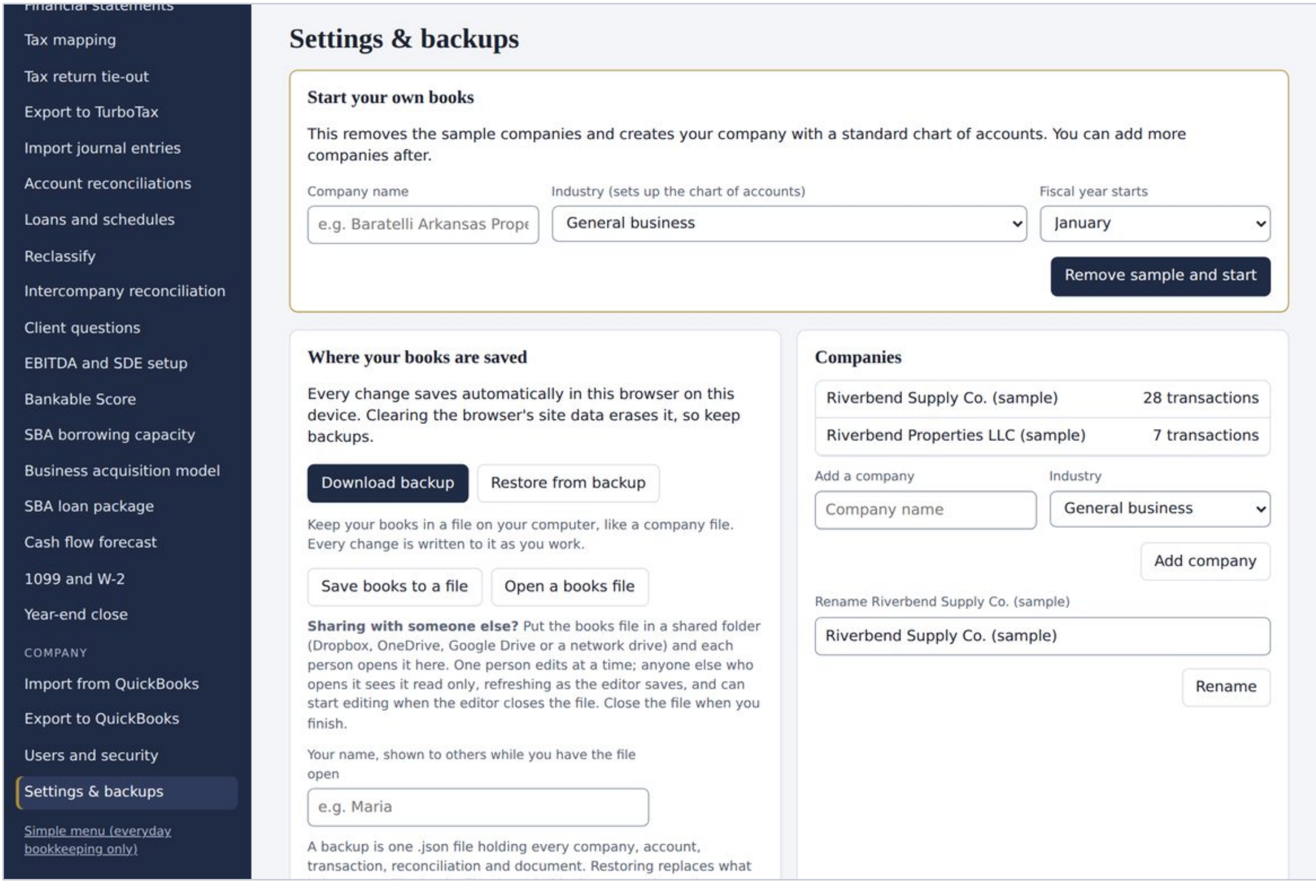
Full report

As of 09/27/2026 · whole dollars

		Cash management	Investments	Operating company	Real estate			Trusts			Treasure assets	Central administration		
	Baratelli Family (personally held)	Baratelli Treasury LLC	Baratelli Capital Partners LLC	Riverbend Supply Co.	Riverbend Properties LLC	Harbor View Holdings LLC	Real estate, total	Baratelli 2012 Dynasty Trust	Baratelli Children's Trust	Trusts, total	Heritage Collection LLC	Baratelli Family Office LLC	Eliminations	Combined
Cash and bank	256,100	5,186,300	752,500	633,500	294,185	249,240	**543,425**	–	–	–	13,450	231,500		7,616,775
Accounts receivable	–	–	–	202,400	2,740	1,060	**3,800**	–	–	–	–	–		206,200
Inventory	–	–	–	1,578,000	–	–	–	–	–	–	–	–		1,578,000
Fixed assets, net	2,540,000	–	–	540,000	4,000,000	4,500,000	**8,500,000**	–	–	–	–	–		11,580,000
Other assets	1,240,000	6,500,000	15,500,000	–	–	–	–	6,193,500	1,858,050	**8,051,550**	290,300	–	(1,500,000)	30,081,850
Total assets	4,036,100	11,686,300	16,252,500	2,953,900	4,296,925	4,750,300	**9,047,225**	6,193,500	1,858,050	**8,051,550**	303,750	231,500	(1,500,000)	51,062,825
Accounts payable	–	–	–	137,400	–	–	–	–	–	–	28,500	–		165,900
Other current liabilities	45,000	–	–	–	45,000	1,500,000	**1,545,000**	–	–	–	–	–	(1,500,000)	90,000
Long-term debt	1,063,100	–	–	500,000	2,100,000	3,100,000	**5,200,000**	–	–	–	–	–		6,763,100
Total liabilities	1,108,100	–	–	637,400	2,145,000	4,600,000	**6,745,000**	–	–	–	28,500	–	(1,500,000)	7,019,000
Owners' equity and family net worth	2,865,000	11,500,000	15,900,000	1,660,000	2,000,000	–	**2,000,000**	6,000,000	1,800,000	**7,800,000**	301,800	260,000	450,000	42,736,800
Retained earnings and net income	63,000	186,300	352,500	656,500	151,925	150,300	**302,225**	193,500	58,050	**251,550**	(26,550)	(28,500)	(450,000)	1,307,025
Total liabilities and equity	4,036,100	11,686,300	16,252,500	2,953,900	4,296,925	4,750,300	**9,047,225**	6,193,500	1,858,050	**8,051,550**	303,750	231,500	(1,500,000)	51,062,825

Click a company name to open its books. **Personally held** is what family members own and owe directly, outside any company. Eliminations remove amounts the companies and the family owe or charge each other.

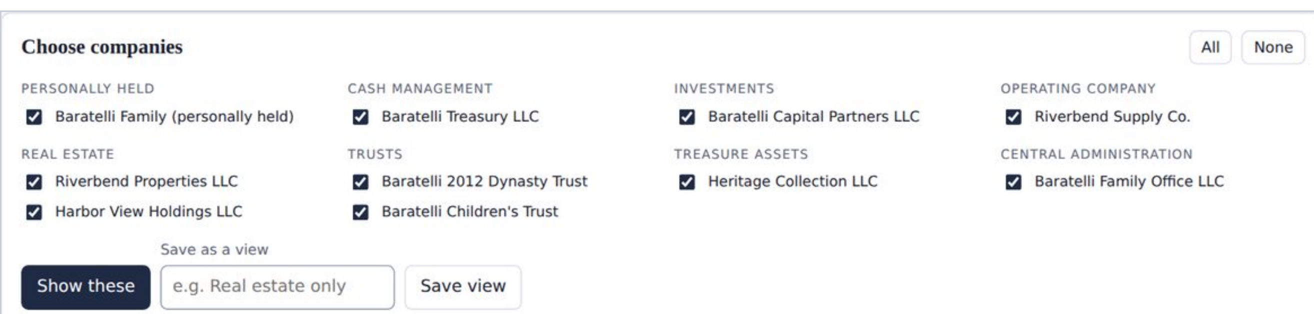
The Baratelli family office: ten companies in balance-sheet order, real estate and trusts totaled, the loan eliminated, $51.1 million combined.



Settings & backups: start your own books, save and restore, add companies by industry, company details, closing date.

Choosing which companies to combine, and saved views

On Home, **Choose companies** ticks the companies to combine: the operating company and the real estate for a lender, say, or only the trusts. Every combining statement, the consolidating reports and the four numbers follow the choice, with eliminations only between the companies chosen. **Save view** names the choice; saved views then appear in the Company menu under Everything (combined), one click away. **All** ticks every company again.



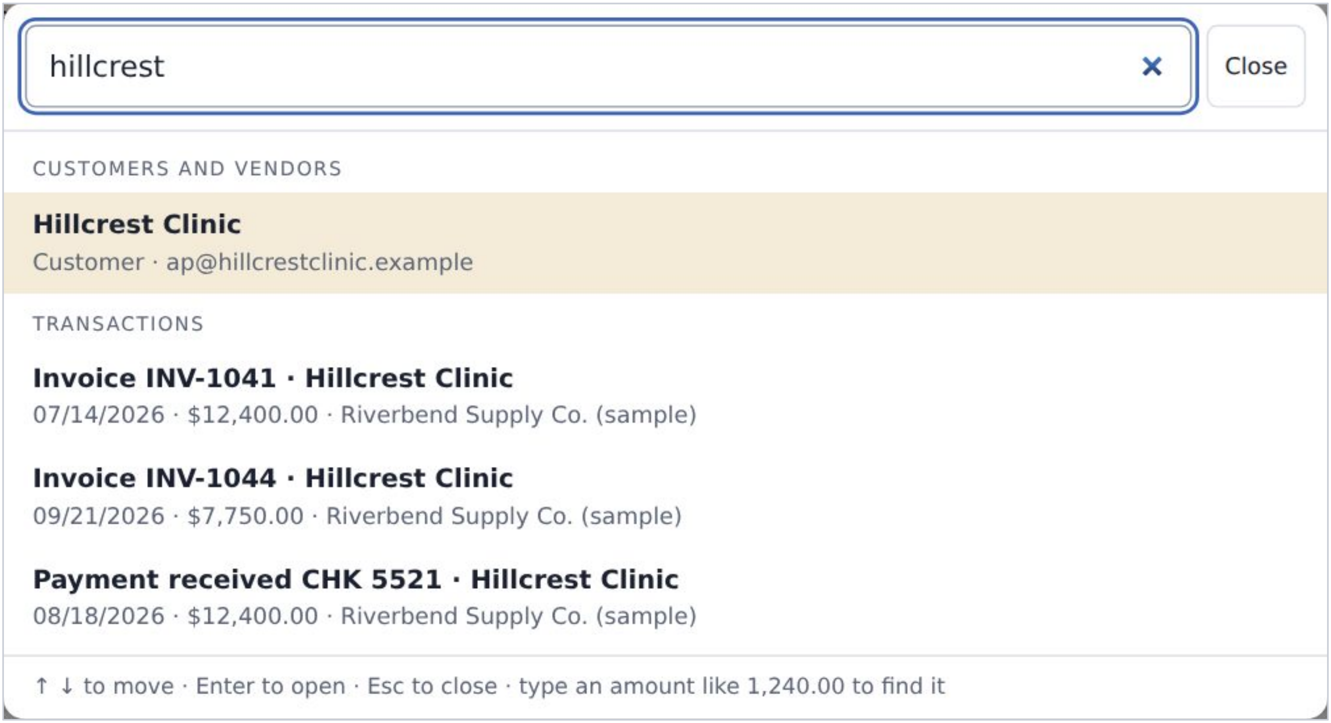
Choose companies: the Baratelli entities by group. Untick any, then Show these, or name the choice and Save view.

Companies with different fiscal years

Each company keeps its own fiscal year (Company details). When companies with different year-ends are combined, **year to date** figures add each company's own year to date, and Home says so under the profit and loss. Balance sheets are always as of the same date for every company.

Search from anywhere

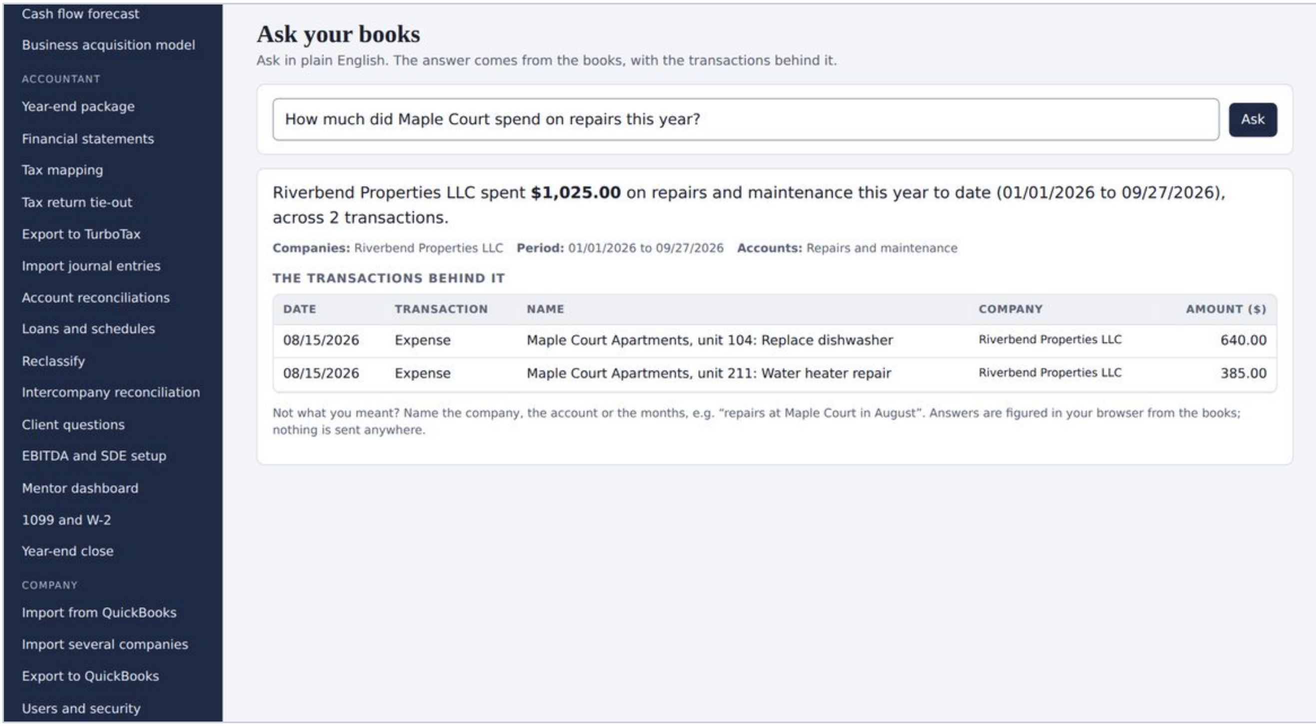
Press / on any screen, or choose **Search** at the top of the menu, and type. Baratelli Bankable searches every company at once: screens, companies, customers and vendors, accounts, transactions, products, fixed assets, holdings and documents. Type an amount such as **1,240.00** to find the transaction with it. Use the arrow keys and Enter, or click, to open a result.



Search: typing a name finds the customer and every invoice and payment with it, with the company each is in.

Ask your books

Ask your books, second in the menu, answers questions in plain English: *How much did Maple Court spend on repairs this year? Who owes us money? What was our net income last year? How much cash do we have?* The answer names the companies, the period and the accounts it used, compares with the period before, and lists the transactions behind it; click one to open it. Name a company, a property, a customer or vendor, an account or a period (last month, Q2, in March, last year, the last twelve months) to narrow it. A question typed in Search (/) offers the same answer.



Ask your books: repairs at Maple Court this year, with the two transactions behind the answer.

Your companies spent **$5,903,375.00** in total expenses this year to date (01/01/2026 to 09/27/2026), across 73 transactions.

Companies: All shown **Period:** 01/01/2026 to 09/27/2026

VENDOR OR ACCOUNT	AMOUNT ($)
Cost of goods sold	3,582,000.00
Wages	1,048,500.00
Rent	298,800.00
Household and living expenses	252,000.00
Personal income taxes	135,000.00
Freight out	127,800.00
Property taxes	116,235.00
Mortgage interest	90,405.00
Payroll taxes	74,700.00
Property insurance	51,660.00
Trustee fees	29,250.00
Keller CPA Group	27,000.00
Hartwell & Lane LLP	19,500.00
Collection insurance	18,900.00
Software and subscriptions	11,700.00

THE TRANSACTIONS BEHIND IT (LARGEST 12 OF 73)

DATE	TRANSACTION	NAME	COMPANY	AMOUNT ($)
01/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
02/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
03/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
04/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
05/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
06/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
07/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
08/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
09/15/2026	Journal entry J	Cost of goods sold and operating costs	Riverbend Supply Co.	540,500.00
03/15/2026	Journal entry J	Estimated income taxes accrued for the quarter	Baratelli Family (personally held)	45,000.00
06/15/2026	Journal entry J	Estimated income taxes accrued for the quarter	Baratelli Family (personally held)	45,000.00
09/15/2026	Journal entry J	Estimated income taxes accrued for the quarter	Baratelli Family (personally held)	45,000.00

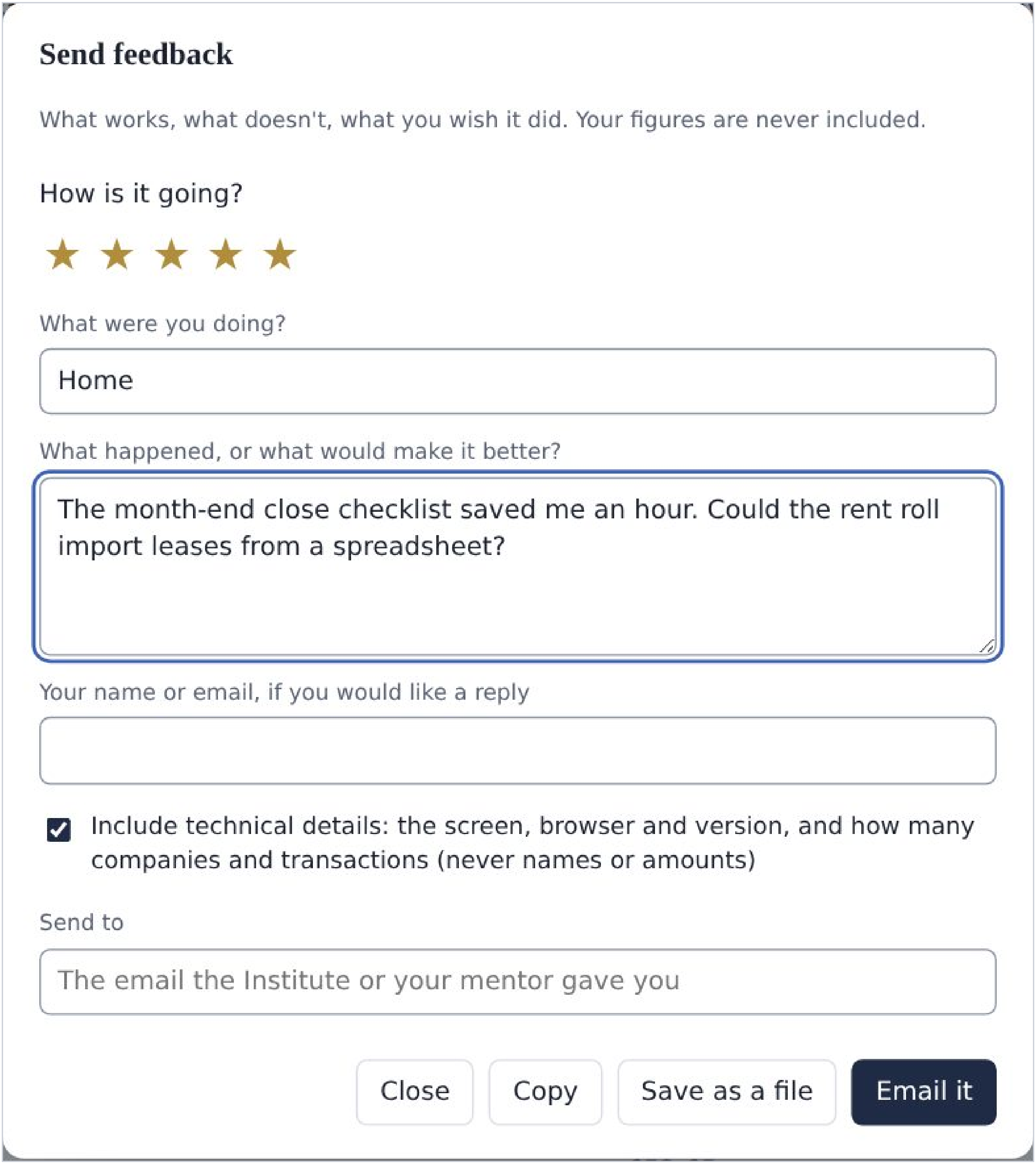
Not what you meant? Name the company, the account or the months, e.g. “repairs at Maple Court in August”. Answers are figured in your browser from the books; nothing is sent anywhere.

The biggest expenses this year, ranked, across every company.

Answers are figured in the browser from the books. In the Claude version, **Ask Claude for a fuller answer** hands the question to Claude, which looks up the figures it needs in these books and adds what an accountant would point out; it uses your own Claude account.

Send feedback

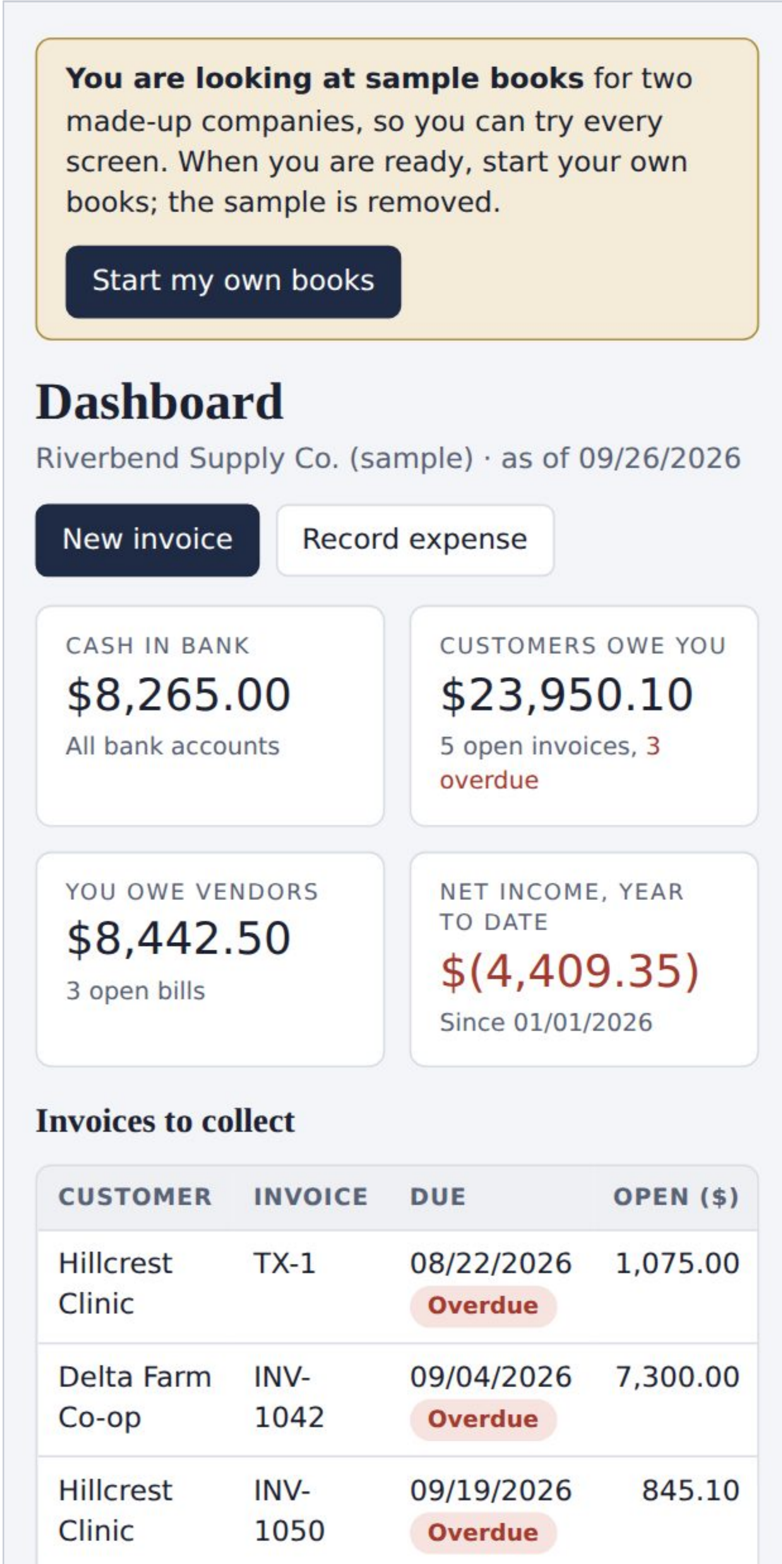
Send feedback, at the bottom of the menu, opens a short form: a rating, what you were doing, and what happened or what would help. **Email it** opens your own email program with the message ready; **Copy** and **Save as a file** work anywhere. The screen, browser and version go with it if you leave the box ticked, never names or amounts.



Send feedback: a rating, what you were doing, and what would help.

The Transactions screen and the menu

Transactions, second in the menu, lists every entry in the company newest first, with filters for type and dates and a search box that finds a name, number, memo or amount. The newest 300 show at once; **Show more** adds the next 300. Click a row, or tab to it and press Enter, to open it; from there you can edit, void, download or email it, make it recurring or ask the client a question about it. Void and open questions show as tags in the list. On a phone, the **Menu** button at the top opens the menu. New books start with the **simple menu** for everyday bookkeeping; the **Menu** choice at the bottom of the menu switches to the full menu with every screen, to the classroom menu, and back. Loans, loan readiness and planning are together in the **Loans and planning** group, after Reports.



On a phone the screen starts with your work; the Menu button opens the menu.

3 · WHERE YOUR BOOKS ARE SAVED, AND SECURITY

Baratelli Bankable runs entirely in the web browser. Nobody needs Claude to use it, and nothing is sent to the Institute's website: the site only delivers the page. Every change saves automatically. The status box under the Company menu tells you where and when: *All changes saved* with the time, *Saving…* while it works, or a red message if something needs your attention.

Where you use it	Where the books are kept	Good to know
baratelliinstitute.com or the downloaded file	Inside that browser on that computer	Clearing the browser's site data erases it. Keep a books file or backups.
Chrome or Edge, with a books file	Also in a books file you choose on your computer	Settings & backups › Save books to a file. Every change is written to the file, like a company file. Open it next time with Open a books file.
The link in your Claude account	Privately in your Claude account	Available on any computer where you are signed in to Claude. Nobody else who opens the page can see your books.

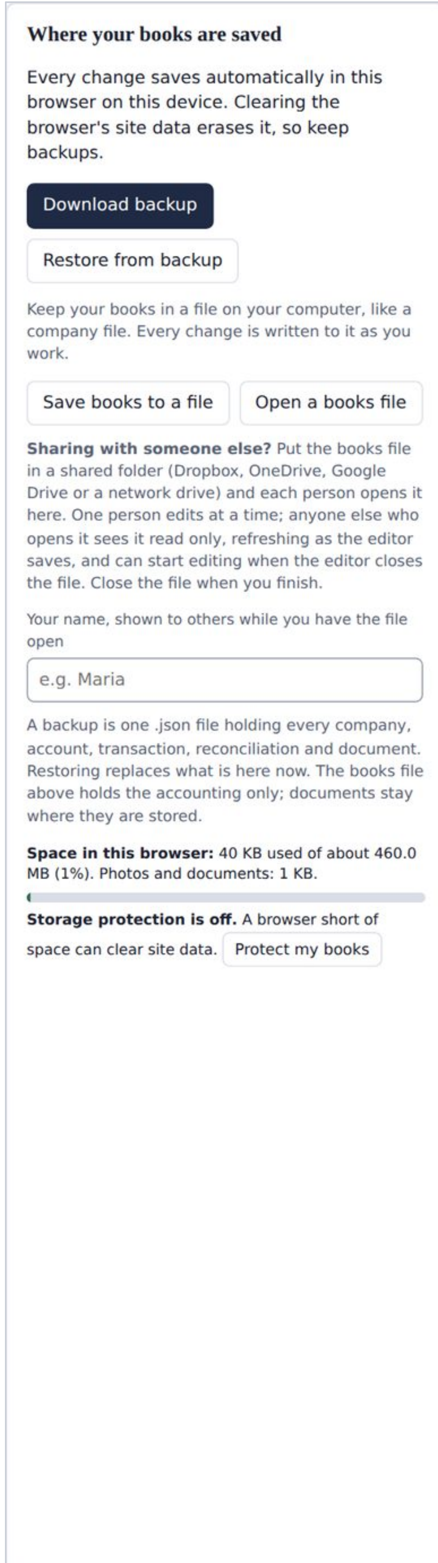
Backups

- **Download backup** saves one .json file with every company, account, transaction, product, fixed asset, reconciliation and document. Keep it with your other records.
- **Restore from backup** replaces what is open now with the backup. Use it to move your books to another computer, or between the website and Claude versions.
- A backup includes the document files themselves. The books file holds the accounting only; documents stay where they are stored.

> *A good habit: download a backup at every month-end close and keep it in the same place as your bank statements.*

Large backups, space in the browser, and reminders

- **Backups with many photos come in parts.** When the photos and documents are large, **Download backup** saves the books with the first files, then further numbered part files (about 120 MB each). Nothing is left out. To restore, choose **Restore from backup** and select all the parts at once; if some are chosen later, Home lists **Photos still to restore** until every part is back.
- **Space in this browser** (Settings & backups › Where your books are saved) shows how much room the books, photos and documents use and how much the browser allows. Above 70% it turns amber and Home says so. A photo too large for the space left is refused with a message, rather than failing part-way.
- **Protect my books** asks the browser never to clear these books to make room. Once it agrees, the card shows **Storage protected**.
- **Backup reminder.** When the last backup is more than seven days old, or there has never been one, Home puts **Back up your books** in Needs your attention, with a button that does it in one click.



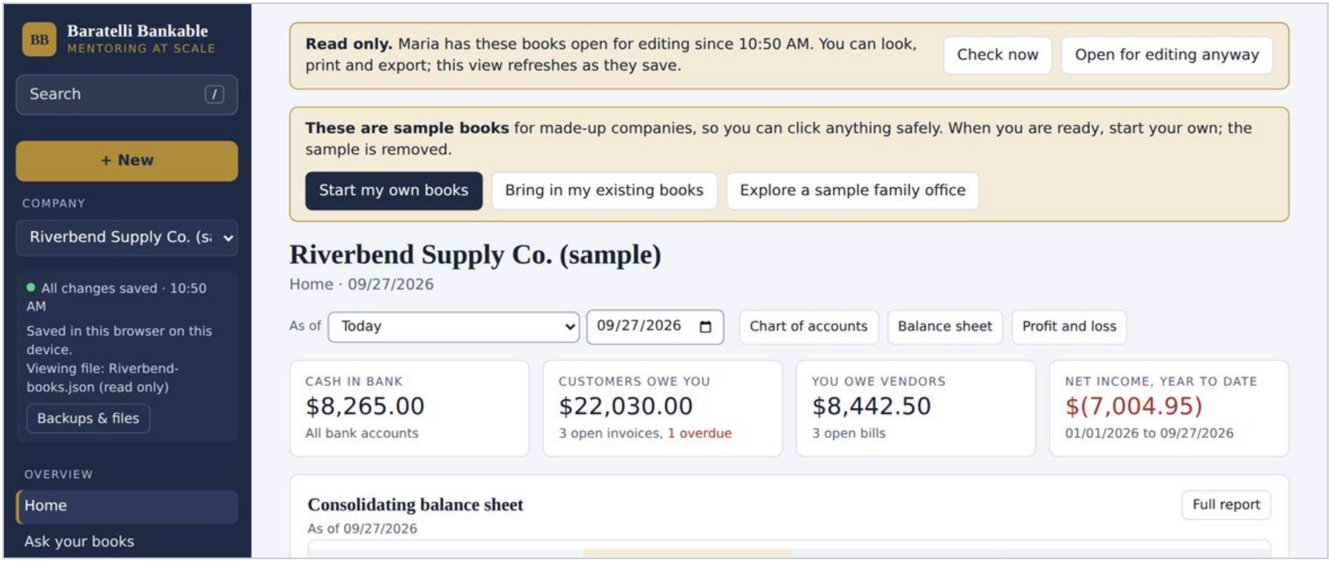
Where your books are saved: the space used in this browser, with Protect my books.

Speed: Home, reports and saving were tested with 25,000 transactions across eight companies (Home in about a quarter of a second, each report under a tenth of a second) and still open quickly at 100,000.

Sharing a books file: one person edits at a time

Two people at different computers, such as an owner and a bookkeeper or a client and a CPA, can share one set of books by keeping the books file in a shared folder: Dropbox, OneDrive, Google Drive or a network drive. It works in Chrome and Edge.

1. The first person chooses **Settings & backups › Save books to a file** and saves it in the shared folder. On the same screen, enter **Your name** so others know who has the books open (with users set up, the sign-in name is used).
2. Anyone else chooses **Open a books file** and picks the same file. While the first person has it open, it opens **read only**: they can look, print and export, and the view refreshes each time the editor saves. Any change they try is refused, with a message saying who has the books.
3. When the editor chooses **Close the books file**, or leaves the program, the file is released. The next person sees that the books are free and chooses **Start editing**.
4. If the editor's computer shut down with the books open, the file frees itself after six minutes. **Open for editing anyway** takes it over sooner, after a warning.



Read only: Maria has the books open, so Sam can look and print while his view refreshes with her saves.

Before every save the program checks that nobody else has changed the file. If someone has, it saves nothing and offers **Reload the file**, so one person's work never overwrites another's. Cloud folders can take a minute to sync, so this is for taking turns, not for typing at the same moment. An encrypted books file stays encrypted; each person enters the passcode when opening it.

Installing it as an app

From baratelliinstitute.com, Baratelli Bankable can be installed like an app: on an iPhone or iPad, Safari › Share › **Add to Home Screen**; on Android, Chrome's menu › **Install app**; on a Windows or Mac computer, the install icon in the Chrome or Edge address bar. It then opens in its own window and works without an internet connection. The books stay in that browser on that device, exactly as before, so keep backups.

Two windows, and if something goes wrong

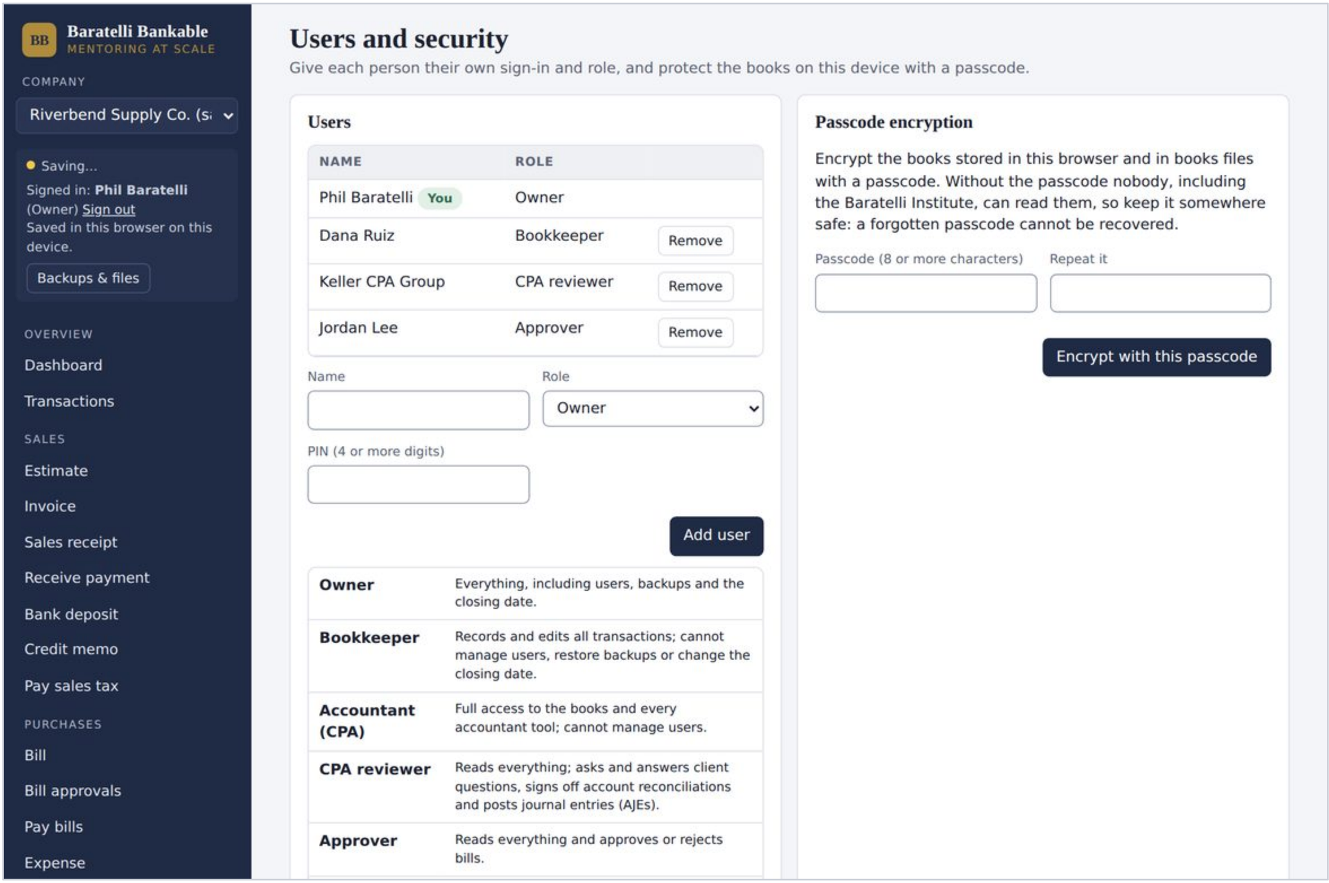
- **Two tabs or windows** with the same books stay in step: a change in one appears in the other. If both change the books at once, the second is stopped with a message to reload rather than overwriting the first.
- **Restoring a backup** asks first and shows what the backup holds. The books that were open are kept aside in the browser as a safety copy. A backup with missing or damaged figures is refused, and the books stay as they were.

- **If the saved books cannot be read**, they are set aside unchanged and a recovery screen offers to download that copy, restore a backup, or continue with the sample. Nothing is overwritten.
- **If a screen cannot be shown**, a message explains and offers a backup; the books are not affected.

Users and roles

Users and security (Company menu) gives each person a sign-in with a PIN and a role. Add yourself as the owner first; from then on everyone signs in, the audit trail records who made each change, and a change a role does not allow is undone with a message. PINs are at least six characters (letters are welcome; a repeated or sequential run of digits is refused) and are stored only as a PBKDF2 hash. Five wrong tries pause that person's sign-in for five minutes. The owner can also turn on **Void only**, so posted transactions are voided rather than deleted; a printed check is always void-only.

Role	Can do
Owner	Everything, including users, backups, restores and the closing date
Bookkeeper	Records and edits all transactions; cannot manage users, restore backups or move the closing date
Accountant (CPA)	Full access to the books and every accountant tool; cannot manage users
CPA reviewer	Reads everything; asks and answers client questions, signs off account reconciliations, posts journal entries (AJEs)
Approver	Reads everything and approves or rejects bills (Section 10)
View only	Reads everything; changes nothing



Users and security: roles for the owner, a bookkeeper, the outside CPA and an approver.

Only the owner can restore a backup; an attempt by anyone else is refused before the file is read and is recorded in the audit trail, as are sign-ins and sign-outs. A restore never quietly removes controls: if the backup has no users, fewer closing dates or no approval rules, the users, the later closing dates, the approval rules and the audit trail of the books being replaced carry over.

Passcode encryption

On the same screen, **Encrypt with this passcode** encrypts the books kept in this browser and in a books file (AES-256, with the key made from your passcode). The passcode is asked for each time the books open, and backups are encrypted with it too. Keep it somewhere safe: without it the books cannot be opened by anyone, including the Baratelli Institute. In your Claude account the books are already private to you.

4 · MOVING FROM QUICKBOOKS

Baratelli Bankable reads the reports QuickBooks exports, in Excel (.xlsx) or CSV. The move takes four steps on the **Import from QuickBooks** screen, for one company at a time. Pick a **conversion date** first: the last day of a month or year you have finished in QuickBooks, usually December 31. Every step uses that date.

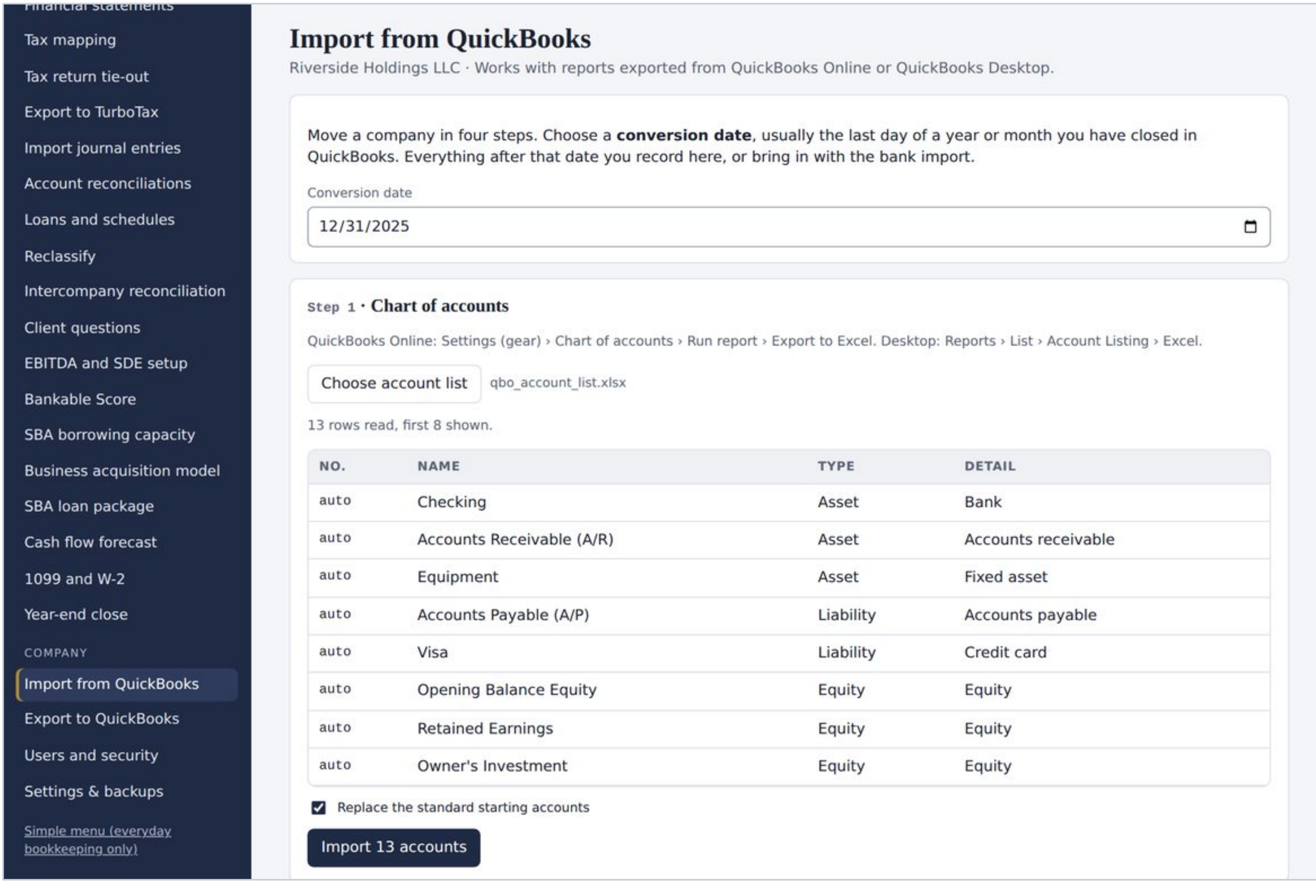
What to export from QuickBooks

Report	QuickBooks Online	QuickBooks Desktop
1 · Chart of accounts	Settings (gear) › Chart of accounts › Run report › Export to Excel	Reports › List › Account Listing › Excel › Create new worksheet
2 · Customers and vendors	Sales › Customers › Export; Expenses › Vendors › Export	Customer Center › Excel › Export Customer List; Vendor Center › Excel › Export Vendor List
3 · Trial balance	Reports › Trial Balance, as of the conversion date, accrual basis › Export to Excel	Reports › Accountant & Taxes › Trial Balance, as of the conversion date › Excel
4 · Open invoices	Reports › Open Invoices, as of the conversion date › Export to Excel	Reports › Customers & Receivables › Open Invoices › Excel
4 · Unpaid bills	Reports › Unpaid Bills, as of the conversion date › Export to Excel	Reports › Vendors & Payables › Unpaid Bills Detail › Excel

QuickBooks menu names differ slightly between versions. Any export with the same columns works, and the title rows and total rows QuickBooks adds are skipped automatically. Reading Excel files needs an internet connection; offline, save the report as CSV in Excel and choose the CSV.

The four steps

1. **Chart of accounts.** Choose the account list. Check the preview, including the type each account maps to. For a new company, leave *Replace the standard starting accounts* checked, then import. Accounts without numbers get numbers in the right range.
2. **Customers and vendors.** Choose whether the file lists customers or vendors, choose the file, import. Repeat for the other list.
3. **Trial balance.** Choose the trial balance. Every line must match an account (the preview shows *Not found* otherwise) and debits must equal credits. Leave *I will import open invoices and bills* checked, then **Create opening entry**. It posts one journal entry dated the conversion date.
4. **Open invoices and unpaid bills.** Choose Open invoices, import the file; then choose Unpaid bills and import that file. Each becomes a real open invoice or bill, with its customer or vendor, number and due date, that you can collect or pay here.



Step 1 preview: each QuickBooks account with the type it maps to, before anything is imported.

Step 3 · **Opening balances from the trial balance**

Run the Trial Balance report in QuickBooks as of the conversion date (Accounting method: Accrual), then export it. It becomes one opening journal entry dated the conversion date.

Choose trial balance qbo_trial_balance.csv

11 rows read.

QUICKBOOKS ACCOUNT	MATCHED TO	DEBIT ($)	CREDIT ($)
Checking	1000 · Checking	25,000.00	
Accounts Receivable (A/R)	1010 · Accounts Receivable (A/R)	4,200.00	
Equipment	1020 · Equipment	15,000.00	
Accounts Payable (A/P)	2000 · Accounts Payable (A/P)		1,300.00
Visa	2010 · Visa		800.00
Owner's Investment	3020 · Owner's Investment		30,000.00
Retained Earnings	3010 · Retained Earnings		5,000.00
Sales	4000 · Sales		20,000.00
Rent Expense	6000 · Rent Expense	9,000.00	
Insurance	6010 · Insurance	2,400.00	
Utilities	6020 · Utilities	1,500.00	

Debits $57,100.00 · Credits $57,100.00 In balance

☑ I will import open invoices and bills in step 4 (recommended: receivables and payables then carry customer and vendor detail)

Create opening entry

Step 3 preview: every trial balance line matched to an account, with debits and credits in balance.

The two checks that prove the move

- **Opening balance equity is zero.** The top of the import screen shows it. The trial balance puts receivables and payables into opening balance equity; the open invoices and bills take them back out. When the totals agree with QuickBooks, it returns to $0.00.
- **The balance sheet matches QuickBooks.** Run the balance sheet here as of the conversion date and compare it with QuickBooks, line by line. Then compare the receivables and payables aging reports.

Move a company in four steps. Choose a **conversion date**, usually the last day of a year or month you have closed in QuickBooks. Everything after that date you record here, or bring in with the bank import.

Conversion date

12/31/2025

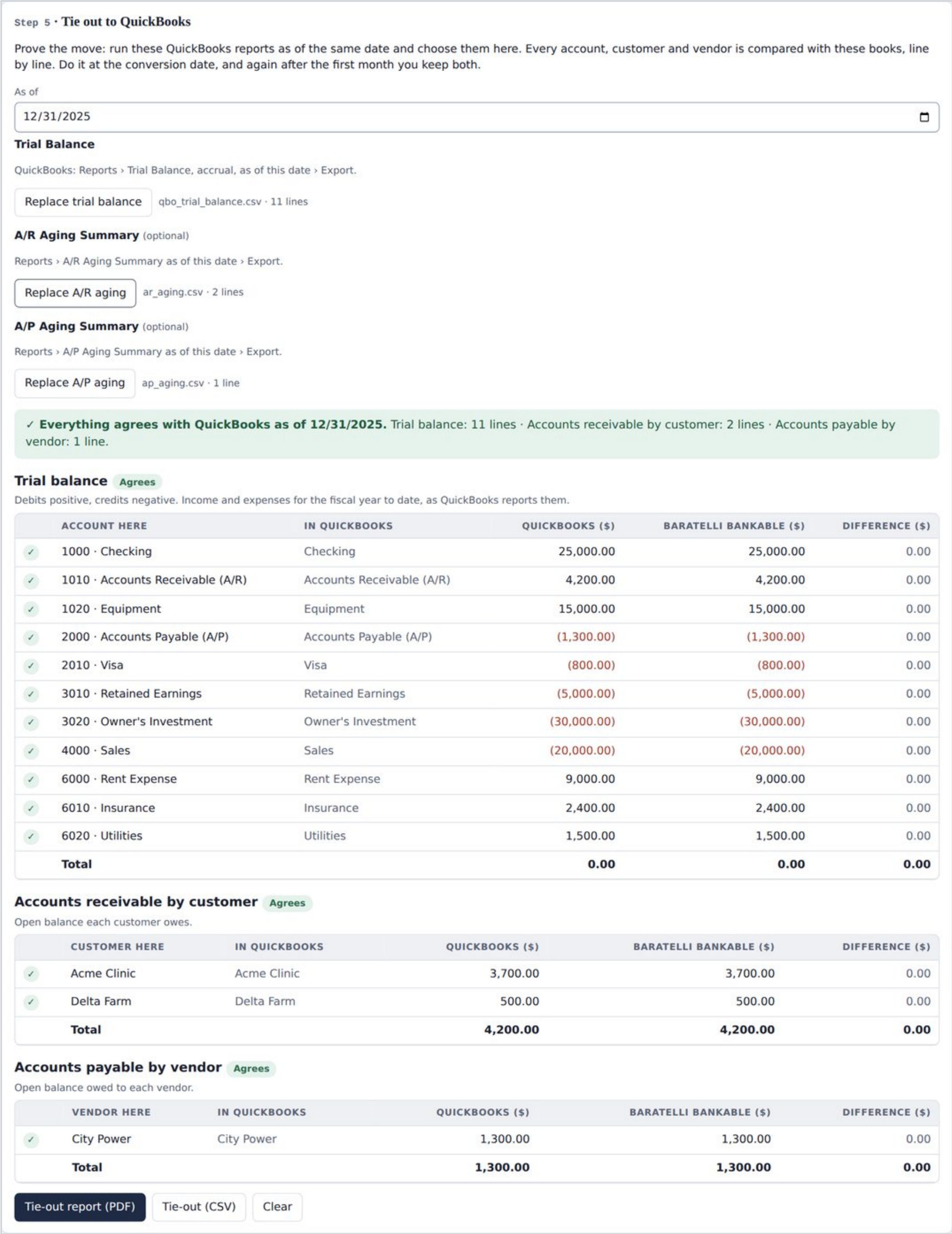
Opening balance equity is **$0.00**. Your trial balance and open invoices and bills agree.

After all four steps: opening balance equity is $0.00, so the trial balance and the open items agree.

Step 5: tie out to QuickBooks

The **Tie out to QuickBooks** step proves the move line by line. Run three reports in QuickBooks as of the same date, the conversion date or any later month-end, and choose them in Step 5: the **Trial Balance** (accrual), and if you like the **A/R Aging Summary** and **A/P Aging Summary**. Every account, customer and vendor is set beside the same figure here, with a green where they agree and a red with the difference where they do not. The trial balance is compared the way QuickBooks reports it: income and expenses for the fiscal year, earlier years in retained earnings.

A difference usually means an account not yet matched, an entry dated after the tie-out date, or an invoice or bill not yet brought in. Fix it and choose the file again. **Tie-out report (PDF)** is the one-page proof for your CPA or lender, and **Tie-out (CSV)** lists every line. Run it again after the first month you keep both sets of books.



Step 5 · **Tie out to QuickBooks**

Prove the move: run these QuickBooks reports as of the same date and choose them here. Every account, customer and vendor is compared with these books, line by line. Do it at the conversion date, and again after the first month you keep both.

As of

12/31/2025

Trial Balance

QuickBooks: Reports › Trial Balance, accrual, as of this date › Export.

Replace trial balance qbo_trial_balance.csv · 11 lines

A/R Aging Summary (optional)

Reports › A/R Aging Summary as of this date › Export.

Replace A/R aging ar_aging.csv · 2 lines

A/P Aging Summary (optional)

Reports › A/P Aging Summary as of this date › Export.

Replace A/P aging ap_aging.csv · 1 line

✓ **Everything agrees with QuickBooks as of 12/31/2025.** Trial balance: 11 lines · Accounts receivable by customer: 2 lines · Accounts payable by vendor: 1 line.

Trial balance Agrees

Debits positive, credits negative. Income and expenses for the fiscal year to date, as QuickBooks reports them.

	ACCOUNT HERE	IN QUICKBOOKS	QUICKBOOKS ($)	BARATELLI BANKABLE ($)	DIFFERENCE ($)
✓	1000 · Checking	Checking	25,000.00	25,000.00	0.00
✓	1010 · Accounts Receivable (A/R)	Accounts Receivable (A/R)	4,200.00	4,200.00	0.00
✓	1020 · Equipment	Equipment	15,000.00	15,000.00	0.00
✓	2000 · Accounts Payable (A/P)	Accounts Payable (A/P)	(1,300.00)	(1,300.00)	0.00
✓	2010 · Visa	Visa	(800.00)	(800.00)	0.00
✓	3010 · Retained Earnings	Retained Earnings	(5,000.00)	(5,000.00)	0.00
✓	3020 · Owner's Investment	Owner's Investment	(30,000.00)	(30,000.00)	0.00
✓	4000 · Sales	Sales	(20,000.00)	(20,000.00)	0.00
✓	6000 · Rent Expense	Rent Expense	9,000.00	9,000.00	0.00
✓	6010 · Insurance	Insurance	2,400.00	2,400.00	0.00
✓	6020 · Utilities	Utilities	1,500.00	1,500.00	0.00
	Total		**0.00**	**0.00**	**0.00**

Accounts receivable by customer Agrees

Open balance each customer owes.

	CUSTOMER HERE	IN QUICKBOOKS	QUICKBOOKS ($)	BARATELLI BANKABLE ($)	DIFFERENCE ($)
✓	Acme Clinic	Acme Clinic	3,700.00	3,700.00	0.00
✓	Delta Farm	Delta Farm	500.00	500.00	0.00
	Total		**4,200.00**	**4,200.00**	**0.00**

Accounts payable by vendor Agrees

Open balance owed to each vendor.

	VENDOR HERE	IN QUICKBOOKS	QUICKBOOKS ($)	BARATELLI BANKABLE ($)	DIFFERENCE ($)
✓	City Power	City Power	1,300.00	1,300.00	0.00
	Total		**1,300.00**	**1,300.00**	**0.00**

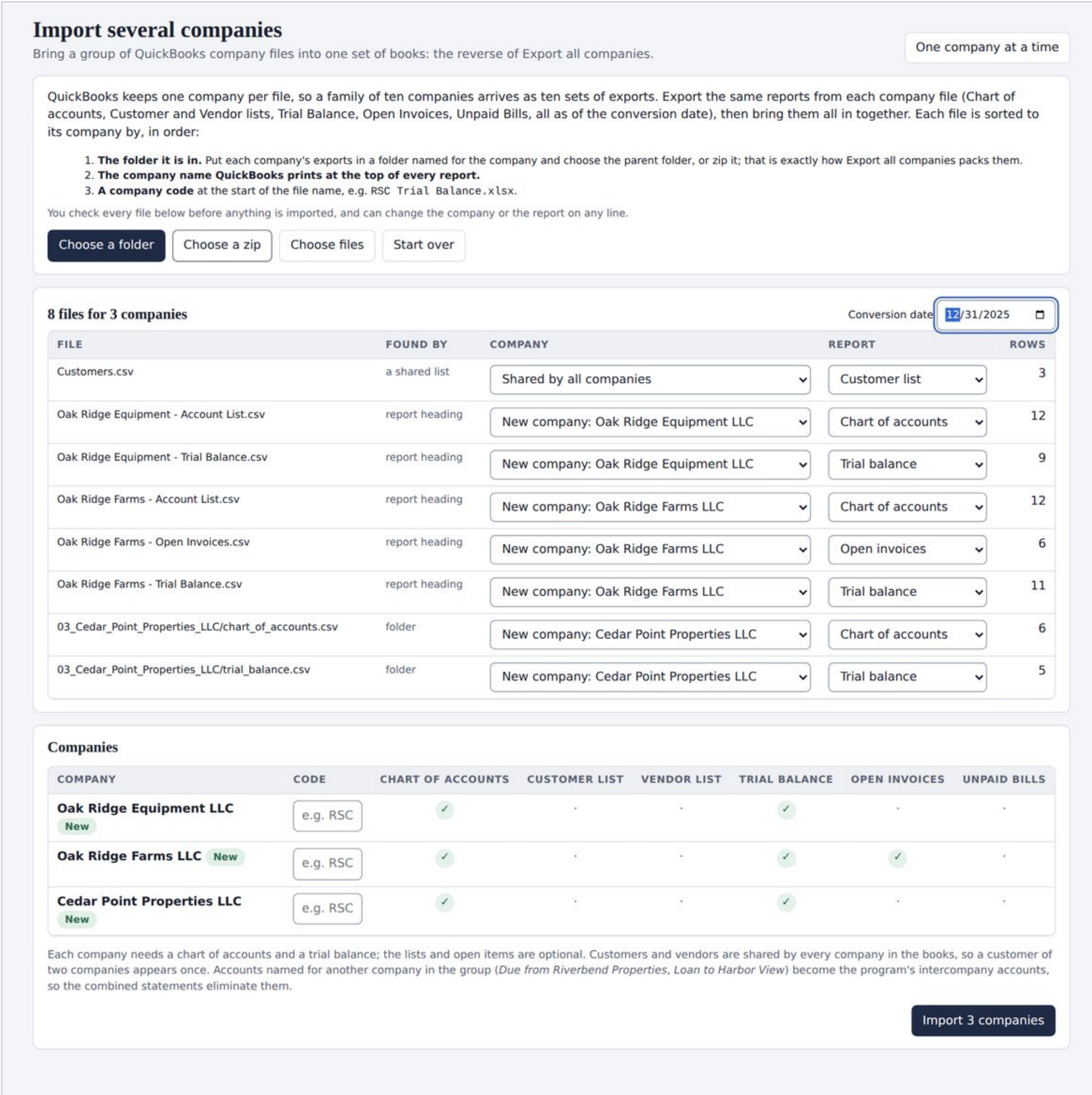
Tie-out report (PDF) Tie-out (CSV) Clear

Step 5 after a move: the trial balance, receivables and payables all agree with QuickBooks, line by line.

Moving several companies at once

QuickBooks keeps one company per company file, so a family of ten companies arrives as ten sets of exports. **Import several companies** (Company menu, or the button on Import from QuickBooks) brings them all into one set of books in one pass: the reverse of **Export all companies**, which sends a CPA a folder for each company.

1. From each QuickBooks company file, export the same reports as of the same conversion date: chart of accounts, customer and vendor lists, trial balance, open invoices and unpaid bills.
2. Put each company's exports in a folder named for the company, then choose the parent folder, or a zip of it. Loose files work too.
3. Each file is sorted to its company by its folder, by the company name QuickBooks prints at the top of every report, or by a **company code** at the start of the file name (*RSC Trial Balance.xlsx*). The report is recognized from its title or columns. A customer or vendor list with no company on it is shared by all, since customers and vendors are shared in Baratelli Bankable.
4. Check every line: the company (an existing one, or **New company**) and the report can be changed before anything is imported. Give each company a code if you like; it is also in Settings, Company details.
5. Choose **Import**. Each company is created if new, then gets its chart of accounts, lists, opening entry and open items, in that order. Accounts named for another company in the group, such as *Due from Oak Ridge Equipment*, become the program's intercompany accounts, so the combined statements eliminate them.
6. Tie out each company from the results (Step 5 above), then import bank activity since the conversion date.



Import several companies

Bring a group of QuickBooks company files into one set of books: the reverse of Export all companies.

One company at a time

QuickBooks keeps one company per file, so a family of ten companies arrives as ten sets of exports. Export the same reports from each company file (Chart of accounts, Customer and Vendor lists, Trial Balance, Open Invoices, Unpaid Bills, all as of the conversion date), then bring them all in together. Each file is sorted to its company by, in order:

1. **The folder it is in.** Put each company's exports in a folder named for the company and choose the parent folder, or zip it; that is exactly how Export all companies packs them.
2. **The company name QuickBooks prints at the top of every report.**
3. **A company code** at the start of the file name, e.g. `RSC Trial Balance.xlsx`.

You check every file below before anything is imported, and can change the company or the report on any line.

Choose a folder | Choose a zip | Choose files | Start over

8 files for 3 companies

Conversion date 12/31/2025

FILE	FOUND BY	COMPANY	REPORT	ROWS
Customers.csv	a shared list	Shared by all companies	Customer list	3
Oak Ridge Equipment - Account List.csv	report heading	New company: Oak Ridge Equipment LLC	Chart of accounts	12
Oak Ridge Equipment - Trial Balance.csv	report heading	New company: Oak Ridge Equipment LLC	Trial balance	9
Oak Ridge Farms - Account List.csv	report heading	New company: Oak Ridge Farms LLC	Chart of accounts	12
Oak Ridge Farms - Open Invoices.csv	report heading	New company: Oak Ridge Farms LLC	Open invoices	6
Oak Ridge Farms - Trial Balance.csv	report heading	New company: Oak Ridge Farms LLC	Trial balance	11
03_Cedar_Point_Properties_LLC/chart_of_accounts.csv	folder	New company: Cedar Point Properties LLC	Chart of accounts	6
03_Cedar_Point_Properties_LLC/trial_balance.csv	folder	New company: Cedar Point Properties LLC	Trial balance	5

Companies

COMPANY	CODE	CHART OF ACCOUNTS	CUSTOMER LIST	VENDOR LIST	TRIAL BALANCE	OPEN INVOICES	UNPAID BILLS
Oak Ridge Equipment LLC New	e.g. RSC	✓	·	·	✓	·	·
Oak Ridge Farms LLC New	e.g. RSC	✓	·	·	✓	✓	·
Cedar Point Properties LLC New	e.g. RSC	✓	·	·	✓	·	·

Each company needs a chart of accounts and a trial balance; the lists and open items are optional. Customers and vendors are shared by every company in the books, so a customer of two companies appears once. Accounts named for another company in the group (*Due from Riverbend Properties, Loan to Harbor View*) become the program's intercompany accounts, so the combined statements eliminate them.

Import 3 companies

Eight files for three companies: sorted by the report heading, a folder in a zip and a shared customer list, each ready to check.

Imported

COMPANY	ACCOUNTS	INTERCOMPANY ACCOUNTS	OPENING BALANCES	OPEN INVOICES	UNPAID BILLS	NEXT
Oak Ridge Equipment LLC	8	1	$80,000.00 in balance	0	0	Tie out
Oak Ridge Farms LLC	8	1	$100,000.00 in balance	2	0	Tie out
Cedar Point Properties LLC	5	0	$415,000.00 in balance	0	0	Tie out

Customers and vendors added: 2. Next, tie each company out to QuickBooks (trial balance, receivables and payables, line by line), then import bank activity since the conversion date. The combined statements are ready under Home › Everything (combined).

The result: three companies, each opening entry in balance, the $8,000 advance between two of them in the intercompany accounts.

After the conversion date

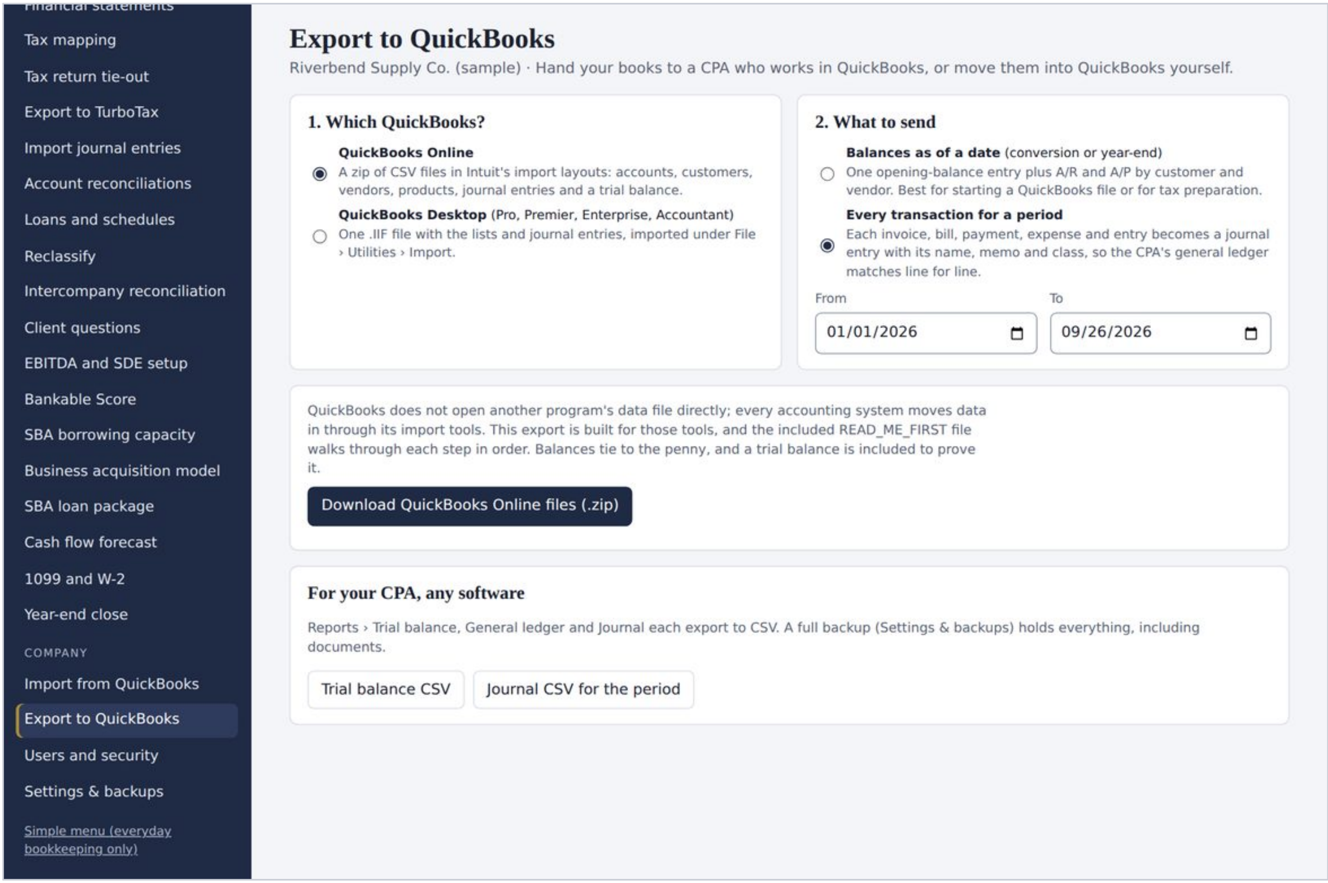
Add your products and inventory quantities (Section 8) and fixed assets with the depreciation already on the books (Section 16). Download each bank and credit card account's activity since the conversion date as Excel or CSV and bring it in on **Registers & import** (Section 14). Keep your QuickBooks files and a final QuickBooks backup; transaction history before the conversion date stays there.

5 · EXPORT TO QUICKBOOKS AND YOUR CPA

Many CPAs work in QuickBooks. **Export to QuickBooks** packages a company's books in the formats QuickBooks imports, with step-by-step instructions inside. No accounting program opens another program's data file directly; every one brings data in through its import tools, and this export is built for exactly those tools.

Choice	What you get
QuickBooks Online	A .zip of CSV files in Intuit's import layouts: 1 chart of accounts (number, name, type, detail type), 2 customers, 3 vendors (with the 1099 flag), 4 products and services, 5 journal entries, 6 trial balance, and READ_ME_FIRST.txt
QuickBooks Desktop	One .IIF file with accounts, customers, vendors, classes and journal entries, imported under File › Utilities › Import › IIF Files, plus READ_ME_FIRST.txt
Balances as of a date	One opening-balance entry with every account, plus a small entry for each customer's and vendor's open balance so every A/R and A/P line carries a name, as QuickBooks requires. Best for a year-end handoff, tax preparation, or starting a QuickBooks file
Every transaction for a period	Each invoice, bill, payment, expense and entry as a journal entry with its date, name, memo and class, so the CPA's general ledger matches yours line for line

1. Choose the company in the Company menu, then **Export to QuickBooks**.
2. Choose QuickBooks Online or Desktop, then Balances as of a date or Every transaction for a period, and the dates.
3. Choose **Download**. Send the file (a .zip for QuickBooks Online, an .iif file for QuickBooks Desktop) to your CPA, or import it yourself following the READ_ME_FIRST instructions.
4. In QuickBooks, run the trial balance for the same date and compare it with the trial balance file. They agree to the penny.



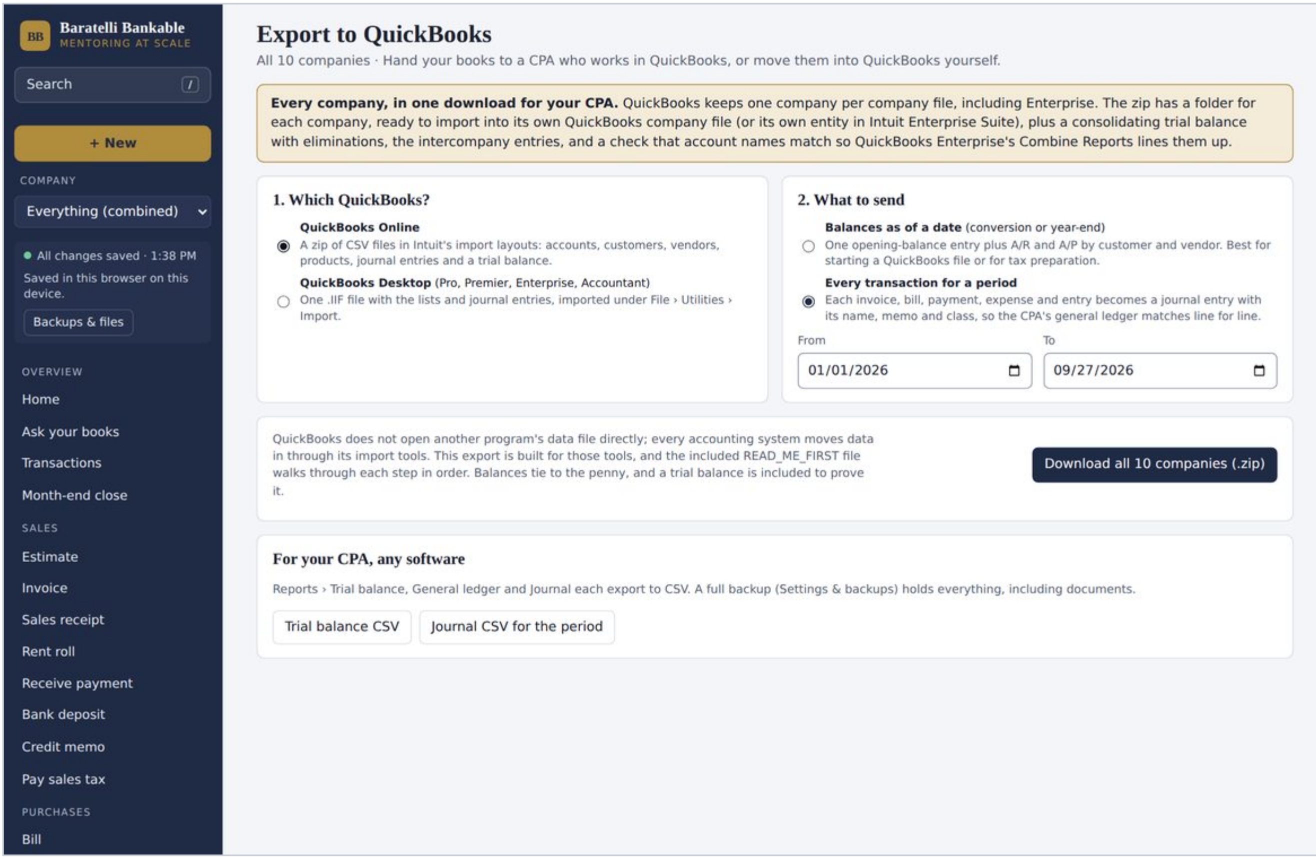
Export to QuickBooks: choose the edition and what to send.

For a CPA who uses other software, **Reports › Trial balance**, **General ledger** and **Journal** each export to CSV, which every tax and audit package reads.

Sending every company to a CPA who uses QuickBooks

QuickBooks keeps one company in each company file; QuickBooks Desktop Enterprise can combine reports from several files, but does not eliminate intercompany amounts. Baratelli Bankable keeps every company in one set of books, so with **Everything (combined)** chosen, **Export to QuickBooks** offers **All companies**. The .zip holds:

- A folder for each company with its own QuickBooks import files, ready for its own QuickBooks company file.
- **Consolidating_trial_balance.csv**: every account with a column for each company, the eliminations and the consolidated total, so the CPA sees the whole group in one sheet.
- **Intercompany_entries.csv**: each amount the companies owe or charge each other, which the CPA eliminates when combining.
- **Account_name_check.csv**: accounts whose names differ between companies, so combined reports in QuickBooks line up.
- **READ_ME_FOR_YOUR_CPA.txt**: the steps, company by company.



Export to QuickBooks with Everything (combined) chosen: all ten companies in one download.

6 · CHART OF ACCOUNTS

Chart of accounts lists every account for the selected company with its balance. Choose **Edit** to rename or renumber an account, **Ledger** to see every posting, and **Deactivate** to hide an account you no longer use; its history stays.

Type	Detail	Used for
Asset	Bank; Accounts receivable; Other current asset; Fixed asset; Other noncurrent asset	Bank accounts appear in banking and payment screens; receivables carry open invoices; inventory is an other current asset
Liability	Accounts payable; Credit card; Other liability; Long-term debt	Credit cards work like bank accounts for expenses, import and reconciliation; sales tax payable is an other liability
Equity	Equity; Retained earnings	Owner investment and draws. Prior-year earnings roll into retained earnings on the balance sheet automatically
Income	Income; Other income	Sales and service revenue; interest, dividends and gains in other income
Expense	Cost of goods sold; Expense; Other expense	Shown in those three groups on the profit and loss

Industry charts of accounts

Every company starts from a chart built for its industry: a common core (bank, receivables, payables, payroll liabilities, sales tax payable, equity and the everyday expenses) plus the accounts that industry uses. To add an industry's accounts to a company that already exists, choose the industry at the top of Chart of accounts and **Add industry accounts**. Only missing accounts are added; nothing is changed or removed.

Industry	Examples of the accounts it adds
General business	Inventory, sales, service revenue, cost of goods sold
Professional services (engineering, architecture, design)	Unbilled work in progress, client retainers held, fee revenue, reimbursed expenses, subcontracted services, professional liability insurance
Retail store	Cash on hand, card processor clearing, merchandise inventory, gift cards outstanding, returns and discounts, freight in, shrinkage
E-commerce	Payment processor clearing, online sales, shipping income, fulfillment, packaging, marketplace fees
Wholesale and distribution	Inventory in transit, freight in and out, purchase discounts, warehouse supplies, vehicles
Manufacturing	Raw materials, work in process, finished goods, machinery, direct materials, direct labor, overhead, scrap
Construction and contractors	Retainage receivable and payable, costs and billings in excess, contract and change order revenue, job materials, subcontractors, equipment rental, permits
Restaurant and food service	Food and beverage inventory, kitchen equipment, tips payable, gift cards, food, beverage and catering sales, food and beverage cost, delivery fees
Medical, dental and health	Medical equipment, patient service revenue, contractual adjustments, insurance reimbursements, medical supplies, lab fees, malpractice insurance
Real estate rental	Buildings, land, improvements, tenant security deposits, rental income, late fees, CAM reimbursements, management fees, property taxes, mortgage interest
Nonprofit	Net assets with and without donor restrictions, grants and pledges receivable, contributions, grants, program service fees, fundraising
Trucking and transportation	Trucks, trailers, freight revenue, fuel surcharge, fuel, driver wages, owner-operator settlements, tolls, tires, IFTA
Farming and agriculture	Crops and livestock held for sale, breeding livestock, land, crop and livestock sales, government payments, seed, fertilizer, feed
Personal services	Retail product inventory, gift cards and packages, service revenue, memberships, commissions
Hotel and short-term rental	Guest deposits, occupancy tax payable, room revenue, cleaning fees, platform commissions
Family office / holding company	Brokerage cash, marketable securities, fund interests, investments in subsidiaries, family notes, dividends, realized and unrealized gains, advisory and trust fees
Trust or estate	Trust investments, interests in family entities, real estate held in trust, trust corpus, distributions to beneficiaries, income from family entities, capital gains allocated to principal, trustee and custody fees, fiduciary income tax
Cash management and treasury	Concentration account, money market fund, Treasury bills and CDs, loans to family entities, line of credit, margin line of credit, interest income and expense, bank and wire fees
Treasure assets	Fine art, jewelry and watches, wine and spirits, collector vehicles, rare coins and precious metals, other collectibles, insurance, storage and vault fees, appraisal, conservation, art handling, auction commissions

Industry	Examples of the accounts it adds
Personally held	A family's own assets and debts outside any company: personal checking and savings, brokerage and retirement accounts, life insurance cash value, homes, vehicles and personal property, mortgages and personal loans, wages, distributions from family entities, household expenses, personal income taxes, charitable gifts
Auto repair and service	Parts and tire inventory, shop equipment and lifts, labor revenue, parts and tire sales, shop supplies charged, sublet repairs, hazardous waste disposal, technician wages
Home services and trades	Parts and materials, service vehicles, customer deposits, maintenance agreements paid in advance, service call and installation revenue, subcontractors, permits, warranty callbacks
Landscaping, lawn care and cleaning	Trucks and trailers, mowers and equipment, recurring service and project revenue, snow removal, plants and materials, cleaning supplies, dump fees, crew wages
Consulting, coaching and fractional executives	Unbilled time, client retainers held, consulting, coaching, speaking and workshop fees, subcontracted consultants, training and certifications
Marketing, creative and media agency	Unbilled work in progress, retainers, retainer, project and media billings, freelancers, media purchased for clients, production
Software, SaaS and technology	Capitalized software, deferred revenue, subscription, implementation and license revenue, hosting, customer support, research and development
Child care and education	Tuition received in advance, enrollment deposits, tuition, subsidy payments, food program reimbursements, food and snacks, classroom supplies, licensing
Real estate agents and brokers	Escrow trust account and deposits held, commission income, referral and property management fees, commission splits, desk fees, MLS dues, E&O insurance
Insurance agency	Premium trust account, premiums payable to carriers, new business, renewal and contingency commissions, producer commissions, agency management system
Independent contractor and gig work	Vehicle, platform earnings, tips, direct client payments, platform service fees, fuel or charging, vehicle repairs and insurance, tolls and parking
Franchise business	Franchise fee and its amortization, fixtures and leasehold improvements, sales and promotions, royalty fees, brand and advertising fund, franchisor technology fees
Law firm	Client trust account (IOLTA) and client funds held in trust, unbilled time, advanced client costs, hourly, flat and contingency fees, write-downs, expert and court costs, malpractice insurance, bar dues
CPA and accounting firm	Unbilled time, client retainers, tax, accounting, audit and review, advisory and payroll fees, write-downs, seasonal preparers, CPE, tax and research software, peer review
Registered investment adviser (RIA)	Advisory fees billed in advance, asset-based, planning, retainer and hourly fees, custodian and platform fees, sub-adviser fees, compliance and registration, portfolio software, adviser compensation
Recruiting and staffing agency	Unbilled contractor time, placement guarantee reserve, direct-hire and retained search fees, contract staffing revenue, guarantee refunds, contractor wages, taxes and workers' comp, split fees, job boards, recruiter commissions
IT services and managed service providers	Hardware inventory, prepaid service agreements, monthly managed services, projects, hardware and cloud resale, subcontracted technicians, monitoring and service desk tools
Content creators, speakers and authors	Studio equipment, sponsorships, ad and platform revenue, affiliate income, courses, speaking fees, book royalties, memberships, platform fees, editors and production
Mortgage brokers and loan officers	Borrower-paid and lender-paid compensation, processing fees, loan officer commissions, credit reports, licensing, E&O and surety bond, origination software

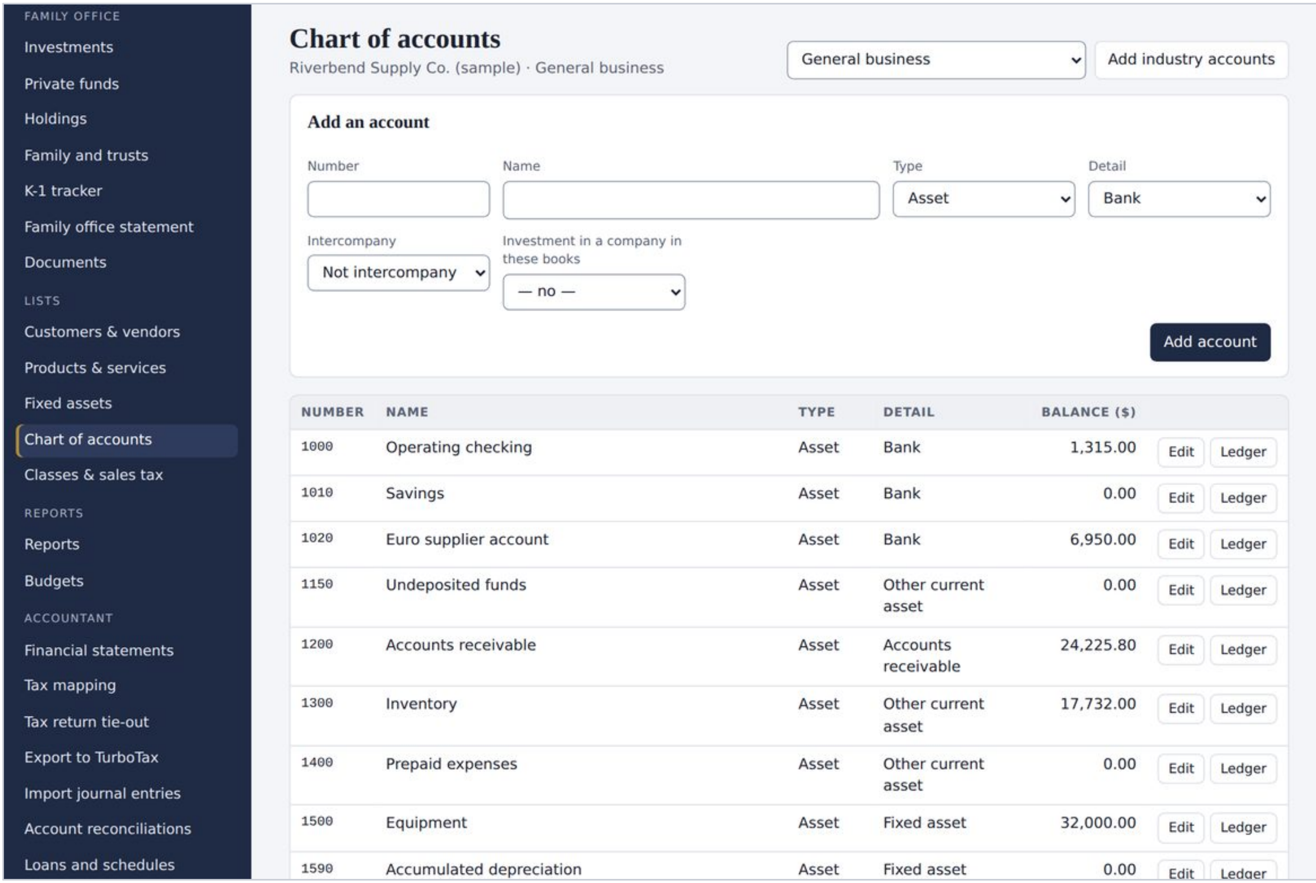


Chart of accounts with balances, and the industry template selector at the top.

Industry measures

Home shows the measures owners and lenders watch in each industry, for the last twelve months, with a common target where one is widely used. A restaurant sees food cost, beverage cost, labor cost and prime cost; a retailer gross margin, inventory turns and returns; an auto shop the labor share of sales, parts and tire margin and technician wages; a trades business materials, subcontractors and maintenance-agreement revenue; a consultant or agency gross margin, collection days and unbilled work; a SaaS company recurring revenue and deferred revenue; a real estate agent the company dollar kept after splits; an insurance agency the renewal share of commissions; a law firm a **trust account check** (the IOLTA balance against client funds held), utilization, realization and contingency share; a CPA firm utilization, realization, write-downs and the tax share of fees from the timesheets; an RIA recurring fees, the effective fee on assets under management (entered on the card) and the compensation ratio; a recruiting firm the contract gross margin, markup and guarantee refunds; an IT services firm recurring revenue and resale margin; a creator the share of income from the largest source. Other businesses see gross margin, net margin and days sales outstanding.

Industry measures Restaurant and food service · last 12 months

MEASURE	VALUE	COMMON TARGET	
Food cost	32.0%	28%–35%	
Beverage cost	22.0%		
Labor cost	30.0%	25%–35%	Wages, payroll taxes and benefits ÷ sales
Prime cost	59.5%	60%–65% or less	Food, beverage and labor ÷ sales

Chosen for restaurant and food service. To change the industry, use Add industry accounts in Chart of accounts.

Industry measures for a restaurant: food cost 32%, labor 30% and prime cost 59.5% against common targets.

7 · CUSTOMERS AND VENDORS

Customers & vendors holds one list shared by every company, with each name's open balance (net of credits) and an Overdue flag. For each name keep the email, phone and billing address that print on invoices and statements, the **payment terms** in days (the invoice due date fills in from them), and for vendors whether they are a **1099 vendor**.

- **Statement** beside a customer downloads a PDF statement: every open invoice and credit, the aging buckets and the amount due.
- The **1099 vendor summary** report totals what you paid each 1099 vendor by bank, check or ACH in the calendar year (Section 30); **1099 and W-2** prepares the year-end filings (Section 29).
- Import both lists from QuickBooks (Section 4); names are also created automatically when you import open invoices and bills.

Edit Delta Farm Co-op

Name: Delta Farm Co-op
Type: Customer
Email:
Phone:
Billing address: Route 4 Box 12
Delta, MO 63002
Payment terms (days): 30
☐ 1099 vendor

Cancel | Save

A customer with billing address and 30-day terms.

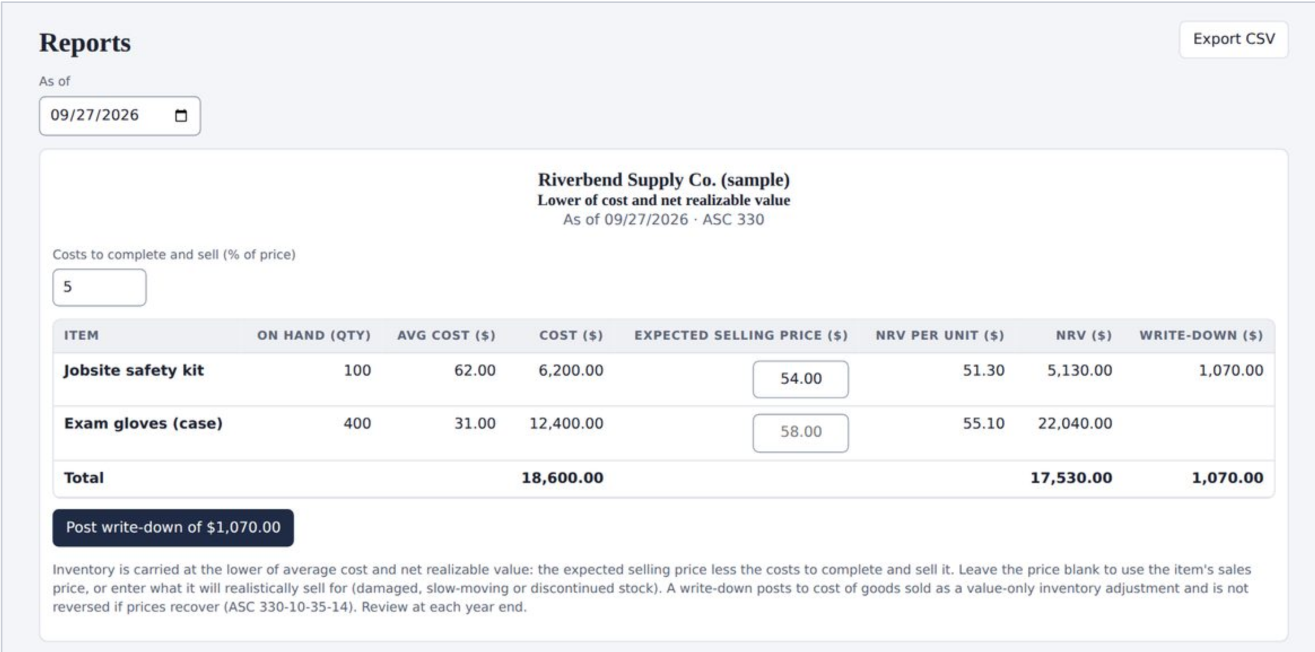
8 · PRODUCTS, SERVICES AND INVENTORY

Products & services lists what each company sells and buys. Choosing an item on an invoice, estimate, bill or expense fills in the description, rate, account and taxable flag, so every sale posts the same way.

Type	Use it for	How it posts
Service	Hours, fees, labor, delivery	Sales credit the income account; purchases debit the expense account
Non-inventory	Things you buy or sell without counting stock	Same as a service
Inventory	Goods you stock and count	Purchases add quantity at cost to the inventory account. Sales credit income and also post cost of goods sold at average cost, debiting COGS and crediting inventory

Inventory by item

- Each inventory item carries its SKU, sales price, purchase cost, preferred vendor, bin location, reorder point, and its inventory and cost of goods sold accounts.
- Enter the **starting quantity and unit cost** as of your start date. They should match the balance already in the inventory account from opening balances or a QuickBooks import.
- From then on, stock moves only through transactions: bills and expenses add it, invoices and sales receipts remove it, credit memos return it, **Build products** turns components into finished goods, **Inventory adjustment** records shrinkage, damage or found stock, and **Physical count** posts the differences from a count.
- Cost uses the **moving average** method: each purchase blends into the average, and each sale takes cost at the average on its date. Back-dated entries recalculate automatically.
- **History** shows every movement of an item with the running quantity and value. Items at or below their reorder point are flagged here and on Home.
- Reports › **Inventory valuation** lists quantity, average cost and value by item as of any date, and checks the total against the inventory account in the ledger.
- A customer return (credit memo) comes back into stock at what the item cost when it was sold to that customer, not at today's average.
- Reports › **Lower of cost and NRV** compares each item's cost with its net realizable value: the expected selling price less the costs to complete and sell (a percentage you set, 5% to start). Enter a lower expected price for damaged, slow-moving or discontinued stock. **Post write-down** records the difference as a value-only inventory adjustment to **Inventory write-down to NRV**, a cost of goods sold account; quantities do not change, and under ASC 330 the write-down is not reversed if prices recover. Review it at each year end.



Reports

Export CSV

As of

09/27/2026

Riverbend Supply Co. (sample)
Lower of cost and net realizable value
As of 09/27/2026 · ASC 330

Costs to complete and sell (% of price)

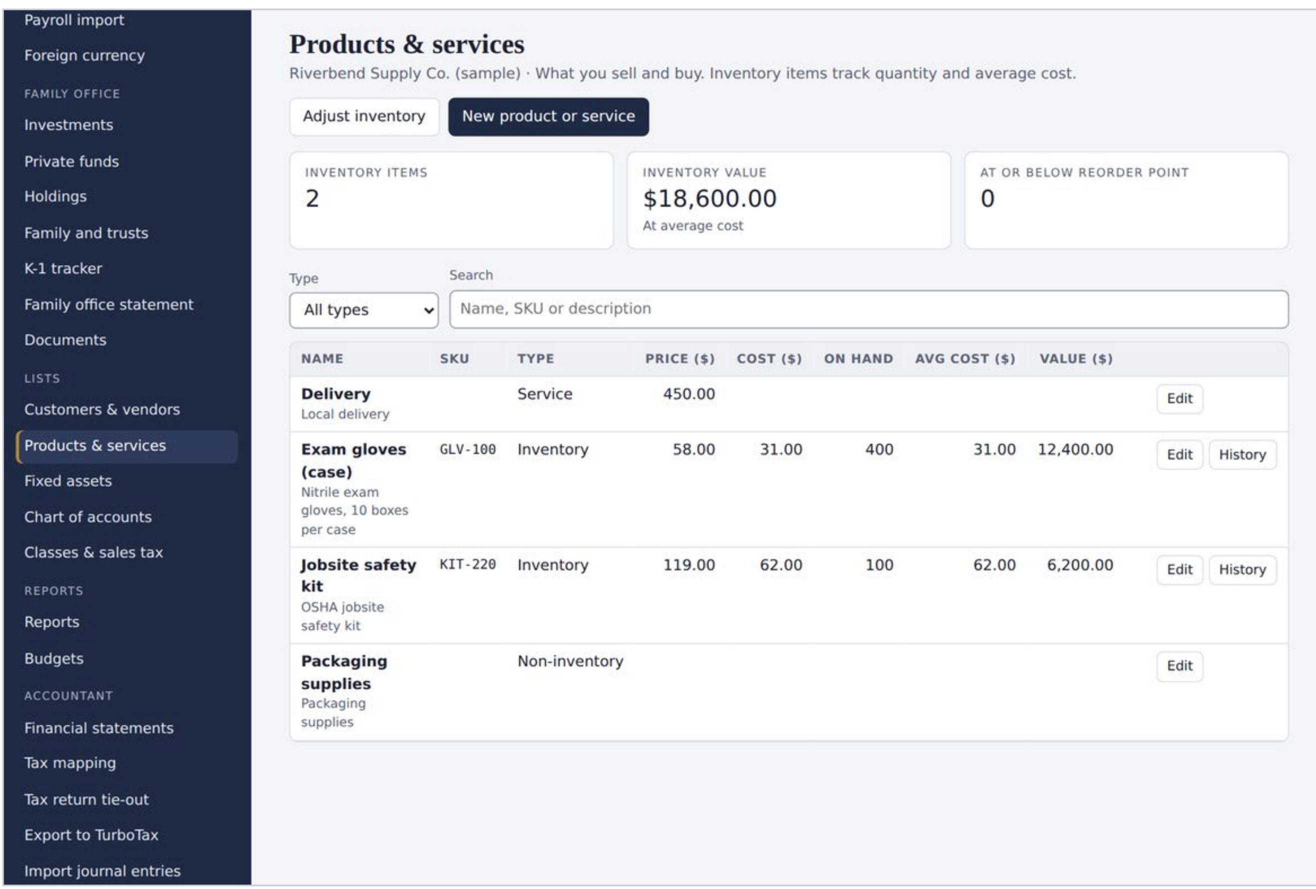
5

ITEM	ON HAND (QTY)	AVG COST ($)	COST ($)	EXPECTED SELLING PRICE ($)	NRV PER UNIT ($)	NRV ($)	WRITE-DOWN ($)
Jobsite safety kit	100	62.00	6,200.00	54.00	51.30	5,130.00	1,070.00
Exam gloves (case)	400	31.00	12,400.00	58.00	55.10	22,040.00	
Total			**18,600.00**			**17,530.00**	**1,070.00**

Post write-down of $1,070.00

Inventory is carried at the lower of average cost and net realizable value: the expected selling price less the costs to complete and sell it. Leave the price blank to use the item's sales price, or enter what it will realistically sell for (damaged, slow-moving or discontinued stock). A write-down posts to cost of goods sold as a value-only inventory adjustment and is not reversed if prices recover (ASC 330-10-35-14). Review at each year end.

Lower of cost and net realizable value: the safety kits will sell for $54.00, so $1,070.00 of their cost is written down; the gloves are worth more than they cost.



Products & services

Riverbend Supply Co. (sample) · What you sell and buy. Inventory items track quantity and average cost.

Adjust inventory · New product or service

INVENTORY ITEMS: 2

INVENTORY VALUE: $18,600.00 (At average cost)

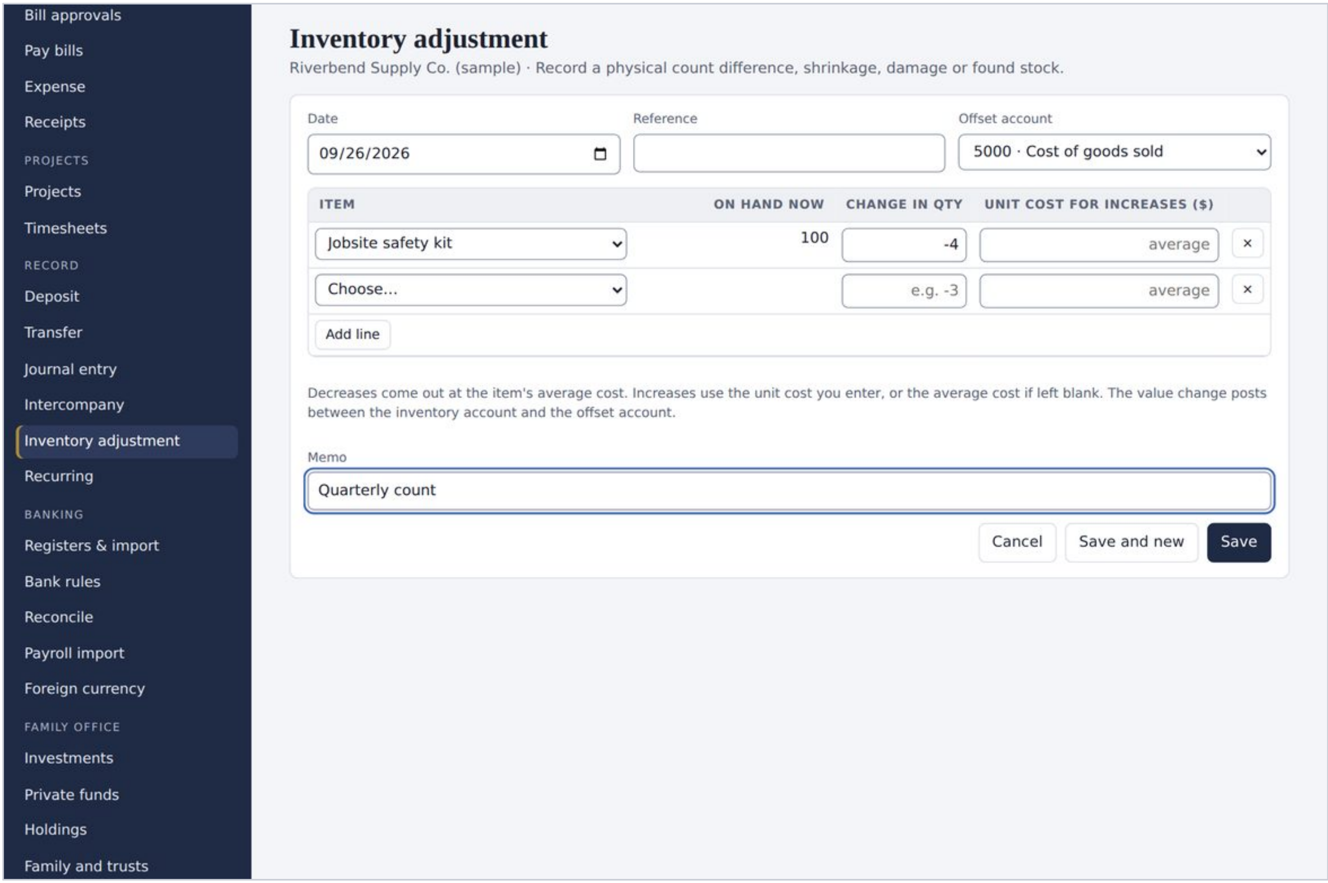
AT OR BELOW REORDER POINT: 0

Type: All types · Search: Name, SKU or description

NAME	SKU	TYPE	PRICE ($)	COST ($)	ON HAND	AVG COST ($)	VALUE ($)	
Delivery Local delivery		Service	450.00					Edit
Exam gloves (case) Nitrile exam gloves, 10 boxes per case	GLV-100	Inventory	58.00	31.00	400	31.00	12,400.00	Edit History
Jobsite safety kit OSHA jobsite safety kit	KIT-220	Inventory	119.00	62.00	100	62.00	6,200.00	Edit History
Packaging supplies Packaging supplies		Non-inventory						Edit

Products & services: inventory value, quantity on hand and average cost by item.

Each product can carry photos (Section 18, Photos): the item, its packaging and label. The cover shows beside the item in the list, and **Photo catalog (PDF)** prints every inventory item with its picture, SKU, bin, price, quantity on hand and value, handy for counts, new staff and insurance. To print each product's photo beside its line on estimates, invoices and sales receipts, check **Print product photos on estimates, invoices and sales receipts** in Settings › Company details.



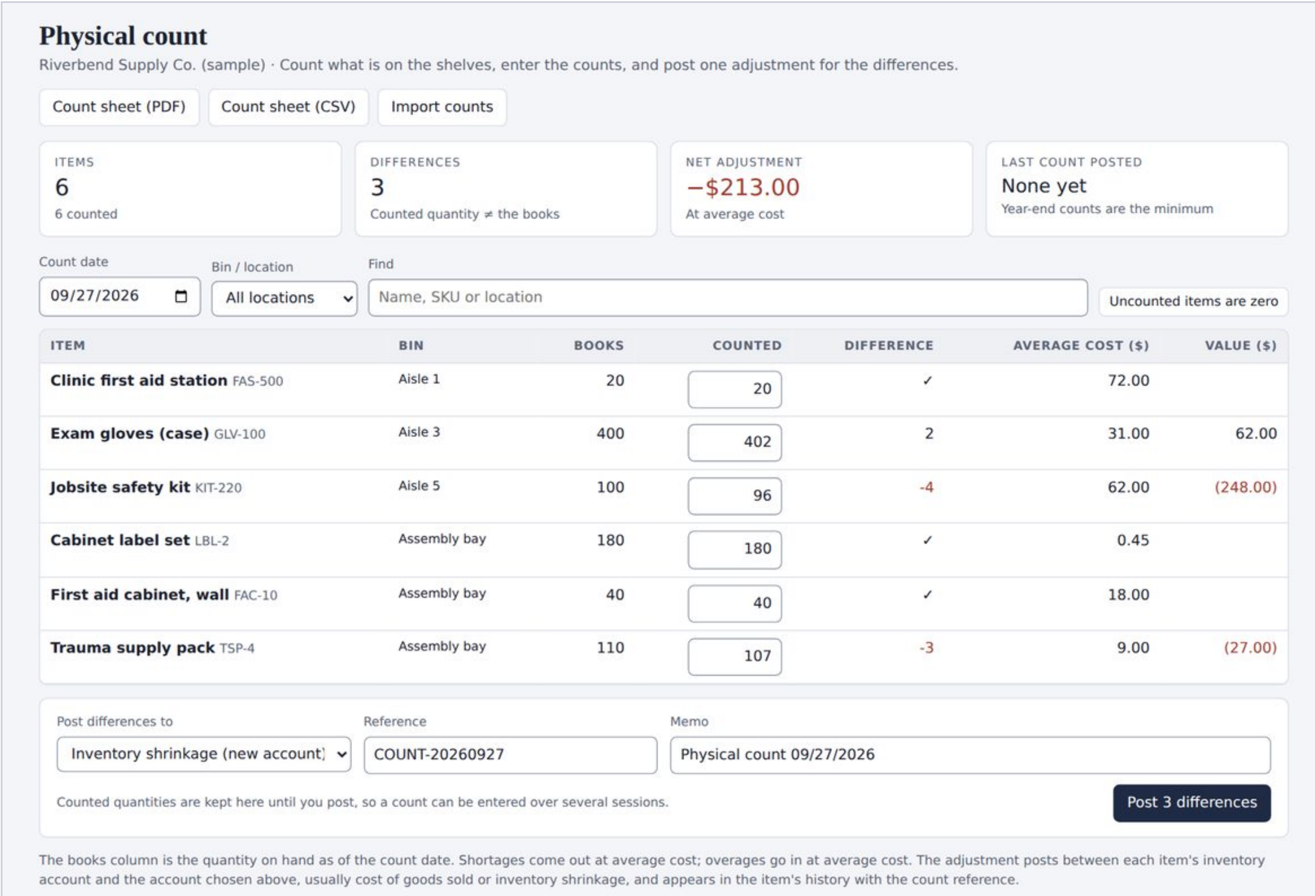
An inventory adjustment after a count: four kits short, valued at average cost against the shrinkage or COGS account.

Physical counts

Use **Inventory adjustment** for a single change you already know: a damaged case, a sample given away, stock found in the back. Use **Record › Physical count** when you count the shelves.

- **Print the count sheet. Count sheet (PDF)** is a blind sheet: bin, SKU and item with a blank to write in, and no books quantity, so the counters record what they see rather than what they expect. Filter by bin to hand each counter one aisle. **Count sheet (CSV)** gives the same list for a spreadsheet or a scanner.
- **Enter the counts** on screen, or **Import counts** from the filled-in CSV or Excel sheet (matched by SKU, then by name). Each row shows the books quantity as of the count date, the difference and its value at average cost. Counts in progress are kept, so a count can run over several days before anything posts. **Uncounted items are zero** fills the rest when the count is complete.
- **Post the differences** as one adjustment dated the count date, referenced COUNT-date, against **Inventory shrinkage** (created if needed) or any cost of goods sold account you choose. Shortages come out and overages go in at average cost; items that matched post nothing. The count then appears in each item's history.

- Count at least at year end, before the inventory figure goes to a lender or the tax return. Many businesses cycle-count one bin a month so the year-end count is a formality.



Physical count

Riverbend Supply Co. (sample) · Count what is on the shelves, enter the counts, and post one adjustment for the differences.

Count sheet (PDF) | Count sheet (CSV) | Import counts

ITEMS 6 — 6 counted
DIFFERENCES 3 — Counted quantity ≠ the books
NET ADJUSTMENT −$213.00 — At average cost
LAST COUNT POSTED None yet — Year-end counts are the minimum

Count date: 09/27/2026 · Bin / location: All locations · Find: Name, SKU or location · Uncounted items are zero

ITEM	BIN	BOOKS	COUNTED	DIFFERENCE	AVERAGE COST ($)	VALUE ($)
Clinic first aid station FAS-500	Aisle 1	20	20	✓	72.00	
Exam gloves (case) GLV-100	Aisle 3	400	402	2	31.00	62.00
Jobsite safety kit KIT-220	Aisle 5	100	96	-4	62.00	(248.00)
Cabinet label set LBL-2	Assembly bay	180	180	✓	0.45	
First aid cabinet, wall FAC-10	Assembly bay	40	40	✓	18.00	
Trauma supply pack TSP-4	Assembly bay	110	107	-3	9.00	(27.00)

Post differences to: Inventory shrinkage (new account) · Reference: COUNT-20260927 · Memo: Physical count 09/27/2026

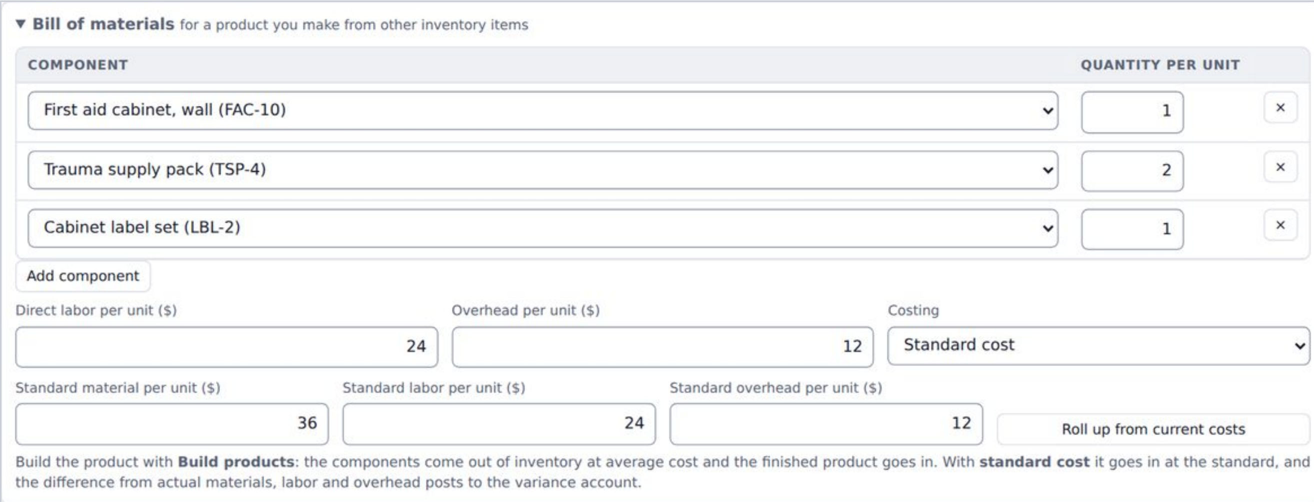
Counted quantities are kept here until you post, so a count can be entered over several sessions. [Post 3 differences]

The books column is the quantity on hand as of the count date. Shortages come out at average cost; overages go in at average cost. The adjustment posts between each item's inventory account and the account chosen above, usually cost of goods sold or inventory shrinkage, and appears in the item's history with the count reference.

A physical count with three differences: kits and trauma packs short, gloves over, a net $213.00 to Inventory shrinkage.

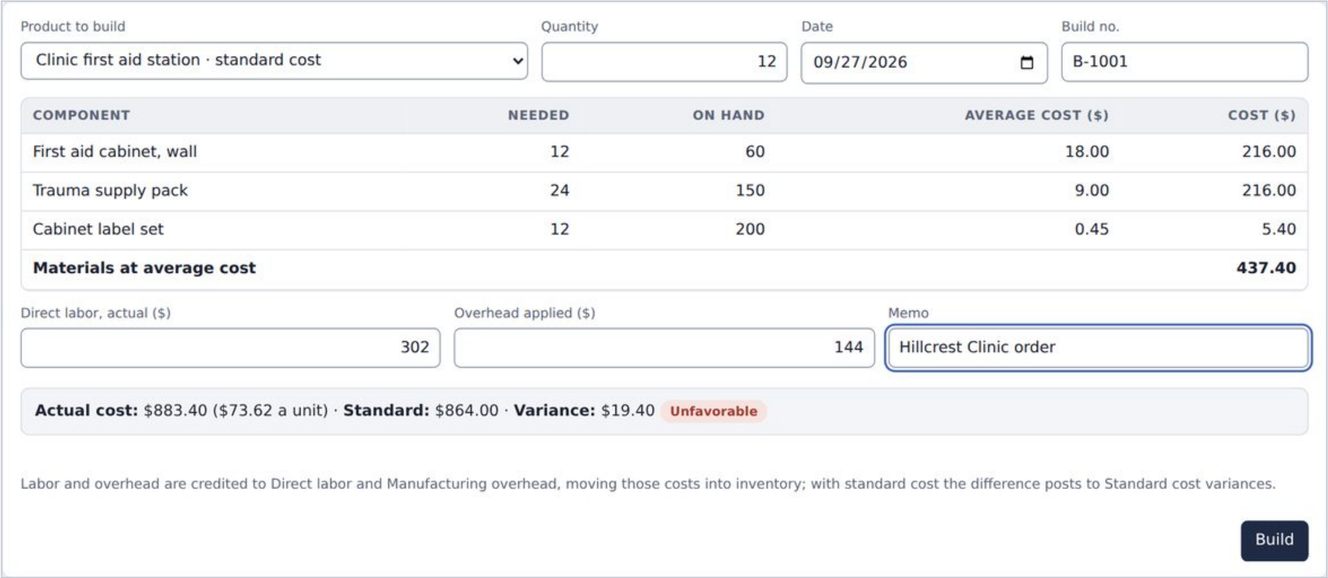
Bills of materials, builds and standard costs

A business that assembles or makes products records the recipe once and then builds from it. On an inventory product, open **Bill of materials** and list its components (other inventory items) with the quantity in one unit, plus direct labor and overhead per unit.



A bill of materials: a first aid station built from a cabinet, two trauma packs and a label set, $24 labor and $12 overhead a unit, at a standard cost of $72.

- **Record › Build products** turns components into finished goods. Choose the product and quantity; the screen shows what is needed, what is on hand, and flags any component that is short. Enter the actual direct labor and overhead for the run.
- The components come out of inventory at average cost. Labor and overhead are credited to **Direct labor** and **Manufacturing overhead**, so costs recorded there through payroll and bills move into inventory with the product. Accounts are created the first time you build if they do not exist.
- **Actual cost (average):** the finished product goes into inventory at materials plus labor plus overhead, and its average cost updates.
- **Standard cost:** the product goes in at its standard cost per unit (set it by hand or **Roll up from current costs**). The difference from actual posts to **Standard cost variances**, a cost of goods sold account, so gross margin shows the variance in the period it happens. A positive variance is unfavorable (actual above standard). Reports › **Production and variances** splits the material variance into **usage** (components used above or below the bill of materials, at standard prices) and **price** (what the components cost against standard), beside the labor and overhead variances.
- Sales take cost of goods sold at the product's average cost, as for any inventory item. A build can be opened from the item history or the report and deleted if it was a mistake; everything recalculates.


Product to build: Clinic first aid station · standard cost
Quantity: 12
Date: 09/27/2026
Build no.: B-1001

COMPONENT	NEEDED	ON HAND	AVERAGE COST ($)	COST ($)
First aid cabinet, wall	12	60	18.00	216.00
Trauma supply pack	24	150	9.00	216.00
Cabinet label set	12	200	0.45	5.40
Materials at average cost				**437.40**

Direct labor, actual ($): 302
Overhead applied ($): 144
Memo: Hillcrest Clinic order

Actual cost: $883.40 ($73.62 a unit) · **Standard:** $864.00 · **Variance:** $19.40 Unfavorable

Labor and overhead are credited to Direct labor and Manufacturing overhead, moving those costs into inventory; with standard cost the difference posts to Standard cost variances.

Build

Building 12 stations: materials at average cost $437.40, labor $302 and overhead $144; the standard is $864, so $19.40 goes to variances.

Two reports support it. **Bills of materials** lists each product's components at today's average cost beside the standard, and says when costs have drifted from it. **Production and variances** lists every build for the period with actual materials, labor and overhead, what went into inventory, and the material, labor and overhead variances.

BUILD	PRODUCT	QTY	ACTUAL COST ($)			INTO INVENTORY ($)	VARIANCE ($)			
			MATERIALS	LABOR	OVERHEAD		MATERIAL	LABOR	OVERHEAD	TOTAL
B-1001 09/27/2026	Clinic first aid station	12	437.40	302.00	144.00	864.00	5.40	14.00	0.00	19.40
B-1002 09/27/2026	Clinic first aid station	8	291.60	186.00	96.00	576.00	3.60	(6.00)	0.00	(2.40)
Total		**20**	**729.00**	**488.00**	**240.00**	**1,440.00**	**9.00**	**8.00**	**0.00**	**17.00**

Production and variances: two builds, with a net $17.00 unfavorable variance for the period.

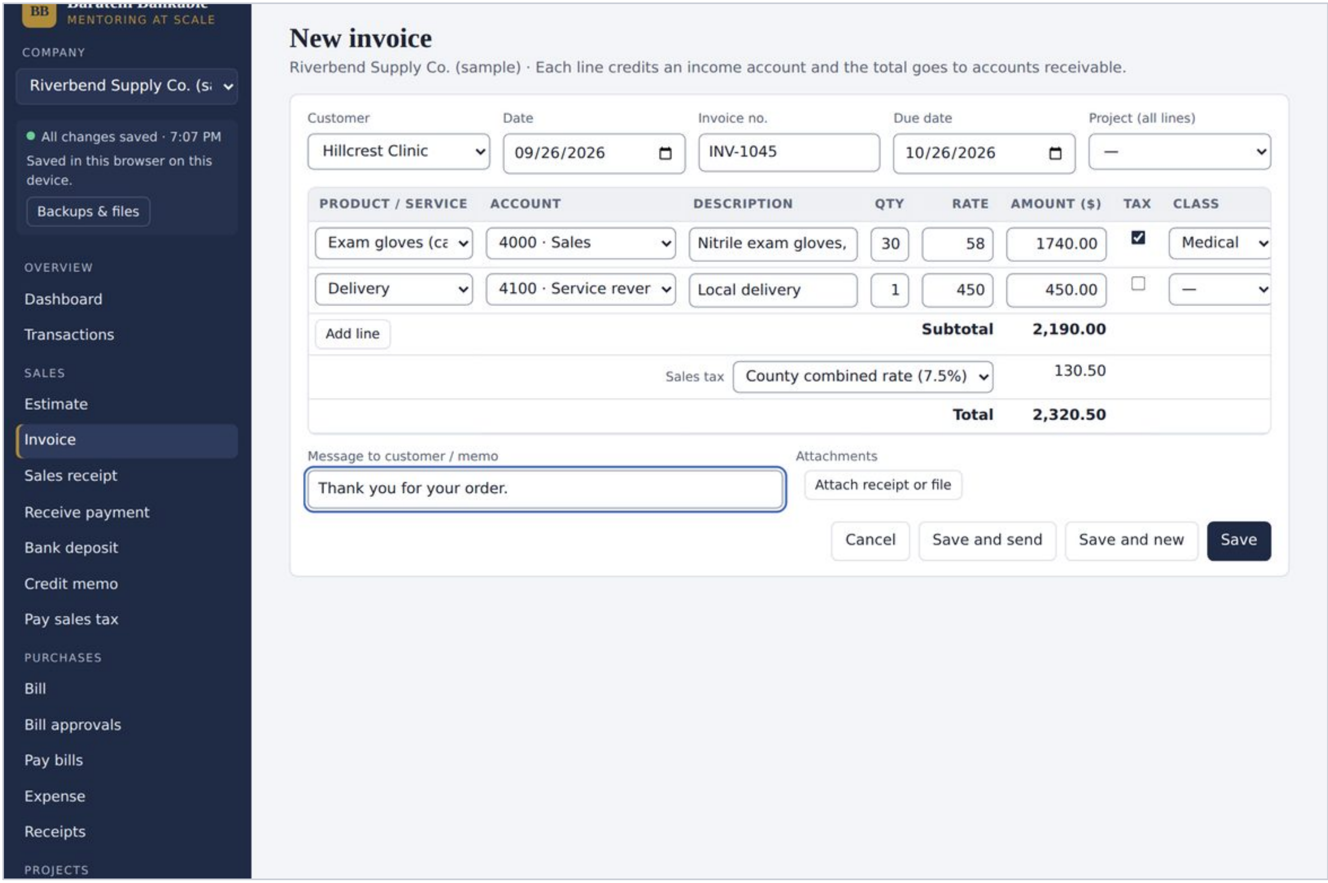
9 · SALES

Screen	Use it for	What it posts
Estimate	A quote. Choose Convert to invoice when the customer accepts	Nothing until converted
Invoice	Billing a customer to pay later	Debit accounts receivable; credit income and sales tax payable; COGS for inventory
Sales receipt	A sale paid on the spot	Debit the bank account; credit income and sales tax payable; COGS for inventory
Credit memo	A return, allowance or refund owed	Credit accounts receivable; debit income and sales tax; returns stock at average cost
Receive payment	Money from a customer against open invoices, with any credit memos applied	Debit the bank account for the cash received; credit accounts receivable

Filling in a sale

1. Choose the customer. The invoice number and due date fill in from the next number and the customer's terms.

2. On each line choose a product or service, then adjust the quantity and rate; the amount calculates. You can also pick an account and type an amount without a product.
3. Check **Tax** on taxable lines and choose the sales tax rate under the subtotal. Rates are set up in Lists › Classes & sales tax.
4. If you use classes, choose one on each line (Section 23). Attach a signed contract, purchase order, delivery receipt or photos of the work in **Attachments**: **Add PDFs or photos**, **Take a photo** on a phone, or drop the files on the panel.
5. Save. Open it again for **Download PDF**, **Duplicate**, and **Make recurring**.



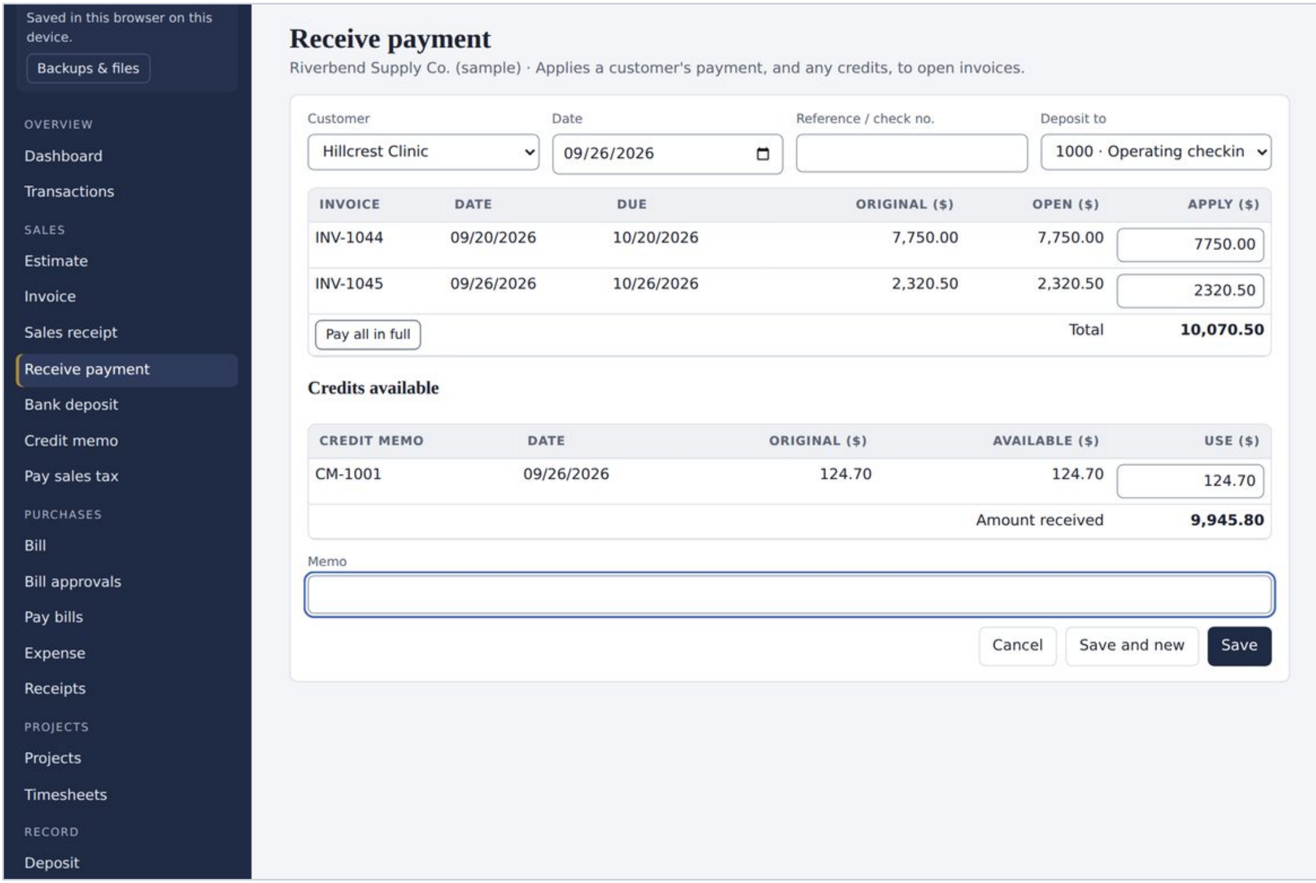
An invoice with an inventory item and a service, quantities and rates, sales tax and a class.

Estimates

An estimate records a quote without touching the books. Its status is Open, Accepted, Declined or Converted. **Convert to invoice** opens a new invoice with every line copied; saving it marks the estimate Converted and links the two. Reports › **Open estimates** lists quotes still waiting on customers.

Credits and payments

On **Receive payment**, choose the customer to see their open invoices and, below, any unapplied credit memos. Enter what is being paid on each invoice and the credit to use; **Amount received** shows the cash that goes to the bank.



Receive payment with a credit memo applied: the invoice is paid in full and the bank receives the difference.

Invoices and statements as PDFs

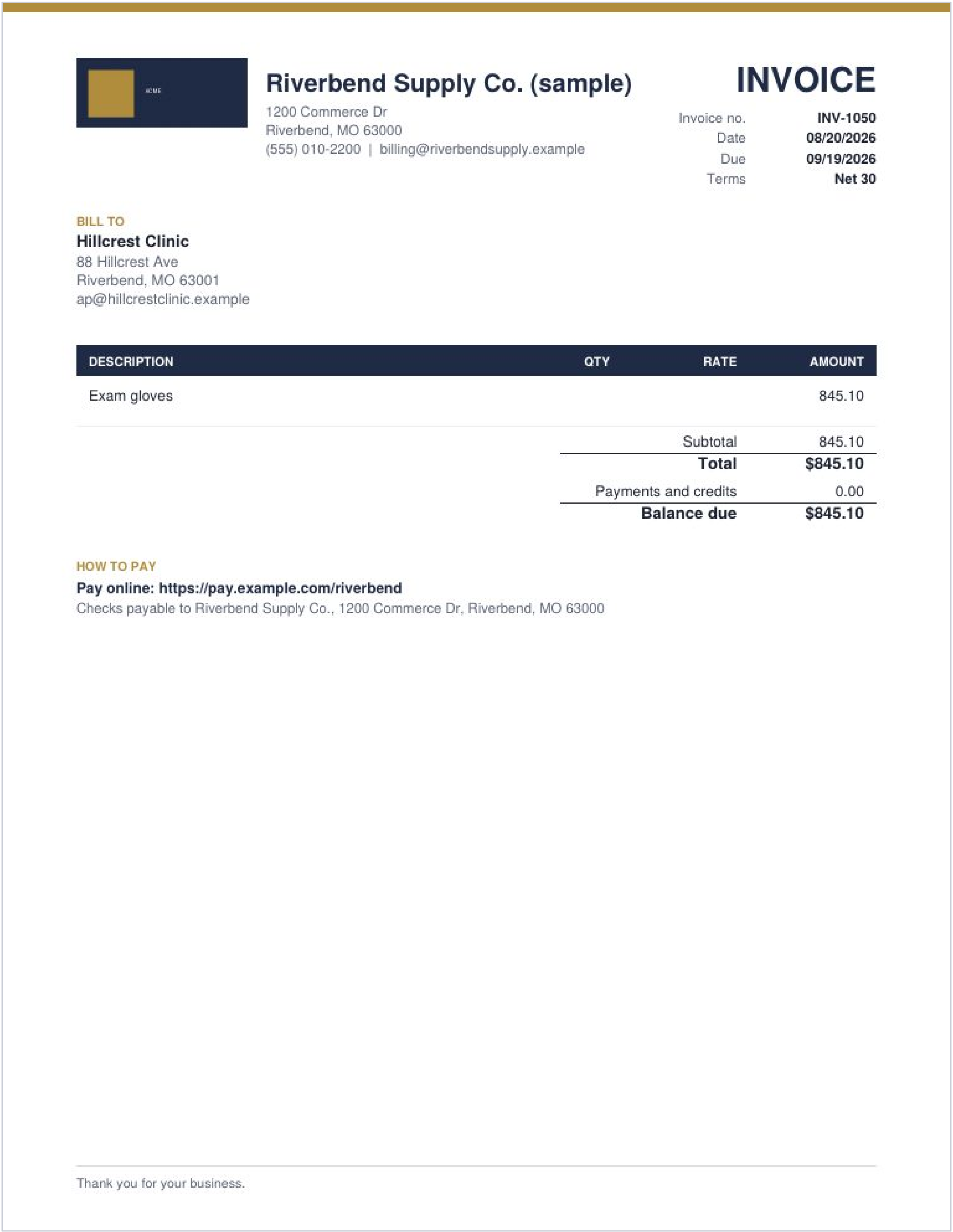
Download PDF on a saved invoice, estimate, sales receipt or credit memo produces a clean, printable document with your company details, the customer's address, the lines, sales tax, payments and balance due. Attach it to an email from your own email program. Customer statements come from the Statement button on Customers & vendors.

Sales tax

Tax posts to **Sales tax payable**. Reports › **Sales tax liability** shows taxable and non-taxable sales and tax collected by rate for the filing period, and the balance owed. When you file, record an Expense from the bank to the Sales tax payable account, with the tax agency as payee.

Emailing invoices and getting paid

- In **Settings & backups › Company details**, add your **logo**, an **online payment link** (your Stripe, Square, PayPal or bank payment page) and **payment instructions**. They print on every invoice; the link is clickable in the PDF.
- **Save and send** on a new invoice, or **Email invoice** on a saved one, shares the PDF straight from phones and from browsers that can; elsewhere it downloads the PDF and opens an email to the customer with the amount, due date and pay link filled in, ready for you to attach the PDF. The invoice shows when it was sent.
- **Save and new** saves and opens a blank form for the next one. In the customer list, **+ Add new customer** adds a customer without leaving the invoice.
- Customer invoices and statements end with "Thank you for your business." The "Prepared with Baratelli Bankable" line is off unless you turn it on.



ACME

Riverbend Supply Co. (sample)
1200 Commerce Dr
Riverbend, MO 63000
(555) 010-2200 | billing@riverbendsupply.example

INVOICE

Invoice no.	**INV-1050**
Date	**08/20/2026**
Due	**09/19/2026**
Terms	**Net 30**

BILL TO
Hillcrest Clinic
88 Hillcrest Ave
Riverbend, MO 63001
ap@hillcrestclinic.example

DESCRIPTION	QTY	RATE	AMOUNT
Exam gloves			845.10

Subtotal	845.10
Total	**$845.10**
Payments and credits	0.00
Balance due	**$845.10**

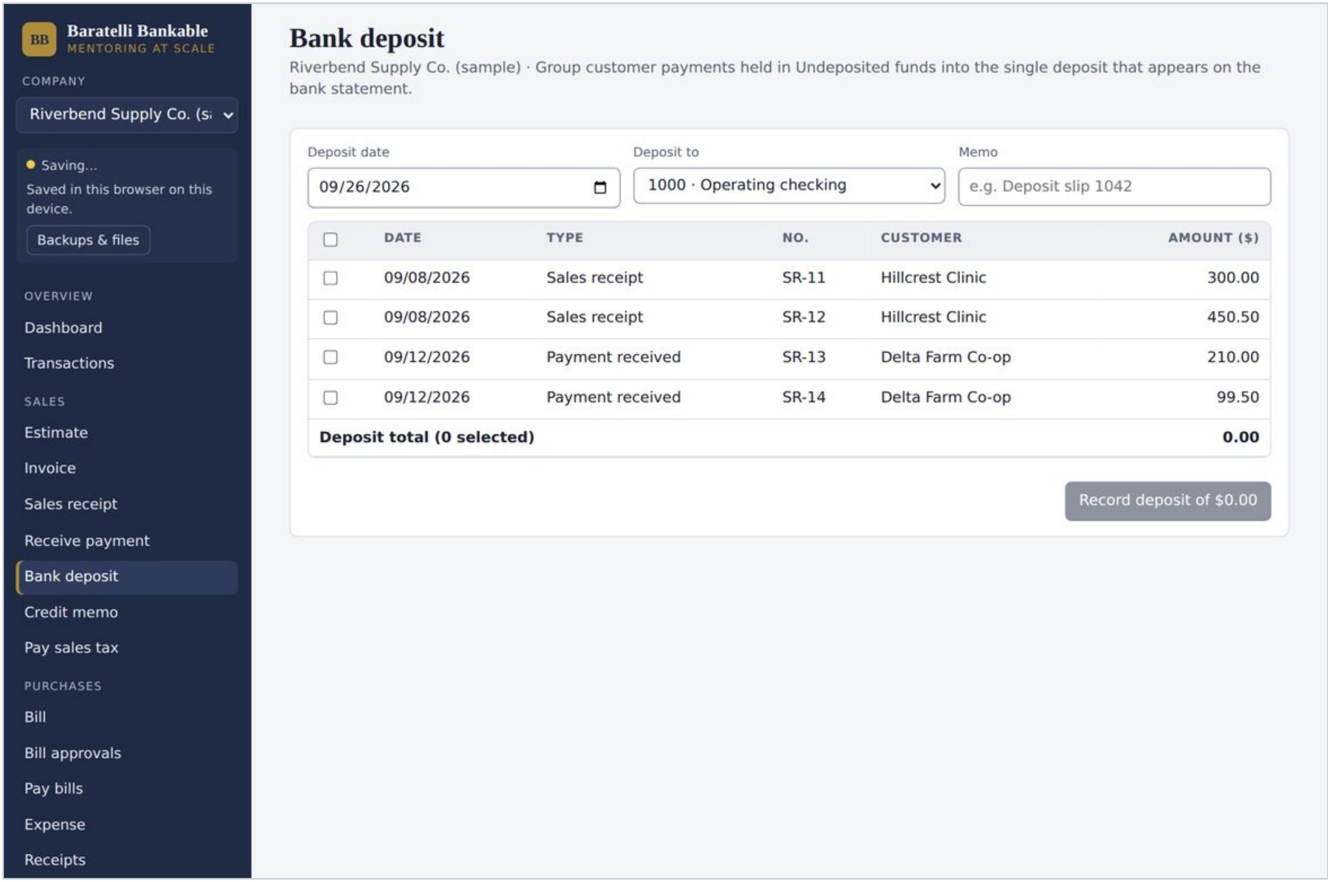
HOW TO PAY
Pay online: https://pay.example.com/riverbend
Checks payable to Riverbend Supply Co., 1200 Commerce Dr, Riverbend, MO 63000

Thank you for your business.

An invoice with the company logo, the pay-online link and payment instructions.

Undeposited funds and bank deposits

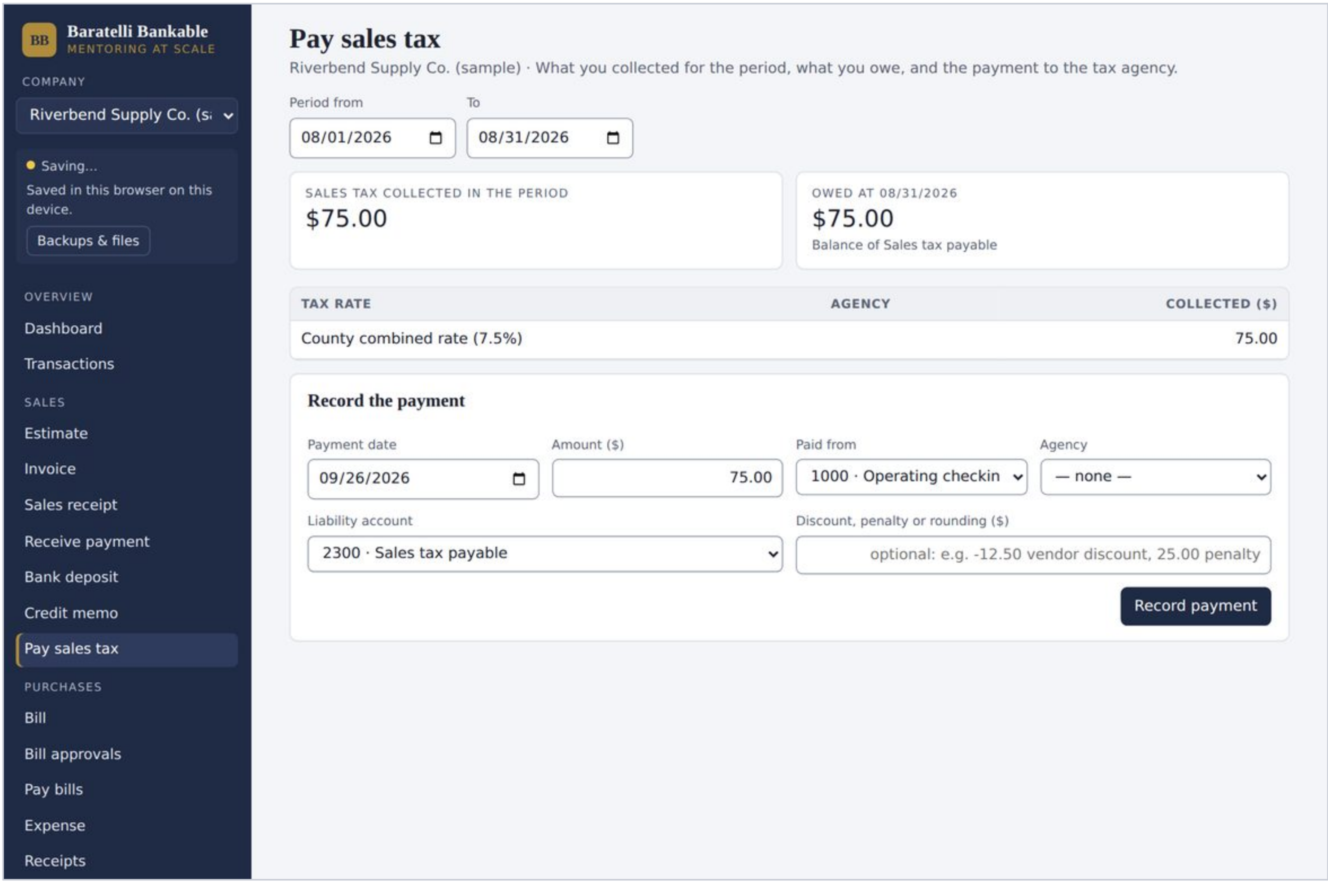
When several checks go to the bank on one deposit slip, choose **Undeposited funds** under Deposit to on each payment or sales receipt. **Bank deposit** then groups them into the single deposit the bank statement shows, and the bank import matches that deposit to them automatically (Section 14).



Bank deposit: two customer payments waiting in Undeposited funds, grouped into one deposit.

Paying sales tax

Pay sales tax shows the tax collected for the period by rate and agency and the balance owed, then records the payment from the bank against the sales tax payable account. A vendor discount or a penalty goes on its own line.



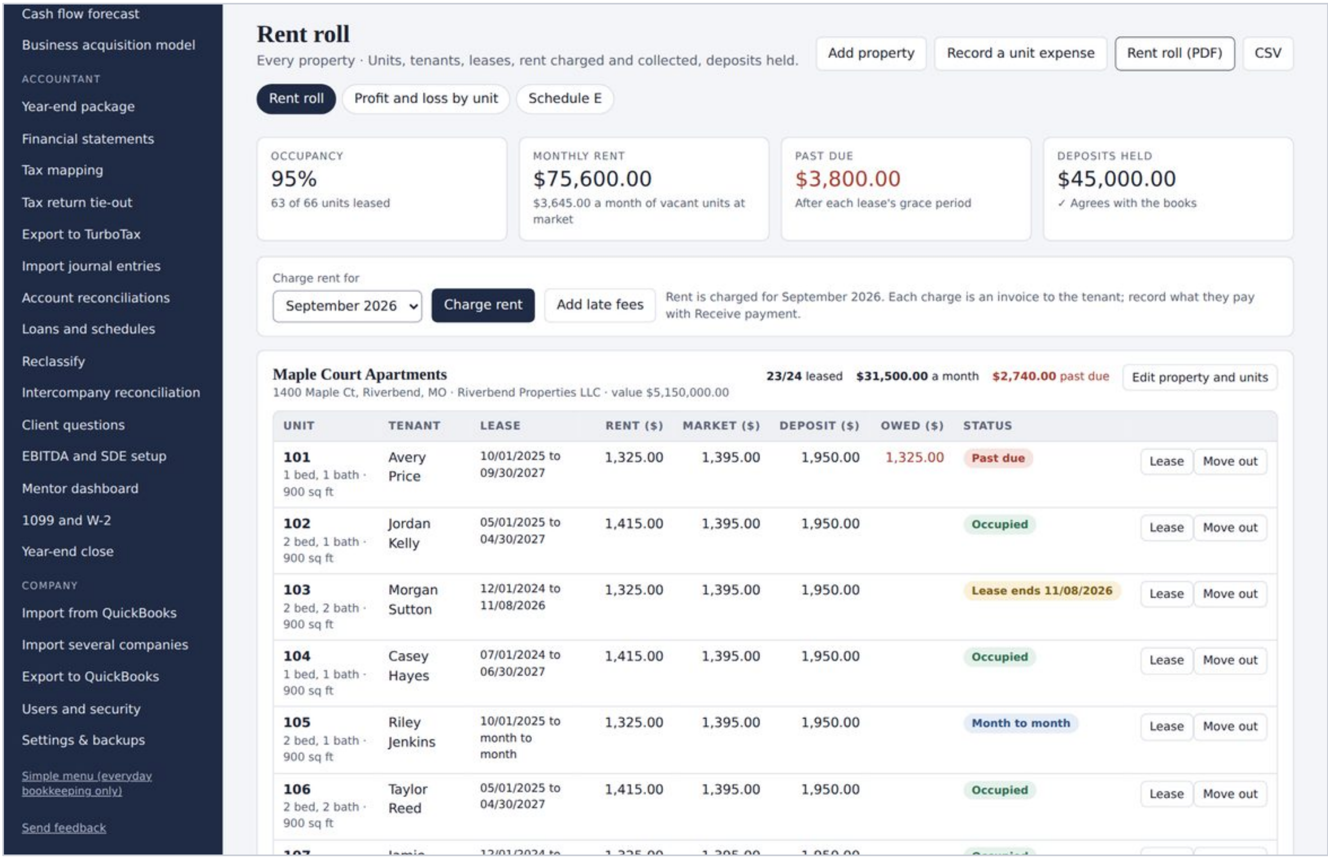
Pay sales tax: collected for last month, owed, and the payment.

Rent roll: properties, units, tenants and leases

Rent roll (Sales menu) keeps each rental property with its units and tenants. **Add property** takes the name, address, the company that owns it and the units (type *101-112*, *201-212* or *A*, *B*, *C*) with square feet and market rent; link the holdings record for its value. A company with more than one property gives each a class, so its costs follow it.

1. **New lease** on a vacant unit: the tenant, start and end dates (blank for month to month), rent, due day, late fee and grace period, and the security deposit. Tick the box and the deposit is recorded into the bank and Tenant security deposits.
2. **Charge rent** for the month creates an invoice for each tenant, prorated for a move-in or move-out mid-month, and never twice. Record what tenants pay with Receive payment as usual.
3. **Add late fees** charges each lease's late fee on rent unpaid after its grace period, once per month.
4. **Move out** records the date and the deposit: what is returned is paid from the bank, and what is kept for damage or unpaid rent becomes income.
5. **Record a unit expense** for a repair, turnover or appliance in one unit.

The rent roll shows occupancy, monthly rent, vacant units at market rent, what each tenant owes and whether they are past due, and deposits held, checked against Tenant security deposits in the books. Lease end dates go on the Calendar; Home lists rent not yet charged, tenants past due and leases ending in the next 60 days. **Rent roll (PDF)** is the schedule a lender or buyer asks for.



Cash flow forecast
Business acquisition model
ACCOUNTANT
Year-end package
Financial statements
Tax mapping
Tax return tie-out
Export to TurboTax
Import journal entries
Account reconciliations
Loans and schedules
Reclassify
Intercompany reconciliation
Client questions
EBITDA and SDE setup
Mentor dashboard
1099 and W-2
Year-end close
COMPANY
Import from QuickBooks
Import several companies
Export to QuickBooks
Users and security
Settings & backups
Simple menu (everyday bookkeeping only)
Send feedback

Rent roll
Every property · Units, tenants, leases, rent charged and collected, deposits held.
Add property | Record a unit expense | Rent roll (PDF) | CSV
Rent roll | Profit and loss by unit | Schedule E

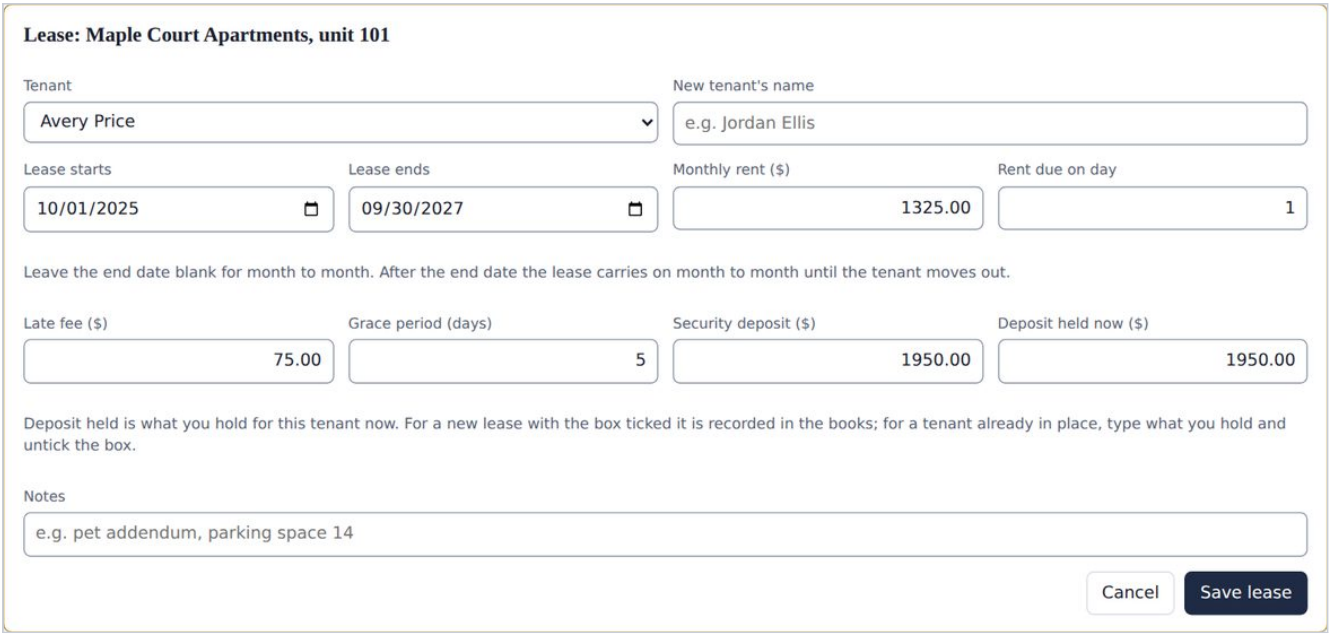
OCCUPANCY 95% — 63 of 66 units leased
MONTHLY RENT $75,600.00 — $3,645.00 a month of vacant units at market
PAST DUE $3,800.00 — After each lease's grace period
DEPOSITS HELD $45,000.00 — ✓ Agrees with the books

Charge rent for September 2026 | Charge rent | Add late fees
Rent is charged for September 2026. Each charge is an invoice to the tenant; record what they pay with Receive payment.

Maple Court Apartments
1400 Maple Ct, Riverbend, MO · Riverbend Properties LLC · value $5,150,000.00
23/24 leased $31,500.00 a month $2,740.00 past due | Edit property and units

UNIT	TENANT	LEASE	RENT ($)	MARKET ($)	DEPOSIT ($)	OWED ($)	STATUS	
101 1 bed, 1 bath · 900 sq ft	Avery Price	10/01/2025 to 09/30/2027	1,325.00	1,395.00	1,950.00	1,325.00	Past due	Lease · Move out
102 2 bed, 1 bath · 900 sq ft	Jordan Kelly	05/01/2025 to 04/30/2027	1,415.00	1,395.00	1,950.00		Occupied	Lease · Move out
103 2 bed, 2 bath · 900 sq ft	Morgan Sutton	12/01/2024 to 11/08/2026	1,325.00	1,395.00	1,950.00		Lease ends 11/08/2026	Lease · Move out
104 1 bed, 1 bath · 900 sq ft	Casey Hayes	07/01/2024 to 06/30/2027	1,415.00	1,395.00	1,950.00		Occupied	Lease · Move out
105 2 bed, 1 bath · 900 sq ft	Riley Jenkins	10/01/2025 to month to month	1,325.00	1,395.00	1,950.00		Month to month	Lease · Move out
106 2 bed, 2 bath · 900 sq ft	Taylor Reed	05/01/2025 to 04/30/2027	1,415.00	1,395.00	1,950.00		Occupied	Lease · Move out

The Baratellis' rent roll: 95% occupied, $75,600 a month, three tenants past due, deposits in agreement with the books.



Lease: Maple Court Apartments, unit 101

Tenant: Avery Price
New tenant's name: e.g. Jordan Ellis
Lease starts: 10/01/2025
Lease ends: 09/30/2027
Monthly rent ($): 1325.00
Rent due on day: 1

Leave the end date blank for month to month. After the end date the lease carries on month to month until the tenant moves out.

Late fee ($): 75.00
Grace period (days): 5
Security deposit ($): 1950.00
Deposit held now ($): 1950.00

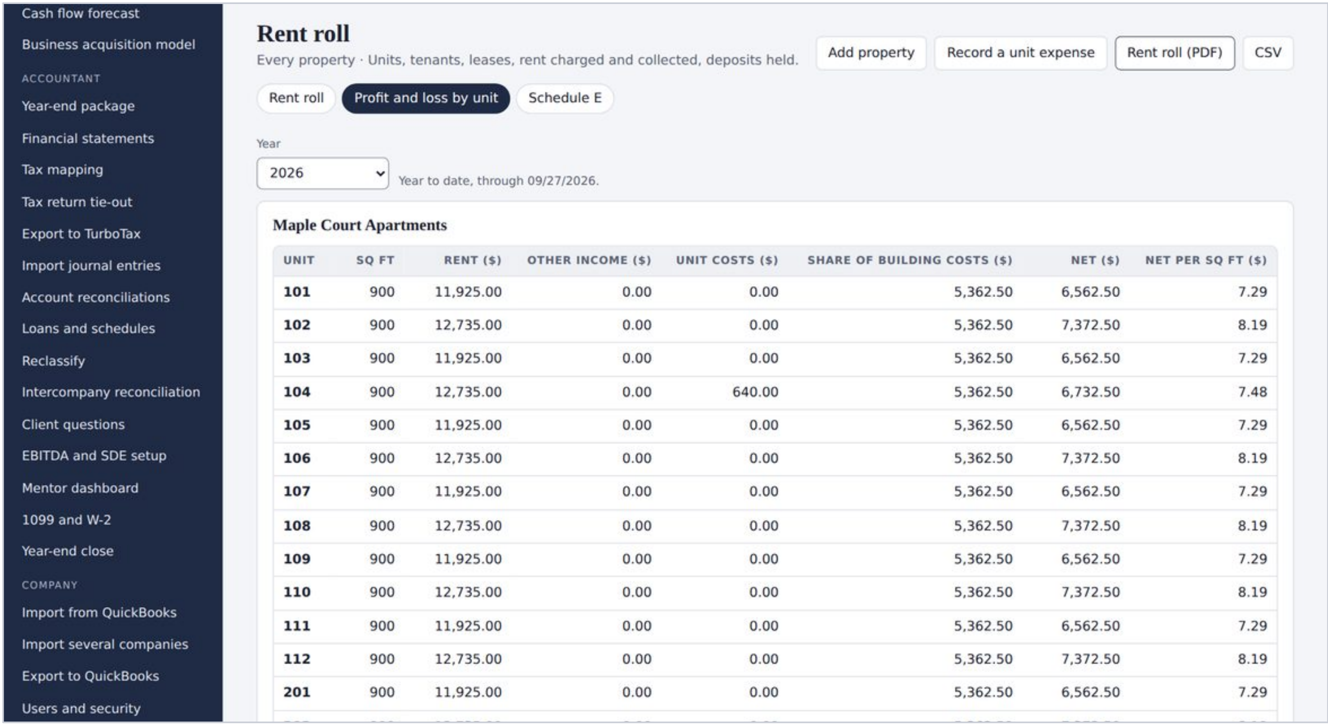
Deposit held is what you hold for this tenant now. For a new lease with the box ticked it is recorded in the books; for a tenant already in place, type what you hold and untick the box.

Notes: e.g. pet addendum, parking space 14

Cancel | Save lease

A lease: rent, due day, late fee, grace period and the deposit held.

Profit and loss by unit gives each unit its rent and fees, its own costs and its share of the building's costs (taxes, insurance, interest, upkeep), shared by square feet, with net income per square foot. **Schedule E** gives each property's rents and expenses by Schedule E line for the year, from each account's tax mapping, with the unit-days rented.



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Loans and schedules
Reclassify
Intercompany reconciliation
Client questions
EBITDA and SDE setup
Mentor dashboard
1099 and W-2
Year-end close
COMPANY
Import from QuickBooks
Import several companies
Export to QuickBooks
Users and security

Rent roll

Every property · Units, tenants, leases, rent charged and collected, deposits held.

Add property | Record a unit expense | Rent roll (PDF) | CSV

Rent roll | Profit and loss by unit | Schedule E

Year: 2026 — Year to date, through 09/27/2026.

Maple Court Apartments

UNIT	SQ FT	RENT ($)	OTHER INCOME ($)	UNIT COSTS ($)	SHARE OF BUILDING COSTS ($)	NET ($)	NET PER SQ FT ($)
101	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
102	900	12,735.00	0.00	0.00	5,362.50	7,372.50	8.19
103	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
104	900	12,735.00	0.00	640.00	5,362.50	6,732.50	7.48
105	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
106	900	12,735.00	0.00	0.00	5,362.50	7,372.50	8.19
107	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
108	900	12,735.00	0.00	0.00	5,362.50	7,372.50	8.19
109	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
110	900	12,735.00	0.00	0.00	5,362.50	7,372.50	8.19
111	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29
112	900	12,735.00	0.00	0.00	5,362.50	7,372.50	8.19
201	900	11,925.00	0.00	0.00	5,362.50	6,562.50	7.29

Profit and loss by unit: vacant unit 208 carries its turnover cost and its share of the building.

Maple Court Apartments

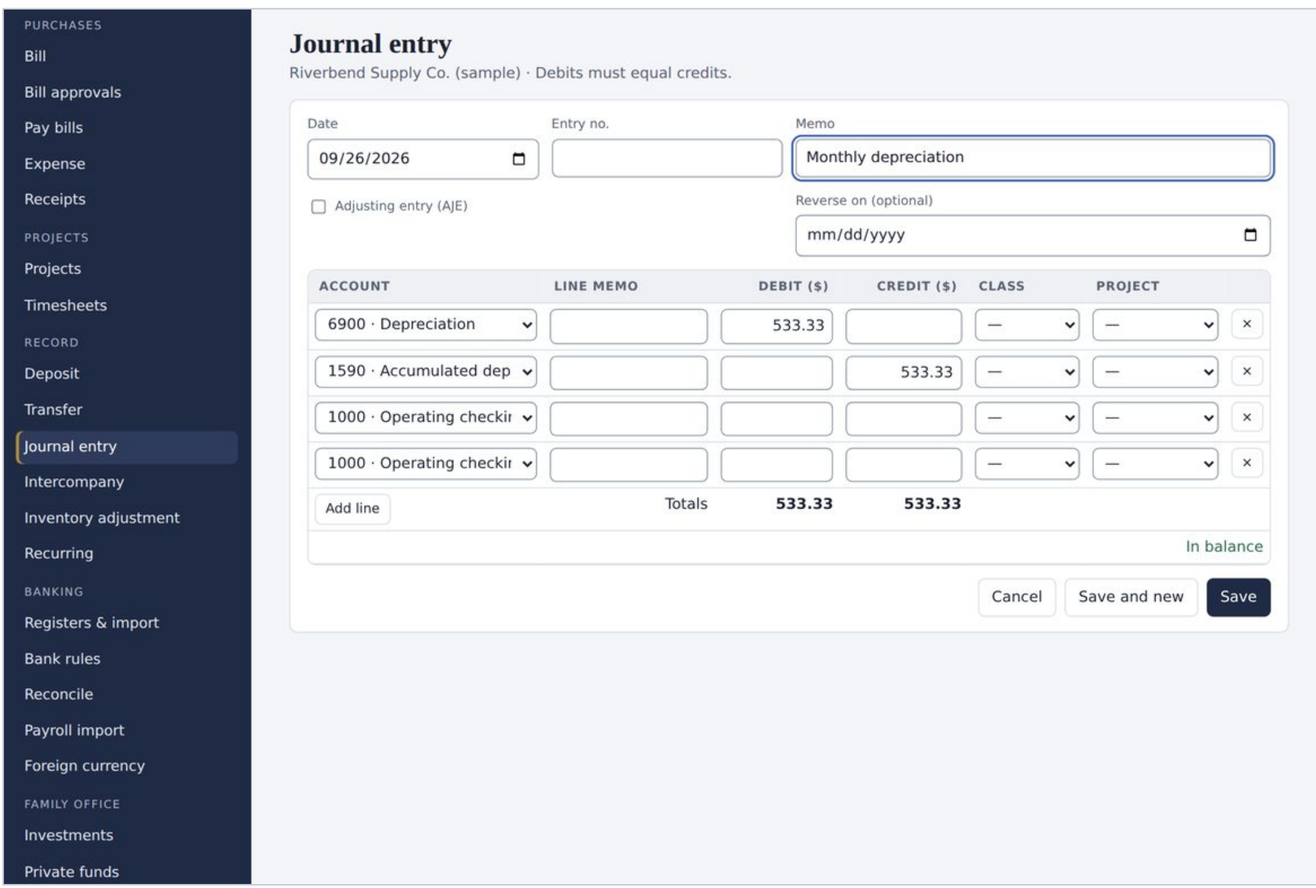
1400 Maple Ct, Riverbend, MO · 24 units · 6,210 unit-days rented in 2026

SCHEDULE E LINE	2026 ($)
3 · Rents received	283,500.00
7 · Cleaning and maintenance	1,850.00
9 · Insurance	21,240.00
10 · Legal and other professional fees	22,500.00
12 · Mortgage interest paid to banks, etc.	37,170.00
14 · Repairs	1,025.00
16 · Taxes	47,790.00
Total expenses (line 20)	**131,575.00**
Income or (loss) (line 21)	**151,925.00**

Schedule E for each property, by line.

10 · PURCHASES AND OTHER ENTRIES

Screen	Use it for	What it posts
Purchase order	Ordering from a vendor	Nothing; an order is a commitment, not a liability
Receive items	Checking in what arrived, against the order	Debit inventory (or the expense on the order line); credit Received not billed
Bill	A vendor's bill you will pay later	Debit the expense, asset or inventory on the lines; credit accounts payable
Pay bills	Paying one or more open bills, less any vendor credits	Debit accounts payable; credit the bank account or card
Vendor credit	A return to a vendor, or a credit or allowance from one	Debit accounts payable; credit the lines; returned inventory leaves stock
Expense	Money already spent by check, debit card, transfer or credit card, including loan payments and sales tax payments	Debit the lines; credit the bank account or card
Deposit	Money in that is not an invoice payment: owner contributions, loans, refunds	Debit the bank account; credit the lines
Transfer	Moving money between two of the company's bank or card accounts	Debit the account receiving; credit the account sending
Journal entry	Anything else: accruals, corrections, payroll from your provider's report, opening balances	The debits and credits you enter; they must be equal



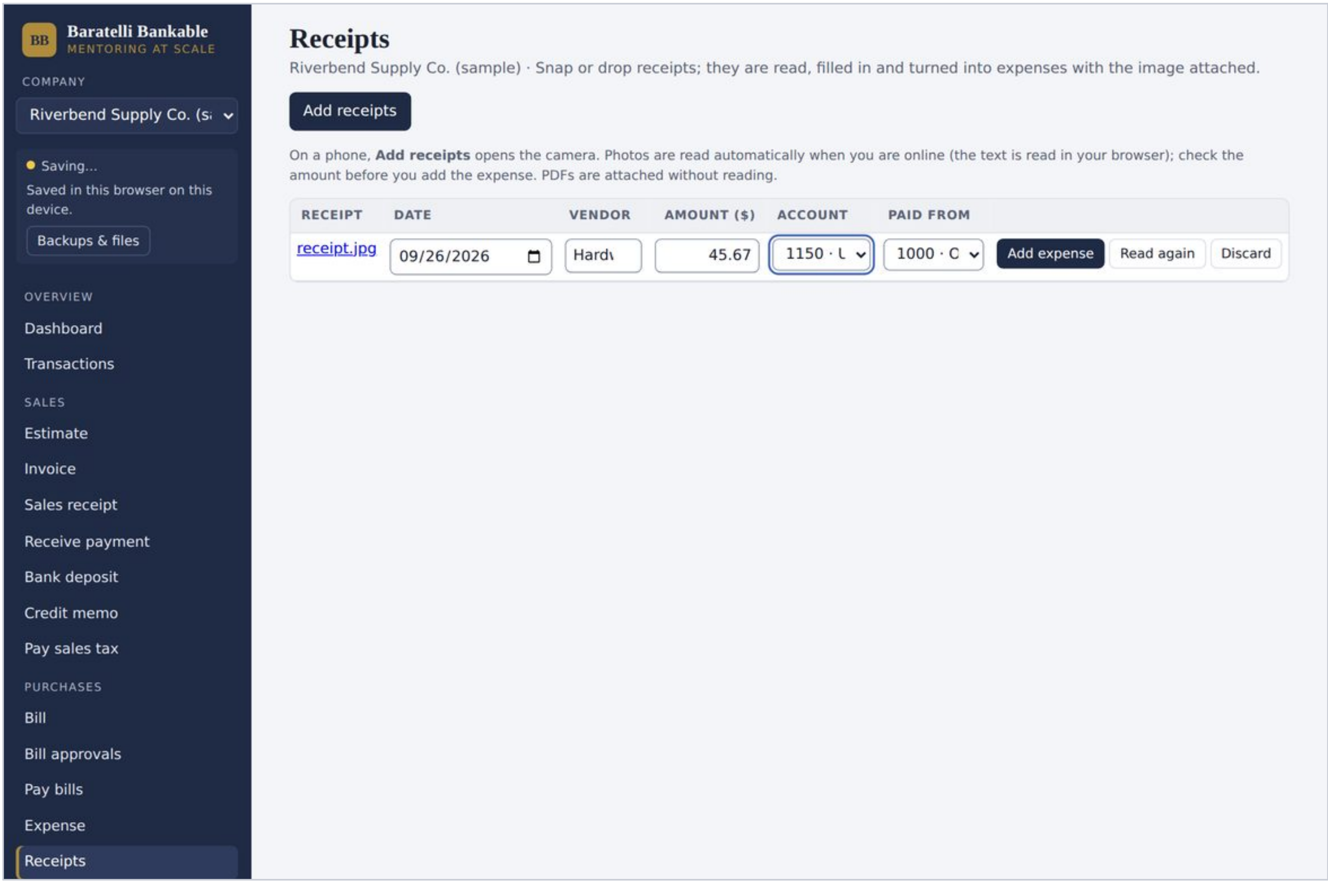
A journal entry. The totals line shows whether debits equal credits before you save.

- Bills and expenses take products too: an inventory item adds stock at the cost on the line.
- **Attachments** on every invoice, bill, expense, sale, deposit, transfer and journal entry take PDFs, photos and other files: add them, take a photo, or drop them on the panel. Photos show as pictures. Each file is stored in Documents, linked to the transaction, and opens from it later; **Remove** takes it off the transaction and keeps it in Documents.
- An invoice or bill shows *Open*, *Overdue* or *Paid* at the top when you open it. You cannot delete one that has payments applied; delete the payment first.
- Numbers accept commas and dollar signs; negative amounts in parentheses work in imports.
- A journal entry starts with the next entry number and with no account chosen on its lines, so an amount never lands in an account by default. An entry number already used, a vendor's bill number entered twice for the same vendor, and a date outside an assignment period set for a class each draw a warning before saving.

An invoice with its purchase order and a photo of the work attached.

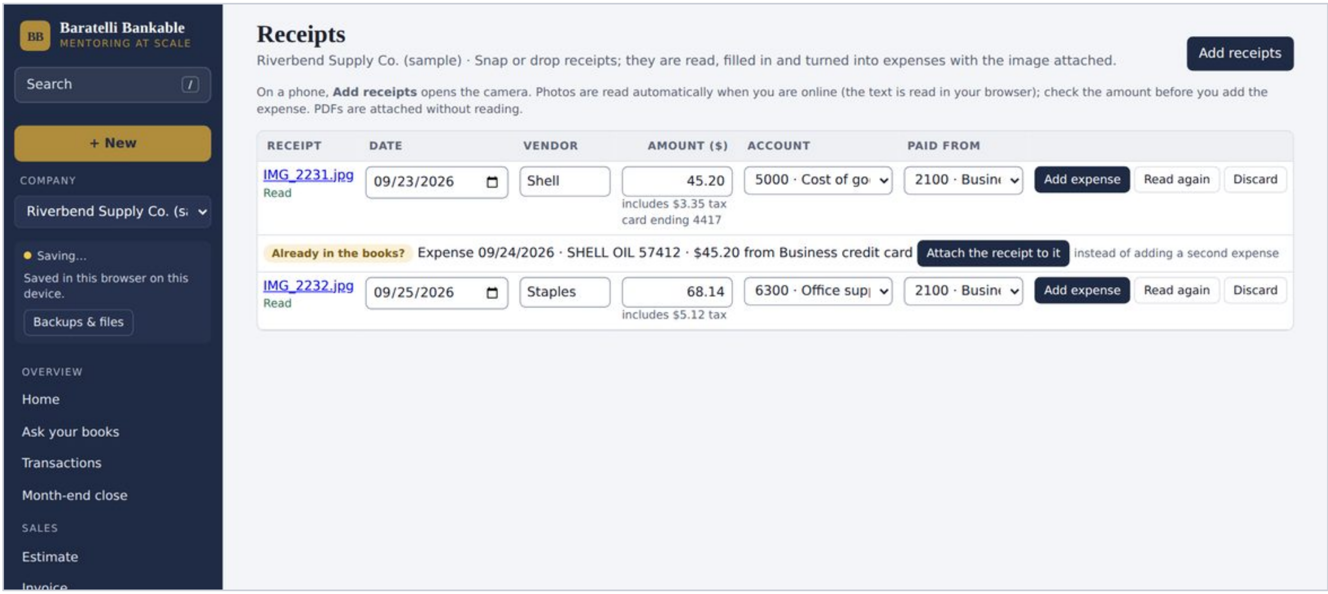
Receipt capture

Receipts (Purchases menu) turns photos and PDFs of receipts into expenses. On a phone, **Add receipts** opens the camera. Each photo is read in the browser for the vendor, date and total when you are online (the image never leaves your device); check the figures, choose the account and how it was paid, and **Add expense**. The receipt is attached to the expense, and a new vendor is added to your list.



A receipt waiting to become an expense.

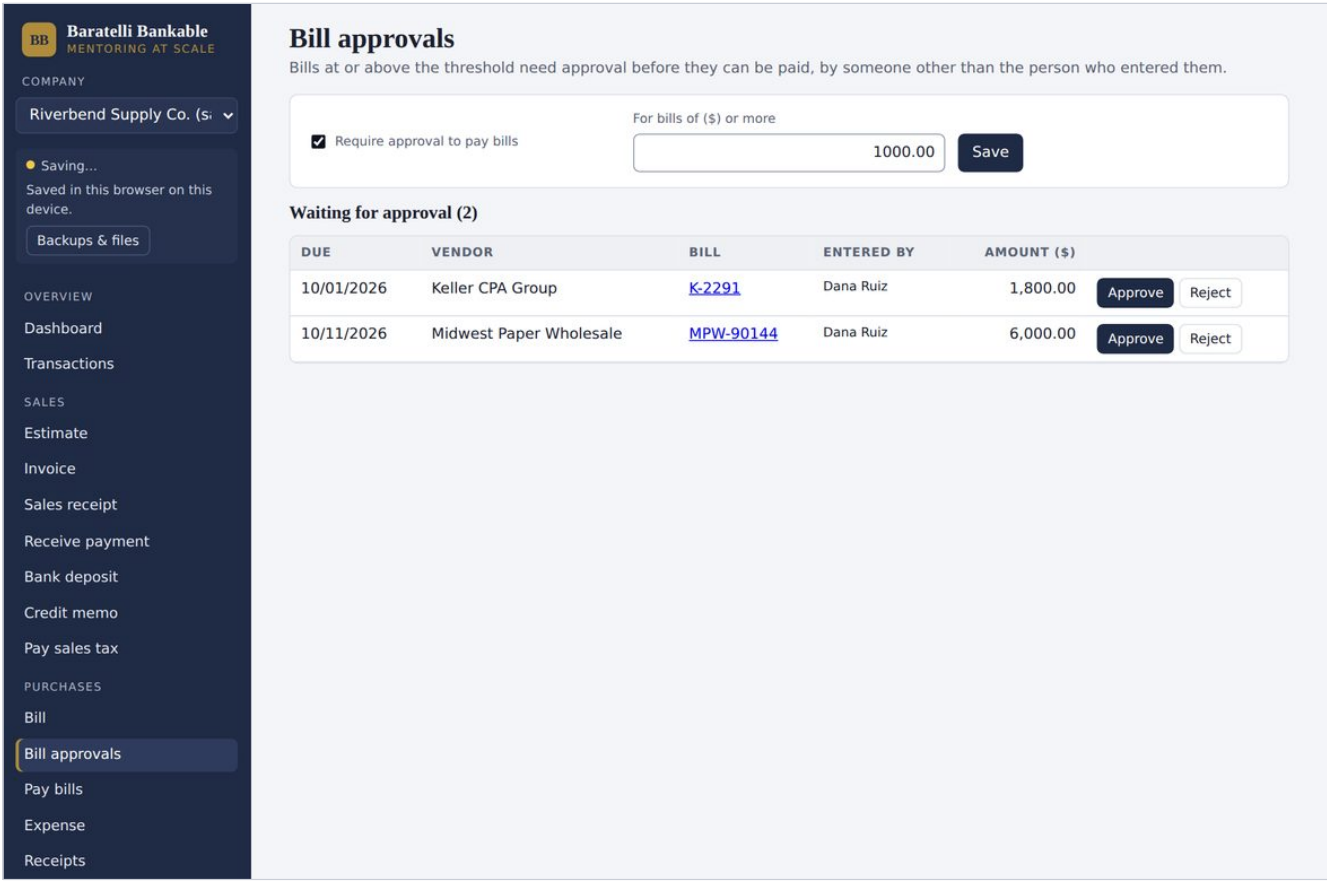
Receipts read the sales tax and the last four digits of the card, choose the card account that ends in those digits, and suggest an account for a new vendor from what it sells (fuel, meals, office supplies, hardware, software, travel, shipping, phone). When the same amount is already in the books within five days, usually from the bank or card import, the receipt shows **Already in the books?** with **Attach the receipt to it**, so the charge is not entered twice. Home counts receipts waiting.



Two receipts read: the Shell receipt matches a card charge already imported, so it is attached rather than entered again.

Bill approvals

Bill approvals requires approval before bills at or above a threshold can be paid. Bills waiting for approval stay out of Pay bills and out of bank matching, Home shows them, and each must be approved by someone other than the person who entered or changed it; the decision, the approver and the time are kept. Editing an approved bill sends it back for approval and keeps the earlier decision in its history. Only the owner can change the approval rules, and each change is logged with the old and new rule.

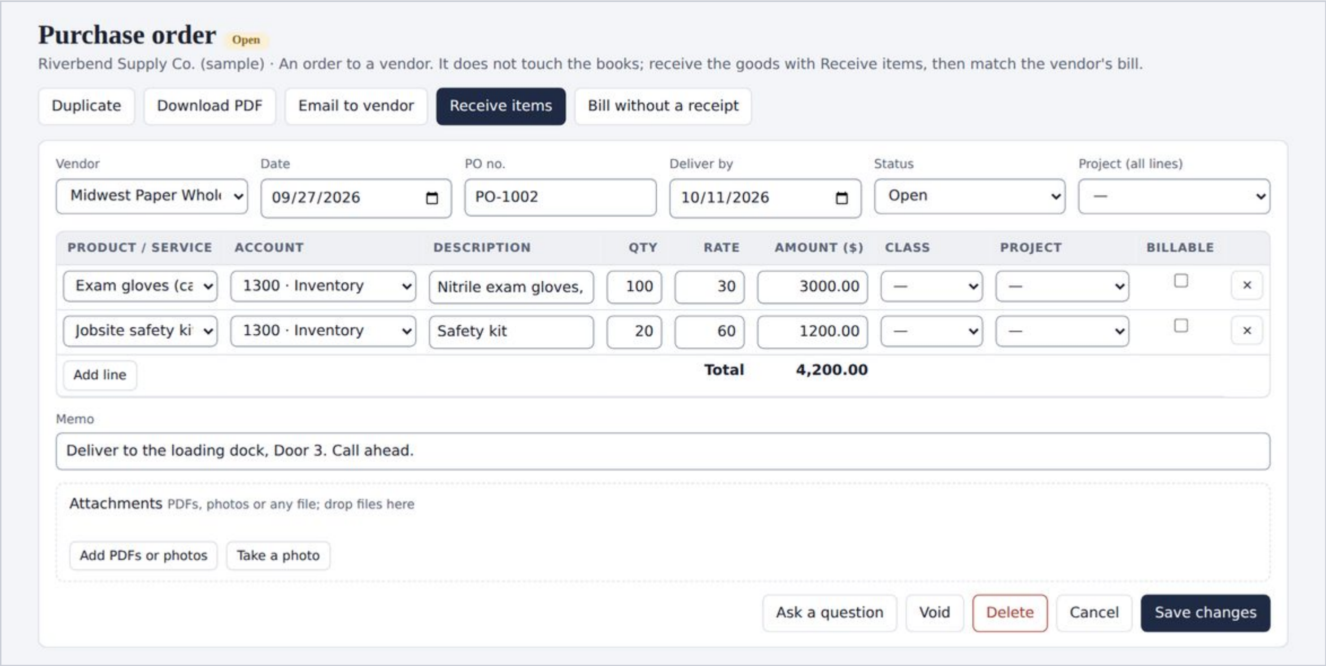


Bill approvals: bills of $1,000 or more wait for a second person.

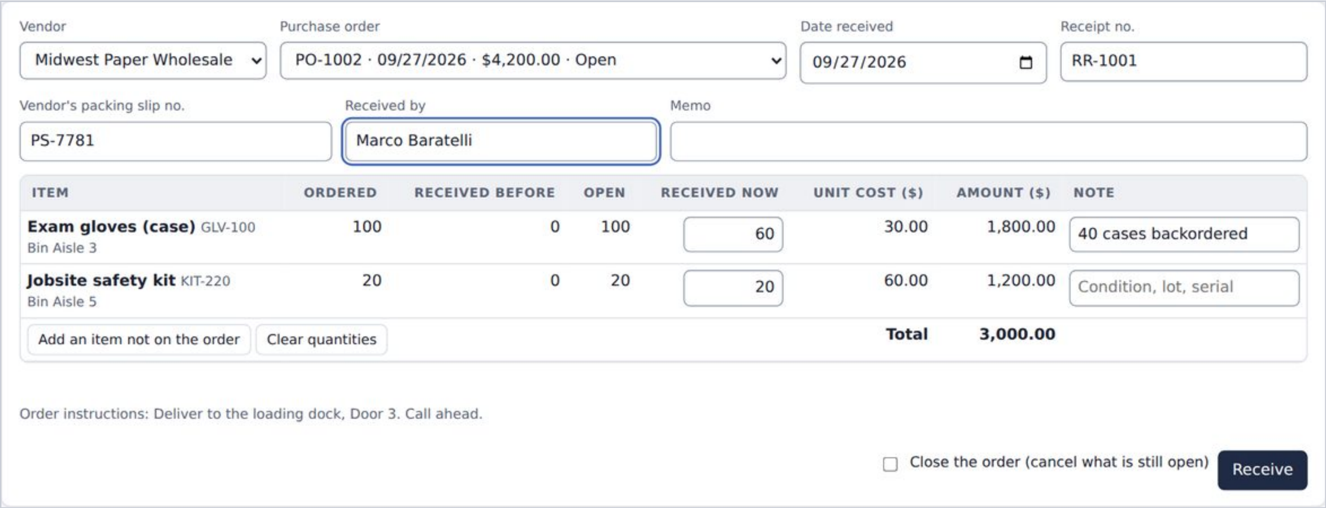
Purchase orders and receiving

Buying runs in three steps, and the books follow each one. This is the three-way match auditors and lenders expect: the order says what was agreed, the receipt says what arrived, and the bill is paid only for what arrived at the agreed price.

1. **Order. Purchases › Purchase order** works like a bill: vendor, products, quantities and prices, a deliver-by date and instructions. It posts nothing. **Download PDF** or **Email to vendor** sends it with a ship-to address and a request to quote the PO number. In Products, **Order what is low** drafts an order for every item at or below its reorder point from its preferred vendor, counting what is already on order.
2. **Receive.** When the shipment arrives, **Receive items** (or the button on the order) lists each line with what was ordered, received before and still open. Enter what came in, the packing slip number and who checked it in, and a note for damage, lots or serial numbers. A partial shipment leaves the rest open as a backorder; receiving more than ordered asks for confirmation; an item not on the order can be added. The receipt puts the stock and its cost in the books that day: inventory up at the order price, owed to the vendor in **Received not billed**. **Receiving report (PDF)** prints the check-in sheet for the dock.
3. **Match the bill.** When the vendor's invoice comes, **Enter bill** on the receipt (or on Receive items) fills a bill with everything received from that vendor and not yet billed. Enter the vendor's bill number and check each price. Saving moves the amount from Received not billed to accounts payable. The bill is checked against the receipt and the order: a quantity that differs, a line already billed, or a price that differs is flagged before saving. An accepted price difference is split: the part for units still on hand adjusts the item's cost, and the part for units already sold goes to cost of goods sold, so neither inventory nor margin carries the whole difference.

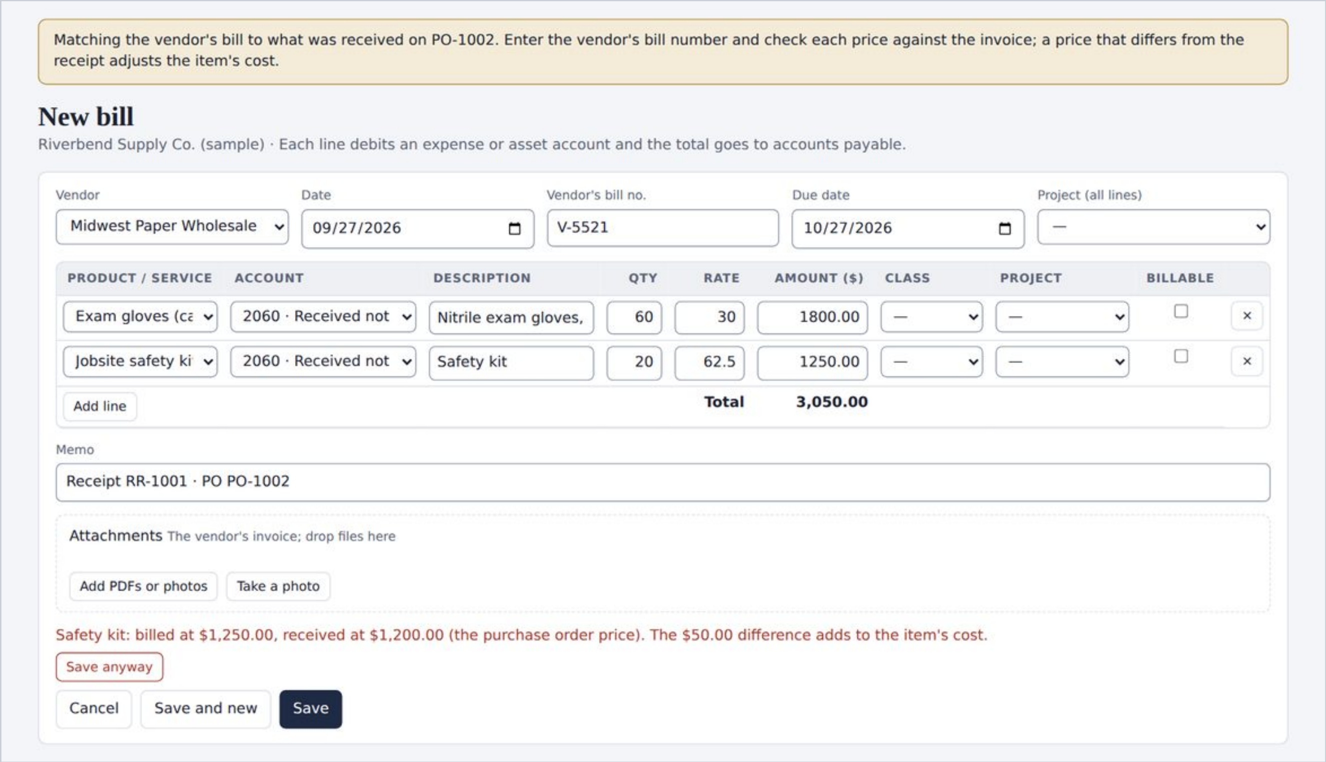


A purchase order: nothing posts until the goods arrive.



Receiving 60 of 100 cases and all 20 kits; 40 cases stay open on the order.

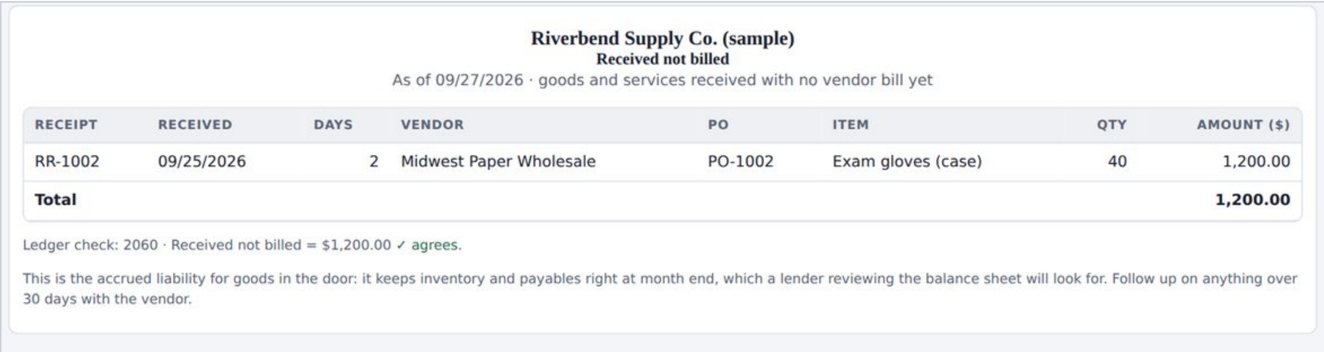
The receipt posts inventory and Received not billed, and waits for the bill.



Matching the bill: the kits were billed at $62.50 against $60.00 on the order, so the $50 is flagged and, once accepted, added to their cost.

- For services, or when the goods and the bill arrive together, **Bill without a receipt** on the order bills what is still open; the order counts it as received.
- A purchase order shows *Open*, *Partly received*, *Late*, *Received* or *Received and billed*. Close one you no longer expect on Receive items or with its status. An order with receipts or bills against it cannot be deleted.

- Home flags late orders and receipts waiting more than 30 days for a bill. Products shows the quantity on order beside each item.
- Reports › **Open purchase orders** lists what is still to arrive, by line, at the order price. Reports › **Received not billed** lists every receipt without its bill as of any date, with the days outstanding, and checks the total against the account: the accrual that keeps inventory and payables right at month end.



Riverbend Supply Co. (sample)
Received not billed
As of 09/27/2026 · goods and services received with no vendor bill yet

RECEIPT	RECEIVED	DAYS	VENDOR	PO	ITEM	QTY	AMOUNT ($)
RR-1002	09/25/2026	2	Midwest Paper Wholesale	PO-1002	Exam gloves (case)	40	1,200.00
Total							**1,200.00**

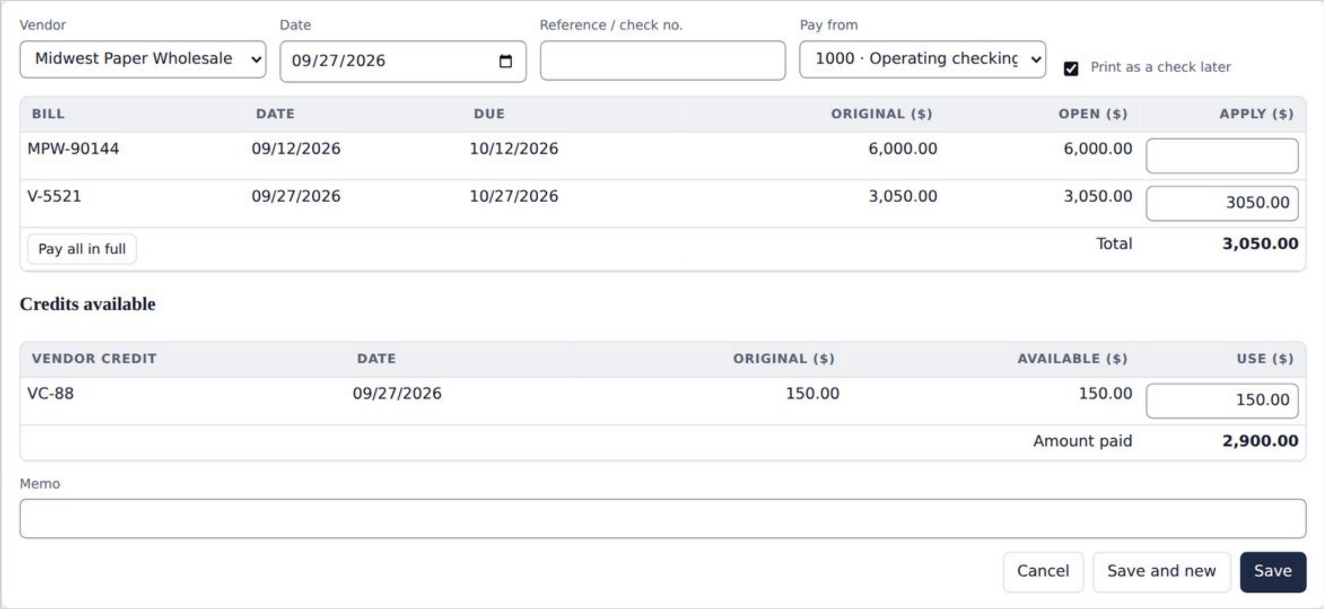
Ledger check: 2060 · Received not billed = $1,200.00 ✓ agrees.

This is the accrued liability for goods in the door: it keeps inventory and payables right at month end, which a lender reviewing the balance sheet will look for. Follow up on anything over 30 days with the vendor.

Received not billed at month end: 40 cases in the door, bill not yet in, agreeing with the ledger.

Vendor credits

Vendor credit records a return to a vendor, a credit for a short or damaged shipment, or an allowance. It lowers accounts payable, and its lines credit the expense or, for inventory, take the returned quantity out of stock at the credit amount. In **Pay bills** the vendor's open credits appear under the bills; use them against what you are paying and the check is for the difference. Unapplied credits show as negative amounts in A/P aging and on the vendor. Leave the quantity blank on an inventory line for a price credit or allowance: it lowers the item's value, not its quantity.



Vendor: Midwest Paper Wholesale
Date: 09/27/2026
Reference / check no.:
Pay from: 1000 · Operating checking
☑ Print as a check later

BILL	DATE	DUE	ORIGINAL ($)	OPEN ($)	APPLY ($)
MPW-90144	09/12/2026	10/12/2026	6,000.00	6,000.00	
V-5521	09/27/2026	10/27/2026	3,050.00	3,050.00	3050.00
Pay all in full				Total	**3,050.00**

Credits available

VENDOR CREDIT	DATE	ORIGINAL ($)	AVAILABLE ($)	USE ($)
VC-88	09/27/2026	150.00	150.00	150.00
			Amount paid	**2,900.00**

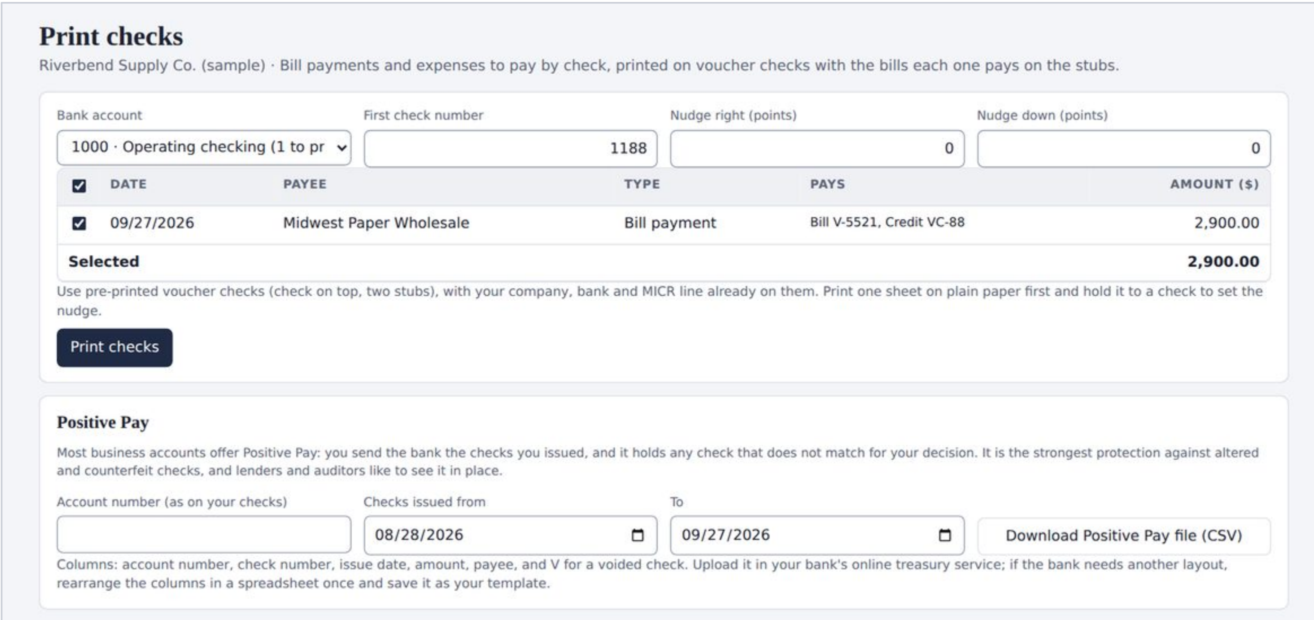
Memo

Cancel | Save and new | Save

Paying a $3,050.00 bill with a $150.00 credit for returned cases: the check is $2,900.00, set to print.

Printing checks and Positive Pay

In **Pay bills** or **Expense**, tick **Print as a check later**; a bill payment saved without a check number also waits to print. **Purchases › Print checks** lists them by bank account. Choose the checks and the first check number and print on pre-printed voucher checks, the kind with the check on top and two stubs, with your company, bank and MICR line already on them. The check shows the date, payee and address, the amount in figures and in words, and a memo; both stubs list each bill and credit the check pays. After printing, confirm the checks came out right and the numbers are recorded; if they did not, reprint. A nudge setting moves everything to fit your check stock, and **Printed recently** reprints a spoiled check.



Print checks: one check waiting, and the Positive Pay export below.

1188

09/27/2026

Midwest Paper Wholesale ****2,900.00**

Two thousand nine hundred and 00/100 ***

Midwest Paper Wholesale
4410 Industrial Pkwy
St. Louis, MO 63110

Riverbend Supply Co. (sample) **Check 1188**
Midwest Paper Wholesale 09/27/2026

PAYS	DATE	ORIGINAL	PAID
Bill V-5521	09/27/2026	3,050.00	3,050.00
Credit VC-88	09/27/2026	(150.00)	(150.00)
Operating checking			**$2,900.00**

Riverbend Supply Co. (sample) **Check 1188**
Midwest Paper Wholesale 09/27/2026

PAYS	DATE	ORIGINAL	PAID
Bill V-5521	09/27/2026	3,050.00	3,050.00
Credit VC-88	09/27/2026	(150.00)	(150.00)
Operating checking			**$2,900.00**

The printed voucher check: the check on top and two stubs showing the bill and the credit it pays.

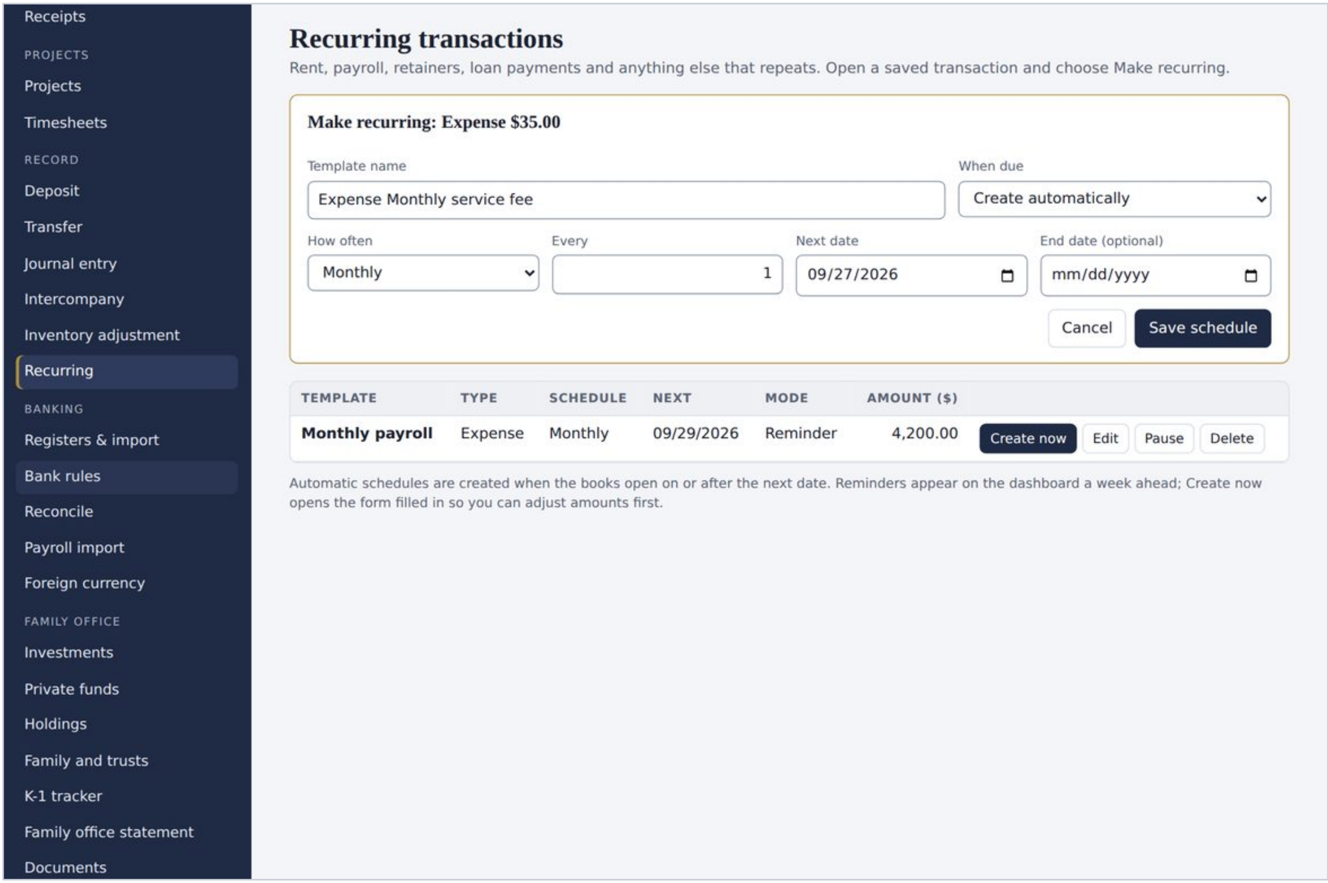
Positive Pay is a bank service that pays only checks you have reported. Enter the account number printed on your checks and the date range, and **Download Positive Pay file** writes the checks issued: account number, check number, issue date, amount, payee, and V for a voided check. Upload it in your bank's treasury service after each check run. It is the strongest protection against altered and counterfeit checks, and a sign of good controls to a lender or auditor.

A printed check is never deleted: void it, so its number stays in the record and the Positive Pay file stays right. Changes to a vendor's name, address or email are kept in a **change log** on the vendor, old and new, with who made them and when. For 30 days after such a change the vendor is flagged in Customers & vendors and on the Print checks list: confirm the change by phone, at a number already on file, before paying. A changed remit-to address is the most common setup for payment fraud.

11 · RECURRING TRANSACTIONS

Rent, payroll, retainers, loan payments and monthly fees can repeat on a schedule. Open any saved invoice, bill, expense, deposit, sales receipt, journal entry or transfer and choose **Make recurring**.

1. Name the template and choose how often (weekly, monthly, quarterly, yearly, or every few of those), the next date and an optional end date.
2. Choose **Create automatically** for amounts that never change: each one is posted when the books open on or after its date. Choose **Remind me** for amounts that vary: it appears on Home a week ahead.
3. For a reminder, **Create now** opens the form filled in; adjust the amounts and save, and the schedule moves to the next date.



Making the monthly bank fee recurring.

Recurring lists every schedule with its next date. Pause, edit or delete any of them there.

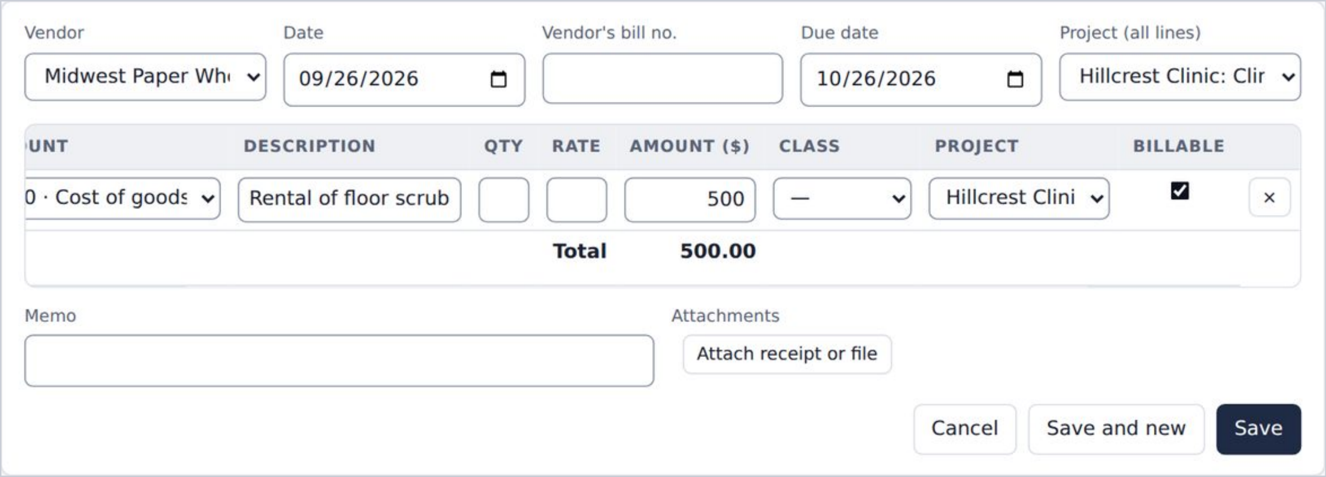
12 · PROJECTS AND JOB COSTING

Projects tracks the income, costs, labor and billing of each job, contract or engagement: a construction job, a consulting engagement, a property renovation, a supply program. Every project belongs to one company and usually one customer.

Kept for each project	
Basics	Name, customer, status (Active, On hold, Completed, Canceled), start and target finish, project manager, site, scope
Money	Contract value (or the total of accepted estimates tagged to it), estimated total cost, a cost budget by account, the income account used for billing, and a markup on billable expenses

Tagging activity to a project

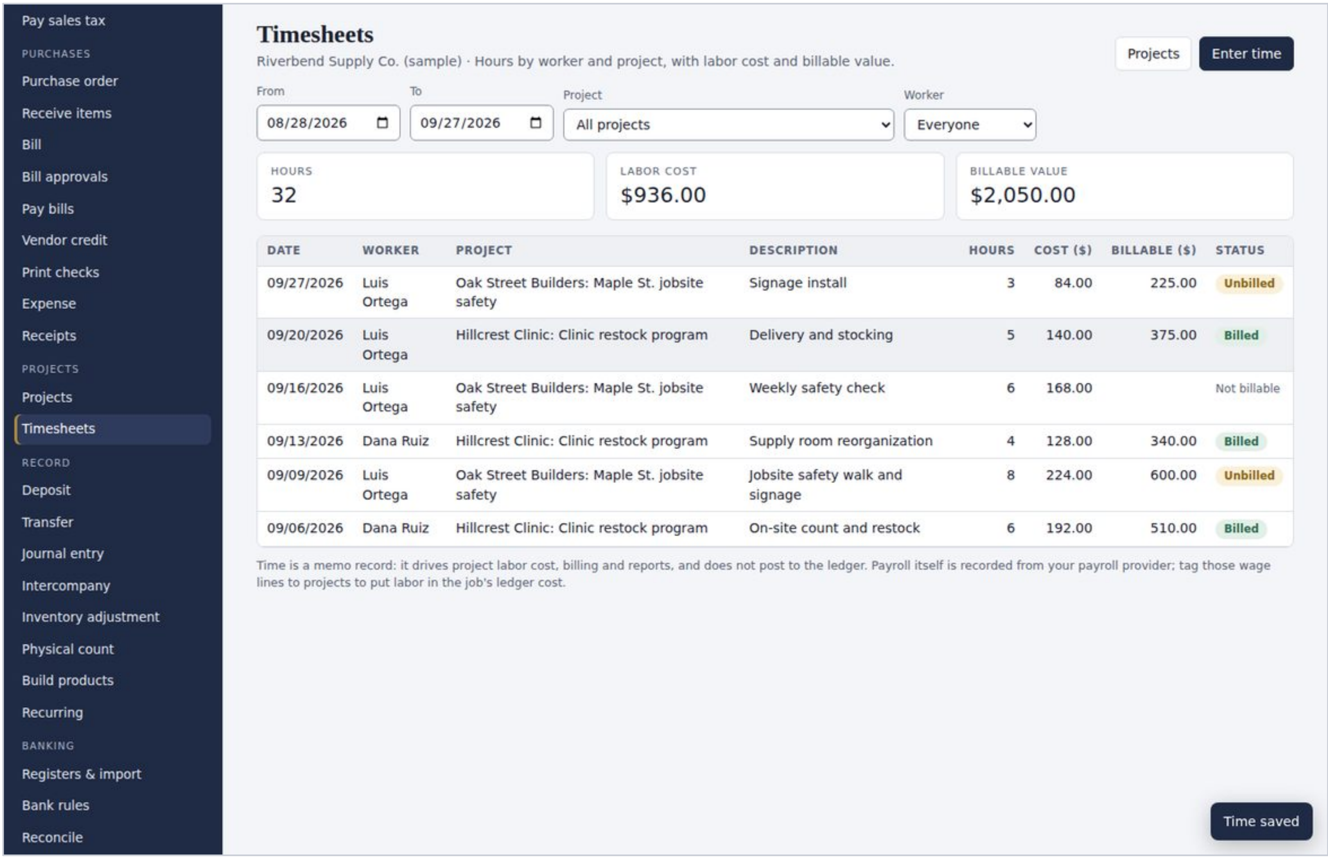
- Once a company has a project, every invoice, estimate, sales receipt, credit memo, bill, expense and journal entry line gets a **Project** column, and the form gets a **Project (all lines)** choice that fills every line at once.
- Tag wages to a project on the payroll journal entry, and materials and subcontractors on bills and expenses. Income and cost of goods sold for inventory items follow the line's project too.
- On bills and expenses, check **Billable** on costs the customer reimburses. They wait on the project page until you bill them, with the project's markup added.



A bill tagged to a project and marked billable to the customer.

Timesheets

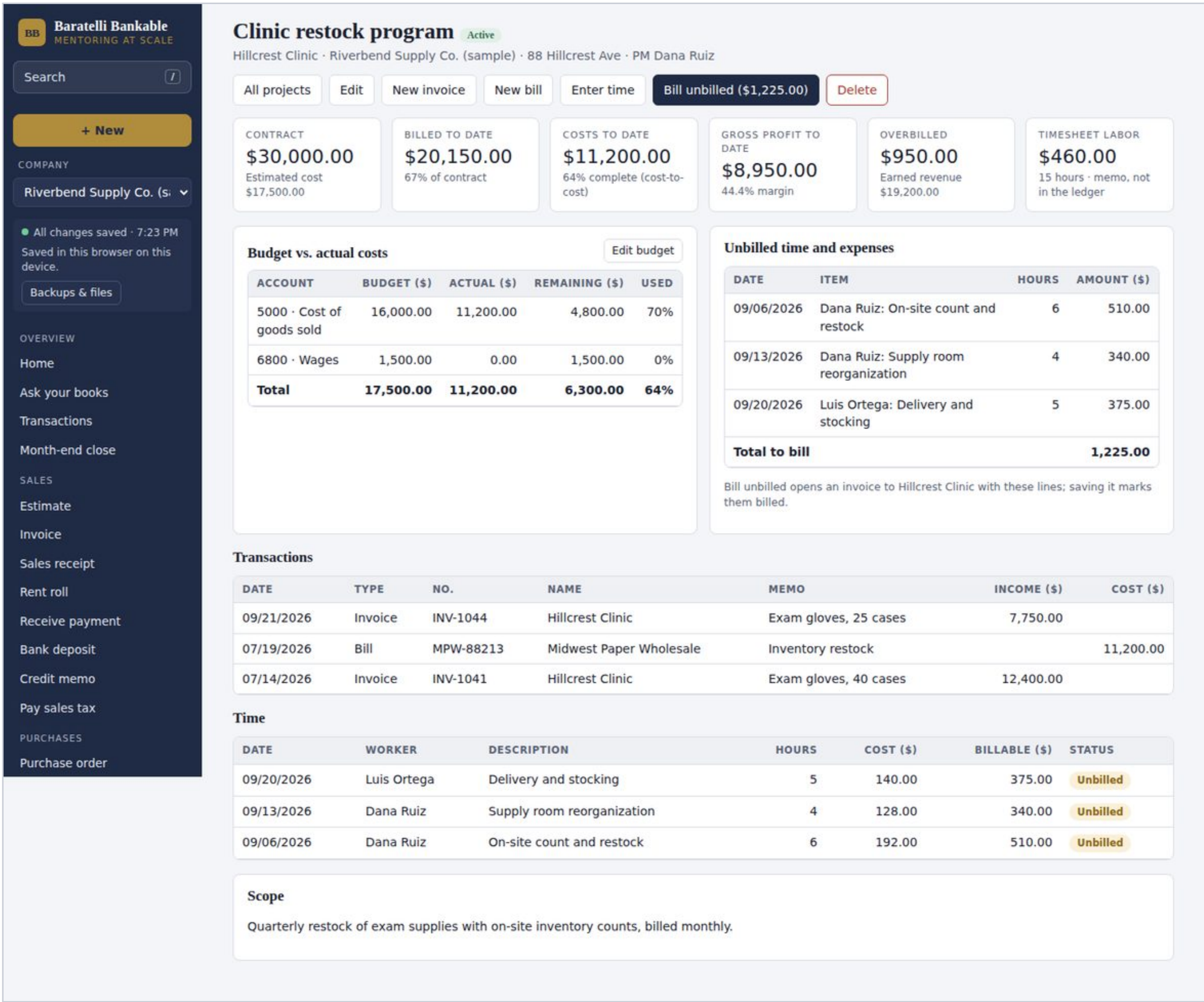
Timesheets records hours by worker and project with a cost rate (wage plus burden) and a bill rate. Choosing a worker fills in the rates last used for them. Time is a memo record: it gives each project its labor cost and billable hours and does not post to the ledger, because payroll is recorded from your payroll provider.



Entering three hours on a job; the worker's rates fill in.

The project page

Open a project for contract, billed to date, costs to date, gross profit and margin, percent complete, over- or underbilling and timesheet labor; its budget vs. actual by cost account (choose **Edit budget**); unbilled time and expenses; and every transaction and time entry on the job. **New invoice**, **New bill** and **Enter time** start with the project filled in. **Bill unbilled** opens an invoice to the customer with each unbilled time entry (hours × bill rate) and billable expense (with markup); saving it marks them billed.



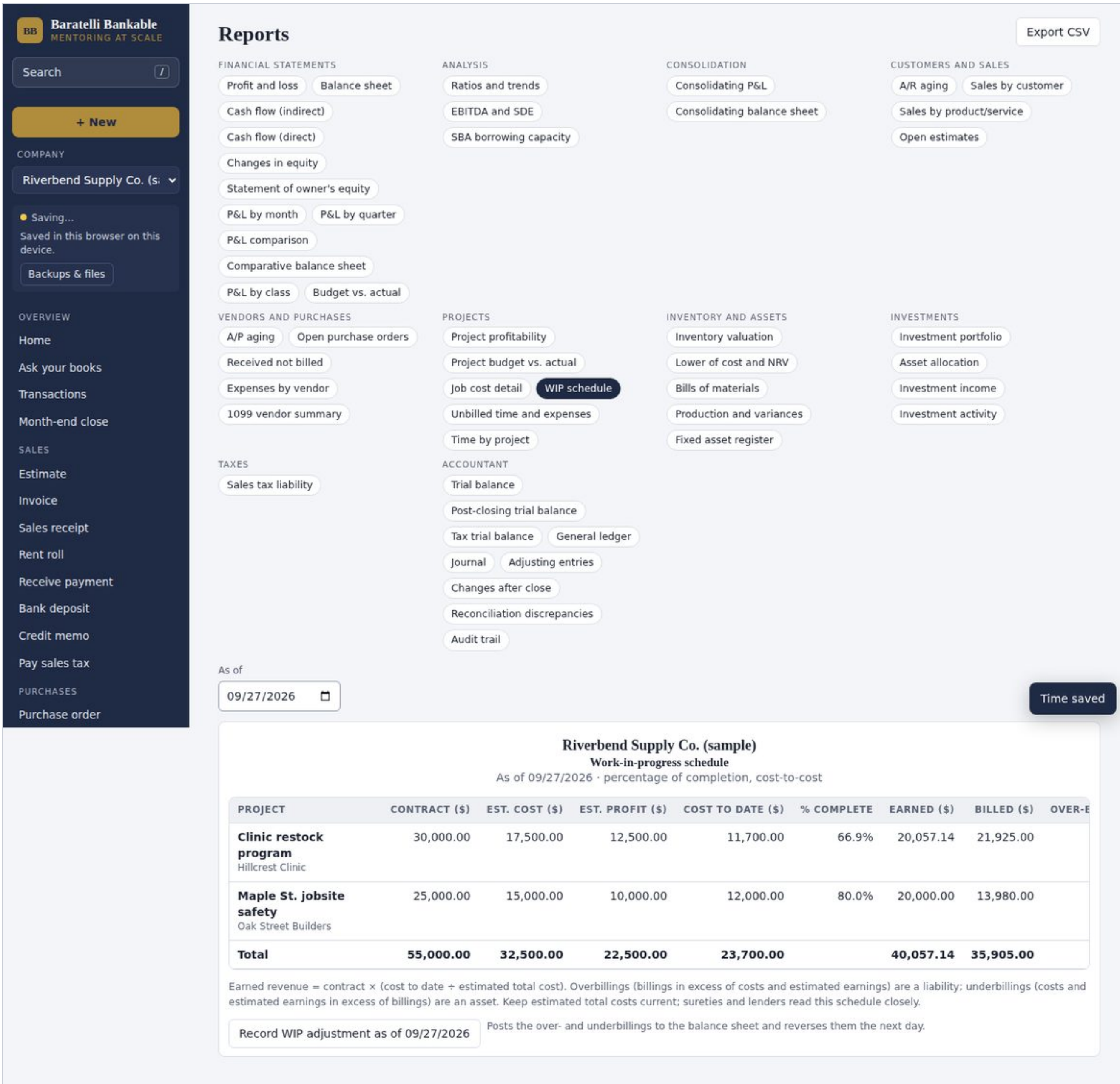
A project: the numbers at the top, budget vs. actual, what is ready to bill, and the job's transactions and time.

Project reports

Report	What it shows
Project profitability	Income, costs, gross profit and margin by project for the period, and profit after timesheet labor
Project budget vs. actual	Budgeted cost, actual cost, remaining and percent used, life to date
Job cost detail	Every income and cost line on each job, by account, with totals
WIP schedule	Contract, estimated cost and profit, cost to date, percent complete, earned revenue, billings, over- and underbillings, cost to complete
Unbilled time and expenses	What is ready to bill on each project
Time by project	Hours, labor cost and billable value by project and worker

The WIP schedule and percentage of completion

Contractors and their sureties and lenders measure jobs by **percentage of completion**. The WIP schedule uses the cost-to-cost method: percent complete is cost to date divided by estimated total cost, earned revenue is the contract times that percent, and the difference from what has been billed is an **overbilling** (billings in excess of costs and estimated earnings, a liability) or an **underbilling** (costs and estimated earnings in excess of billings, an asset). At period end, **Record WIP adjustment** posts those amounts to the balance sheet and reverses them the next day, so monthly billing continues as usual. Keep each project's estimated total cost current; the schedule is only as good as the estimates.



The WIP schedule: one job overbilled, one underbilled.

Projects travel with the QuickBooks export: lines carry the name Customer:Project, and the QuickBooks Desktop file creates the jobs.

13 · INTERCOMPANY AND CONSOLIDATION

When one of your companies pays for, lends to or charges another, record it once on **Intercompany**. It posts matching entries in both companies at the same time.

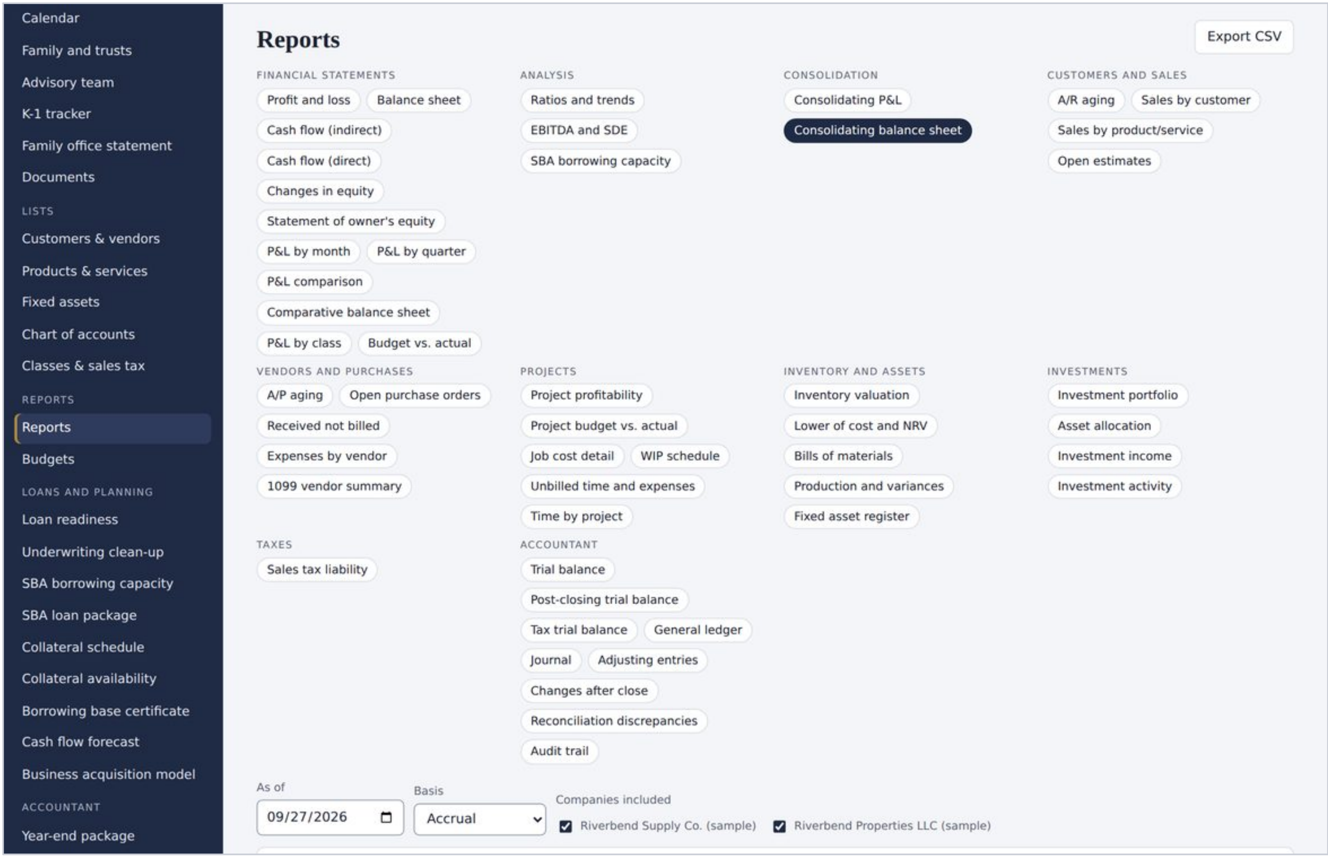
Choice	In the company you are in	In the other company
Advanced cash (loan)	Debit Due from the other company; credit the bank account	Debit the bank account; credit Due to the first company
Paid for goods or services (for example rent)	Debit the expense account; credit the bank account	Debit the bank account; credit the income account

Every company has a Due from and a Due to account with every other company. Adding a company creates them in the new company and in each existing one, numbered 1900, 1901 and on for Due from and 2900, 2901 and on for Due to, and marked Intercompany. Renaming a company renames them. With three companies, each has four intercompany accounts; with four, six.

In **All companies (consolidated)** reports, those balances and the intercompany income and expense are eliminated, so the group's results show only its dealings with the outside world.

Consolidating statements

Open **Reports** and choose **Consolidating P&L** or **Consolidating balance sheet**. Each shows a column for every company as its own books show it, an **Eliminations** column, and a **Consolidated** column. Use **Companies included** to consolidate any subset. Accounts line up by account number, so give the same kind of account the same number in every company; the industry charts do this for you.



Consolidating balance sheet: each company, the eliminations, and the consolidated total.

Intercompany accounts, subsidiaries and outside owners

- Mark any account as **Intercompany** with a named company in Chart of accounts. Income, expense and balances in it are eliminated whenever both companies are in the report, including entries made as ordinary journal entries. When you consolidate only some companies, balances with companies left out stay in, as they should.
- An account marked **Investment in** another company is eliminated against that company's equity on the consolidating balance sheet; because the companies are under common family control, no goodwill is recorded (ASC 805-50) and any difference stays in equity. A company bought from outside owners needs its purchase price allocated with a journal entry: identifiable assets and liabilities at fair value, and goodwill for the rest. Where the group owns less than all of a company, the outside owners' share appears as noncontrolling interest on the balance sheet, and the consolidating P&L splits net income between the group and the noncontrolling interest.
- In Company details, set **Owned by the group (%)** for a company that is not wholly owned. The outside owners' share of its equity shows as **noncontrolling interest**, and the family office statement counts only the group's share.

Riverbend Supply Co. (sample) · Riverbend Properties LLC (sample)
Consolidating balance sheet
As of 09/26/2026

ACCOUNT	RIVERBEND SUPPLY CO. (SAMPLE) ($)	RIVERBEND PROPERTIES LLC (SAMPLE) ($)	ELIMINATIONS ($)	CC
Assets				
1000 Operating checking	1,315.00	36,020.00	0.00	
1020 Euro supplier account	6,950.00	0.00	0.00	
1150 Undeposited funds	1,060.00	0.00	0.00	
1200 Accounts receivable	23,640.60	0.00	0.00	
1300 Inventory	18,600.00	0.00	0.00	
1500 Equipment	32,000.00	410,000.00	0.00	
1800 Investment in Riverbend Properties	300,000.00	0.00	0.00	
Intercompany receivables (due from affiliates)	20,000.00	0.00	(20,000.00)	
Investment in subsidiaries (eliminated)	0.00	0.00	(300,000.00)	
Excess of investment over subsidiaries' equity (goodwill)	0.00	0.00	191,184.00	
Total assets	**403,565.60**	**446,020.00**	**(128,816.00)**	
Liabilities				
2000 Accounts payable	8,442.50	0.00	0.00	
2100 Business credit card	607.45	0.00	0.00	
2300 Sales tax payable	75.00	0.00	0.00	
2500 Notes payable	24,000.00	290,000.00	0.00	
Intercompany payables (due to affiliates)	0.00	20,000.00	(20,000.00)	
Total liabilities	**33,124.95**	**310,000.00**	**(20,000.00)**	
Equity				
3000 Owner's equity	374,850.00	132,500.00	0.00	
Retained earnings from prior years	0.00	0.00	0.00	
Net income, current year	(4,409.35)	3,520.00	0.00	
Subsidiaries' equity owned by the group (eliminated)	0.00	0.00	(108,816.00)	
Noncontrolling interest (Riverbend Properties LLC (sample) 20%)	0.00	0.00	27,204.00	
Equity attributable to noncontrolling interest (reclassified)	0.00	0.00	(27,204.00)	
Total equity	**370,440.65**	**136,020.00**	**(108,816.00)**	
Total liabilities and equity	**403,565.60**	**446,020.00**	**(128,816.00)**	

Every column balances: assets equal liabilities plus equity. Eliminations remove the amounts these companies owe each other, the investment in subsidiaries against their equity, and show outside owners' share as noncontrolling interest.

Consolidating balance sheet with the investment in an 80%-owned subsidiary eliminated and a noncontrolling interest.

Intercompany reconciliation

One company's receivable from another must equal that company's payable back. Consolidation removes both sides in full, so when they disagree the consolidated balance sheet is out of balance by the difference. **Intercompany reconciliation** (Accountant menu) checks every pair of companies as of any date.

1. Each pair shows each company's **net due**: its Due from less its Due to the other company, in its own books. The two should add to zero. A pair that does not is marked **Out of balance**, and the consolidated and consolidating balance sheets show a warning that links here.
2. Click a pair. It shows both companies' accounts, confirms that intercompany charges for the fiscal year agree (one company's income equals the other's expense), and lists every entry **without a match** in the other company. Entries made on the Intercompany screen match automatically; separate entries match when the amounts offset within ten days.
3. For each unmatched item, **Record the other side** opens a journal entry in the other company with its side filled in: a receivable here becomes a payable there. Choose the other account and save.
4. When every pair agrees, **Sign off** records who reconciled it and as of when. **Reconciliation (PDF)** prints the workpaper with the unmatched items and preparer and reviewer lines; **Export (CSV)** gives the detail.

Intercompany reconciliation

Each company's receivable from another company should equal that company's payable back. This checks every pair.

As of

09/26/2026 Export (CSV) Reconciliation (PDF)

COMPANY PAIRS	OUT OF BALANCE	TOTAL DIFFERENCE	SIGNED OFF
3	1	$18,500.00	Not yet

COMPANY	NET DUE ($)	OTHER COMPANY	NET DUE ($)	DIFFERENCE ($)	STATUS
Riverbend Supply Co. (sample)	38,500.00	**Riverbend Properties LLC (sample)**	(20,000.00)	18,500.00	Out of balance
Riverbend Supply Co. (sample)	(10,000.00)	**Riverbend Holdings LLC (sample)**	10,000.00	0.00	In balance
Riverbend Properties LLC (sample)	0.00	**Riverbend Holdings LLC (sample)**	0.00	0.00	No balances
Total				**18,500.00**	

Net due is each company's due from less its due to the other company, in its own books; the two should add to zero. Click a pair to see its accounts, entries and anything without a match. A difference leaves the consolidated balance sheet out of balance by the same amount, because consolidation removes both sides in full.

Sign off as of 09/26/2026

Riverbend Supply Co. (sample) and Riverbend Properties LLC (sample)

Riverbend Supply Co. (sample): due from Riverbend Properties LLC (sample)	38,500.00
Less due to Riverbend Properties LLC (sample)	0.00
Net receivable	**38,500.00**

Riverbend Properties LLC (sample): due from Riverbend Supply Co. (sample)	0.00
Less due to Riverbend Supply Co. (sample)	(20,000.00)
Net receivable	**(20,000.00)**

The two sides differ by $18,500.00: together they show more receivable than payable. 2 entries matched between the companies.

Intercompany charges this fiscal year agree ($7,500.00).

Items without a match in the other company

DATE	COMPANY	ACCOUNT	ENTRY	MEMO	EFFECT ON NET RECEIVABLE ($)	
09/20/2026	Riverbend Supply Co. (sample)	1900 · Due from Riverbend Properties LLC (sample)	Journal entry JE-77	Paid Properties insurance premium	18,500.00	Record the other side
Unmatched items explain					**18,500.00**	

These items account for the whole difference. **Record the other side** opens a journal entry in the other company with its side of the item filled in; choose the other account and save.

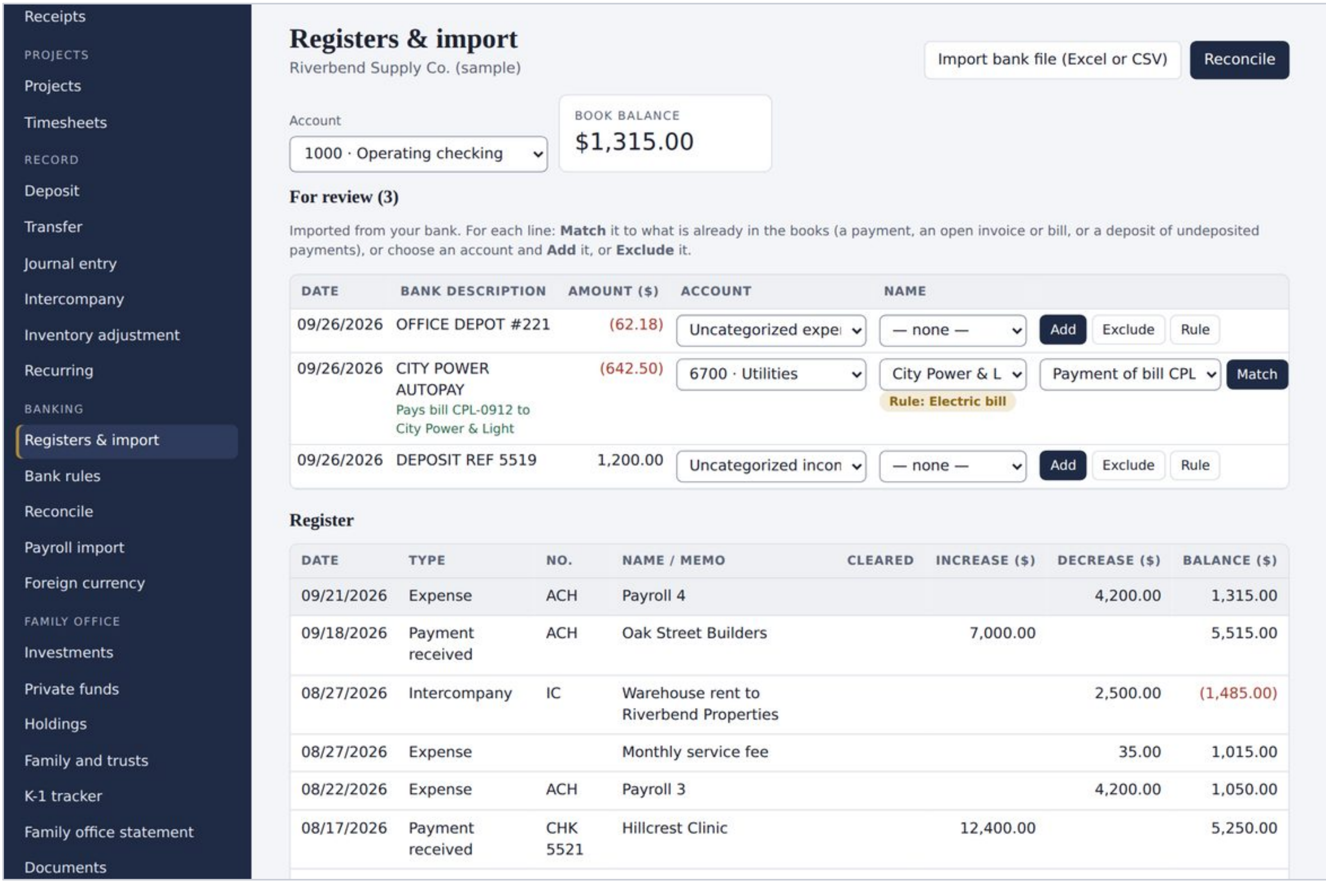
Intercompany reconciliation: one pair out by $18,500, explained by an insurance payment recorded in only one company.

If a company is missing any of its intercompany accounts, for example in books started before this release, the screen offers **Create them**. An account marked Intercompany but not tied to a company is listed so you can assign it in Chart of accounts.

14 · BANKING: IMPORT, RULES AND REVIEW

Registers & import shows each bank and credit card account's register with a running balance, and a review list for lines imported from the bank.

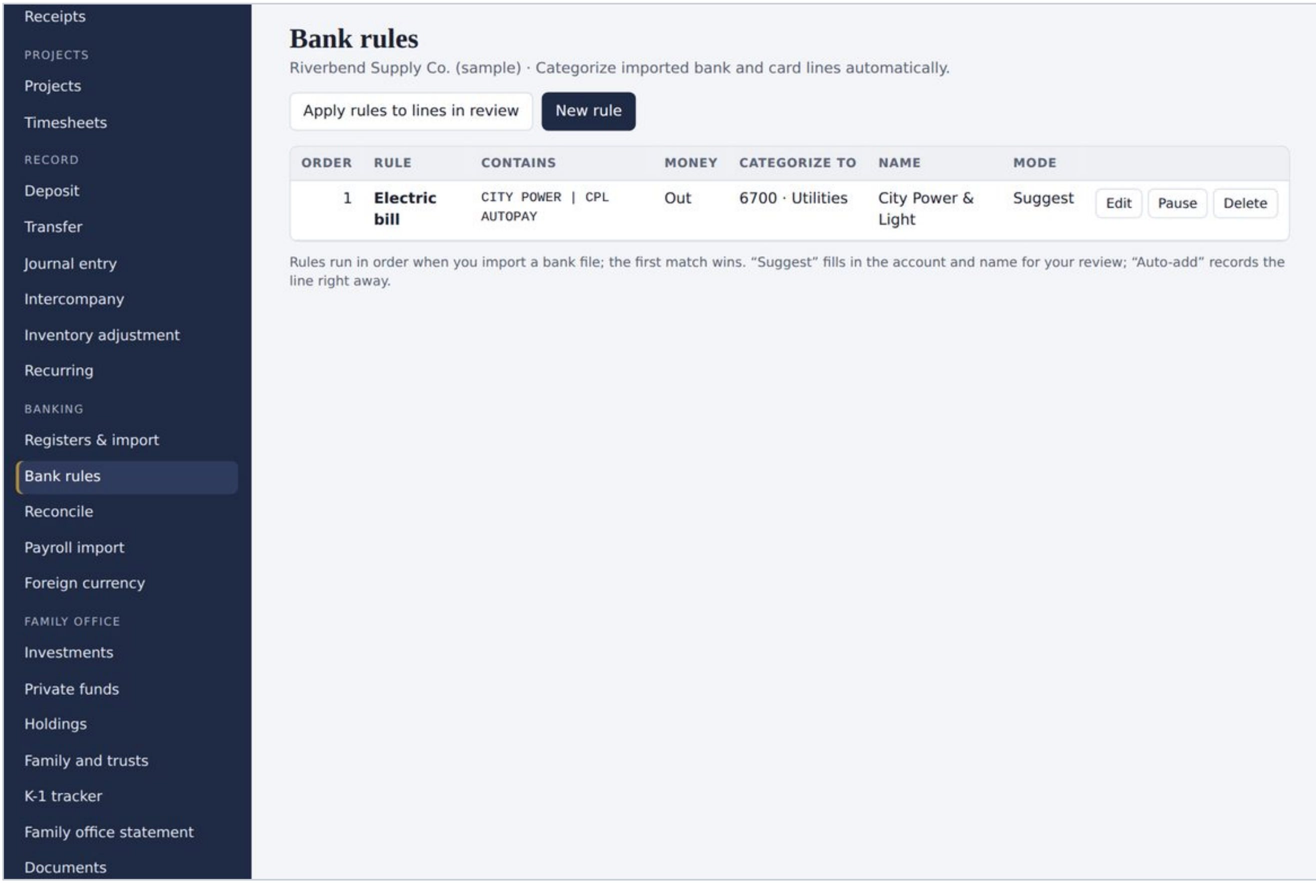
1. Download the account's activity from your bank's website as an Excel (.xlsx or .xls) or CSV file.
2. Choose the account, then **Import bank file (Excel or CSV)**. Baratelli Bankable finds the date, description and amount columns (or separate debit and credit columns), reads dates written any common way, and skips lines already imported.
3. Bank rules run on each new line. A matching rule fills in the account and name, or adds the line automatically if the rule says so.
4. For each line under **For review**: **Match** when the transaction is already in the books, **Add** to record it as an expense or deposit, or **Exclude**. **Rule** turns the line into a new bank rule.



Imported lines waiting for review; the power bill was categorized by a rule.

Bank rules

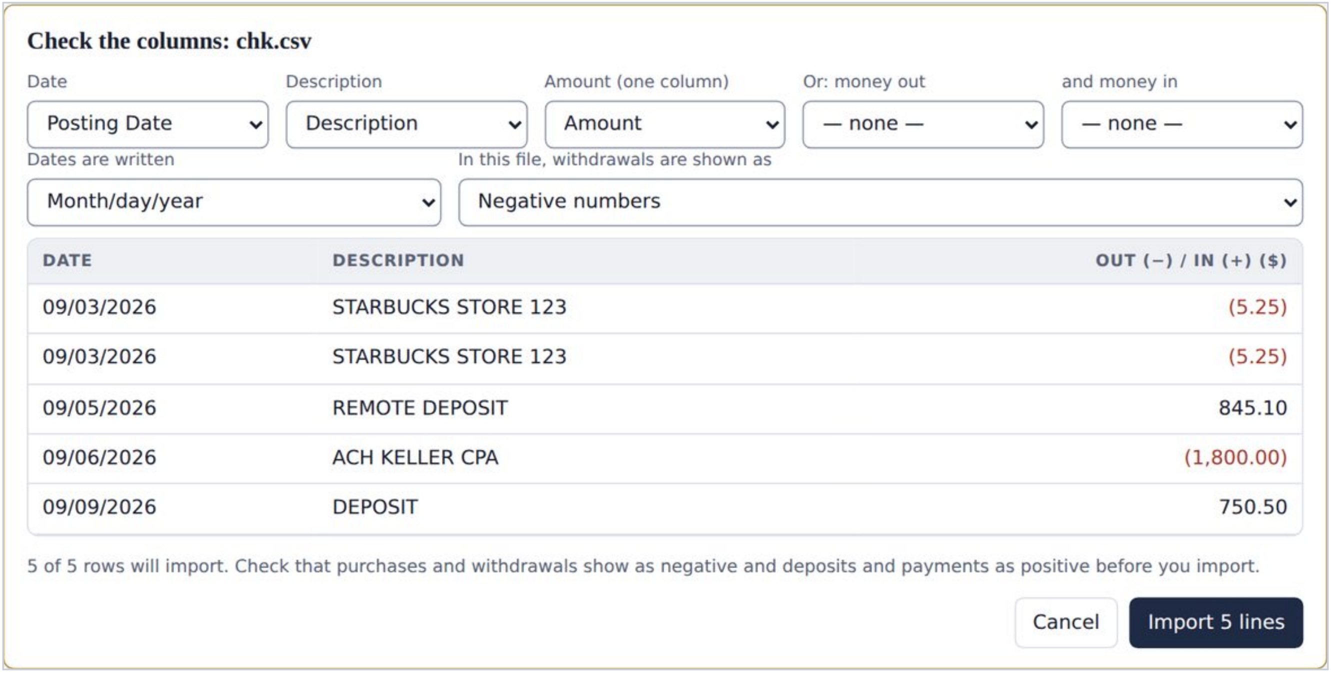
Bank rules lists the rules for the company in order; the first match wins. A rule looks for words in the bank description (separate alternatives with |), money in or out, an optional amount range and account, and then sets the account, name and class. **Suggest** rules fill in the line for your review; **Auto-add** rules record it straight away. **Apply rules to lines in review** runs new rules on lines already waiting.



A bank rule that sends the power company's autopay to Utilities.

Checking the columns

After you choose a bank file, a **column check** shows how the file was read: which columns hold the date, description and amount (or money out and money in), whether dates are month/day or day/month, and whether this bank shows purchases and withdrawals as negative or positive numbers. The first rows appear as they will import, so a wrong column or sign is caught before anything is added. Files separated by commas, semicolons or tabs are read, including Chase, Bank of America, Wells Fargo and American Express downloads.

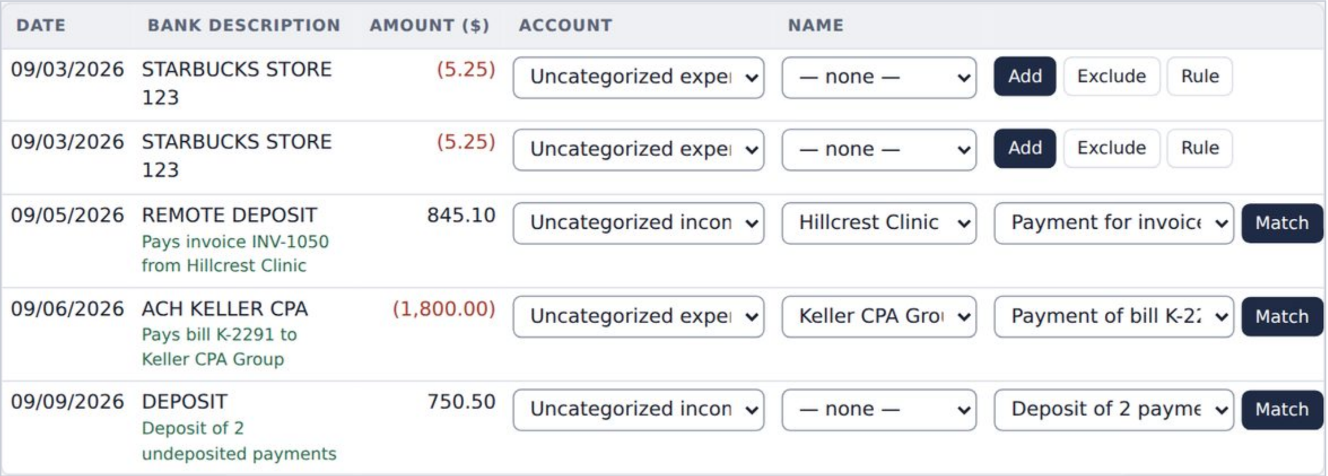


DATE	DESCRIPTION	OUT (−) / IN (+) ($)
09/03/2026	STARBUCKS STORE 123	(5.25)
09/03/2026	STARBUCKS STORE 123	(5.25)
09/05/2026	REMOTE DEPOSIT	845.10
09/06/2026	ACH KELLER CPA	(1,800.00)
09/09/2026	DEPOSIT	750.50

The column check before importing a Chase checking file.

Matching

Lines already in the books are never added twice: importing the same file again adds nothing, while two genuine identical charges on the same day are both kept. For each new line the review list suggests what it is and makes **Match** the main button when it finds one: an entry already in the register, a customer payment for an open invoice of that amount, a bill payment for an open bill, or a deposit of payments waiting in Undeposited funds. Matching an invoice or bill records the payment and closes it. Lines with no suggestion default to **Uncategorized** income or expense, never to a real account, so nothing is misclassified by accident.



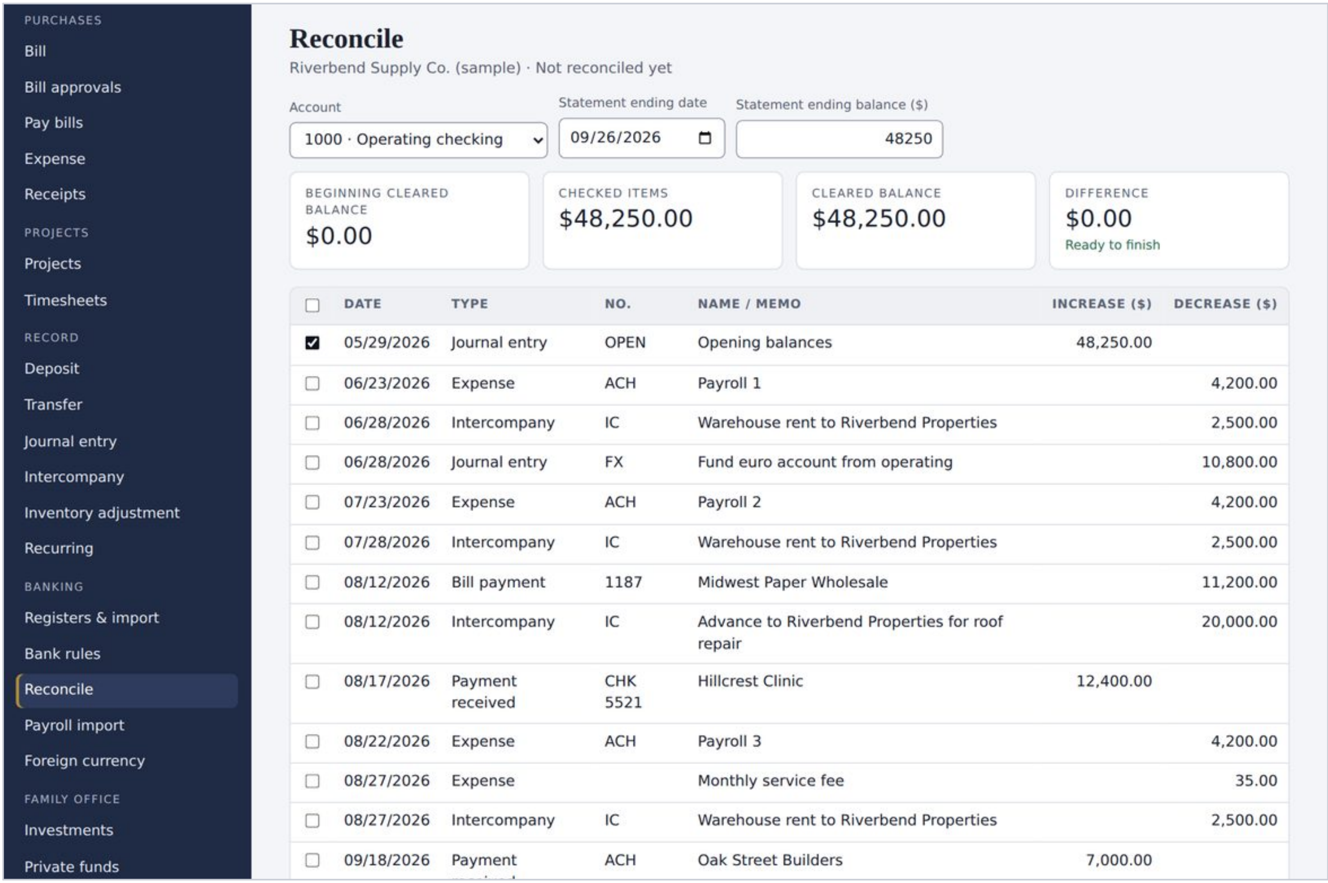
DATE	BANK DESCRIPTION	AMOUNT ($)	ACCOUNT	NAME		
09/03/2026	STARBUCKS STORE 123	(5.25)	Uncategorized expe	— none —	Add · Exclude · Rule	
09/03/2026	STARBUCKS STORE 123	(5.25)	Uncategorized expe	— none —	Add · Exclude · Rule	
09/05/2026	REMOTE DEPOSIT Pays invoice INV-1050 from Hillcrest Clinic	845.10	Uncategorized incon	Hillcrest Clinic	Payment for invoic	Match
09/06/2026	ACH KELLER CPA Pays bill K-2291 to Keller CPA Group	(1,800.00)	Uncategorized expe	Keller CPA Gro	Payment of bill K-2	Match
09/09/2026	DEPOSIT Deposit of 2 undeposited payments	750.50	Uncategorized incon	— none —	Deposit of 2 payme	Match

The review list: an invoice payment, a bill payment and a two-check deposit found automatically.

15 · RECONCILING ACCOUNTS

1. Choose **Reconcile**, then the account, the statement ending date and the statement ending balance.
2. Check each item that appears on the statement. The boxes at the top show the cleared balance and the difference.
3. When the difference is $0.00, choose **Finish reconciliation**. The checked items are marked cleared in the register and the reconciliation is listed under History.

If the difference will not reach zero, look for an item recorded twice, a missing bank fee or interest line, or an amount typed with digits reversed.



A reconciliation ready to finish: the checked items bring the difference to zero.

Under History, **Report (PDF)** prints the reconciliation for the file: the beginning cleared balance, cleared deposits and payments, the statement balance, and every cleared and uncleared item. If a cleared transaction is later changed, voided or deleted, Reports › **Reconciliation discrepancies** lists it with the amount reconciled, the amount now and the difference (Section 25).

Your checked items and statement balance are saved as you go; leave and come back to finish. Changing the amount or account of a transaction that has been reconciled asks first, because it changes a balance already agreed to the bank.

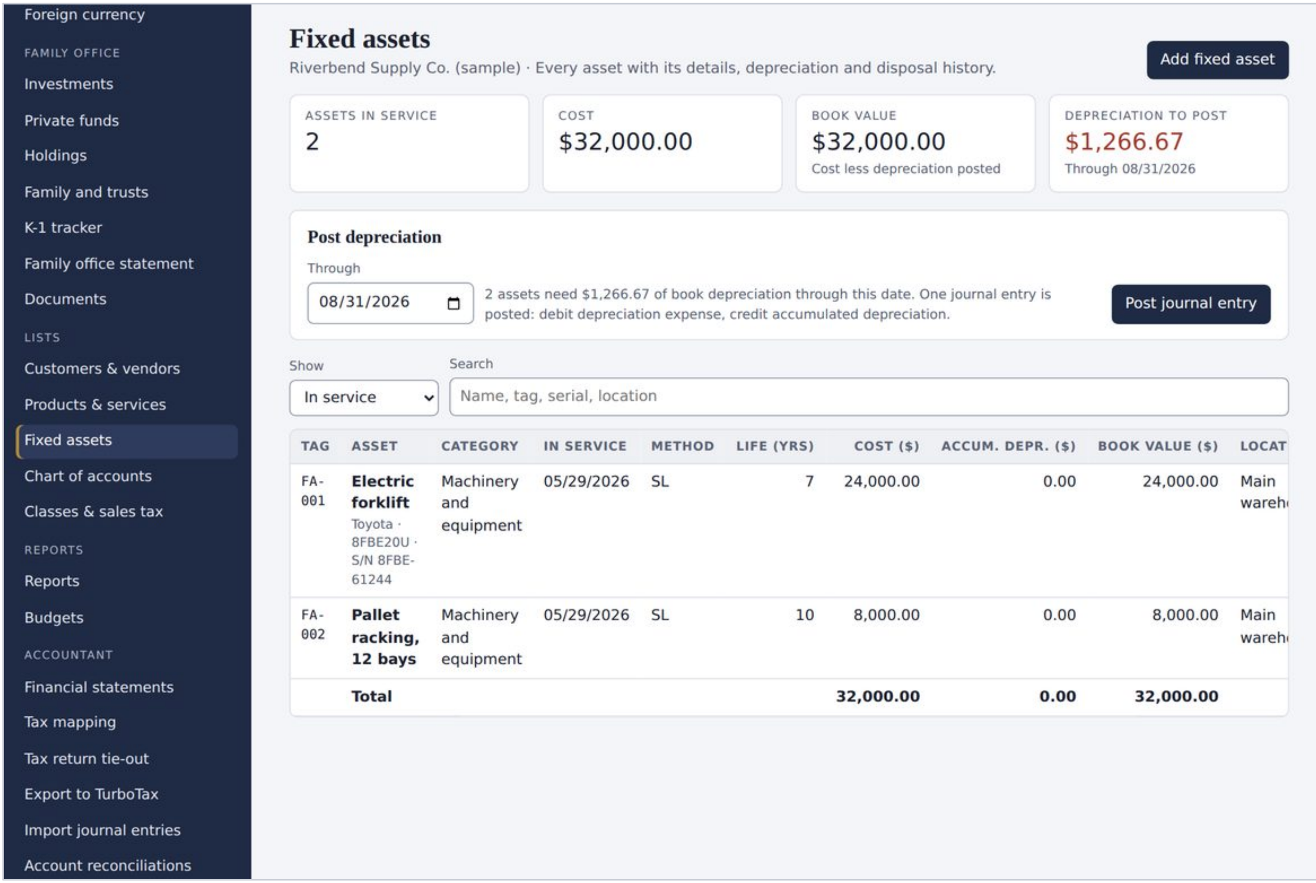
Voiding or deleting a reconciled transaction also warns first, and names the statement it was cleared on. Afterward the Reconcile screen shows **Changed after reconciling** with what changed, and the latest reconciliation in History has **Undo**: it removes that reconciliation and keeps its checked items as a draft, so you can correct the transaction and finish it again. Undo is recorded in the audit trail and is not allowed in a closed period.

16 · FIXED ASSETS

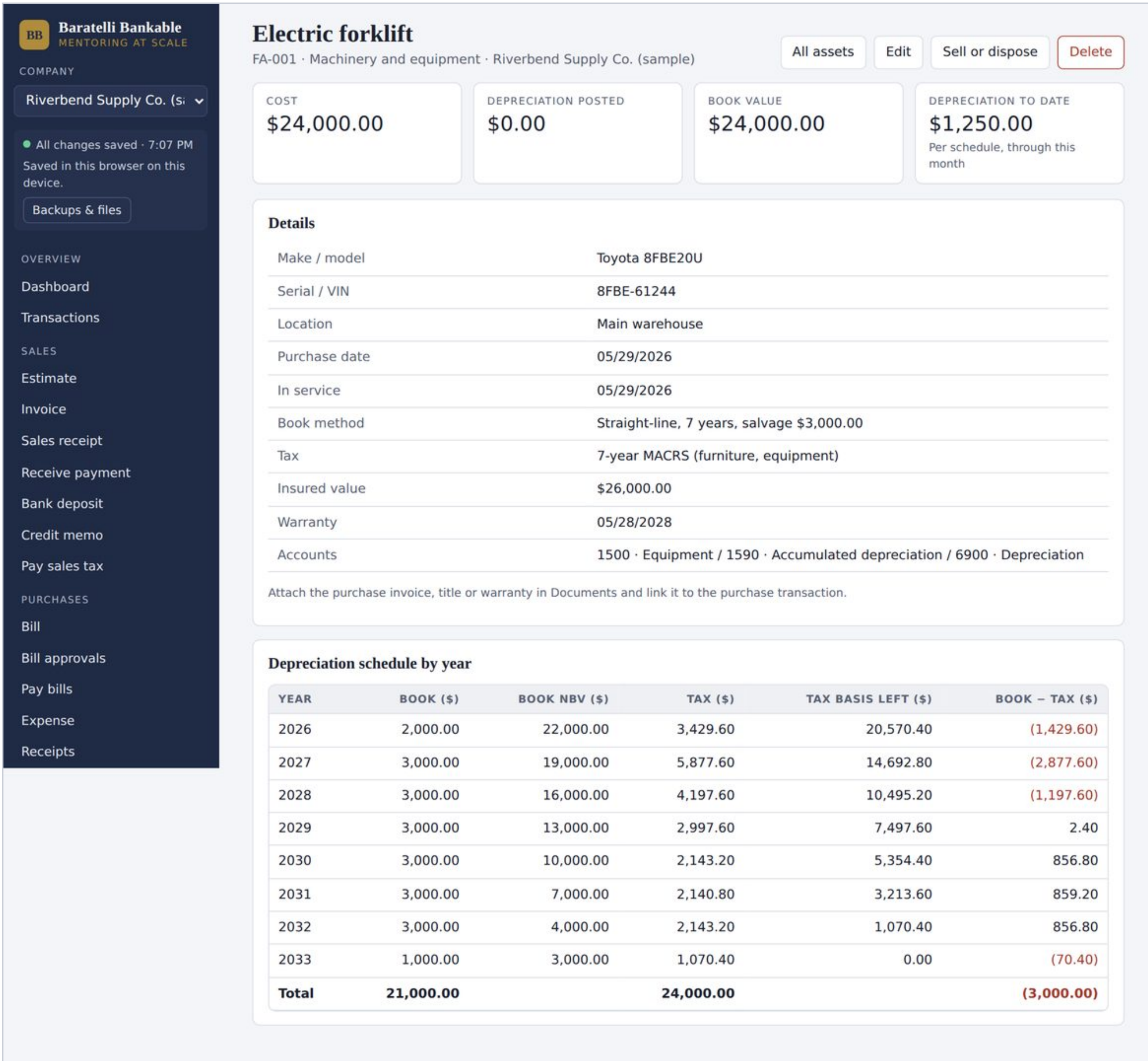
Fixed assets is the register of equipment, vehicles, buildings, land, improvements, furniture, computers and software, with the details you need for insurance, audits and taxes, and the depreciation that goes with them.

Kept for each asset	
Identification	Asset tag, name, category, make, model, serial number or VIN, location, custodian, vendor, invoice or PO number
Dates and values	Purchase date, placed-in-service date, cost, salvage value, insured value, warranty expiration
Book depreciation	Straight-line, double-declining balance, 150% declining balance, or none (land); useful life; the asset, accumulated depreciation and expense accounts; depreciation already on the books
Tax depreciation	MACRS class (3, 5, 7, 10, 15, 20 years with the half-year convention; 27.5 and 39 years straight-line mid-month), Section 179 amount and bonus percentage

1. Choose **Add fixed asset**. Choosing a category fills in a typical life and tax class; change them as needed.
2. If the purchase is not in the books yet, choose **Yes, paid from** a bank or card account and the purchase is recorded for you. Otherwise leave it as already recorded.
3. Each month, choose **Post journal entry** under Post depreciation. One entry debits depreciation expense and credits accumulated depreciation for every asset, through the date you choose. Home reminds you when depreciation is due.
4. When an asset is sold or scrapped, open it and choose **Sell or dispose**. Enter the date and proceeds; depreciation is brought up to date, the cost and accumulated depreciation come off the books, and the gain or loss posts to Gain (loss) on sale of assets.



The fixed asset register with cost, accumulated depreciation, book value and the depreciation due.



BB Baratelli Bankable
MENTORING AT SCALE
COMPANY
Riverbend Supply Co. (s
All changes saved · 7:07 PM
Saved in this browser on this device.
Backups & files
OVERVIEW
Dashboard
Transactions
SALES
Estimate
Invoice
Sales receipt
Receive payment
Bank deposit
Credit memo
Pay sales tax
PURCHASES
Bill
Bill approvals
Pay bills
Expense
Receipts

Electric forklift
FA-001 · Machinery and equipment · Riverbend Supply Co. (sample)
All assets · Edit · Sell or dispose · Delete

COST	DEPRECIATION POSTED	BOOK VALUE	DEPRECIATION TO DATE
$24,000.00	$0.00	$24,000.00	$1,250.00 Per schedule, through this month

Details

Make / model	Toyota 8FBE20U
Serial / VIN	8FBE-61244
Location	Main warehouse
Purchase date	05/29/2026
In service	05/29/2026
Book method	Straight-line, 7 years, salvage $3,000.00
Tax	7-year MACRS (furniture, equipment)
Insured value	$26,000.00
Warranty	05/28/2028
Accounts	1500 · Equipment / 1590 · Accumulated depreciation / 6900 · Depreciation

Attach the purchase invoice, title or warranty in Documents and link it to the purchase transaction.

Depreciation schedule by year

YEAR	BOOK ($)	BOOK NBV ($)	TAX ($)	TAX BASIS LEFT ($)	BOOK − TAX ($)
2026	2,000.00	22,000.00	3,429.60	20,570.40	(1,429.60)
2027	3,000.00	19,000.00	5,877.60	14,692.80	(2,877.60)
2028	3,000.00	16,000.00	4,197.60	10,495.20	(1,197.60)
2029	3,000.00	13,000.00	2,997.60	7,497.60	2.40
2030	3,000.00	10,000.00	2,143.20	5,354.40	856.80
2031	3,000.00	7,000.00	2,140.80	3,213.60	859.20
2032	3,000.00	4,000.00	2,143.20	1,070.40	856.80
2033	1,000.00	3,000.00	1,070.40	0.00	(70.40)
Total	**21,000.00**		**24,000.00**		**(3,000.00)**

An asset's details and its book and tax depreciation by year, with the difference for your tax return.

Reports › **Fixed asset register** lists every asset in service on a date with depreciation for the year and book value, and checks the totals against the asset and accumulated depreciation accounts in the ledger. Tax schedules are for reference and do not post to the books; confirm elections with your CPA.

Building up the cost

Under **Cost build-up** in the asset form, list the purchase price, freight and delivery, sales or use tax, installation, site preparation and setup, and a trade-in allowance as a negative amount. The cost becomes their sum, depreciation runs on that total, and the asset page shows the build-up under Details.

Photos of fixed assets

Open an asset and add photos under **Photos** (Section 18): the equipment, its serial plate, a vehicle's sides and VIN, a building's exterior and interior. The cover shows in the register; **Photo register (PDF)** prints every asset in service with its picture, tag, serial number, location, cost and book value, for insurance, audits and lenders.

Tax depreciation details

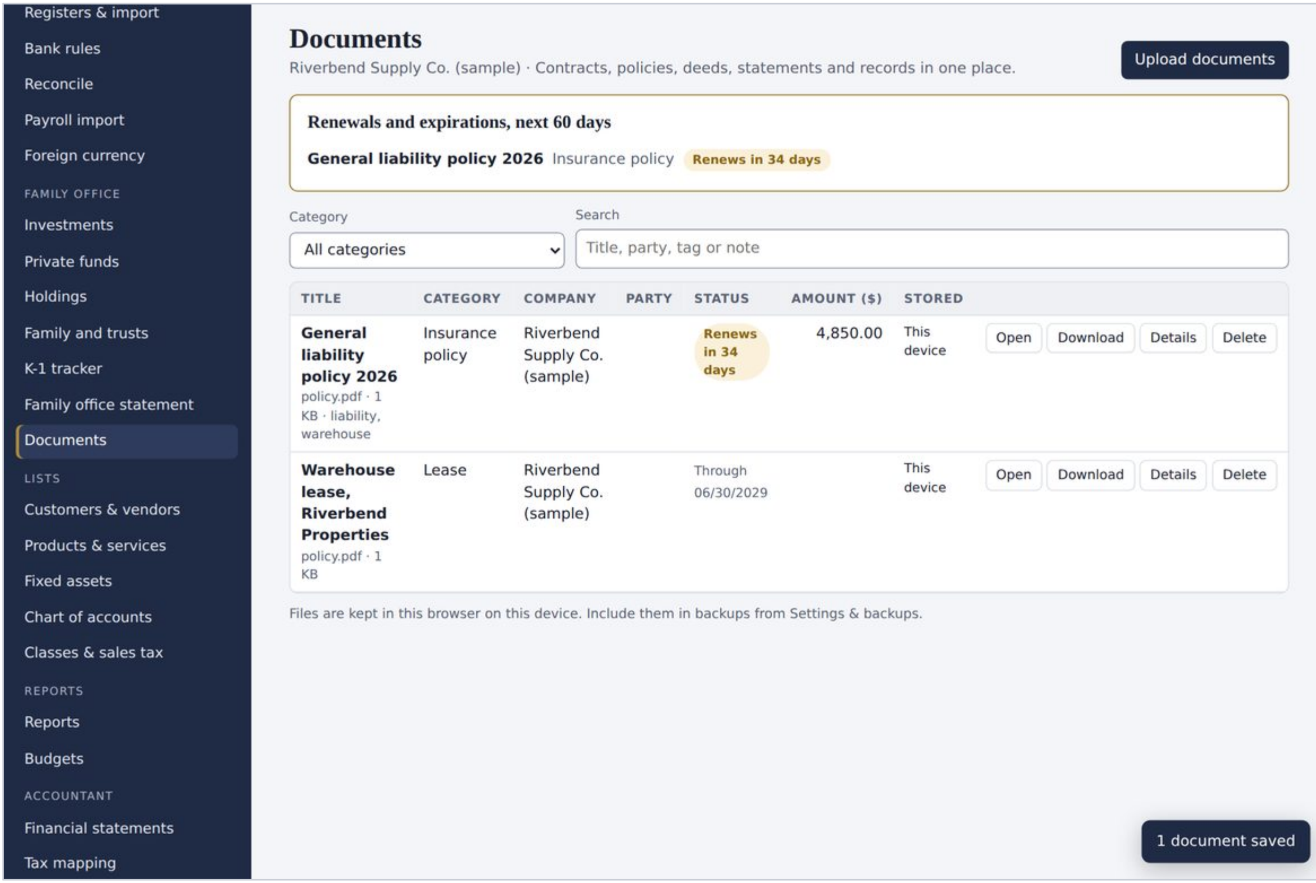
- Tax years follow the company's fiscal year. An asset sold or scrapped gets the half-year (or mid-month for real property) convention in the year of disposal and nothing after; the tax trial balance adds the difference between tax and book gain.
- Qualified improvement property uses 15-year straight-line; off-the-shelf software is amortized over 36 months from the month placed in service.
- When more than 40% of a year's MACRS property is placed in service in the last quarter, the tax trial balance warns that the mid-quarter convention applies.
- Voided depreciation entries are left out of the register's accumulated depreciation.

17 · DOCUMENTS

Documents is the central place for the paperwork of a business or family office: contracts, insurance policies, leases, loans and notes, deeds and titles, tax returns, corporate and estate records, statements, receipts, licenses, appraisals and correspondence.

1. Choose **Upload documents** and pick one or more files.
2. Give it a title and category, the company it belongs to (or All companies / family office), and the other party if there is one.
3. Add the effective date, the date it **expires or renews**, an amount such as a premium or contract value, tags, notes, and a related transaction if it backs one up.
4. Choose **Upload and save**.

- Anything renewing or expiring within 60 days appears at the top of Documents and on Home, so policies and leases never lapse unnoticed.
- Receipts attached on a transaction screen land here too, linked to the transaction.
- Search by title, party, tag or note, and filter by category. **Open** views a file, **Download** saves a copy, **Details** edits the information.
- Files are kept in the browser (or privately in your Claude account for PDFs, images and text files in that version). Backups include the files, so a restore brings them back on another computer.

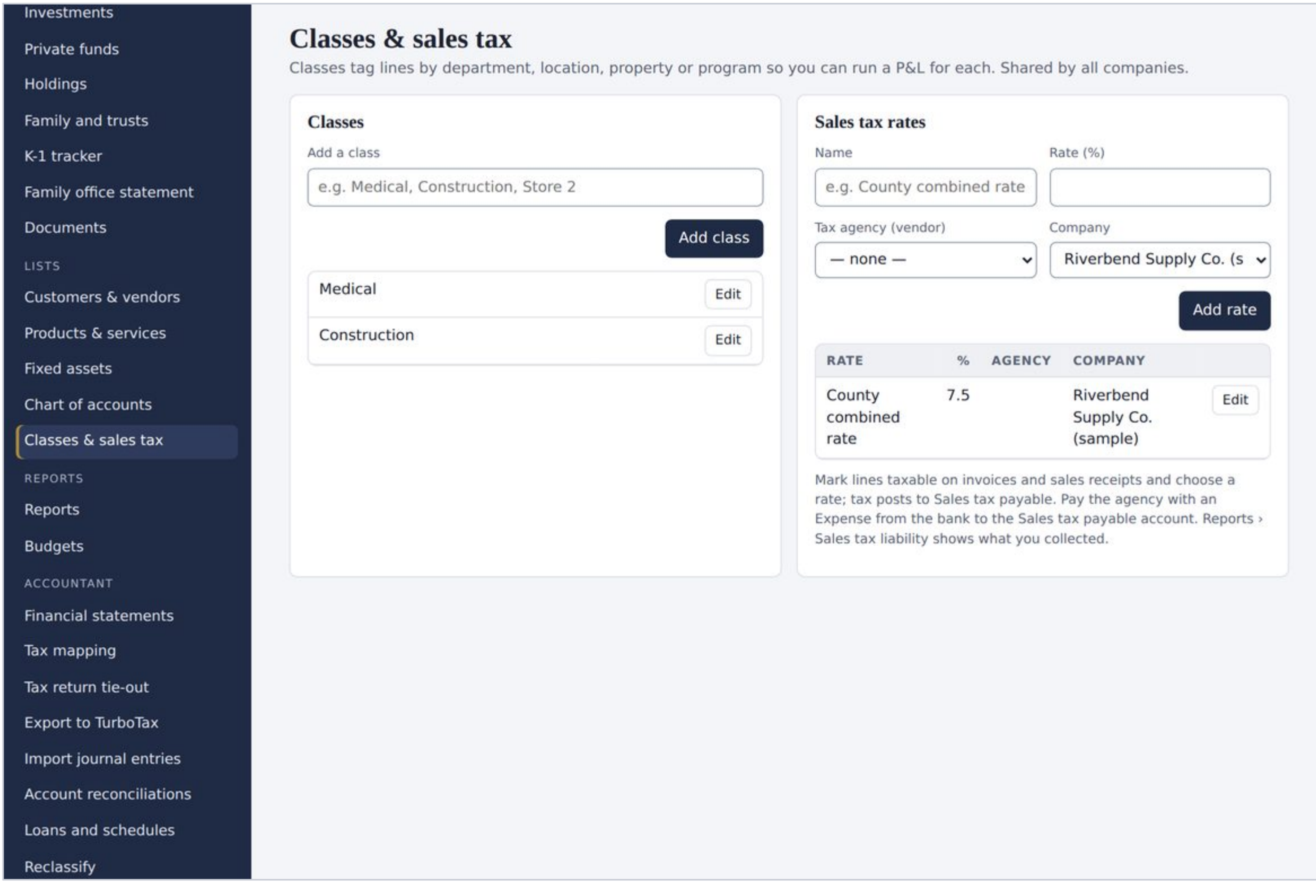


The document list with a renewal coming up in the next 60 days.

23 · CLASSES AND BUDGETS

Classes

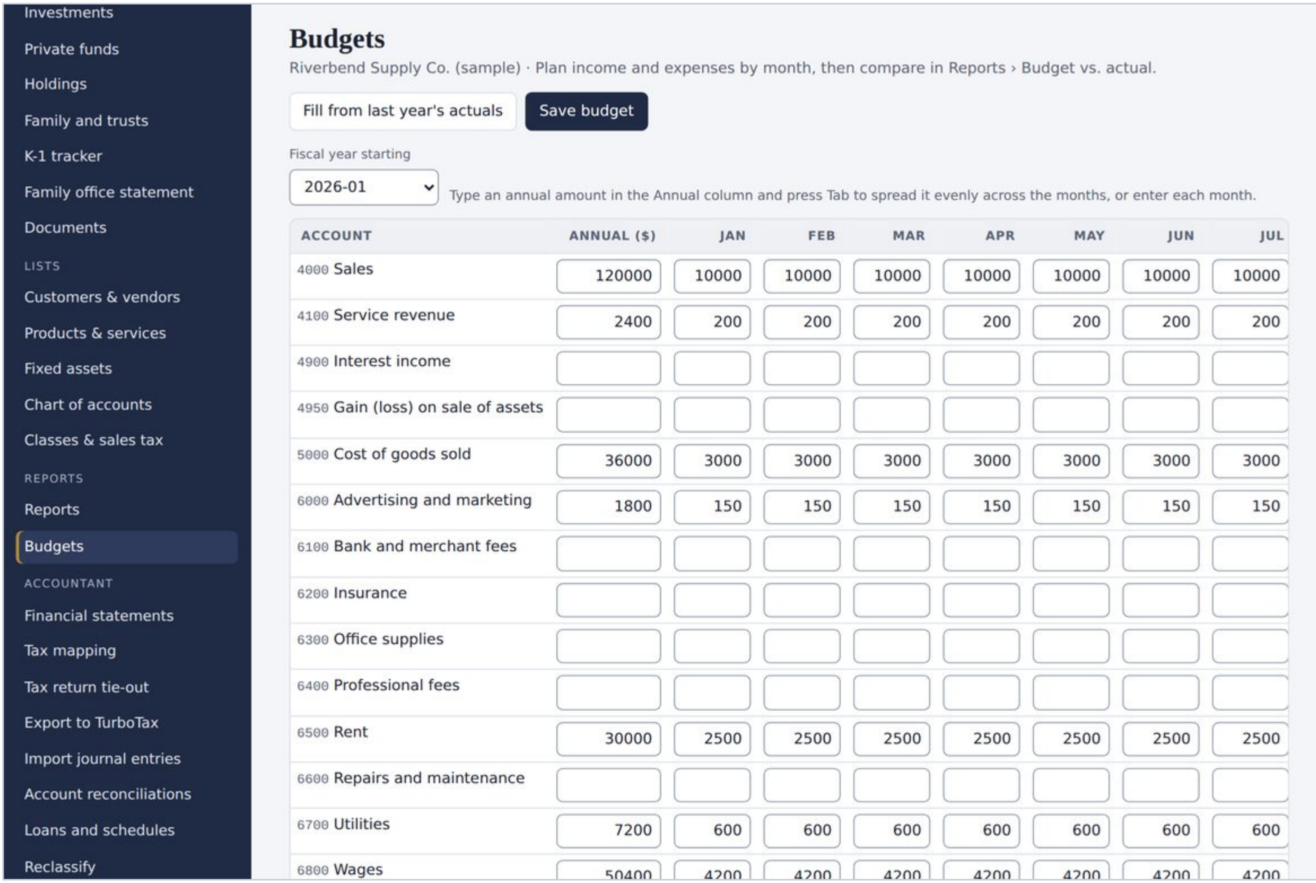
Classes tag income and expense by department, location, property, program or line of business. Add them in **Lists › Classes & sales tax**. Once a class exists, invoices, bills, expenses, sales receipts, credit memos, journal entries and bank rules get a Class column. Reports › **P&L by class** shows a column for each class and one for anything unclassified. Classes are shared by all companies and go to QuickBooks with the export.



Classes and sales tax rates.

Budgets

Budgets holds a plan for each company and fiscal year, by income and expense account and month. Type an annual amount and press Tab to spread it over twelve months, or type each month. **Fill from last year's actuals** starts from last year's numbers. Reports › **Budget vs. actual** compares any period with the budget for the months in it.

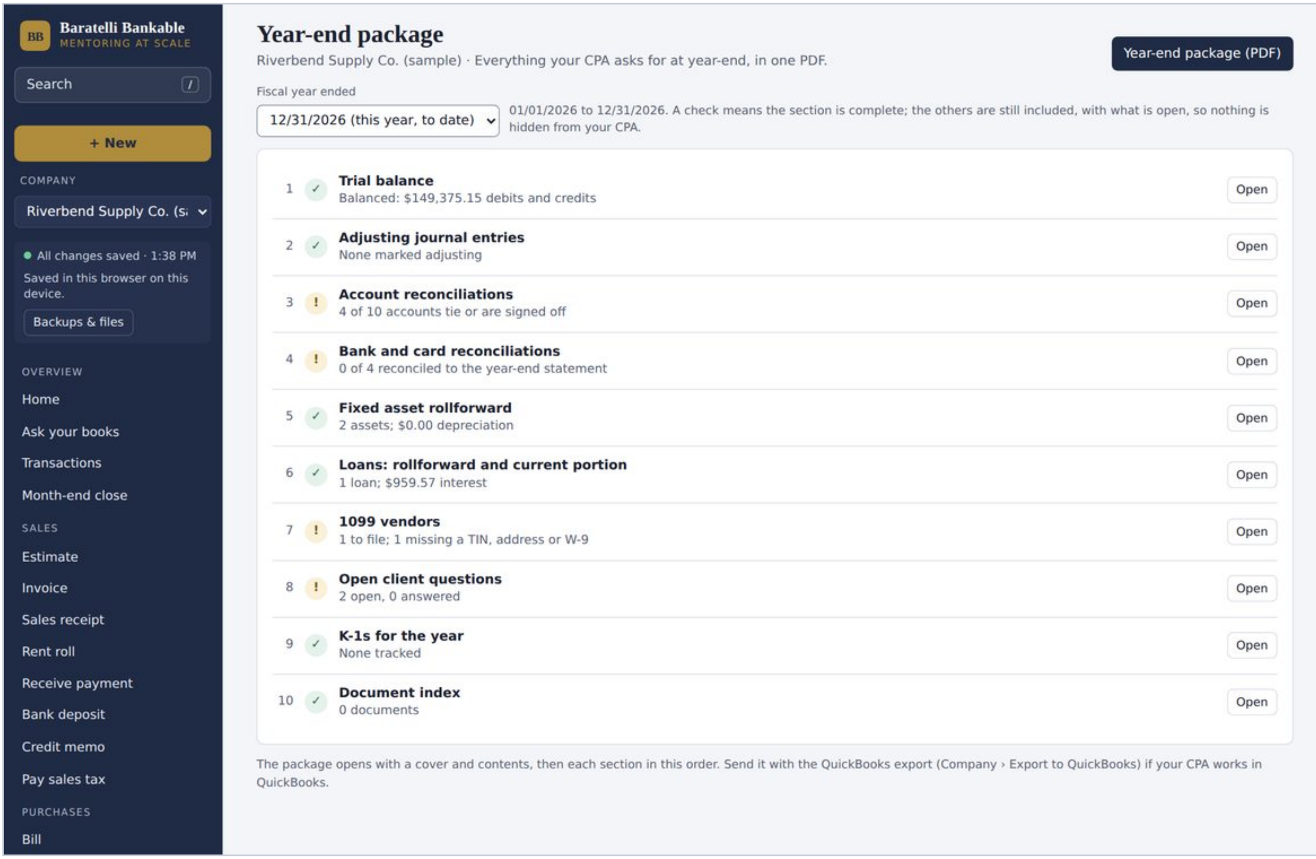


A monthly budget for the sample operating company.

24 · ACCOUNTANT TOOLS AND YEAR-END

Year-end package

Year-end package (Accountant) gathers what a CPA asks for into one PDF for a fiscal year: a cover and contents, the trial balance, adjusting entries, account reconciliations with sign-offs, bank and card reconciliations, the fixed asset rollforward, the loan rollforward with interest and the current portion due in the next twelve months, 1099 vendors with anything missing, open client questions, K-1s, Schedule E for rental properties, and a document index. The screen marks each section complete or open, with a button to finish it; open items are still included, so nothing is hidden from the CPA.



Year-end package: eleven sections, each marked complete or open.

Riverbend Supply Co. (sample)
1200 Commerce Dr
Riverbend, MO 63000
(555) 010-2200 | billing@riverbendsupply.example

YEAR-END PACKAGE

Year ended **12/31/2026**
Prepared **09/27/2026**

Riverbend Supply Co. (sample)

Year-end package for the fiscal year ended 12/31/2026

CONTENTS

Prepared from the books kept in Baratelli Bankable on the accrual basis. Amounts in US dollars. The trial balance shows the balance sheet at 12/31/2026 and income and expense for the fiscal year, with earlier years' net income in retained earnings.

1. Trial balance

ACCOUNT	TYPE	DEBIT	CREDIT
1000 Operating checking	Asset	1,315.00	
1020 Euro supplier account	Asset	6,950.00	
1200 Accounts receivable	Asset	22,030.00	
1300 Inventory	Asset	18,600.00	
1500 Equipment	Asset	32,000.00	
1900 Due from Riverbend Properties LLC (sample)	Asset	20,000.00	
2000 Accounts payable	Liability		8,442.50
2100 Business credit card	Liability		652.65
2500 Notes payable	Liability		24,000.00
3000 Owner's equity	Equity		74,850.00
4000 Sales	Income		40,980.00
4100 Service revenue	Income		450.00
5000 Cost of goods sold	Expense	21,095.20	
6000 Advertising and marketing	Expense	420.00	
6100 Bank and merchant fees	Expense	35.00	
6300 Office supplies	Expense	187.45	
6400 Professional fees	Expense	1,800.00	
6500 Rent	Expense	7,500.00	
6700 Utilities	Expense	642.50	
6800 Wages	Expense	16,800.00	
Totals		**149,375.15**	**149,375.15**

Prepared with Baratelli Bankable | baratelliinstitute.com

The first page of the package: contents, then the trial balance.

The **Accountant** menu and the Accountant group in Reports hold what a CPA needs at month-end and year-end: both bases of accounting, the tax return mapping, adjusting entries, a financial statement package and the year-end close.

Cash or accrual

Every financial report has a **Basis** choice. **Accrual** records income when invoiced and expenses when billed. **Cash** records them when paid: each customer payment brings in its share of the invoices it pays (income, sales tax and cost of goods sold, in proportion), and each bill payment brings in its share of the bills. Receivables and payables drop off a cash-basis balance sheet, which still balances. Most small-business tax returns are filed on the cash basis, so this is the view your CPA uses for the return.

For one statement with a column for every company, choose Consolidating P&L above.

Riverbend Supply Co. (sample)
Profit and loss
01/01/2026 to 09/26/2026 · Cash basis

ACCOUNT	AMOUNT ($)
Income	
4000 Sales	19,400.00
Total income	**19,400.00**
Cost of goods sold	
5000 Cost of goods sold	15,050.00
Total cost of goods sold	**15,050.00**
Gross profit	**4,350.00**
Operating expenses	
6000 Advertising and marketing	420.00
6100 Bank and merchant fees	35.00
6300 Office supplies	187.45
6500 Rent	7,500.00
6800 Wages	16,800.00
Total operating expenses	**24,942.45**
Other expenses	
Total other expenses	**0.00**
Net income	**(20,592.45)**

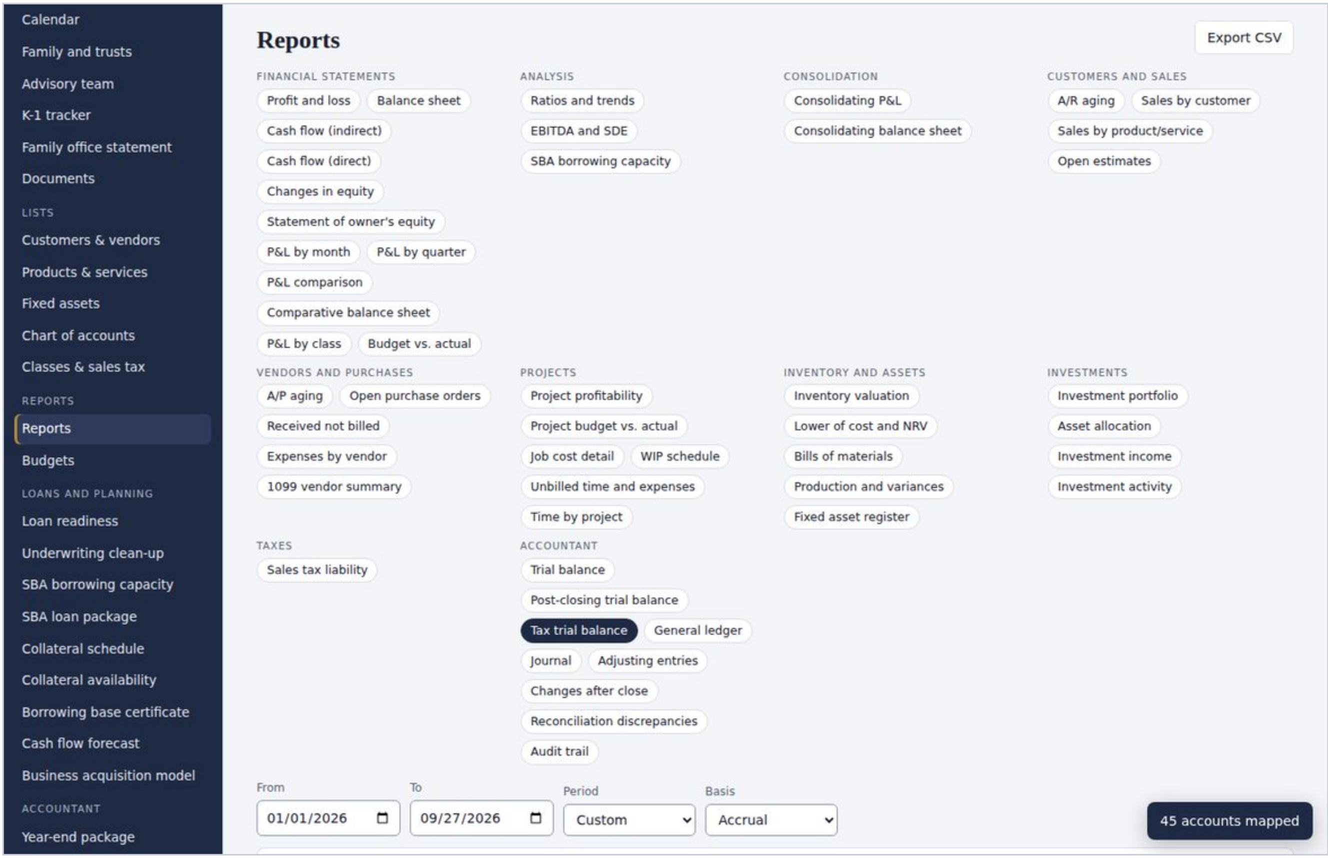
Profit and loss on the cash basis.

Tax mapping and the tax trial balance

1. Open **Tax mapping** and choose the return the company files: Form 1120-S, Form 1120, Form 1065, Schedule C or Schedule E.
2. Choose **Suggest lines for unmapped accounts**. Every account gets a line on the return from its type and name (advertising to line 16 on the 1120-S, line 8 on Schedule C; meals to other deductions; penalties to nondeductible; charitable gifts to Schedule K), and balance sheet accounts go to Schedule L. Change any line; your choice is kept.
3. Run Reports › **Tax trial balance** for the tax year, on the cash or accrual basis. It totals each line of the return with the accounts beneath it, computes ordinary business income, shows Schedule L at the beginning and end of the year, and lists book-to-tax starting points for Schedule M-1: depreciation per books against MACRS from the

fixed asset register, 50% of meals, and separately stated items.

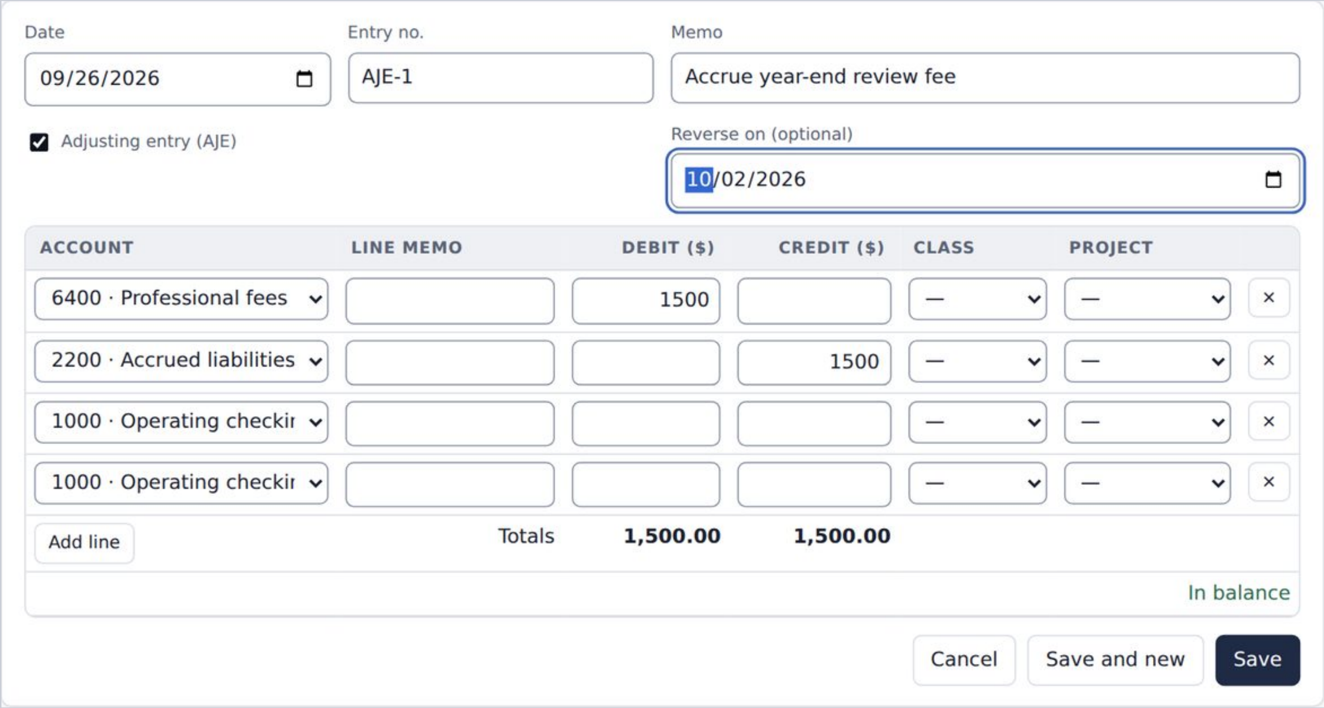
4. **Export CSV** saves it account by account for the trial balance import in UltraTax CS, Lacerte, CCH ProSystem fx, Drake and similar software.



Tax trial balance for Form 1120-S, with the M-1 memo and Schedule L.

Adjusting and reversing entries

On a journal entry, check **Adjusting entry (AJE)** for entries your CPA proposes, and set **Reverse on** for accruals that should reverse: the reversal is created on that date and kept in step if you edit or delete the original. Reports › **Adjusting entries** lists them for the CPA's workpapers. **Import journal entries** brings in your CPA's adjusting entries, a payroll entry, or any entries from Excel or CSV: accounts match by name or number, every entry must balance, and the QuickBooks journal export format works as it is.



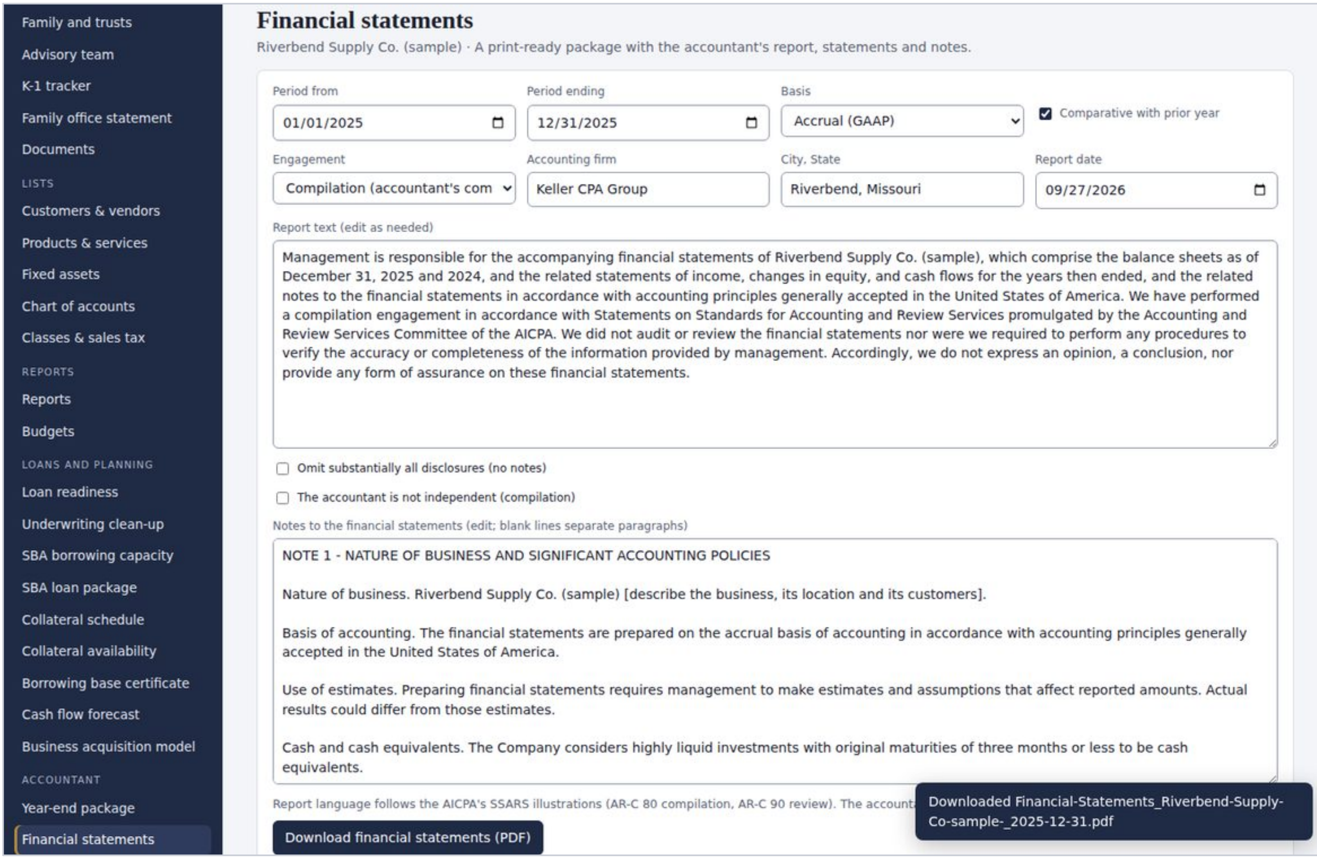
An adjusting entry that reverses early next month.

Comparative statements

Reports adds **P&L by month** and **P&L by quarter** (up to 36 months, with a total), **P&L comparison** against the same period last year, a **Comparative balance sheet** against the prior year-end or the same date last year, and a **% of revenue** column on the profit and loss.

Financial statement package

Financial statements produces a print-ready PDF: a cover page, contents, the accountant's report, the balance sheet, statement of income, statement of changes in equity, statement of cash flows (accrual basis) and notes, for one company or the combined group, with the prior year alongside if you like. Choose the engagement: a **compilation** (the accountant's compilation report in the AICPA's standard wording), a **review** (a draft review report for the accountant to complete), a **preparation** engagement (no report, with "No assurance is provided" on every page) or statements **prepared by management**. On the cash basis, the statements are titled as cash-basis statements and the report describes the basis. The notes start from a standard summary of significant accounting policies that you edit, or choose to omit substantially all disclosures and the report says so.



The financial statement package: engagement, basis, firm and editable notes.

Riverbend Supply Co. (sample)
Balance Sheets
September 26, 2026 and 2025

	2026	2025
ASSETS		
Current assets		
Operating checking	1,315.00	0.00
Euro supplier account	6,950.00	0.00
Accounts receivable	22,030.00	0.00
Inventory	18,600.00	0.00
Due from Riverbend Properties LLC (sample)	20,000.00	0.00
Total current assets	68,895.00	0.00
Property and equipment		
Equipment	32,000.00	0.00
Property and equipment, net	32,000.00	0.00
Total assets	**$ 100,895.00**	**$ 0.00**
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	8,442.50	0.00
Business credit card	607.45	0.00
Total current liabilities	9,049.95	0.00
Long-term liabilities		
Notes payable	24,000.00	0.00
Total long-term liabilities	24,000.00	0.00
Total liabilities	33,049.95	0.00
Equity		
Owner's equity	74,850.00	0.00
Retained earnings	(7,004.95)	0.00
Total equity	67,845.05	0.00
Total liabilities and equity	**$ 100,895.00**	**$ 0.00**

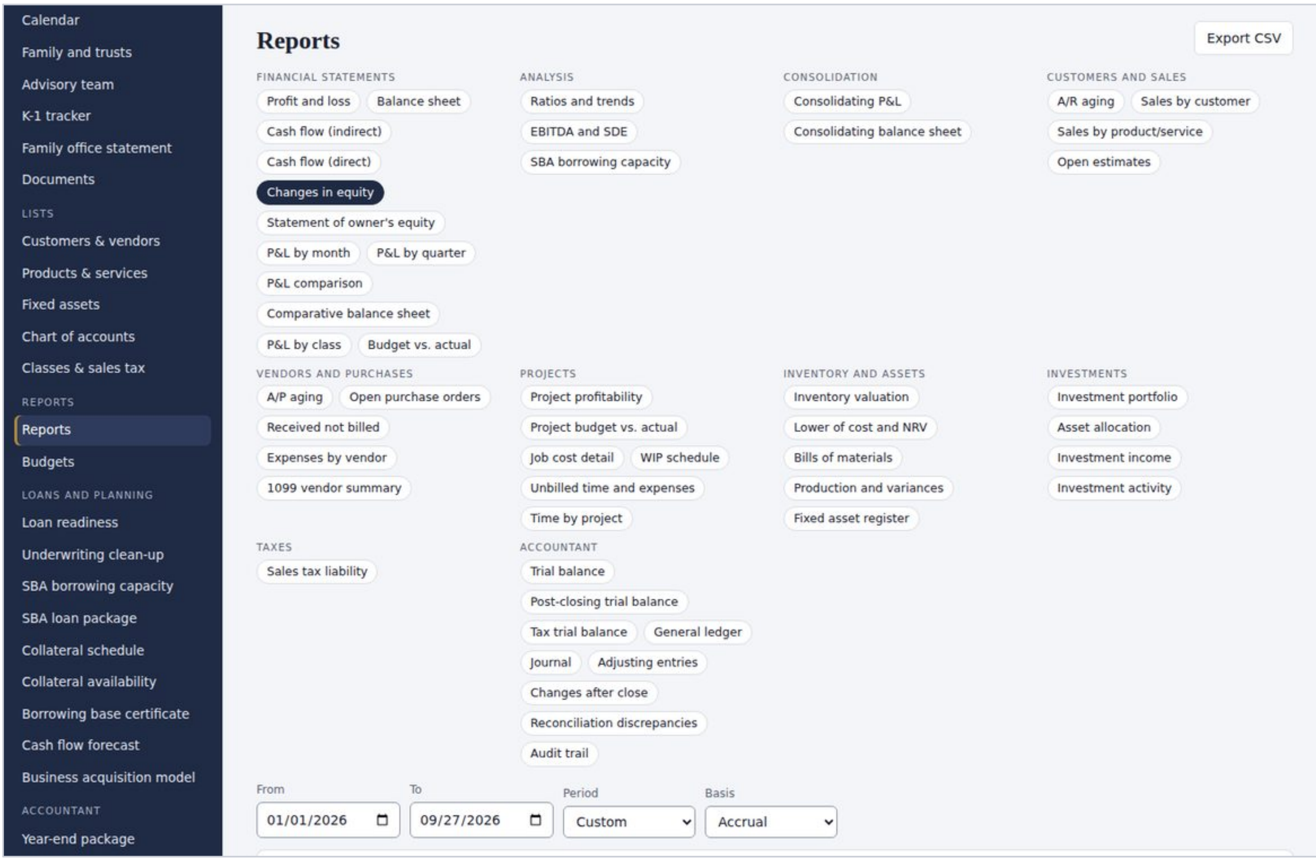
The accompanying notes are an integral part of these financial statements. See accountant's compilation report.

4

A page from the compiled statements: comparative balance sheets.

Year-end close and owners

Year-end close shows a checklist (every bank account reconciled through year-end, depreciation posted, every account mapped to the return, bank lines reviewed, adjusting entries recorded), then **Close** the year (the button names it, for example Close 2025): the closing date is set and every balance is saved. Net income rolls into retained earnings on the balance sheet automatically, as in QuickBooks, so no closing entry is needed for the statements. To record the textbook closing entries anyway, **Accountant › Closing entries** shows and posts them: revenues and expenses to Income Summary, Income Summary to capital or retained earnings, and drawings to capital. They appear in the journal and each account's ledger, where the temporary accounts end at zero, and Reports › **Post-closing trial balance** lists the permanent accounts that remain. The statements are the same before and after. Reports › **Changes after close** compares today's balances with the saved ones and lists anything added or edited in the closed year since. Enter the **owners** with their percentages; Reports › **Changes in equity** shows beginning equity, net income, contributions, distributions, prior-period adjustments and ending equity by equity account, and allocates income by owner, with each owner's capital or draw accounts assigned in Chart of accounts.



Statement of changes in equity with the allocation by owner.

For a sole proprietorship, Reports › **Statement of owner's equity** gives the textbook form: beginning capital, investments by the owner, net income, drawings and ending capital.

Accountant details

- The **trial balance** shows income and expenses for the fiscal year to date, with earlier years' income rolled into retained earnings, as tax and audit software expect.
- On the cash basis, journal entries to receivables, payables or accruals are kept as entered and reports are labeled **modified cash basis**.
- Tax mapping: rental income on Forms 1120-S and 1065 goes to Form 8825 and Schedule K; gains on the sale of business assets to Schedule K as section 1231 gains; federal income tax, entertainment, club dues and officer life insurance to nondeductible lines; on Form 1120, retained earnings to Schedule L line 25; on Schedule C, half of

meals to line 24b. Distributions show in the M-1 memo.

- The accountant's report follows SSARS: comparative reports name both dates; a cash-basis compilation refers to the basis-of-accounting note; a cash-basis review adds the Basis of Accounting paragraph; a preparation engagement with no notes says so on every page; tick **not independent** to add that paragraph. No draft or placeholder text prints.

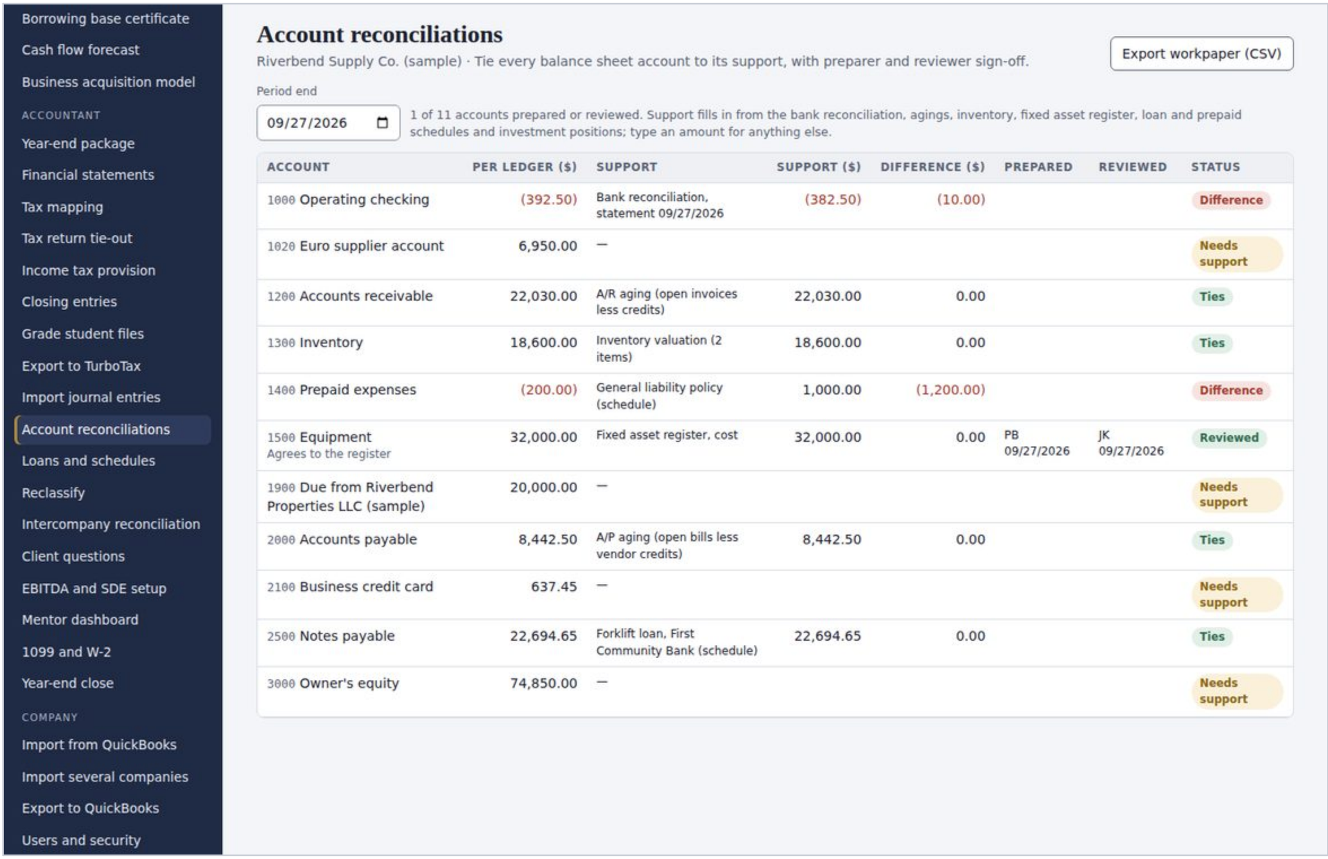
25 · REVIEW: RECONCILIATIONS, RECLASSIFY, QUESTIONS

These are the tools an accountant uses to review the books before signing off on a month or a year. They are in the **Accountant** menu.

Account reconciliations (workpapers)

Account reconciliations lists every balance sheet account with a balance at the period end and ties it to its support. The support fills in by itself where the books already have it: the bank reconciliation (statement balance plus uncleared items), the A/R and A/P agings, inventory valuation, the fixed asset register (cost and accumulated depreciation), loan, prepaid and deferred revenue schedules, and investment positions. For anything else, type the supporting amount.

1. Choose the **Period end**. Each account shows the ledger balance, the support, any difference in red, and a status: Needs support, Difference, Ties, Prepared or Reviewed.
2. Click an account to enter the support, notes and reconciling items, and link the supporting documents from Documents.
3. Enter your initials under **Prepared by**; the reviewer enters theirs under **Reviewed by**. Each is dated automatically and recorded in the audit trail.
4. **Export workpaper (CSV)** saves the schedule for the binder.



Account reconciliations

Riverbend Supply Co. (sample) · Tie every balance sheet account to its support, with preparer and reviewer sign-off.

Export workpaper (CSV)

Period end 09/27/2026

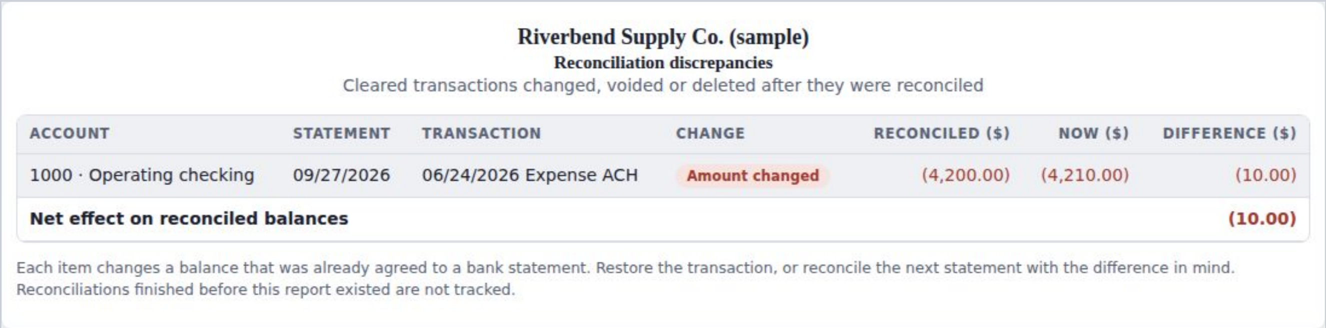
1 of 11 accounts prepared or reviewed. Support fills in from the bank reconciliation, agings, inventory, fixed asset register, loan and prepaid schedules and investment positions; type an amount for anything else.

ACCOUNT	PER LEDGER ($)	SUPPORT	SUPPORT ($)	DIFFERENCE ($)	PREPARED	REVIEWED	STATUS
1000 Operating checking	(392.50)	Bank reconciliation, statement 09/27/2026	(382.50)	(10.00)			Difference
1020 Euro supplier account	6,950.00	—					Needs support
1200 Accounts receivable	22,030.00	A/R aging (open invoices less credits)	22,030.00	0.00			Ties
1300 Inventory	18,600.00	Inventory valuation (2 items)	18,600.00	0.00			Ties
1400 Prepaid expenses	(200.00)	General liability policy (schedule)	1,000.00	(1,200.00)			Difference
1500 Equipment Agrees to the register	32,000.00	Fixed asset register, cost	32,000.00	0.00	PB 09/27/2026	JK 09/27/2026	Reviewed
1900 Due from Riverbend Properties LLC (sample)	20,000.00	—					Needs support
2000 Accounts payable	8,442.50	A/P aging (open bills less vendor credits)	8,442.50	0.00			Ties
2100 Business credit card	637.45	—					Needs support
2500 Notes payable	22,694.65	Forklift loan, First Community Bank (schedule)	22,694.65	0.00			Ties
3000 Owner's equity	74,850.00	—					Needs support

Account reconciliations with support from the books and preparer and reviewer sign-off.

Reconcile report and discrepancies

Each finished bank reconciliation prints as a PDF from its History line (Section 15). **Reconciliation discrepancies** in Reports catches anything changed after it was reconciled: an amount edited, a transaction voided or deleted.



Riverbend Supply Co. (sample)

Reconciliation discrepancies

Cleared transactions changed, voided or deleted after they were reconciled

ACCOUNT	STATEMENT	TRANSACTION	CHANGE	RECONCILED ($)	NOW ($)	DIFFERENCE ($)
1000 · Operating checking	09/27/2026	06/24/2026 Expense ACH	Amount changed	(4,200.00)	(4,210.00)	(10.00)
Net effect on reconciled balances						**(10.00)**

Each item changes a balance that was already agreed to a bank statement. Restore the transaction, or reconcile the next statement with the difference in mind. Reconciliations finished before this report existed are not tracked.

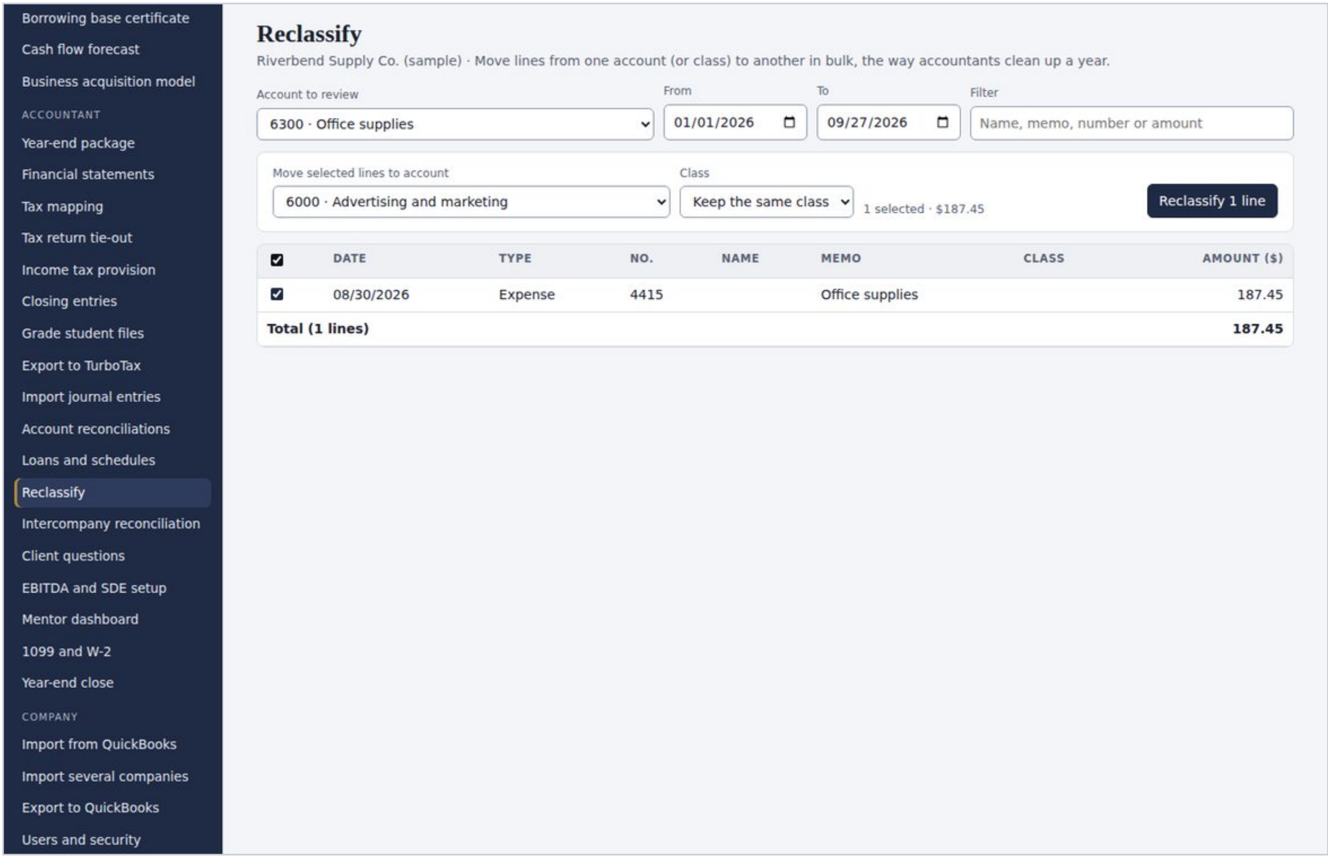
A cleared payroll payment that was edited after the reconciliation.

Voids

Void on any saved transaction keeps the record, number and date for the audit trail and sets its amounts to zero, with an optional reason; voided items are marked Void in every list. Use Void rather than Delete for checks and anything already sent to a customer or vendor. A transaction with payments applied must have those voided first.

Reclassify

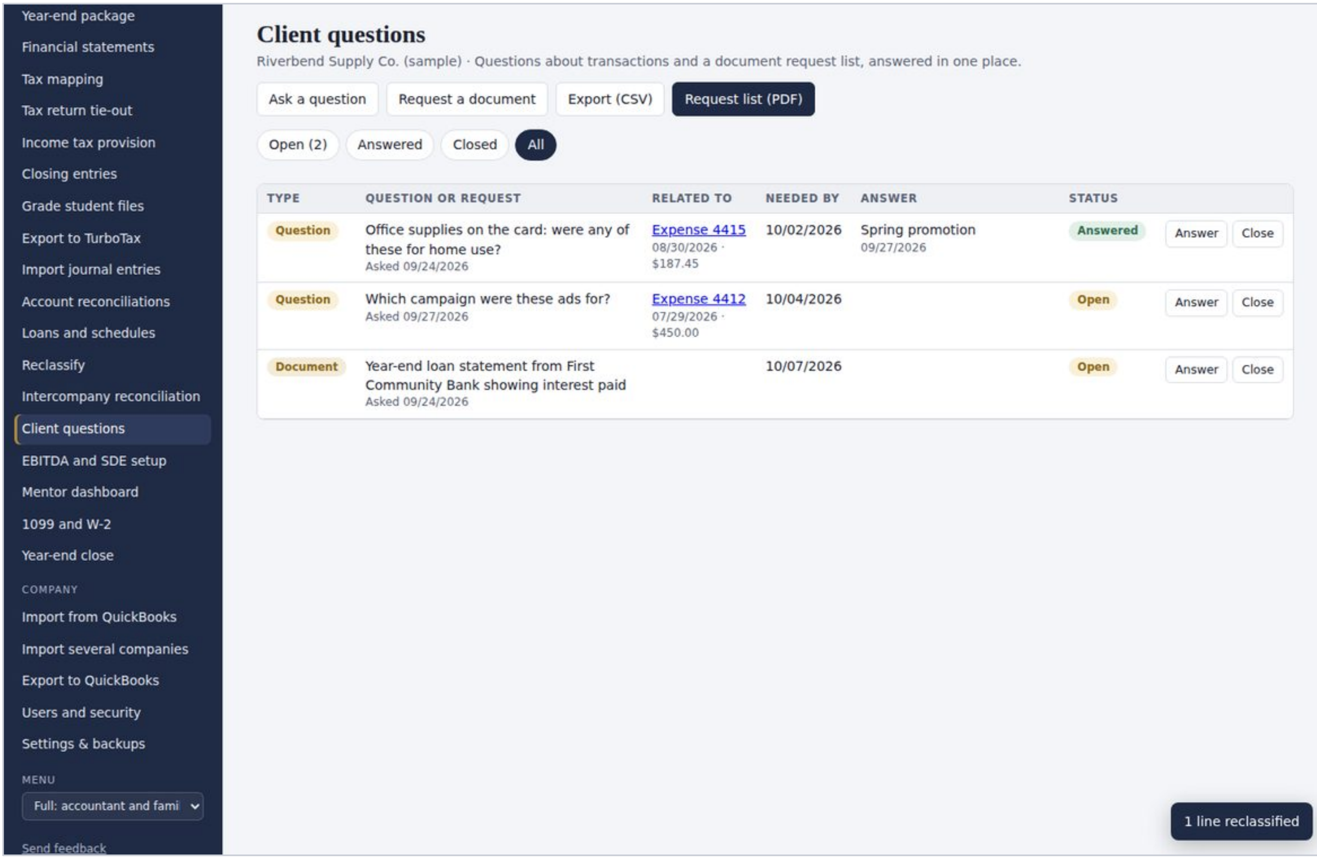
1. Open **Reclassify** and choose the account to review and the date range. Every line posted to it appears, from invoices, bills, expenses, deposits and journal entries.
2. Filter by name, memo or amount, and tick the lines that belong elsewhere (or the box at the top for all).
3. Choose the new account, the new class, or both, then **Reclassify**. The lines move in the original transactions; the audit trail records the count, accounts and amount. Lines in a closed period cannot be ticked.



Moving office supply charges to advertising in one step.

Client questions and document requests

On any saved transaction, **Ask a question** opens a question linked to it, such as "Was this personal or business?". The transaction shows a **?** in every list until it is answered. **Client questions** holds the questions with the **document request list** (a bank statement, a loan statement, a closing statement): answer in place, link a document from Documents, and close each item. **Request list (PDF)** prints a checklist to send the client; **Export (CSV)** saves it. Open questions appear on Home.



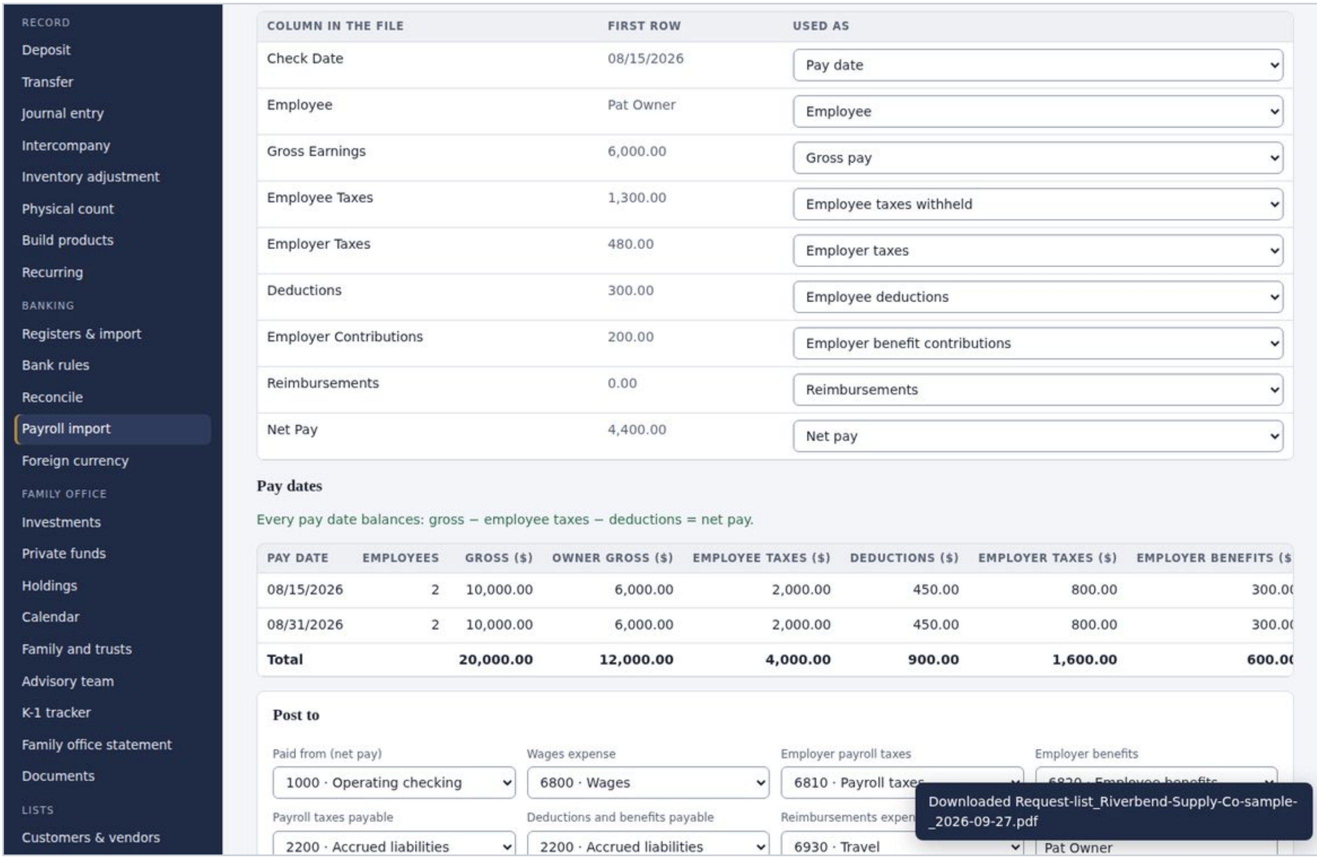
Open questions and a document request, with the linked transaction.

26 · PAYROLL, LOANS AND FOREIGN CURRENCY

Payroll import

Baratelli Bankable does not run payroll; it posts payroll run by Gusto, ADP, Paychex, QuickBooks Payroll or any other provider. Export the **payroll journal** or **payroll register** (one row per employee per pay date) as CSV or Excel.

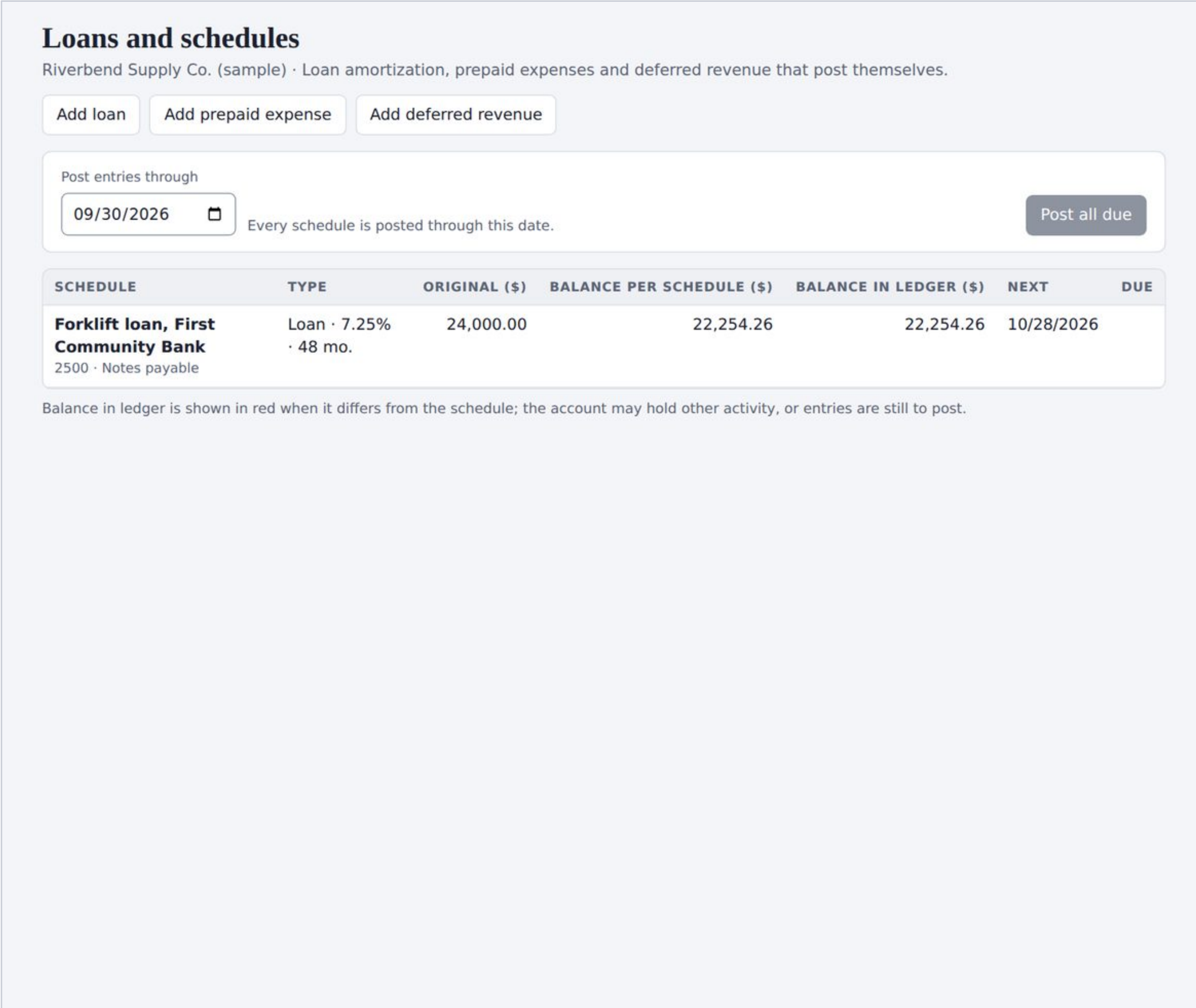
1. Open **Payroll import** and choose the file. Columns are matched automatically (pay date, employee, gross pay, employee taxes, deductions, employer taxes, employer benefits, reimbursements, net pay), whether taxes are in one column or itemized; change any column that is wrong.
2. Check the pay dates. Each must balance: gross pay less employee taxes and deductions equals net pay.
3. Choose the accounts. List the owners or officers on payroll and their wages post to the officer or owner wages account, which also feeds SDE (Section 27).
4. Leave the box ticked if the provider withdraws the taxes from the bank with each payroll (Gusto, ADP and Paychex do); untick it if you deposit the taxes yourself and they should go to payroll taxes payable.
5. **Post**. Each pay date becomes one balanced journal entry. A pay date already posted is recognized and skipped, and the mapping is remembered for the next file.



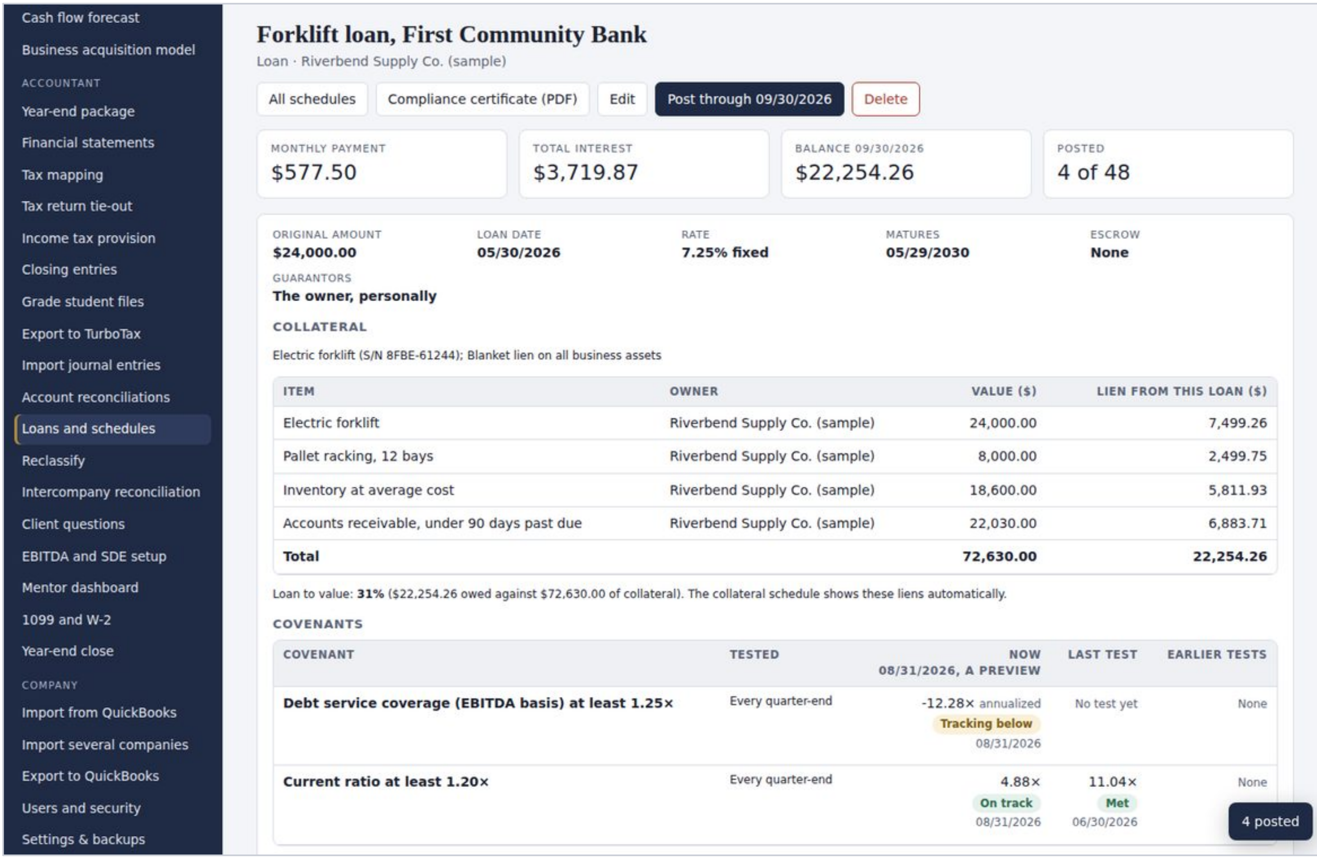
A Gusto payroll journal with the owner split out, every pay date balancing.

Loans, prepaid expenses and deferred revenue

Loans and schedules builds the schedule and posts the entries each month. A **loan** takes the balance, rate, months and first payment date, calculates the payment, and either records each payment from the bank split between principal and interest, or, when payments come in through the bank import to the loan account, posts only the interest reclass. A **prepaid expense** (insurance, a software contract) moves an equal share to expense at each month-end; **deferred revenue** (retainers, annual contracts) moves an equal share to income. Choose **Post all due** to post every schedule through a date. The list compares each schedule's balance to the ledger, and the schedules support those accounts in the workpapers. Due entries appear on Home.



Loans and schedules with the balance per schedule beside the ledger.

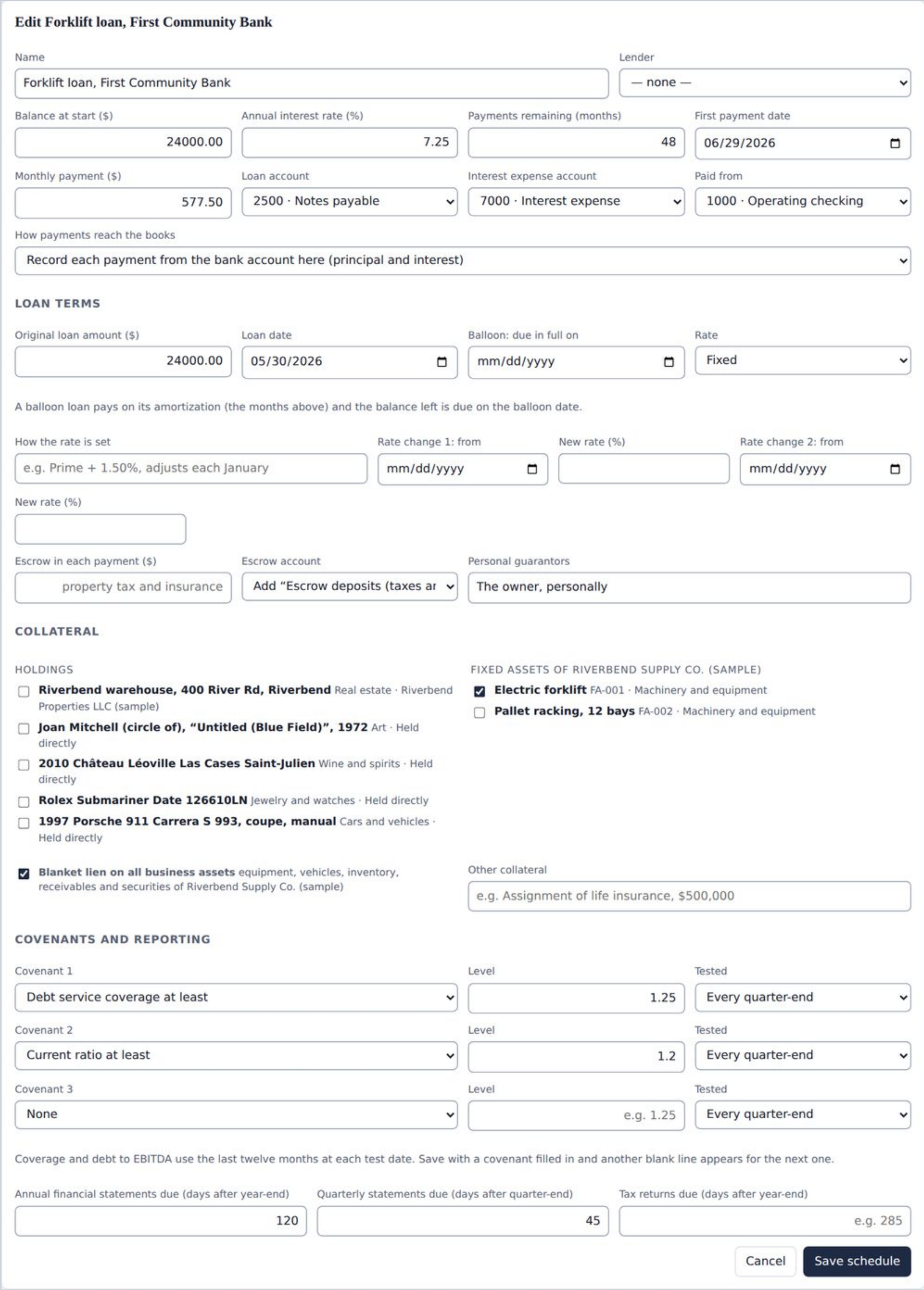


A loan amortization schedule with the posted payments.

Loan terms, escrow, collateral and covenants

Each loan also keeps what the lender's paperwork says, all optional:

- **Loan terms**: the original amount and date, a **balloon** date when the balance is due before the loan is paid off, a fixed or **variable** rate with how it is set and each rate change (the payment is refigured from that date), and the personal **guarantors**.
- **Escrow**: the property tax and insurance a mortgage payment collects. Each payment splits into principal, interest and escrow; escrow goes to an escrow account (added for you) or straight to expense.
- **Collateral**: tick the holdings and fixed assets that secure the loan, a **blanket lien** on all business assets, or describe other collateral. The loan's balance becomes the lien on that collateral in the Collateral schedule, spread by value, and the SBA debt schedule fills in the collateral.
- **Covenants**: minimum debt service coverage, maximum debt to EBITDA, minimum current ratio, maximum liabilities to net worth, minimum net worth or cash, tested each month-end, quarter-end or fiscal year-end; and when annual and quarterly statements and tax returns are due to the lender.
- **Compliance certificate (PDF)** on the loan page gives the lender its quarterly form: each covenant with the level required, the actual figure and the result at its last test date, the reports coming due, and the officer's certification with signature lines.



A loan's terms, collateral (the forklift and a blanket lien) and two covenants tested each quarter.

The loan's page shows the terms, the collateral with loan to value, and each covenant at the last tests with Met, Close (within 10%) or Not met, plus a preview at the last month-end of where the next test is heading. With less than a year of activity, earnings are annualized, as lenders do. Home warns when a covenant is not met or close, when a balloon or final payment is within six months, and when a report is due to the lender within 30 days; the Calendar shows each test and report date.

ORIGINAL AMOUNT	LOAN DATE	RATE	MATURES	ESCROW
$24,000.00	**05/30/2026**	**7.25% fixed**	**05/29/2030**	**None**

GUARANTORS
The owner, personally

COLLATERAL

Electric forklift (S/N 8FBE-61244); Blanket lien on all business assets

ITEM	OWNER	VALUE ($)	LIEN FROM THIS LOAN ($)
Electric forklift	Riverbend Supply Co. (sample)	24,000.00	7,499.26
Pallet racking, 12 bays	Riverbend Supply Co. (sample)	8,000.00	2,499.75
Inventory at average cost	Riverbend Supply Co. (sample)	18,600.00	5,811.93
Accounts receivable, under 90 days past due	Riverbend Supply Co. (sample)	22,030.00	6,883.71
Total		**72,630.00**	**22,254.26**

Loan to value: **31%** ($22,254.26 owed against $72,630.00 of collateral). The collateral schedule shows these liens automatically.

COVENANTS

COVENANT	TESTED	NOW 08/31/2026, A PREVIEW	LAST TEST	EARLIER TESTS
Debt service coverage at least 1.25×	Every quarter-end	-12.28× annualized Tracking below 08/31/2026	No test yet	None
Current ratio at least 1.20×	Every quarter-end	51.63× On track 08/31/2026	No test yet	None

Measured on Riverbend Supply Co. (sample)'s books: coverage is EBITDA over twelve months of debt service; debt to EBITDA uses interest-bearing debt. With less than a year of activity, earnings are annualized. Close means within 10% of the level; the preview shows where the next test is heading.

REPORTING TO THE LENDER

- Quarterly statements for the quarter ended 09/30/2026: due 11/14/2026
- Annual financial statements for the year ended 12/31/2026: due 04/30/2027
- Annual financial statements for the year ended 12/31/2027: due 04/29/2028

The forklift loan: its collateral at 30% loan to value and its covenants.

ORIGINAL AMOUNT	LOAN DATE	RATE	
$3,100,000.00	**01/21/2026**	**6.85% variable, Prime + 0.50%, adjusts each January**	

MATURES	ESCROW	GUARANTORS
10/01/2033 · balloon of $2,808,027.51	**$17,500.00 a month**	**Baratelli Family (personally held), limited to 25%**

COLLATERAL

Harbor View, 88 Harbor Rd, Riverbend; Assignment of leases and rents

ITEM	OWNER	VALUE ($)	LIEN FROM THIS LOAN ($)
Harbor View, 88 Harbor Rd, Riverbend	Harbor View Holdings LLC	4,650,000.00	3,100,000.00
Total		**4,650,000.00**	**3,100,000.00**

Loan to value: **67%** ($3,100,000.00 owed against $4,650,000.00 of collateral). The collateral schedule shows these liens automatically.

COVENANTS

COVENANT	TESTED	NOW 08/31/2026, A PREVIEW	LAST TEST	EARLIER TESTS
Debt service coverage at least 1.20×	Every fiscal year-end	1.48× annualized On track 08/31/2026	No test yet	None
Cash at least $100,000.00	Every quarter-end	$233,600.00 On track 08/31/2026	$200,200.00 Met 06/30/2026	$150,100.00 Met 03/31/2026

Measured on Harbor View Holdings LLC's books: coverage is EBITDA over twelve months of debt service; debt to EBITDA uses interest-bearing debt. With less than a year of activity, earnings are annualized. Close means within 10% of the level; the preview shows where the next test is heading.

REPORTING TO THE LENDER

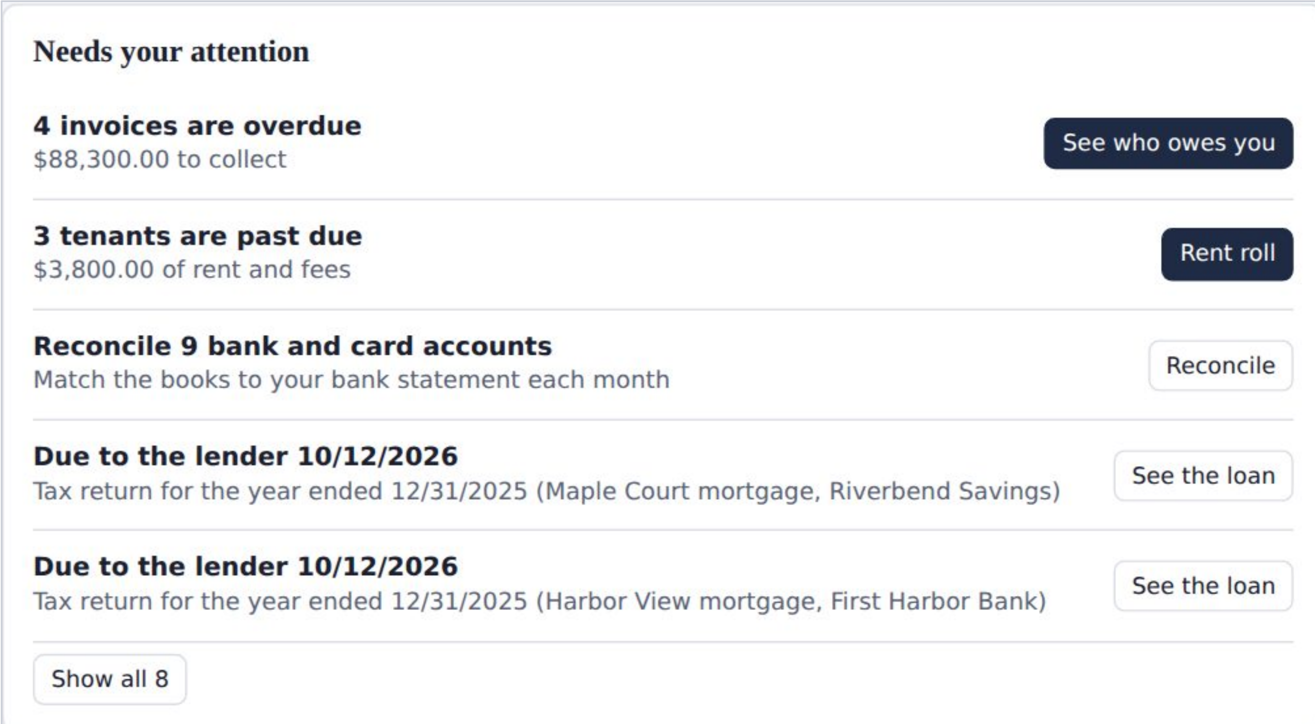
- Tax return for the year ended 12/31/2025: due 10/12/2026
- Annual financial statements for the year ended 12/31/2026: due 04/30/2027
- Tax return for the year ended 12/31/2026: due 10/12/2027
- Annual financial statements for the year ended 12/31/2027: due 04/29/2028

The Harbor View mortgage: a variable rate, $17,500 a month of escrow, a balloon in 2033 and the assignment of rents.

Loans and what secures them

LOAN	COLLATERAL	BALANCE ($)	COLLATERAL VALUE ($)	LOAN TO VALUE
Maple Court mortgage, Riverbend Savings	Maple Court Apartments, 1400 Maple Ct, Riverbend; Assignment of leases and rents	2,100,000.00	5,150,000.00	41%
Harbor View mortgage, First Harbor Bank	Harbor View, 88 Harbor Rd, Riverbend; Assignment of leases and rents	3,100,000.00	4,650,000.00	67%

The Collateral schedule lists each loan with what secures it and its loan to value.

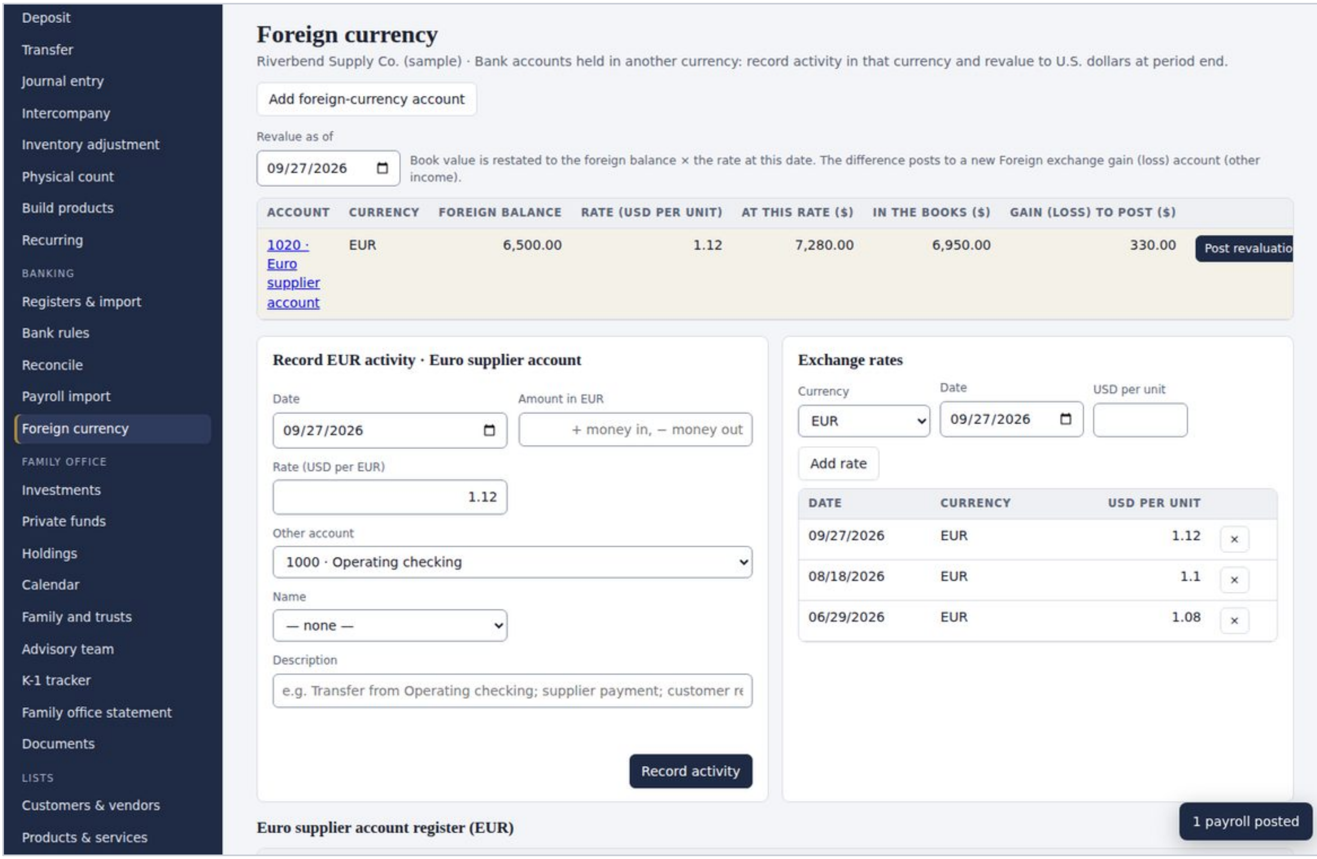


Home: tenants past due and reports due to the lender, beside the usual reminders.

Foreign-currency bank accounts

The books stay in U.S. dollars; **Foreign currency** keeps a bank account held in euros, pounds, Canadian dollars or another currency in that currency as well.

1. **Add foreign-currency account**: choose an existing bank account or create one, and its currency.
2. Enter the exchange rates (U.S. dollars per unit) from the bank statement or a published source, at least at each month-end.
3. Record activity in the foreign currency with **Record activity**: the amount in, or out as a negative, the rate and the other account (the U.S. bank for a transfer, an expense for a payment). The dollar amount is calculated.
4. At month-end, **Post revaluation**: the foreign balance times the month-end rate is compared with the dollar balance in the books, and the difference posts to Foreign exchange gain (loss) in other income.



A euro account revalued at the month-end rate, with its register in euros.

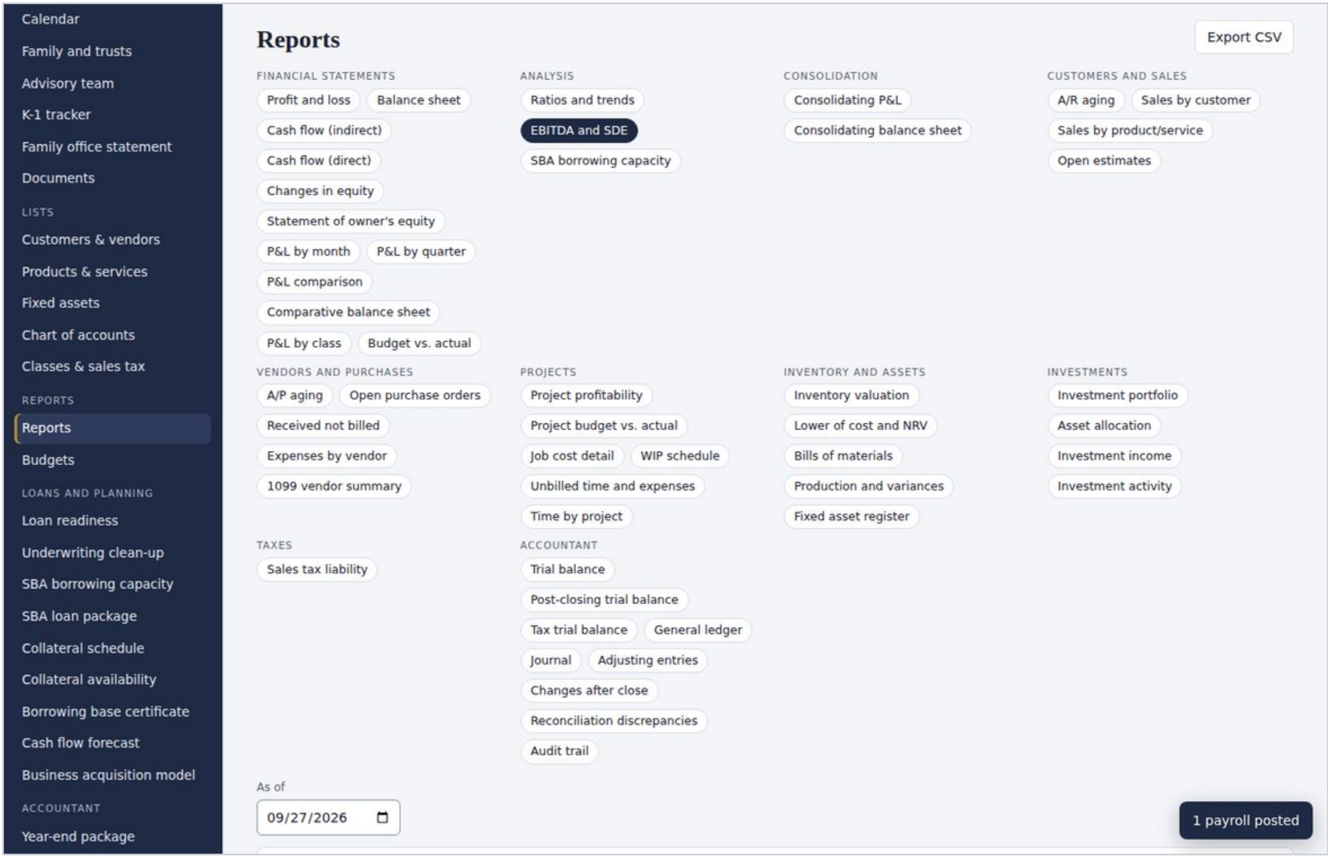
When foreign currency is spent or moved out, it leaves at the account's average book rate and the difference from the day's rate posts as a realized exchange gain or loss; month-end revaluation handles what is still held.

27 · RATIOS, EBITDA, SDE AND SBA CAPACITY

Buyers, lenders and business brokers look first at **EBITDA** and, for smaller businesses, **seller's discretionary earnings (SDE)**. Reports › **EBITDA and SDE** builds both up from net income, for the last two fiscal years, the year to date and the trailing twelve months.

Line	How it is built
Net income	From the profit and loss
+ Interest	Interest expense, less interest income
+ Income taxes	Federal and state income and franchise taxes (not payroll, sales or property taxes)
+ Depreciation and amortization	Book depreciation and amortization
= EBITDA	Earnings before interest, taxes, depreciation and amortization
+ Addbacks	One-time or non-operating items: a lawsuit settlement, moving costs, a loss on a sale, PPP or ERC income (deducted)
= Adjusted EBITDA	The usual measure for businesses valued on EBITDA multiples
+ Owner compensation	One working owner's wages, payroll taxes and benefits

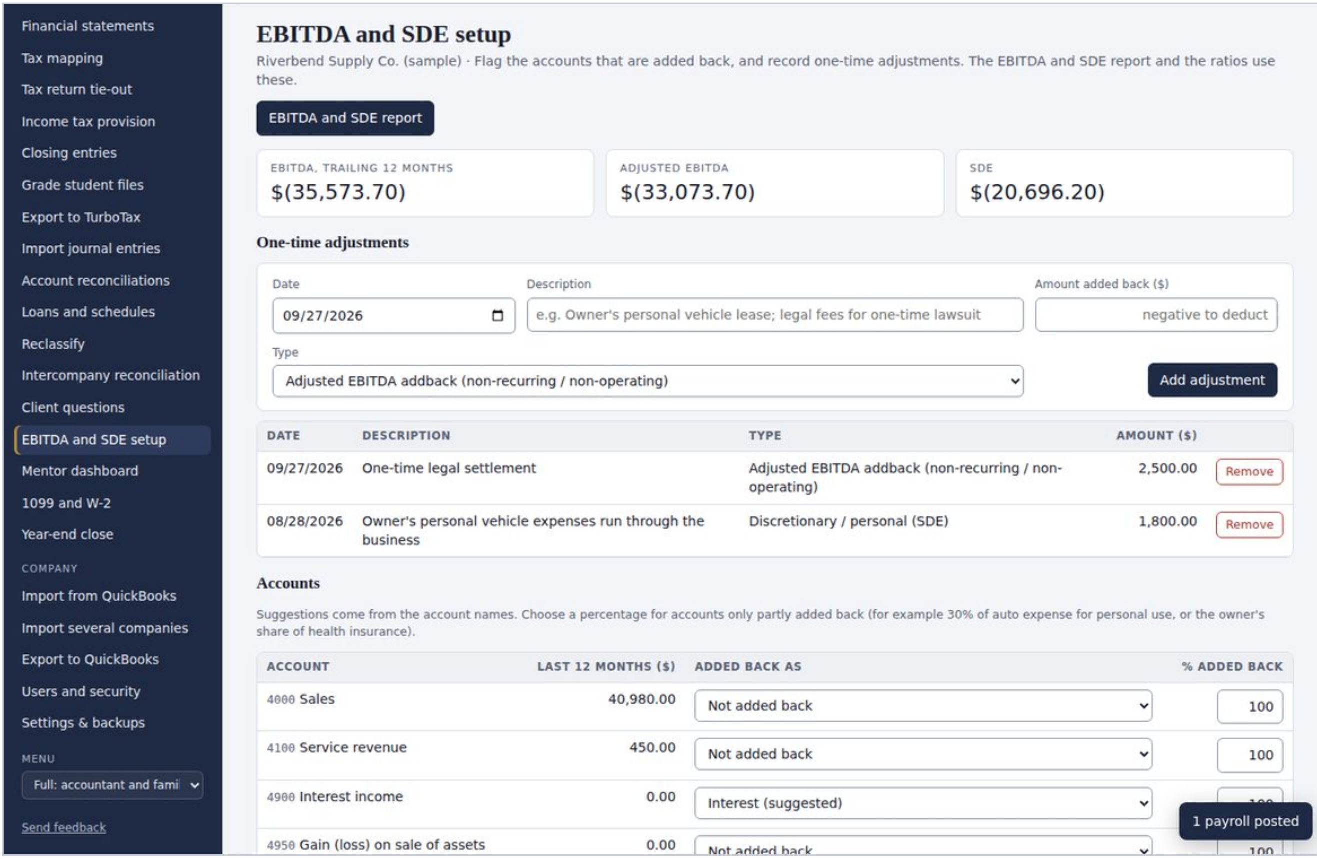
Line	How it is built
+ Discretionary expenses	Personal or discretionary costs run through the business: a family member's vehicle, personal travel, club dues
= SDE	The usual measure for smaller owner-operated businesses, often those under about $2 million of earnings



The EBITDA and SDE build-up: fiscal years, year to date and trailing twelve months.

Setting up the addbacks

1. Open **EBITDA and SDE setup**. Every income and expense account is listed with its last twelve months and a suggestion from its name: interest, income taxes, depreciation and amortization, officer or owner wages.
2. Change any account's category. For accounts only partly added back, enter the percentage, such as 30% of auto expense for personal use or the owner's share of health insurance.
3. Record one-time adjustments that are inside a shared account, with a date, description, type and amount. Enter a negative amount to deduct, for example to bring an owner's salary to market rate. Each adjustment counts in every period that includes its date.

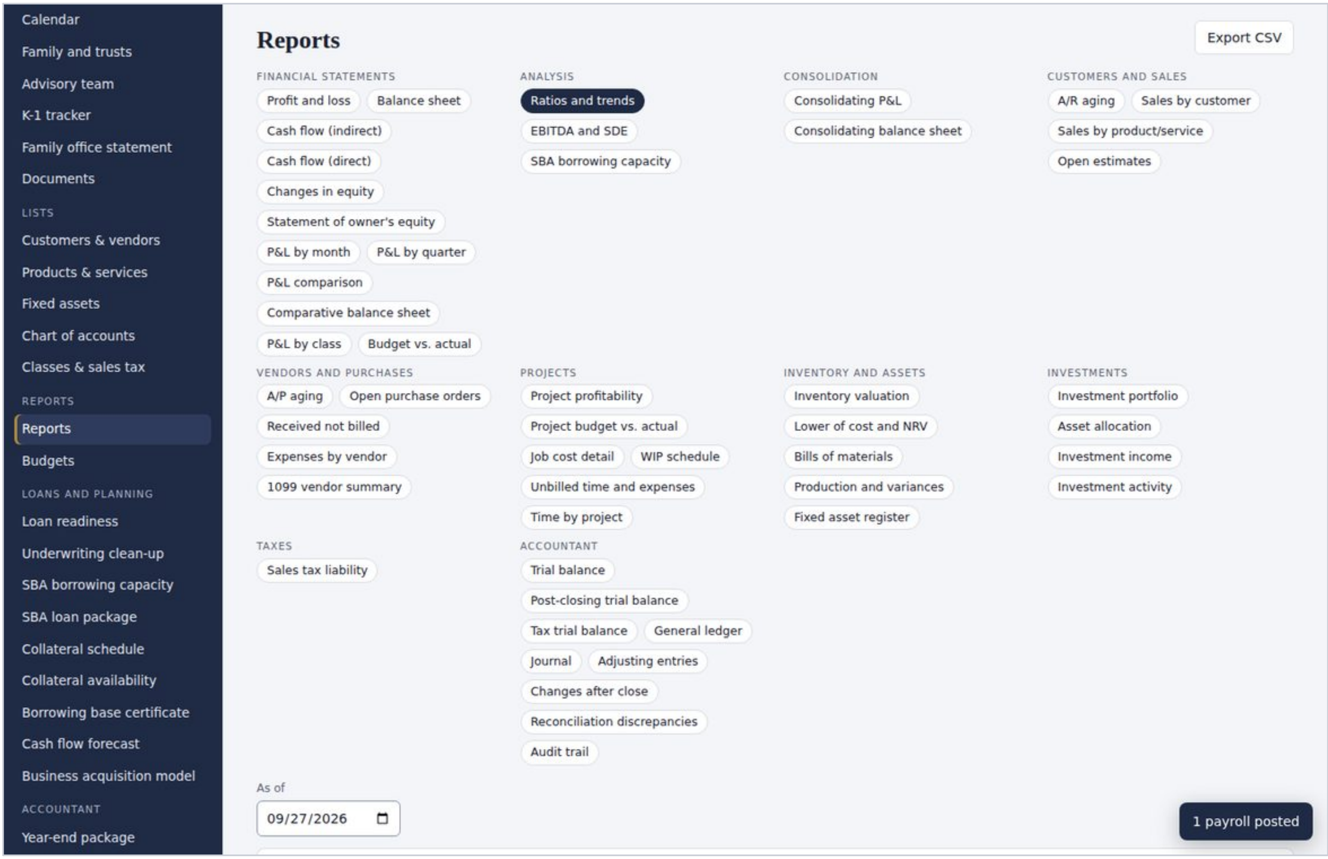


EBITDA and SDE setup: trailing twelve-month totals, adjustments and account categories.

Ratios and trends

Reports › **Ratios and trends** shows the last four quarter-ends and today. Balance sheet measures are at each date; earnings measures are the twelve months ending on that date, so every column is comparable. An arrow marks each change from the prior column, green when it is an improvement.

Group	Measures
Earnings and cash	Revenue, net income, EBITDA, operating cash flow, capital expenditures and free cash flow (operating cash flow less capital expenditures), adjusted EBITDA and SDE, trailing twelve months
Liquidity	Current ratio, quick ratio, working capital, cash
Efficiency	Days sales outstanding, days inventory outstanding, days payables outstanding, cash conversion cycle
Profitability	Gross, operating, EBITDA, free cash flow and net margins; return on assets; return on equity
Leverage	Debt to equity; funded debt to EBITDA; interest coverage; debt service coverage on the EBITDA basis: EBITDA divided by the next twelve months of scheduled principal and interest (or what was paid, with no schedule), the covenant measure most bank loans use. The SBA analysis and projections use the cash flow basis instead: EBITDA less taxes, capital spending and distributions. Current liabilities include the current portion of long-term debt



Financial ratios and trends by quarter.

On the consolidated view, both reports eliminate intercompany balances and activity. Market multiples and valuation are outside the scope of the books; discuss them with your advisor.

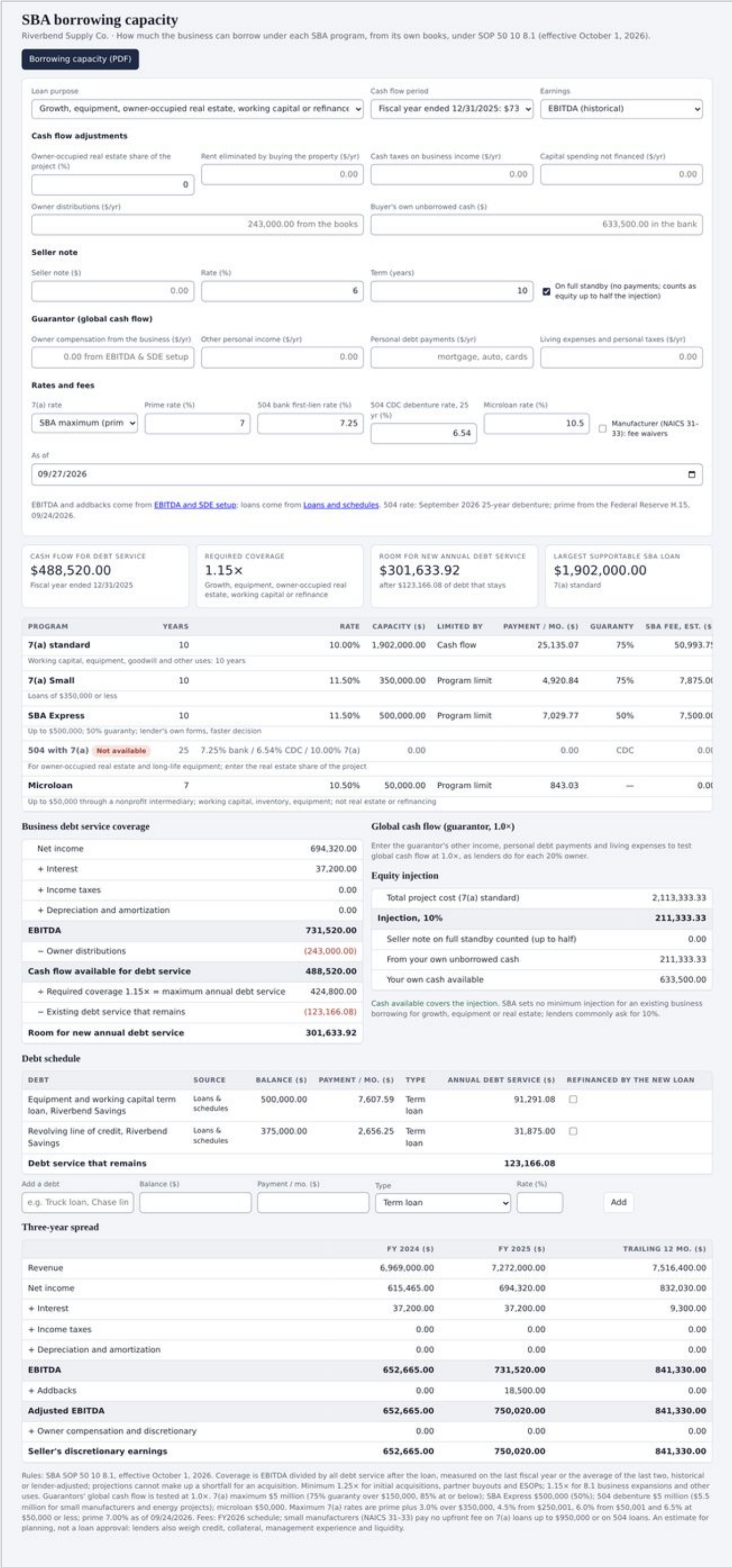
SBA borrowing capacity

SBA borrowing capacity (Accountant menu, and Reports › Analysis) sizes the loan the business can carry under each SBA program, straight from its own books, under SBA SOP 50 10 8.1, effective October 1, 2026. Under those rules, debt service coverage is EBITDA divided by all debt service after the loan, measured on the last fiscal year or the average of the last two, historical or lender-adjusted. Projections cannot make up a shortfall. The minimum is 1.25× for an acquisition, partner buyout or ESOP and 1.15× for an expansion.

1. Choose the **loan purpose** and the **cash flow period** (last fiscal year, two-year average, or trailing twelve months as an interim view), and whether to use EBITDA or Adjusted EBITDA from EBITDA and SDE setup.
2. Enter the share of the project that is **owner-occupied real estate**. The 7(a) term becomes the weighted average of 25 years for the real estate and 10 years for everything else, and the 504 loan is offered. When buying the building you now rent, enter the **rent eliminated**; it is added back to cash flow.
3. Check **existing annual debt service** (it fills in from interest and principal paid in the last twelve months) and enter any part the new loan will refinance.
4. Enter the **cash available** for the equity injection and any seller note on full standby, and for an acquisition the purchase price.
5. Leave the rate at the SBA maximum (prime plus the spread for the loan size) or enter the lender's quoted rate. Update prime and the 504 debenture rate when they change.

Program	How it is sized
7(a) standard	Up to $5 million; 75% guaranty over $150,000 (85% at or below); maximum rate prime + 3.0% over $350,000
7(a) Small	Up to $350,000; not available for a change of ownership under SOP 50 10 8.1
SBA Express	Up to $500,000; 50% guaranty; the same maximum rates as 7(a) by loan size
504	Bank 50%, CDC debenture 40% (up to $5.5 million), borrower 10%; 25 years; tangible net worth under $20 million and average net income under $6.5 million
Microloan	Up to $50,000 from a nonprofit intermediary; up to 7 years

Each program shows its capacity and whether cash flow or the program limit sets it, along with the monthly payment, the guaranty and the estimated SBA guaranty fee on the FY2026 schedule. It also shows the 10% equity injection (at least half from your own cash, with a standby seller note counting for up to half) and the coverage after the loan. A purchase price of $3 million or more flags the quality of earnings report now required. **Borrowing capacity (PDF)** prints a one-page summary to take to the lender.



SBA borrowing capacity for Riverbend Supply Co. in the family office sample: $488,520 of cash flow for debt service in the last fiscal year, a 7(a) loan of up to $1,902,000 sized by cash flow at 1.15× after existing payments on the term loan and line of credit, and the smaller programs at their limits.

The family office sample's **Riverbend Supply Co.** is set up as a complete lending example: three fiscal years of history, the tax returns tied out, a term loan in Loans and schedules, personal financial statements for its two guarantors and an $850,000 expansion request. The business sample has only this year's activity, so its lending screens have little to show.

Lender details

- **Loan purpose** follows SOP 50 10 8.1: an initial acquisition, partner buyout or ESOP (1.25×); a business expansion, meaning an existing business buying another in the same industry (1.15×); or growth, equipment, real estate, working capital or refinancing (1.15×).
- **Cash flow adjustments** subtract cash taxes on the business's income, capital spending not financed, and owner distributions (from the books, or entered); for an acquisition, a market salary for a replacement manager.
- **Debt schedule**: loans from Loans and schedules plus debts you enter; lines of credit count at interest only; tick a debt the new loan refinances. The ratios use the same schedule for DSCR.
- **Seller note**: on full standby it counts as equity up to half the injection; otherwise its payments count, with 10-year amortization imputed on an interest-only note. SBA loan plus seller note are capped at the business value.
- **Global cash flow**: enter the guarantor's other income, personal debt payments and living expenses to test the whole picture at 1.0×; the table shows when it, not the business, limits the loan.
- **504** covers only the real estate and long-life equipment share, paired with a 7(a) loan for the rest. The **buyer's own unborrowed cash** is used for the injection test, not the company's bank balance.
- **Fees**: 7(a) guaranty fees use the FY2026 schedule until SBA publishes FY2027 fees; the 504 upfront fee is 0.50% for FY2027; small manufacturers (NAICS 31–33) are marked for the fee waivers.
- The PDF includes the program table, the coverage build-up, global cash flow, the debt schedule and a three-year spread. A year in the spread with revenue in fewer than twelve months is marked with its months: a partial year that a lender annualizes or sets aside.

This is a planning estimate, not a loan approval. Lenders also weigh credit, collateral, management experience and liquidity.

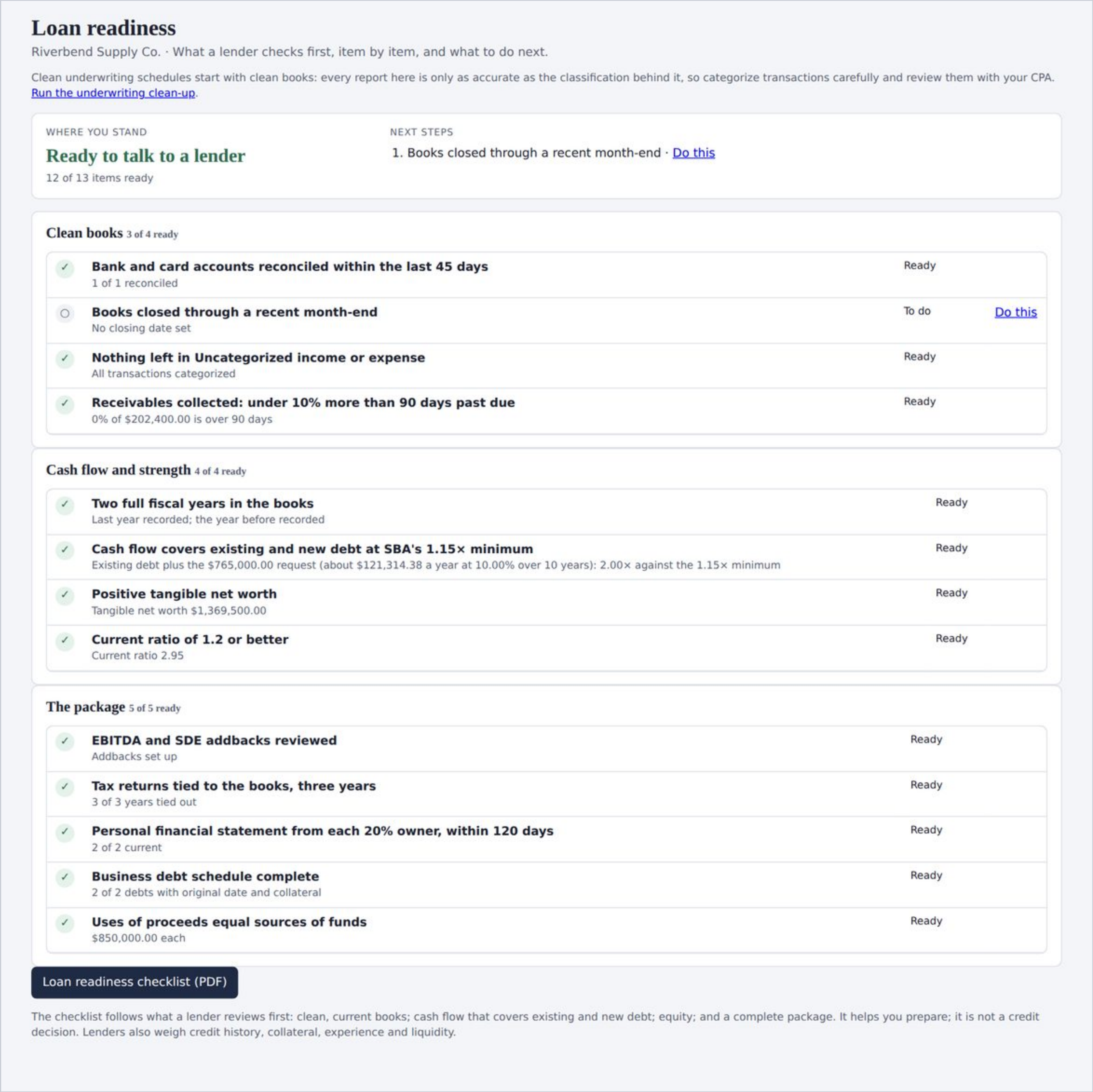
28 · LOAN READINESS, LOAN PACKAGE AND PLANNING

The loan readiness checklist

Loan readiness (Loans and planning menu) checks the books and the loan package item by item, the way a lender reviews them, and marks each **Ready**, **Partly done** or **To do** with a button to the screen that finishes it. At the top, **Where you stand** reads **Ready to talk to a lender**, **Almost there** or **Getting ready**, with the next three steps. There is no score to chase: a business is shown as ready only when cash flow covers its existing and new debt at the SBA minimum (when a loan is entered in sources of funds, existing debt plus that request is tested at the coverage the loan's purpose requires), tangible net worth is positive and every debt on the balance sheet is in the debt schedule, however complete the paperwork. **Loan readiness checklist (PDF)** prints it for a mentor or client.

Group	What it checks	Items
Clean books	Bank and card accounts reconciled within 45 days; books closed through a recent month-end; nothing in Uncategorized; under 10% of receivables more than 90 days past due	4
Cash flow and strength	Two full fiscal years in the books; cash flow that covers existing and new debt at the SBA minimum; positive tangible net worth; a current ratio of 1.2 or better	4

Group	What it checks	Items
The package	Three years of tax returns tied to the books; a personal financial statement from each 20% owner within 120 days; a complete debt schedule, including any debt with no payments recorded; uses equal to sources; EBITDA and SDE addbacks reviewed	5



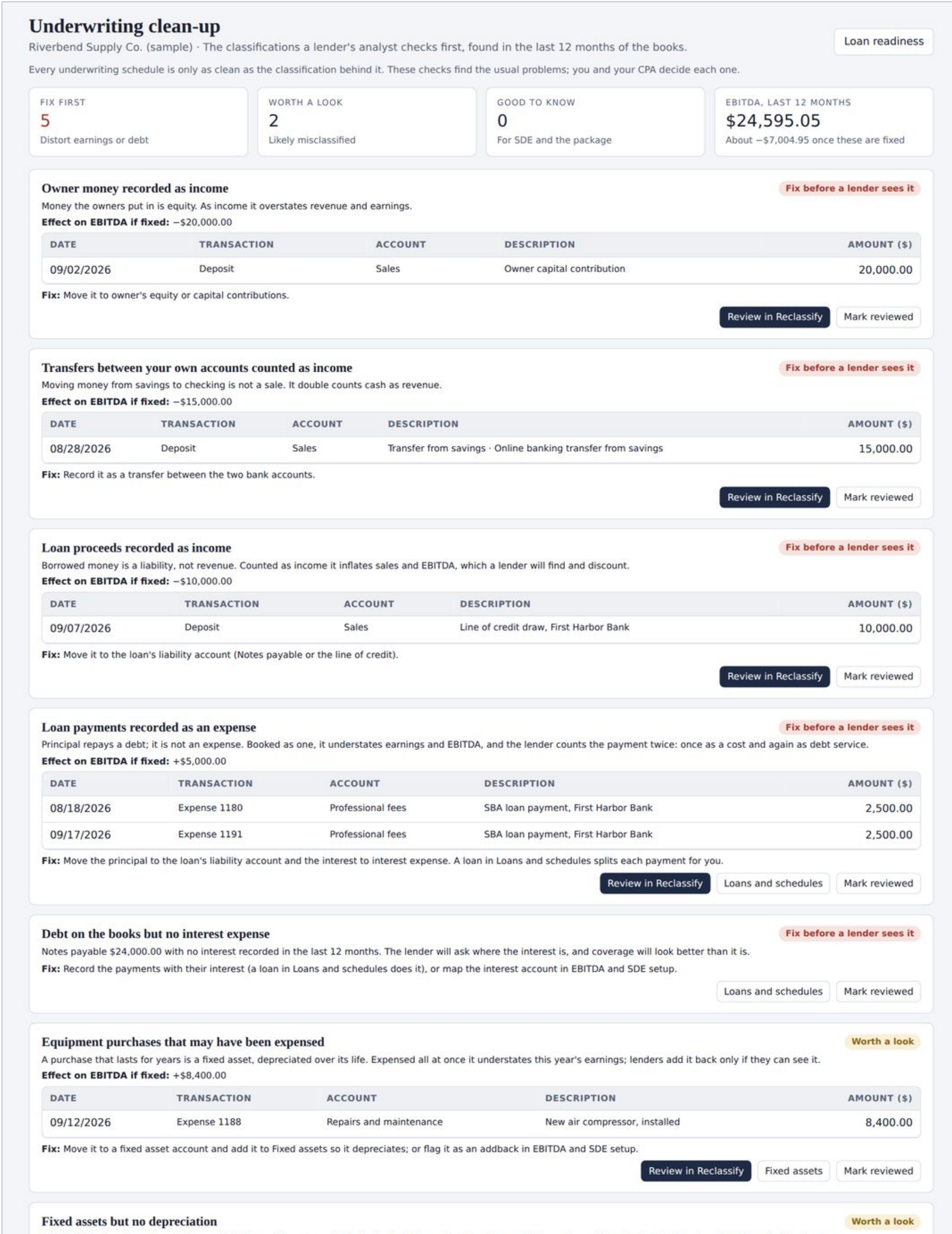
Loan readiness for Riverbend Supply Co. in the family office sample: ready to talk to a lender, 12 of 13 items, with closing the books through last month the one step left.

Underwriting clean-up

A lender's analyst checks the classification first. **Underwriting clean-up** (Loans and planning menu, and a link on Loan readiness) reads the last 12 months of the books and finds the misclassifications that most often distort underwriting schedules, with what each does to EBITDA and the transactions behind it:

- **Fix before a lender sees it**: loan payments booked as an expense (principal is not an expense), loan proceeds, owner money or transfers between your own accounts counted as income, debt on the books with no interest expense, and transactions still uncategorized.
- **Worth a look**: equipment purchases that may have been expensed, fixed assets with no depreciation, interest or depreciation not added back in EBITDA and SDE setup, sales tax in income, and balances on the wrong side.
- **Good to know**: owner's pay not separated from wages, which SDE and an acquisition lender start from.

Each finding shows **EBITDA as booked** and about what it will be once fixed, the transactions behind it, and the fix. **Review in Reclassify** opens the account with those lines ready to move; **Mark reviewed** sets a finding aside once you and your CPA have decided it, until a new amount appears. Home reminds you while anything in the first group is open. The checks find the usual problems; you and your CPA decide each one.



Underwriting clean-up

Loan readiness

Riverbend Supply Co. (sample) · The classifications a lender's analyst checks first, found in the last 12 months of the books.

Every underwriting schedule is only as clean as the classification behind it. These checks find the usual problems; you and your CPA decide each one.

FIX FIRST	WORTH A LOOK	GOOD TO KNOW	EBITDA, LAST 12 MONTHS
5	2	0	$24,595.05
Distort earnings or debt	Likely misclassified	For SDE and the package	About −$7,004.95 once these are fixed

Owner money recorded as income — Fix before a lender sees it

Money the owners put in is equity. As income it overstates revenue and earnings.

Effect on EBITDA if fixed: −$20,000.00

DATE	TRANSACTION	ACCOUNT	DESCRIPTION	AMOUNT ($)
09/02/2026	Deposit	Sales	Owner capital contribution	20,000.00

Fix: Move it to owner's equity or capital contributions.

Review in Reclassify · Mark reviewed

Transfers between your own accounts counted as income — Fix before a lender sees it

Moving money from savings to checking is not a sale. It double counts cash as revenue.

Effect on EBITDA if fixed: −$15,000.00

DATE	TRANSACTION	ACCOUNT	DESCRIPTION	AMOUNT ($)
08/28/2026	Deposit	Sales	Transfer from savings · Online banking transfer from savings	15,000.00

Fix: Record it as a transfer between the two bank accounts.

Review in Reclassify · Mark reviewed

Loan proceeds recorded as income — Fix before a lender sees it

Borrowed money is a liability, not revenue. Counted as income it inflates sales and EBITDA, which a lender will find and discount.

Effect on EBITDA if fixed: −$10,000.00

DATE	TRANSACTION	ACCOUNT	DESCRIPTION	AMOUNT ($)
09/07/2026	Deposit	Sales	Line of credit draw, First Harbor Bank	10,000.00

Fix: Move it to the loan's liability account (Notes payable or the line of credit).

Review in Reclassify · Mark reviewed

Loan payments recorded as an expense — Fix before a lender sees it

Principal repays a debt; it is not an expense. Booked as one, it understates earnings and EBITDA, and the lender counts the payment twice: once as a cost and again as debt service.

Effect on EBITDA if fixed: +$5,000.00

DATE	TRANSACTION	ACCOUNT	DESCRIPTION	AMOUNT ($)
08/18/2026	Expense 1180	Professional fees	SBA loan payment, First Harbor Bank	2,500.00
09/17/2026	Expense 1191	Professional fees	SBA loan payment, First Harbor Bank	2,500.00

Fix: Move the principal to the loan's liability account and the interest to interest expense. A loan in Loans and schedules splits each payment for you.

Review in Reclassify · Loans and schedules · Mark reviewed

Debt on the books but no interest expense — Fix before a lender sees it

Notes payable $24,000.00 with no interest recorded in the last 12 months. The lender will ask where the interest is, and coverage will look better than it is.

Fix: Record the payments with their interest (a loan in Loans and schedules does it), or map the interest account in EBITDA and SDE setup.

Loans and schedules · Mark reviewed

Equipment purchases that may have been expensed — Worth a look

A purchase that lasts for years is a fixed asset, depreciated over its life. Expensed all at once it understates this year's earnings; lenders add it back only if they can see it.

Effect on EBITDA if fixed: +$8,400.00

DATE	TRANSACTION	ACCOUNT	DESCRIPTION	AMOUNT ($)
09/12/2026	Expense 1188	Repairs and maintenance	New air compressor, installed	8,400.00

Fix: Move it to a fixed asset account and add it to Fixed assets so it depreciates; or flag it as an addback in EBITDA and SDE setup.

Review in Reclassify · Fixed assets · Mark reviewed

Fixed assets but no depreciation — Worth a look

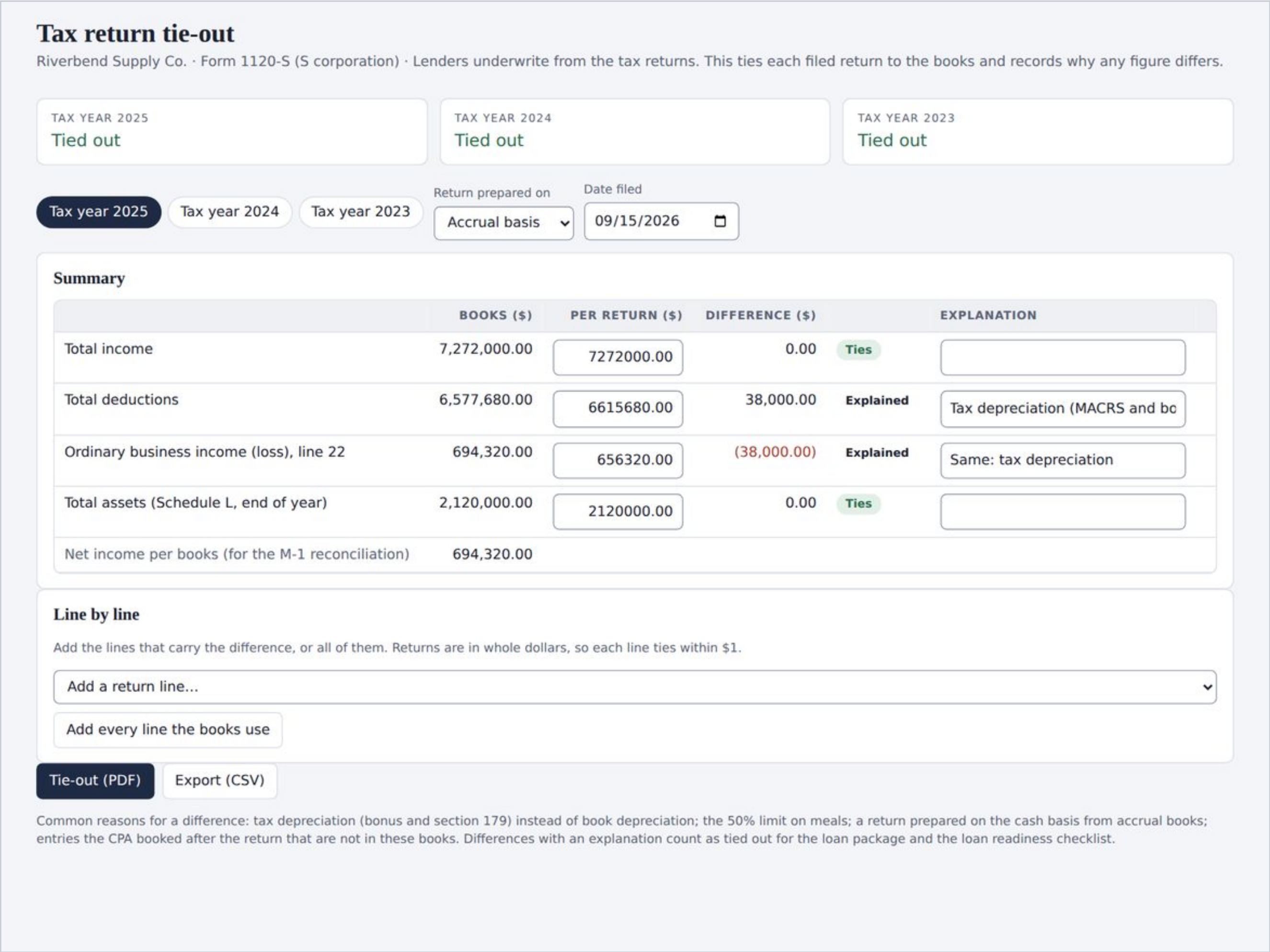
$32,000.00 of equipment, vehicles and buildings with no depreciation in the last 12 months. Tax returns will show depreciation the books do not, and the tie-out will not agree.

Six classic mistakes found in a month of Riverbend Supply's books, each with its effect on EBITDA and a way to fix it.

Tax return tie-out

Lenders underwrite from the tax returns, not the books. **Tax return tie-out** (Accountant menu) puts each of the last three filed returns beside the books, using the tax line mapping (Section 24) for the books' side.

1. Choose the year and whether the return was prepared on the accrual or cash basis, and the date it was filed.
2. Enter the return's **total income**, **total deductions**, **ordinary business income** and, for a corporation or partnership, **total assets** from Schedule L. Each shows the difference from the books: **Ties** within rounding, or **Explain**.
3. For each difference, type the reason, such as bonus depreciation or the 50% meals limit. An explained difference counts as tied out.
4. To find a difference, add return lines one at a time, or **Add every line the books use**, and enter the return's figures; each line ties within $1.



Tax return tie-out for Riverbend Supply Co.: total income and assets tie; deductions and ordinary income differ by $38,000 of tax depreciation, explained.

The tie-out prints on its own and as section 7 of the SBA loan package, and counts on the loan readiness checklist.

Income tax provision

A C corporation's financial statements carry income tax expense in two parts: the **current** tax on this year's taxable income, and the **deferred** tax on differences between book and tax that reverse in later years (ASC 740). Lenders and auditors read both, and the deferred tax asset or liability sits on the balance sheet. **Income tax provision** (Accountant menu) prepares it from the books, with the schedule that supports it.

1. Choose the date to compute through; the period runs from the start of the fiscal year. Enter the federal rate (21% for a C corporation), the state rate, the federal credits available (and how much of that was carried in), and a net operating loss carried in from earlier years. Federal losses from 2018 on carry forward without expiry and offset up to 80% of taxable income; losses from before 2018 carry forward 20 years without the 80% limit, and states set their own rules, so enter those separately if they apply. Credits not used this year carry forward as a deferred tax asset at face value. A company set up as an S corporation, partnership or Schedule C business is told its income passes through to the owners; the screen can still compute a state entity-level tax with the federal rate at zero.
2. **Current tax (schedule 1).** Pretax book income comes from the profit and loss, leaving out the income tax accounts. Permanent differences are added, the change in temporary differences is applied, the NOL deduction is limited to 80% of taxable income, and state tax is computed first so federal tax is on income after the state deduction.
3. **Permanent differences (schedule 2)** are found in the ledger: the nondeductible half of meals, entertainment, fines and penalties, political contributions, life insurance premiums on a policy where the company is the beneficiary (an account named for key person, officer or company-owned coverage; IRC §264), and tax-exempt interest. Change any amount, and add others such as club dues.
4. **Temporary differences (schedule 3)** are stated at the start and end of the year as amounts deductible (+) or taxable (−) later. Depreciation comes from the fixed asset register, book against the MACRS, bonus and section 179 schedules, with the current tax year's tax depreciation prorated by the months elapsed so an interim provision compares like with like; the allowance for doubtful accounts, inventory reserves, accrued compensation and deferred revenue come from their balances. Deferred revenue is taxed when received unless the one-year deferral under IRC §451(c) is used; if it is, enter only the part earned after next year end. Each carries a deferred tax at the blended rate; an NOL carryforward becomes a deferred tax asset; a valuation allowance reduces assets not more likely than not to be realized.
5. **Rate reconciliation (schedule 4)** explains the effective rate from the 21% statutory rate: state tax net of the federal benefit, permanent differences, credits, and the valuation allowance.
6. **Post the provision entry** books it as an adjusting journal entry at the period end: current tax expense against income taxes payable, and deferred tax expense or benefit against the deferred tax asset or liability, bringing them to the schedule. The accounts are created if the company does not have them. Running it again replaces the entry, so the provision can be refined quarter by quarter and at year end.
7. Deferred tax assets and liabilities are noncurrent (ASC 740-10-45-4): the deferred tax asset is created as an other noncurrent asset, and neither counts in the current ratio. For a company whose earlier years never recorded deferred taxes, tick **Record the beginning deferred balance in retained earnings**: the opening position is a correction of prior periods (ASC 250), so it goes to retained earnings and this year's deferred expense shows only this year's change.

Income tax provision

Riverbend Supply Co. · Current and deferred income taxes for 01/01/2026 to 09/27/2026 under ASC 740, with the schedule and the entry that books it.

Provision schedule (PDF)

Through	Federal rate (%)	State rate (%)	Federal credits ($)	NOL carryforward at the start of the year ($)
09/27/2026	21	4	5000.00	0.00

Blended rate 24.2%: state 4.0% plus federal 21.0% on income after the state tax deduction. Deferred taxes use the blended rate; change the rates when enacted rates change.

PRETAX BOOK INCOME	TAXABLE INCOME	CURRENT TAX	DEFERRED TAX	TOTAL PROVISION
$656,500.00	$658,500.00	$154,093.60	$6,644.00	$160,737.60
01/01/2026 to 09/27/2026	Estimated	Federal $127,753.60 · state $26,340.00	Expense	Effective rate 24.5%

1 · Current tax

Pretax book income	656,500.00
Permanent differences (schedule 2)	12,000.00
Change in temporary differences (schedule 3)	(10,000.00)
Taxable income before the NOL deduction	**658,500.00**
NOL deduction	0.00
Taxable income	**658,500.00**
State tax at 4.0%	26,340.00
Federal taxable income after state tax	632,160.00
Federal tax at 21.0%	132,753.60
Less credits	(5,000.00)
Current income tax	**154,093.60**

4 · Rate reconciliation

	AMOUNT ($)	% OF PRETAX
Tax at the federal statutory rate	137,865.00	21.0%
State income tax, net of the federal benefit	21,124.60	3.2%
Permanent differences	2,520.00	0.4%
Tax credits	(5,000.00)	-0.8%
Change in valuation allowance	0.00	0.0%
Deferred taxes: beginning balance set up or adjusted to the schedule	4,228.00	0.6%
Total provision	**160,737.60**	**24.5%**

The provision for Riverbend Supply Co.: $656,500 of pretax income, $154,093.60 current and $6,644.00 deferred tax, an effective rate of 24.5% explained line by line.

2 · Permanent differences

Income and expenses that never reach the return. Amounts from the ledger can be changed; positive adds to taxable income.

ITEM	AMOUNT ($)	
Meals: 50% not deductible	8400.00	×
Officer life insurance premiums	3600.00	×
Total	**12,000.00**	

Add a permanent difference

3 · Temporary differences and deferred taxes

Differences between book and tax that reverse later, as the amount deductible (+) or taxable (−) in future years. Beginning amounts are at 12/31/2025.

ITEM	BEGINNING ($)	ENDING ($)	CHANGE ($)	DEFERRED TAX, BEGINNING ($)	DEFERRED TAX, ENDING ($)	
Accelerated tax depreciation (MACRS and bonus) less book depreciation	-42000.00	-61500.00	(19,500.00)	(10,147.20)	(14,858.40)	Liability
Accrued bonuses (deductible when paid)	18000.00	25000.00	7,000.00	4,348.80	6,040.00	Asset
Allowance for doubtful accounts	6500.00	9000.00	2,500.00	1,570.40	2,174.40	Asset
Valuation allowance (the part of deferred tax assets not more likely than not to be realized)	0.00	0.00	0.00	0.00	0.00	
Net deferred tax asset (liability)			**(10,000.00)**	**(4,228.00)**	**(6,644.00)**	

Add a temporary difference

Net deferred tax position per schedule, beginning	(4,228.00)
Per the ledger at 12/31/2025	0.00
Set up or adjusted through deferred tax expense this period	(4,228.00)
Deferred tax expense (benefit) from the change in temporary differences	2,416.00
Deferred tax expense (benefit) in the entry	**6,644.00**

5 · The entry

ACCOUNT	MEMO	DEBIT ($)	CREDIT ($)
Income tax expense - current	Current income tax expense	154,093.60	
Income taxes payable	Current income taxes		154,093.60
Deferred tax liability	Deferred taxes to the schedule		6,644.00
Income tax expense - deferred	Deferred income tax	6,644.00	

Posts as an adjusting journal entry dated 09/27/2026, creating any tax accounts the company does not have yet. Estimated payments debited to income taxes payable during the year leave the balance due or refundable.

Post the provision entry

Permanent and temporary differences, the deferred tax on each, and the entry that books the provision.

Riverbend Supply Co.

INCOME TAX PROVISION

From	**01/01/2026**
Through	**09/27/2026**
Federal rate	**21.0%**
State rate	**4.0%**
Blended rate	**24.2%**

SUMMARY

Pretax book income	656,500.00
Current income tax: federal $127,753.60, state $26,340.00	154,093.60
Deferred income tax expense	6,644.00
Total income tax provision	**160,737.60**
Effective tax rate	24.5%

1 - CURRENT TAX

Pretax book income	656,500.00
Permanent differences (schedule 2)	12,000.00
Change in temporary differences (schedule 3)	(10,000.00)
Taxable income before the NOL deduction	**658,500.00**
NOL deduction	0.00
Taxable income	**658,500.00**
State tax at 4.0%	26,340.00
Federal tax at 21.0% on $632,160.00	132,753.60
Less credits	(5,000.00)
Current income tax	**154,093.60**

2 - PERMANENT DIFFERENCES

Meals: 50% not deductible	8,400.00
Officer life insurance premiums	3,600.00
Total	**12,000.00**

3 - TEMPORARY DIFFERENCES AND DEFERRED TAXES

Future deductible (+) or taxable (-)	Begin	End	Change	DT begin	DT end
Accelerated tax depreciation (MACRS and bonus) less book depreciation	(42,000.00)	(61,500.00)	(19,500.00)	(10,147.20)	(14,858.40)
Accrued bonuses (deductible when paid)	18,000.00	25,000.00	7,000.00	4,348.80	6,040.00
Allowance for doubtful accounts	6,500.00	9,000.00	2,500.00	1,570.40	2,174.40
Net deferred tax asset (liability)			**(10,000.00)**	**(4,228.00)**	**(6,644.00)**

Deferred tax expense (benefit) from the change	2,416.00
Beginning balance set up or adjusted to the schedule	4,228.00
Deferred tax expense (benefit)	**6,644.00**

4 - RATE RECONCILIATION

Tax at the federal statutory rate	137,865.00	21.0%
State income tax, net of the federal benefit	21,124.60	3.2%
Permanent differences	2,520.00	0.4%
Tax credits	(5,000.00)	-0.8%

BB Page 1 of 2 Prepared with Baratelli Bankable | baratelliinstitute.com

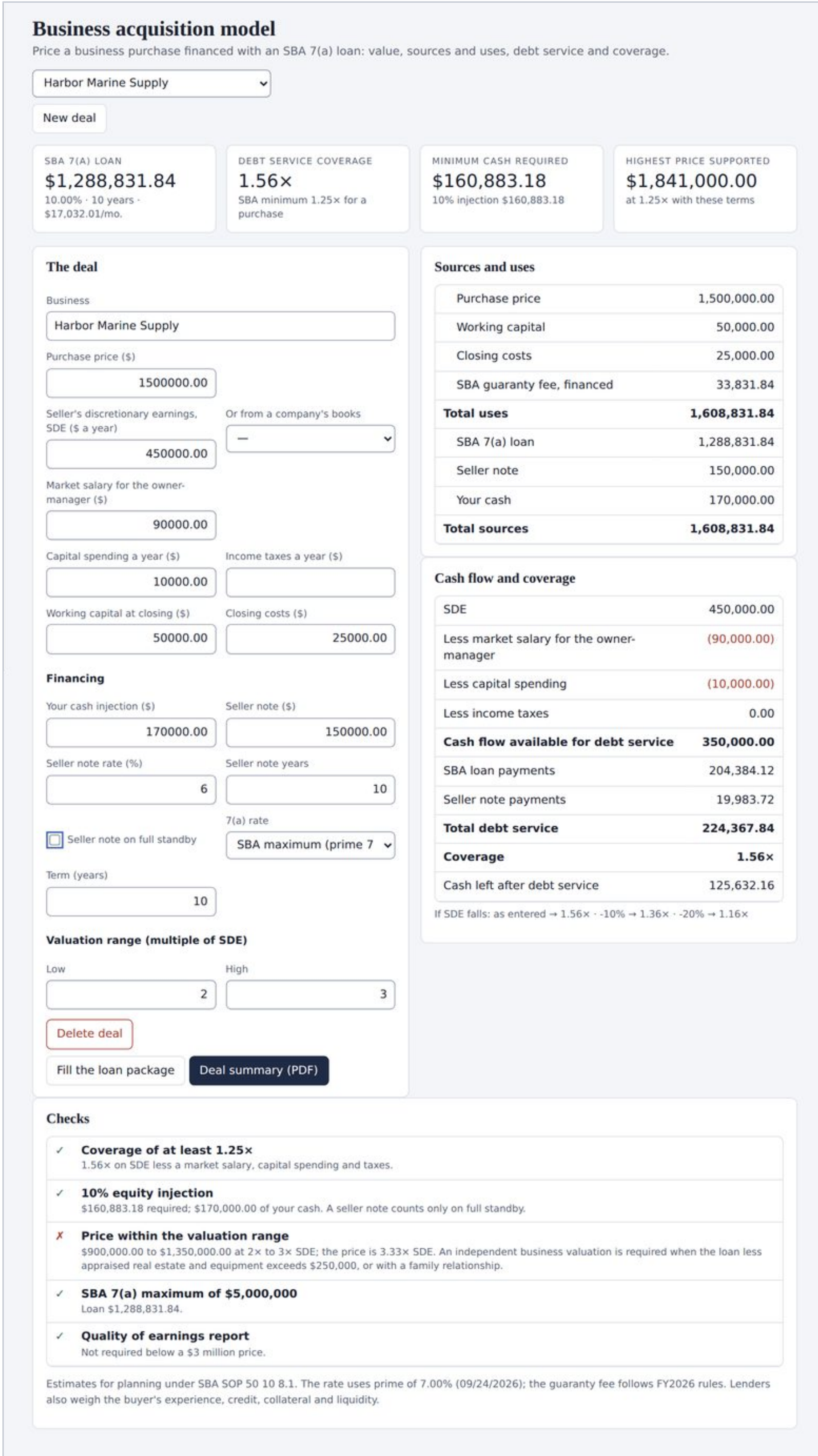
Provision schedule (PDF): the workpaper for the file, the lender and the auditor.

For quarters, ASC 740-270 generally applies an estimated annual effective rate to year-to-date income; the screen computes the provision on actual year-to-date income, a starting point your preparer can adjust. Uncertain tax positions, state apportionment and the return-to-provision true-up after the return is filed remain matters for your tax preparer.

Business acquisition model

Business acquisition model (Accountant menu) prices the purchase of a business with an SBA 7(a) loan. Enter the price, the seller's discretionary earnings (or take them from a company's books), a market salary for the owner-manager, capital spending, working capital, closing costs, your cash and any seller note.

- **Sources and uses** size the SBA loan with the guaranty fee financed; the rate is prime plus the SBA maximum spread, or the lender's quote.
- **Coverage** is SDE less the salary, capital spending and taxes, divided by the SBA and seller note payments, against the 1.25× minimum for a purchase. It also shows coverage if SDE falls 10% or 20%, and the **highest price supported** at 1.25×.
- **Checks**: the 10% injection (a seller note on full standby counts for up to half), the price against a range of SDE multiples, the $5 million limit, and the quality of earnings report at a price of $3 million or more.
- Keep several deals side by side. **Fill the loan package** puts the deal's uses and sources in the buying company's SBA loan package; **Deal summary (PDF)** prints one page for the buyer or broker.



Business acquisition model

Price a business purchase financed with an SBA 7(a) loan: value, sources and uses, debt service and coverage.

Harbor Marine Supply

New deal

SBA 7(A) LOAN	DEBT SERVICE COVERAGE	MINIMUM CASH REQUIRED	HIGHEST PRICE SUPPORTED
$1,288,831.84 10.00% · 10 years · $17,032.01/mo.	1.56× SBA minimum 1.25× for a purchase	$160,883.18 10% injection $160,883.18	$1,841,000.00 at 1.25× with these terms

The deal

Business: Harbor Marine Supply

Purchase price ($): 1500000.00

Seller's discretionary earnings, SDE ($ a year): 450000.00

Or from a company's books: —

Market salary for the owner-manager ($): 90000.00

Capital spending a year ($): 10000.00

Income taxes a year ($):

Working capital at closing ($): 50000.00

Closing costs ($): 25000.00

Financing

Your cash injection ($): 170000.00

Seller note ($): 150000.00

Seller note rate (%): 6

Seller note years: 10

Seller note on full standby

7(a) rate: SBA maximum (prime 7

Term (years): 10

Valuation range (multiple of SDE)

Low: 2

High: 3

Delete deal

Fill the loan package

Deal summary (PDF)

Sources and uses

Purchase price	1,500,000.00
Working capital	50,000.00
Closing costs	25,000.00
SBA guaranty fee, financed	33,831.84
Total uses	**1,608,831.84**
SBA 7(a) loan	1,288,831.84
Seller note	150,000.00
Your cash	170,000.00
Total sources	**1,608,831.84**

Cash flow and coverage

SDE	450,000.00
Less market salary for the owner-manager	(90,000.00)
Less capital spending	(10,000.00)
Less income taxes	0.00
Cash flow available for debt service	**350,000.00**
SBA loan payments	204,384.12
Seller note payments	19,983.72
Total debt service	**224,367.84**
Coverage	**1.56×**
Cash left after debt service	125,632.16

If SDE falls: as entered → 1.56× · -10% → 1.36× · -20% → 1.16×

Checks

✓ **Coverage of at least 1.25×**
1.56× on SDE less a market salary, capital spending and taxes.

✓ **10% equity injection**
$160,883.18 required; $170,000.00 of your cash. A seller note counts only on full standby.

✗ **Price within the valuation range**
$900,000.00 to $1,350,000.00 at 2× to 3× SDE; the price is 3.33× SDE. An independent business valuation is required when the loan less appraised real estate and equipment exceeds $250,000, or with a family relationship.

✓ **SBA 7(a) maximum of $5,000,000**
Loan $1,288,831.84.

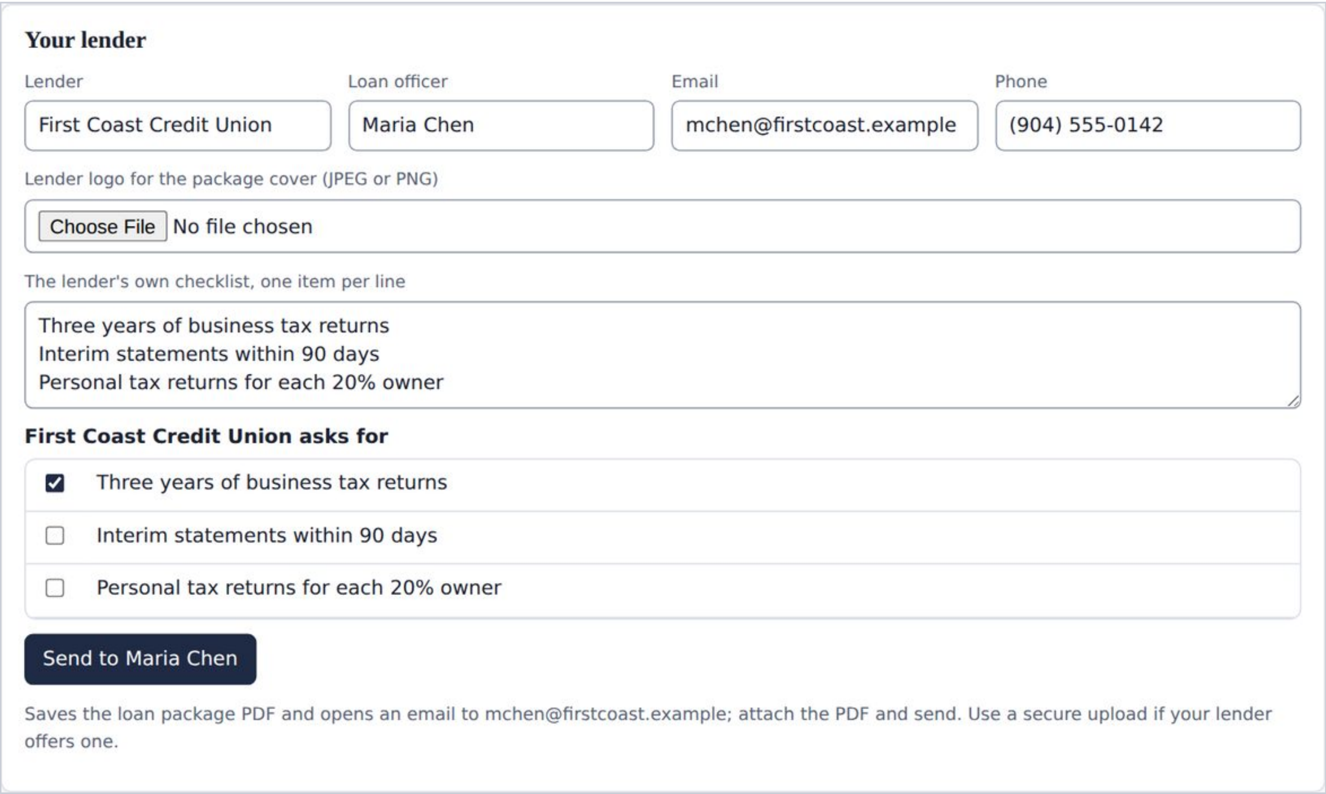
✓ **Quality of earnings report**
Not required below a $3 million price.

Estimates for planning under SBA SOP 50 10 8.1. The rate uses prime of 7.00% (09/24/2026); the guaranty fee follows FY2026 rules. Lenders also weigh the buyer's experience, credit, collateral and liquidity.

An acquisition at $1.5 million: a $1.29 million 7(a) loan, 1.56× coverage and a highest supported price of $1.84 million.

Your lender and the credit union edition

On the loan package's **Package** tab, **Your lender** records the bank or credit union, the loan officer, their email and logo, and the lender's own checklist. The lender is named on the package cover and the lender view, its checklist items join the package checklist to tick off, and **Send to** the loan officer saves the PDF and opens an email to them.



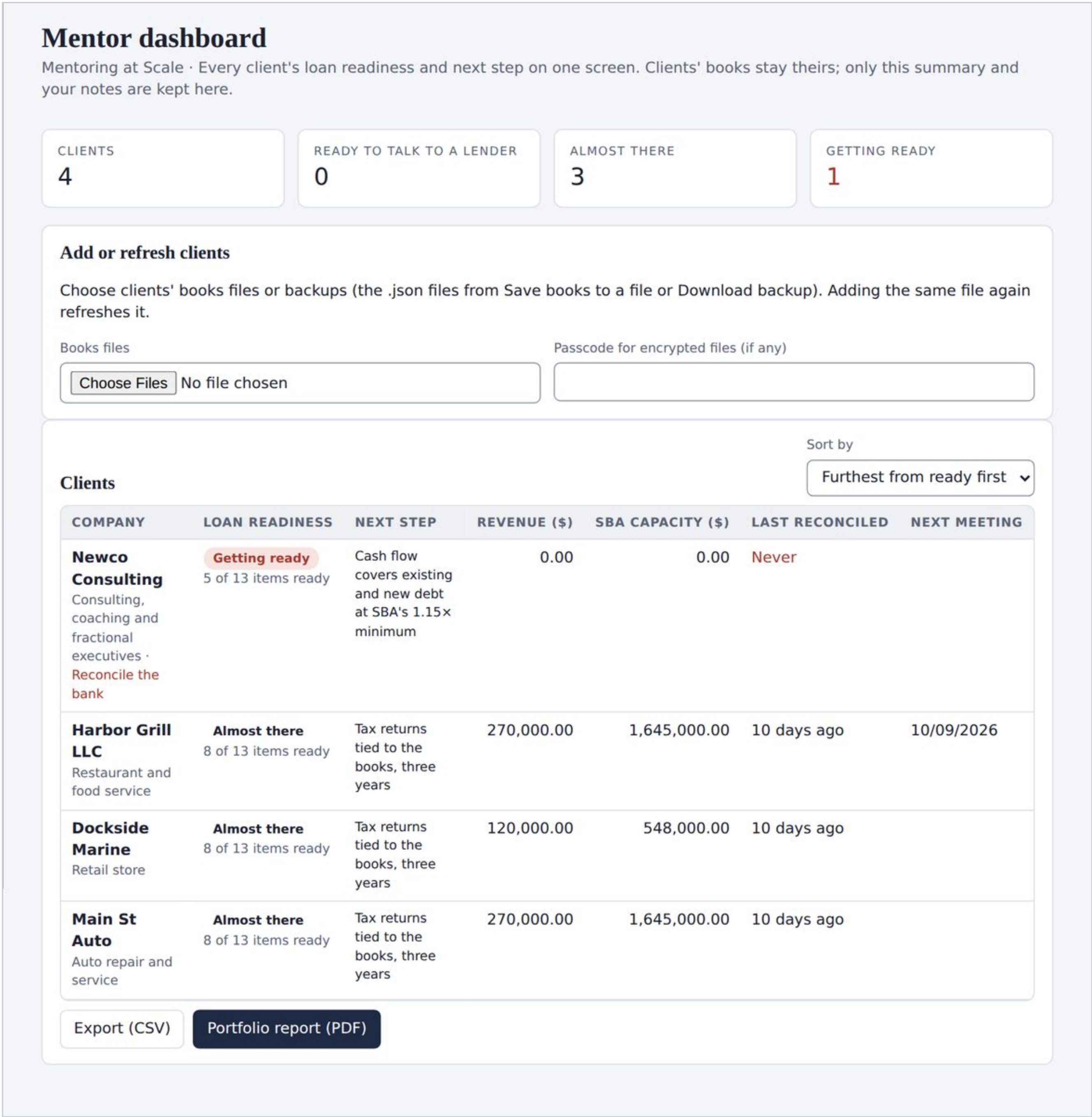
Your lender: the credit union, its loan officer and its own checklist.

A credit union or bank can offer Baratelli Bankable to its business members from its own website: it hosts the website kit with a short lender.json file naming the lender, its contact and its checklist. Members then see **Offered by** the lender in the menu and have the lender filled in on the package. Their books stay in their own browsers; the lender receives only what a member sends.

Mentor dashboard

Mentor dashboard (Accountant menu) is Mentoring at Scale in one screen: a mentor, CPA or loan officer adds the books files or backups their clients send, and sees each client's loan readiness, next step, revenue, SBA borrowing capacity, last reconciliation and next meeting, furthest from ready first.

- Clients' books stay theirs. Each file is read on its own and checked; only the summary, and the mentor's own notes and next meeting date, are kept in the mentor's books, which are never changed.
- An encrypted client file opens with that client's passcode, entered on the screen; the mentor's own passcode, if any, is not affected.
- Adding a client's latest file again refreshes the summary and keeps the notes. Click a client for every checklist item, their net income, cash, tax returns tied and open questions.
- **Portfolio report (PDF)** and **Export (CSV)** list every client for a board, a lender partner or a program sponsor.



Mentor dashboard

Mentoring at Scale · Every client's loan readiness and next step on one screen. Clients' books stay theirs; only this summary and your notes are kept here.

CLIENTS	READY TO TALK TO A LENDER	ALMOST THERE	GETTING READY
4	0	3	1

Add or refresh clients

Choose clients' books files or backups (the .json files from Save books to a file or Download backup). Adding the same file again refreshes it.

Books files: Choose Files No file chosen

Passcode for encrypted files (if any)

Clients

Sort by: Furthest from ready first

COMPANY	LOAN READINESS	NEXT STEP	REVENUE ($)	SBA CAPACITY ($)	LAST RECONCILED	NEXT MEETING
Newco Consulting Consulting, coaching and fractional executives · Reconcile the bank	Getting ready 5 of 13 items ready	Cash flow covers existing and new debt at SBA's 1.15× minimum	0.00	0.00	Never	
Harbor Grill LLC Restaurant and food service	Almost there 8 of 13 items ready	Tax returns tied to the books, three years	270,000.00	1,645,000.00	10 days ago	10/09/2026
Dockside Marine Retail store	Almost there 8 of 13 items ready	Tax returns tied to the books, three years	120,000.00	548,000.00	10 days ago	
Main St Auto Auto repair and service	Almost there 8 of 13 items ready	Tax returns tied to the books, three years	270,000.00	1,645,000.00	10 days ago	

Export (CSV) | Portfolio report (PDF)

The mentor dashboard: four clients, furthest from ready first, each with the next step.

The free quick check

For people who have not started keeping their books here, the website kit includes a **loan readiness quick check**: ten questions on time in business, the books, tax returns, profit, cash flow coverage, credit, the owners' financial statements, the 10% injection, government debt and the loan's purpose. It marks each item ready, partly done or to do, lists the three steps that matter most, then sends people into Baratelli Bankable for the full checklist. Nothing they answer leaves the page. A credit union's hosted copy names the credit union on it.

Getting ready 4 of 10 items ready

✓ Time in business · Ready
◐ Current, reconciled books · Partly done
◐ Tax returns that match the books · Partly done
✓ Profitability · Ready
◐ Cash flow that covers the payments · Partly done
◐ Owner's credit · Partly done
○ Personal financial statements · To do
✓ The 10% equity injection · Ready
✓ No past-due government debt · Ready
◐ A clear amount and purpose · Partly done

These steps will make the biggest difference:

1. **Cash flow that covers the payments**
   SBA lenders want cash flow of at least 1.15 to 1.25 times all debt payments. Borrow less, stretch the term, or build earnings first.
2. **Current, reconciled books**
   Get the books current and reconcile every bank and card account each month. Baratelli Bankable walks you through it.
3. **Tax returns that match the books**
   Lenders underwrite from the tax returns. File them, then tie each return to the books so every difference is explained.

Get the full loan readiness checklist free. Baratelli Bankable keeps your books, ties your tax returns to them, and builds the SBA loan package lenders ask for. It is free, needs no account, and your books stay on your computer.

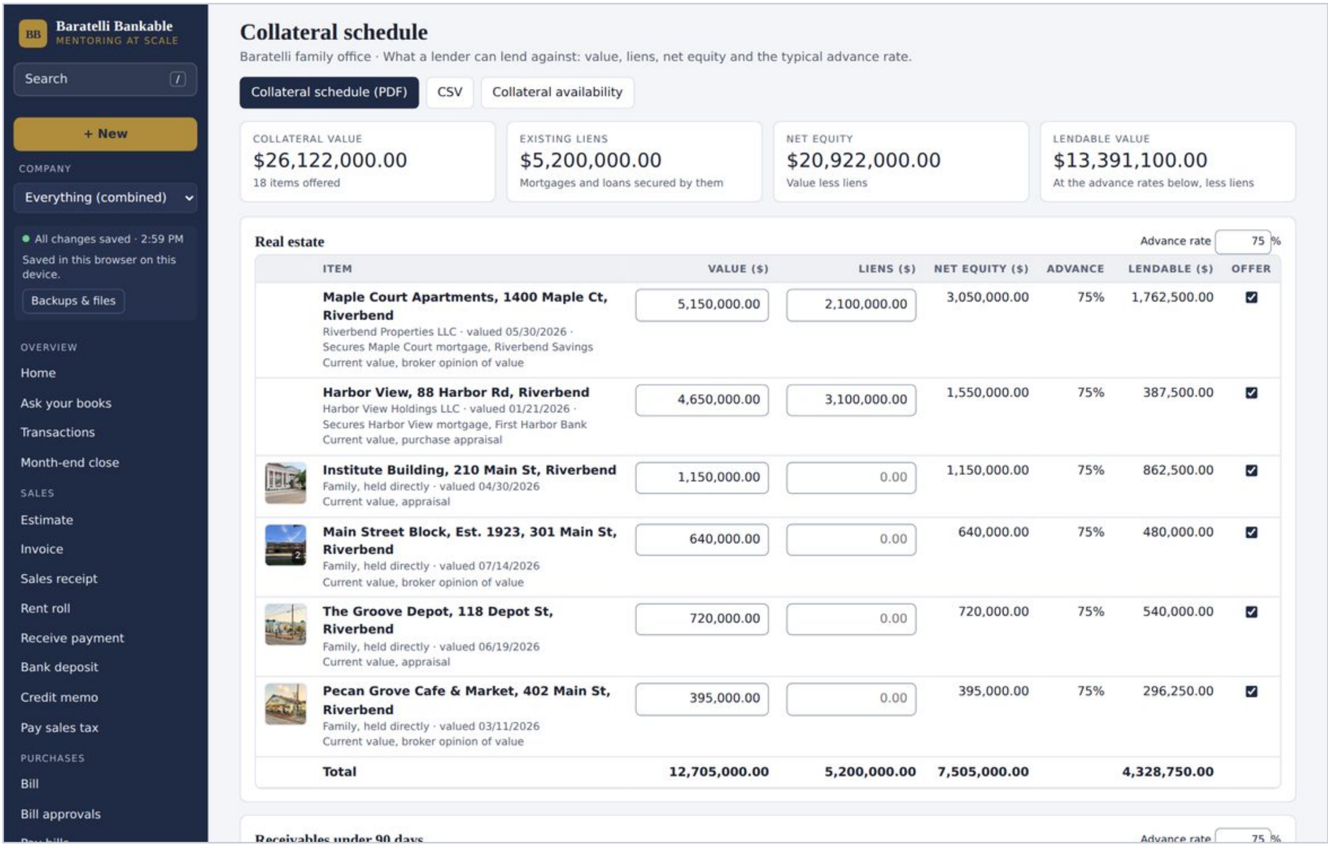
Open Baratelli Bankable **Print my results**

Quick-check result: getting ready, four of ten items ready, with the three biggest steps.

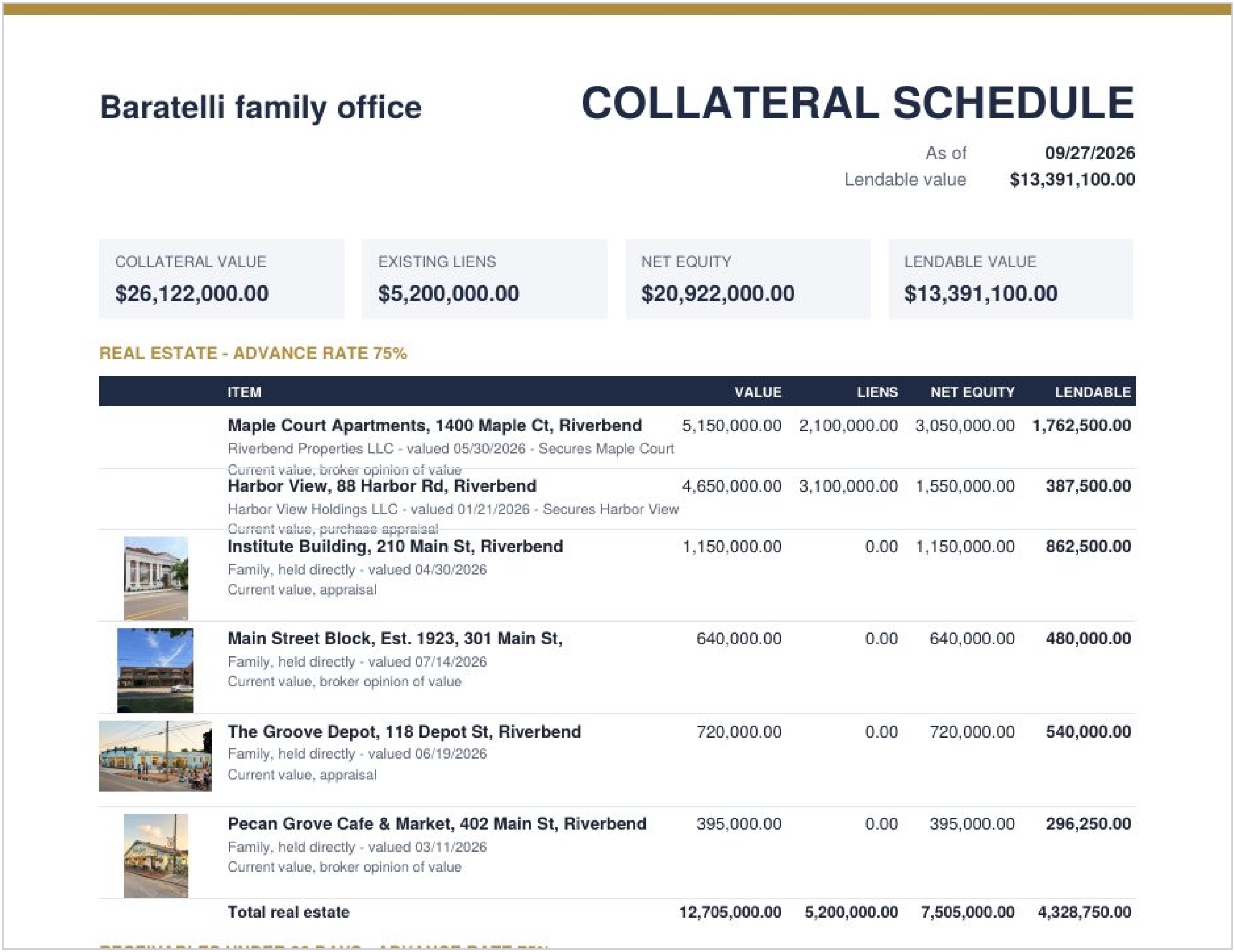
Collateral schedule

Collateral schedule (Loans and planning menu) lists what a lender can lend against: real estate and art, jewelry and cars from Holdings, equipment and vehicles from Fixed assets, inventory at average cost, receivables not more than 90 days past due, and marketable securities. Each line shows its photo, owner, value and where the value comes from, the liens against it, net equity, the advance rate and the lendable value (value times the advance rate, less liens).

- Type an appraised value over any value, and liens not already recorded (a holding carries its own debt).
- Advance rates start at the percentages lenders commonly use (real estate 75%, receivables 75%, securities 70%, vehicles 60%, equipment and inventory 50%). Art, collectibles, jewelry and wine start at 0%, because most commercial lenders will not advance on them; a specialty lender sets its own rate. Change them to your lender's. A blanket lien reaches every business asset of its borrower and is senior to any later lender on those assets: they are marked **Under blanket lien**, and liens are applied in order of the loans' original dates.
- Clear **Offer** to leave an item out. Property carried on a company's books and listed in Holdings appears once.
- **Collateral schedule (PDF)** is the lender's page: totals at the top, then each kind of collateral with photos and the advance rate.



The Baratellis' collateral: $26.1 million of value, $5.2 million of mortgages, $13.4 million lendable.



Baratelli family office

COLLATERAL SCHEDULE

As of 09/27/2026
Lendable value $13,391,100.00

COLLATERAL VALUE	EXISTING LIENS	NET EQUITY	LENDABLE VALUE
$26,122,000.00	$5,200,000.00	$20,922,000.00	$13,391,100.00

REAL ESTATE - ADVANCE RATE 75%

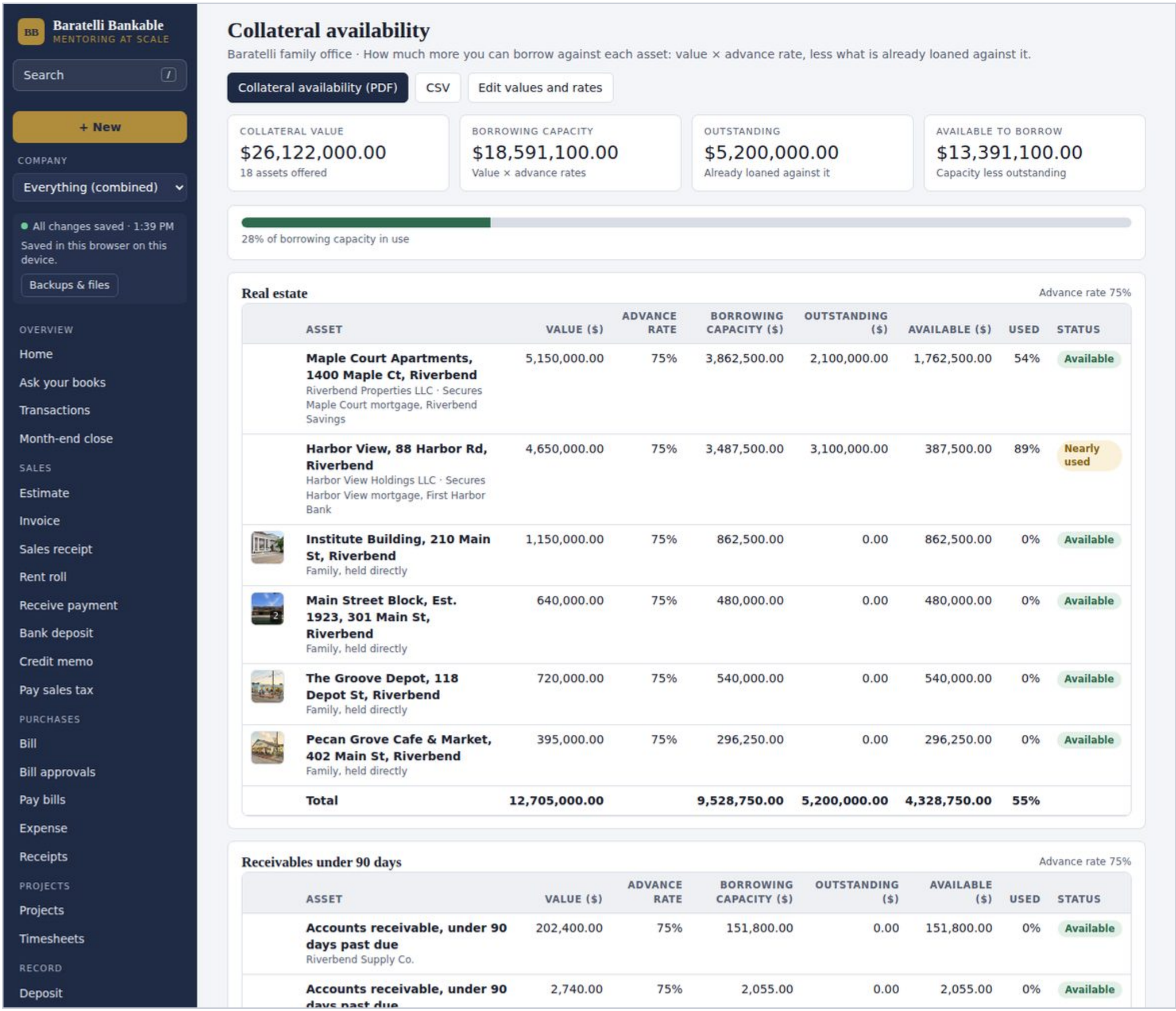
ITEM	VALUE	LIENS	NET EQUITY	LENDABLE
Maple Court Apartments, 1400 Maple Ct, Riverbend Riverbend Properties LLC - valued 05/30/2026 - Secures Maple Court Current value, broker opinion of value	5,150,000.00	2,100,000.00	3,050,000.00	**1,762,500.00**
Harbor View, 88 Harbor Rd, Riverbend Harbor View Holdings LLC - valued 01/21/2026 - Secures Harbor View Current value, purchase appraisal	4,650,000.00	3,100,000.00	1,550,000.00	**387,500.00**
Institute Building, 210 Main St, Riverbend Family, held directly - valued 04/30/2026 Current value, appraisal	1,150,000.00	0.00	1,150,000.00	**862,500.00**
Main Street Block, Est. 1923, 301 Main St, Family, held directly - valued 07/14/2026 Current value, broker opinion of value	640,000.00	0.00	640,000.00	**480,000.00**
The Groove Depot, 118 Depot St, Riverbend Family, held directly - valued 06/19/2026 Current value, appraisal	720,000.00	0.00	720,000.00	**540,000.00**
Pecan Grove Cafe & Market, 402 Main St, Riverbend Family, held directly - valued 03/11/2026 Current value, broker opinion of value	395,000.00	0.00	395,000.00	**296,250.00**
Total real estate	**12,705,000.00**	**5,200,000.00**	**7,505,000.00**	**4,328,750.00**

The top of the collateral schedule PDF for the lender.

Collateral availability

Collateral availability (Loans and planning menu, or the button on the Collateral schedule) answers the lender's question: how much more can you borrow against what you own? For each asset it shows the **value**, the **advance rate**, the **borrowing capacity** (value times the advance rate), what is already **outstanding** against it, and what is **available**: capacity less outstanding.

- Outstanding comes from Loans and schedules (each loan's balance placed on the collateral chosen for it), debt recorded on a holding, and any lien typed on the Collateral schedule.
- The bar shows how much of total borrowing capacity is in use. **Nearly used** marks an asset at 85% or more; **Over-advanced** marks one that owes more than its advance rate supports, which a lender may ask you to pay down or cover with more collateral.
- **By loan** compares each loan's balance with the capacity of what secures it.
- Values and advance rates are set on the Collateral schedule, so both reports always agree. **Collateral availability (PDF)** and **CSV** give the lender the same figures.



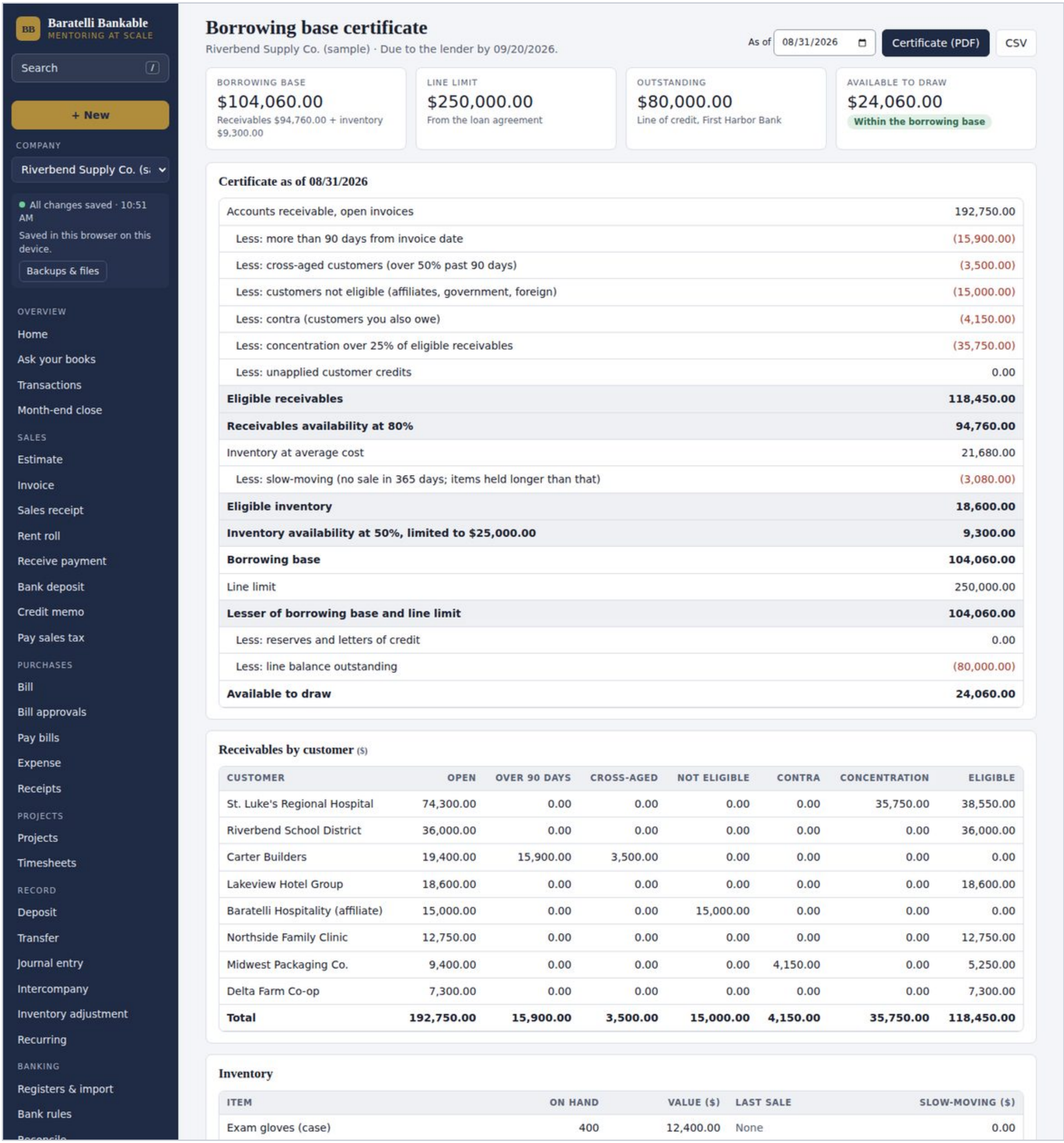
The Baratellis' collateral availability: $18.5 million of borrowing capacity, $5.2 million outstanding, $13.3 million available.

Borrowing base certificate

A revolving line of credit secured by receivables and inventory comes with a monthly report: the **borrowing base certificate**. **Borrowing base certificate** (Loans and planning menu) builds it from the books for one company at a time. Enter the terms from the loan agreement once: the line limit, the account that carries the line, the advance rates, and the eligibility rules. Every month-end after that, the certificate is ready.

- **Receivables**: open invoices by customer at the month-end, less what the lender does not count. That covers invoices more than 90 days old (from the invoice date or the due date, as your agreement says), all of a customer's balance when more than half of it is that old (cross-aging), customers you mark as not eligible (affiliates, government, foreign), what you owe a customer who is also a vendor (contra), anything above the concentration limit for one customer, and unapplied credits. What is left is multiplied by the advance rate.
- **Inventory**: on hand at average cost, less slow-moving items (no sale in the period you set, for items held that long), times the inventory advance rate, up to the inventory limit.

- **Available to draw** is the lesser of the borrowing base and the line limit, less reserves and letters of credit, less the line balance from the books. A line drawn beyond its base shows as **over-advanced**, with the paydown needed.
- **Certificate (PDF)** prints the lender's form with the customer detail, the certification and signature lines, and records it under **Certificates issued**. **CSV** gives the same figures for the lender's spreadsheet.
- Home reminds you as the due date nears (20 days after month-end unless you change it), warns when the line is over its borrowing base or any collateral is over-advanced, and the calendar shows each due date. Ask your books answers *How much can we borrow?* from the certificate and the collateral.



Accounts receivable, open invoices	192,750.00
Less: more than 90 days from invoice date	(15,900.00)
Less: cross-aged customers (over 50% past 90 days)	(3,500.00)
Less: customers not eligible (affiliates, government, foreign)	(15,000.00)
Less: contra (customers you also owe)	(4,150.00)
Less: concentration over 25% of eligible receivables	(35,750.00)
Less: unapplied customer credits	0.00
Eligible receivables	**118,450.00**
Receivables availability at 80%	**94,760.00**
Inventory at average cost	21,680.00
Less: slow-moving (no sale in 365 days; items held longer than that)	(3,080.00)
Eligible inventory	**18,600.00**
Inventory availability at 50%, limited to $25,000.00	**9,300.00**
Borrowing base	**104,060.00**
Line limit	250,000.00
Lesser of borrowing base and line limit	**104,060.00**
Less: reserves and letters of credit	0.00
Less: line balance outstanding	(80,000.00)
Available to draw	**24,060.00**

Receivables by customer ($)

CUSTOMER	OPEN	OVER 90 DAYS	CROSS-AGED	NOT ELIGIBLE	CONTRA	CONCENTRATION	ELIGIBLE
St. Luke's Regional Hospital	74,300.00	0.00	0.00	0.00	0.00	35,750.00	38,550.00
Riverbend School District	36,000.00	0.00	0.00	0.00	0.00	0.00	36,000.00
Carter Builders	19,400.00	15,900.00	3,500.00	0.00	0.00	0.00	0.00
Lakeview Hotel Group	18,600.00	0.00	0.00	0.00	0.00	0.00	18,600.00
Baratelli Hospitality (affiliate)	15,000.00	0.00	0.00	15,000.00	0.00	0.00	0.00
Northside Family Clinic	12,750.00	0.00	0.00	0.00	0.00	0.00	12,750.00
Midwest Packaging Co.	9,400.00	0.00	0.00	0.00	4,150.00	0.00	5,250.00
Delta Farm Co-op	7,300.00	0.00	0.00	0.00	0.00	0.00	7,300.00
Total	**192,750.00**	**15,900.00**	**3,500.00**	**15,000.00**	**4,150.00**	**35,750.00**	**118,450.00**

Inventory

ITEM	ON HAND	VALUE ($)	LAST SALE	SLOW-MOVING ($)
Exam gloves (case)	400	12,400.00	None	0.00

A borrowing base certificate for Riverbend Supply: $192,750 of receivables, $118,450 eligible, a $104,060 borrowing base, $80,000 drawn and $24,060 available.

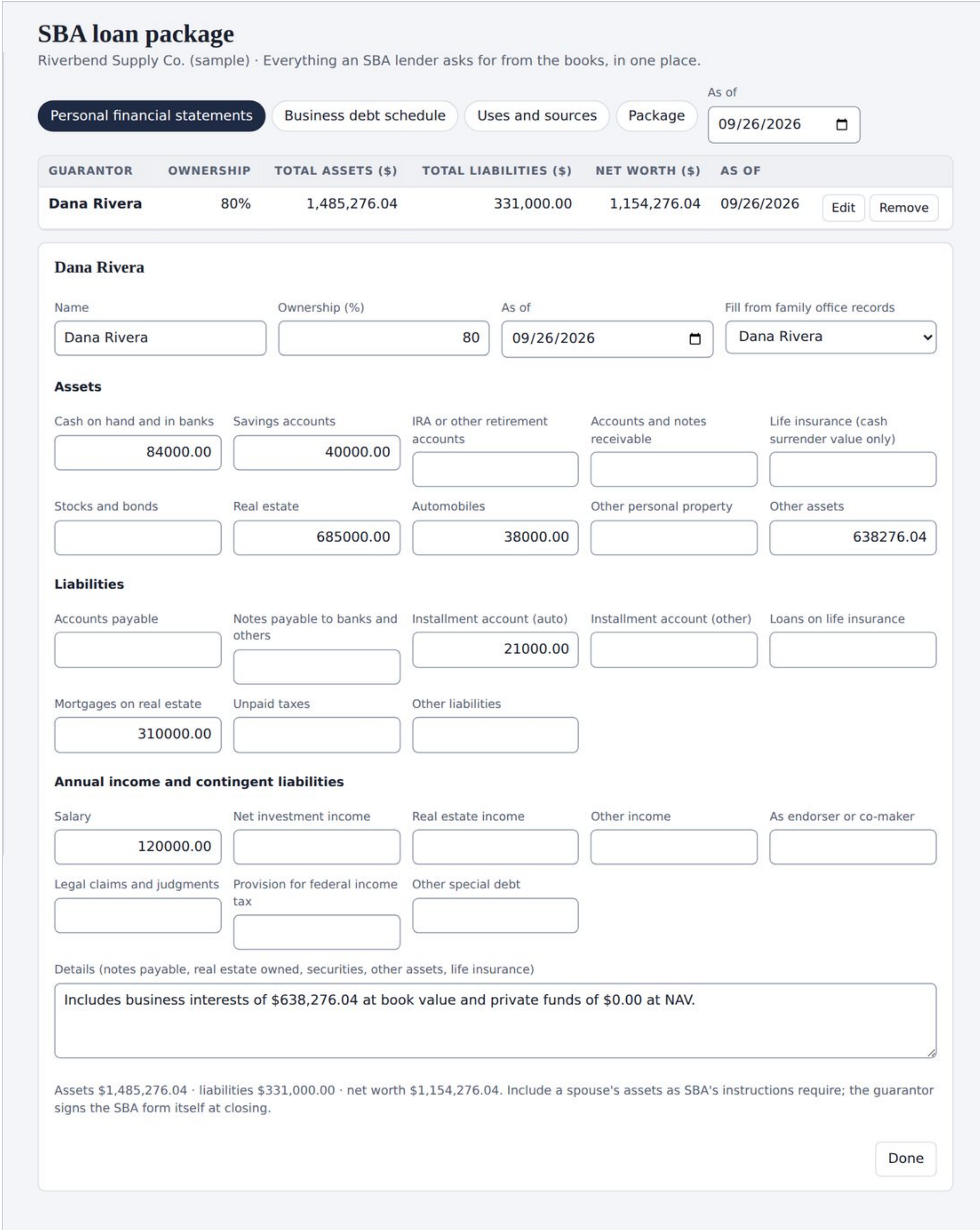
The SBA loan package

Once borrowing capacity (Section 27) shows the loan the business can carry, **SBA loan package** (Loans and planning menu) gathers everything else a lender asks for from the books into one PDF. It has four tabs, and an **As of** date that sets the figures for all of them.

Personal financial statements

SBA requires a personal financial statement, the information on SBA Form 413, from every owner of 20% or more, signed within 120 days of the application. **Add a guarantor** opens the statement with the Form 413 lines: assets, liabilities, annual income and contingent liabilities.

1. Enter the name, ownership percentage and the date of the statement.
2. If you keep the family office records (Sections 18 to 22), choose the person under **Fill from family office records**. Real estate and its mortgages, retirement and brokerage accounts, private funds at NAV and business interests at book value come in as of the statement date.
3. Add cash, savings, vehicles, installment loans, salary and anything else the records do not hold. Include a spouse's assets, as SBA's instructions require.
4. Choose **Done**. The list shows each guarantor's total assets, liabilities and net worth; a statement more than 120 days old is marked so you can update it before it goes to the lender.



SBA loan package

Riverbend Supply Co. (sample) · Everything an SBA lender asks for from the books, in one place.

Personal financial statements | Business debt schedule | Uses and sources | Package

As of 09/26/2026

GUARANTOR	OWNERSHIP	TOTAL ASSETS ($)	TOTAL LIABILITIES ($)	NET WORTH ($)	AS OF	
Dana Rivera	80%	1,485,276.04	331,000.00	1,154,276.04	09/26/2026	Edit Remove

Dana Rivera

Name: Dana Rivera
Ownership (%): 80
As of: 09/26/2026
Fill from family office records: Dana Rivera

Assets

Cash on and in banks: 84000.00
Savings accounts: 40000.00
IRA or other retirement accounts:
Accounts and notes receivable:
Life insurance (cash surrender value only):
Stocks and bonds:
Real estate: 685000.00
Automobiles: 38000.00
Other personal property:
Other assets: 638276.04

Liabilities

Accounts payable:
Notes payable to banks and others:
Installment account (auto): 21000.00
Installment account (other):
Loans on life insurance:
Mortgages on real estate: 310000.00
Unpaid taxes:
Other liabilities:

Annual income and contingent liabilities

Salary: 120000.00
Net investment income:
Real estate income:
Other income:
As endorser or co-maker:
Legal claims and judgments:
Provision for federal income tax:
Other special debt:

Details (notes payable, real estate owned, securities, other assets, life insurance)

Includes business interests of $638,276.04 at book value and private funds of $0.00 at NAV.

Assets $1,485,276.04 · liabilities $331,000.00 · net worth $1,154,276.04. Include a spouse's assets as SBA's instructions require; the guarantor signs the SBA form itself at closing.

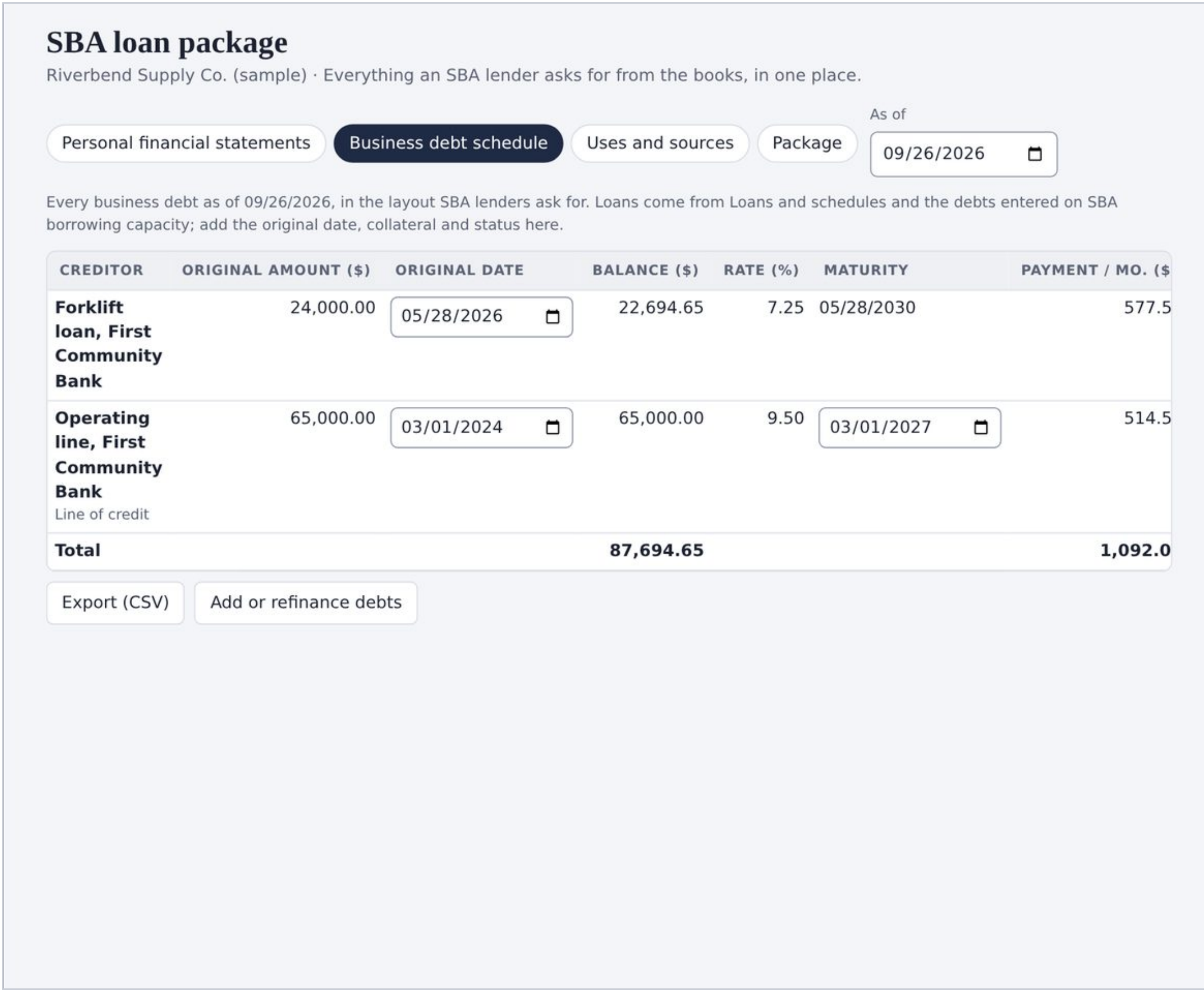
Done

A guarantor's personal financial statement, filled from the family office records and completed by hand.

The PDF page is a working schedule with the Form 413 figures. The guarantor still signs the SBA form the lender provides.

Business debt schedule

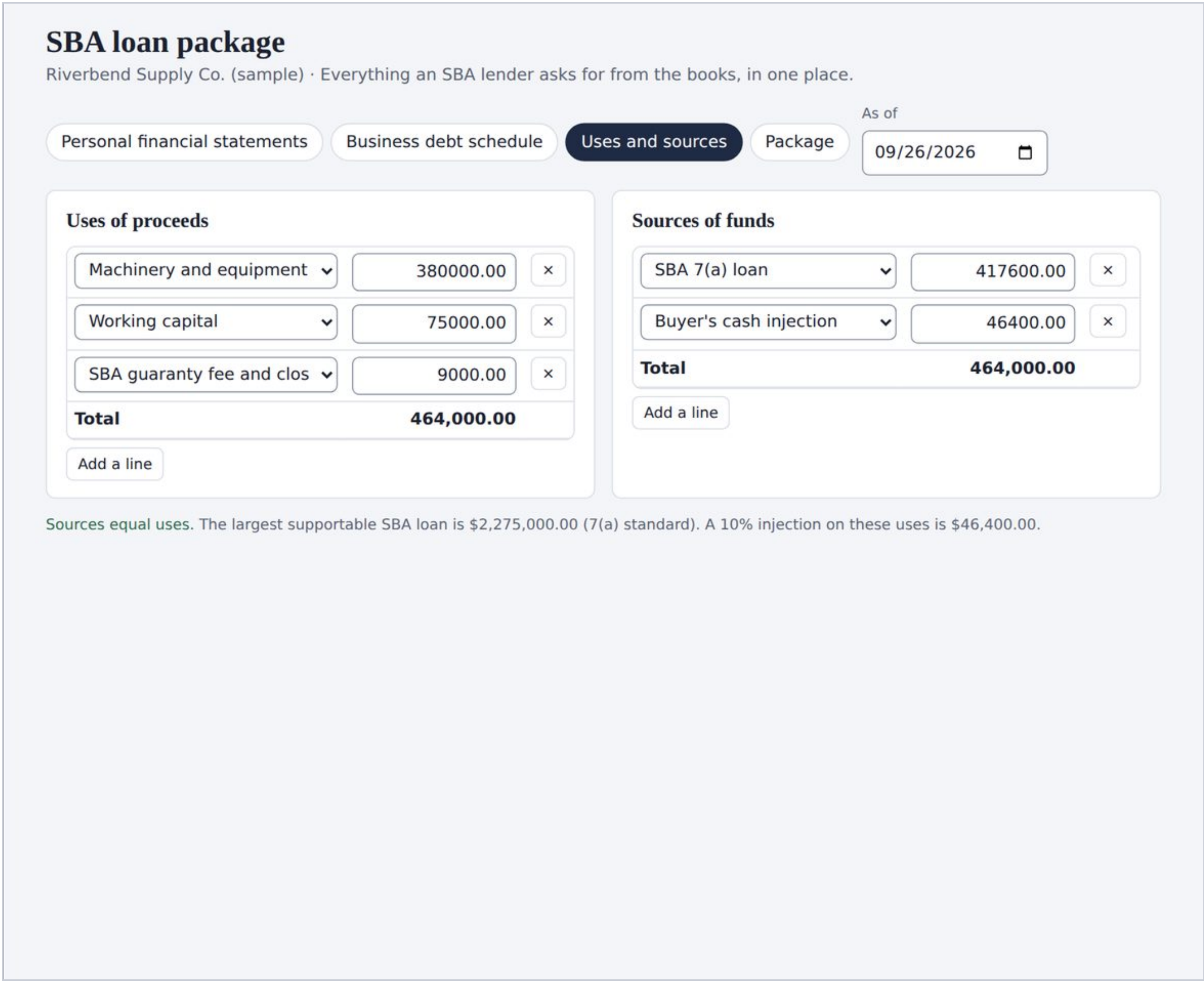
The **Business debt schedule** tab lists every business debt in the layout lenders ask for: creditor, original amount and date, balance, rate, maturity, monthly payment, collateral and status, and whether the new loan pays it off. Loans come from Loans and schedules and the debts entered on SBA borrowing capacity, so the figures always agree with the capacity report. Add the original date, collateral and status here. **Export (CSV)** gives the lender a spreadsheet.



The business debt schedule: a term loan from Loans and schedules and a line of credit at interest only.

Uses and sources

List what the loan will pay for under **Uses of proceeds** (equipment, real estate, working capital, refinancing, the purchase of a business, fees) and where the money comes from under **Sources of funds**. The screen shows whether sources equal uses and the 10% equity injection on those uses. **Fill sources from the capacity report** puts in the largest supportable SBA loan, up to 90% of the uses, any seller note, and the buyer's cash for the rest.

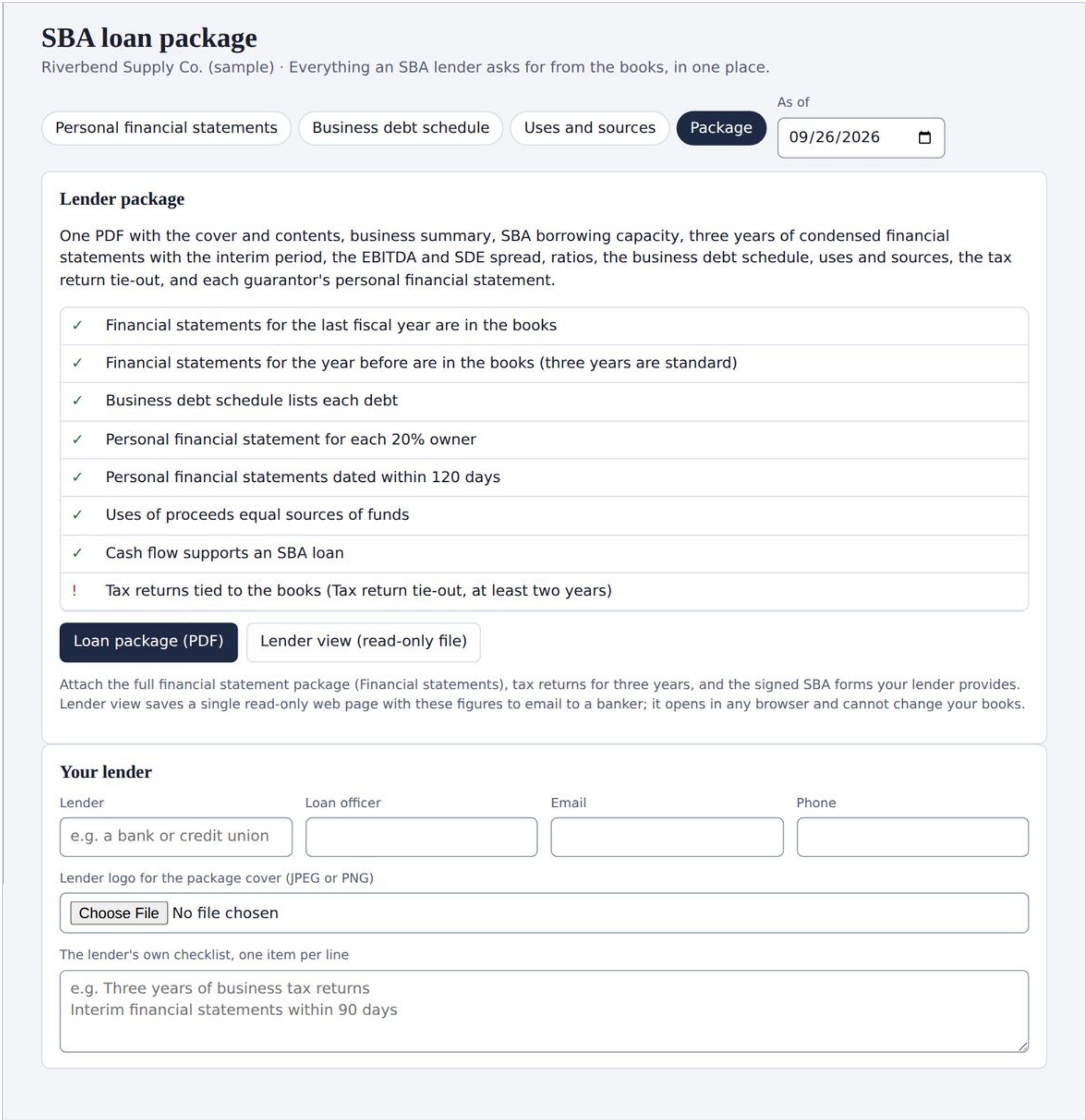


Uses of proceeds and sources of funds that balance, with the SBA 7(a) loan filled from borrowing capacity.

The package and the lender view

The **Package** tab checks the essentials (two years of statements in the books, a debt schedule, a statement from each owner dated within 120 days, uses equal to sources, and cash flow that supports a loan) and makes two files:

File	What is in it
Loan package (PDF)	Cover and contents; business summary and SBA borrowing capacity; condensed income statements and balance sheets for the last two fiscal years and year to date; EBITDA, adjusted EBITDA and SDE; ratios; the business debt schedule; uses and sources; a personal financial statement page for each guarantor
Lender view (read-only file)	A single web page with the capacity, condensed statements, EBITDA and SDE, ratios, debt schedule and uses and sources, to email to a banker. It opens in any browser, runs no code, cannot change your books, and leaves out the personal statements



The package checklist and the two files for the lender.

Attach the full financial statement package (Section 24), three years of tax returns and the signed SBA forms your lender provides.

13-week cash flow forecast

Cash flow forecast (Accountant menu) shows where cash is headed, week by week, for the next 13 weeks. It starts with cash in the bank today and adds what the books already know:

- **Collections from customers**: open invoices on their due dates. Past-due invoices land in week 1; those more than 90 days past due are left out and counted below the table.

- **Bills to pay**: open bills on their due dates.
- **Recurring receipts and payments**: every recurring transaction (Section 11), such as rent and payroll, on its schedule.
- **Loan payments**: from Loans and schedules.
- **Other receipts and payments**: items you add, once, weekly, every two weeks or monthly, such as an estimated tax payment, an equipment deposit or a large order.

Set the **minimum cash** to keep, and how many days late customers usually pay and you usually pay bills. Weeks that end below the minimum turn red, with a warning naming the first one: the time to talk to the bank about a line of credit, chase receivables or move a bill. Click a row name to see the items behind it. **Forecast (PDF)** prints the 13 weeks on one landscape page; **Export (CSV)** opens in Excel.

WHOLE DOLLARS	WK 1 09/26	WK 2 10/03	WK 3 10/10	WK 4 10/17	WK 5 10/24	WK 6 10/31	WK 7 11/07	WK 8 11/14
Beginning cash	738,265	738,988	745,325	721,325	729,075	724,298	724,298	699,298
Collections from customers	7,300	6,980	0	7,750	0	0	0	0
Recurring receipts	0	0	0	0	0	0	0	0
Other receipts	0	0	0	0	0	0	0	0
Total receipts	**7,300**	**6,980**	**0**	**7,750**	**0**	**0**	**0**	**0**
Bills to pay	(1,800)	(642)	(6,000)	0	0	0	0	0
Recurring payments	(4,200)	0	0	0	(4,200)	0	0	0
Loan payments	(577)	0	0	0	(577)	0	0	0
Other payments	0	0	(18,000)	0	0	0	(25,000)	0
Total disbursements	**(6,577)**	**(642)**	**(24,000)**	**0**	**(4,777)**	**0**	**(25,000)**	**0**
Net cash flow	**723**	**6,338**	**(24,000)**	**7,750**	**(4,777)**	**0**	**(25,000)**	**0**
Ending cash	**738,988**	**745,325**	**721,325**	**729,075**	**724,298**	**724,298**	**699,298**	**699,298**

Export (CSV) Forecast (PDF)

The 13-week cash flow forecast in whole dollars.

Three-year projection

The **Three-year projection** tab starts from the last fiscal year in the books, the basis lenders use (or the last twelve months), and projects three years forward with your assumptions: revenue growth, gross margin, operating expense growth, income tax rate, capital spending and owner distributions. Enter a new loan, or choose **Use the largest SBA 7(a) loan from borrowing capacity**. Each year shows revenue through net income, then debt service coverage: cash available for debt service, existing debt service from the schedules, the new loan's payments, the projected DSCR against the SBA minimum, and the cash left after debt service.

	FY 2025 ACTUAL ($)	YEAR 1 ($) TO 09/26/2027	YEAR 2 ($) TO 09/26/2028	YEAR 3 ($) TO 09/26/2029
Revenue	1,740,000.00	1,827,000.00	1,918,350.00	2,014,267.50
Cost of goods sold	0.00	0.00	0.00	0.00
Gross profit	**1,740,000.00**	**1,827,000.00**	**1,918,350.00**	**2,014,267.50**
Operating expenses (before interest, taxes, depreciation)	1,310,000.00	1,349,300.00	1,389,779.00	1,431,472.37
EBITDA	**430,000.00**	**477,700.00**	**528,571.00**	**582,795.13**
Depreciation and amortization	0.00	0.00	0.00	0.00
Interest (existing debt runs down; new loan added)	0.00	221,218.81	206,605.83	190,462.67
Income taxes	0.00	0.00	0.00	0.00
Net income	**430,000.00**	**256,481.19**	**321,965.17**	**392,332.46**
Debt service coverage				
EBITDA less taxes, capital spending and distributions		477,700.00	528,571.00	582,795.13
Existing debt service		13,105.00	13,105.00	13,105.00
New loan payments		360,771.48	360,771.48	360,771.48
Total debt service		**373,876.48**	**373,876.48**	**373,876.48**
Projected DSCR		1.28×	1.41×	1.56×
Cash left after debt service		**103,823.52**	**154,694.52**	**208,918.65**

SBA lenders look for at least 1.15× coverage. The projection covers the debt every year.

Projection (PDF) Export (CSV)

A three-year projection with the SBA 7(a) loan: coverage of 1.28× rising to 1.56×.

Under SOP 50 10 8.1 lenders size loans on historical cash flow; projections support the application but cannot make up a shortfall. Treat both reports as estimates, and have your CPA review projections that go to a lender.

29 · 1099, W-2 AND TURBOTAX

1099 and W-2 (Accountant menu) prepares the year-end information returns. It opens on the tax year just ended from January through April, and the current year otherwise.

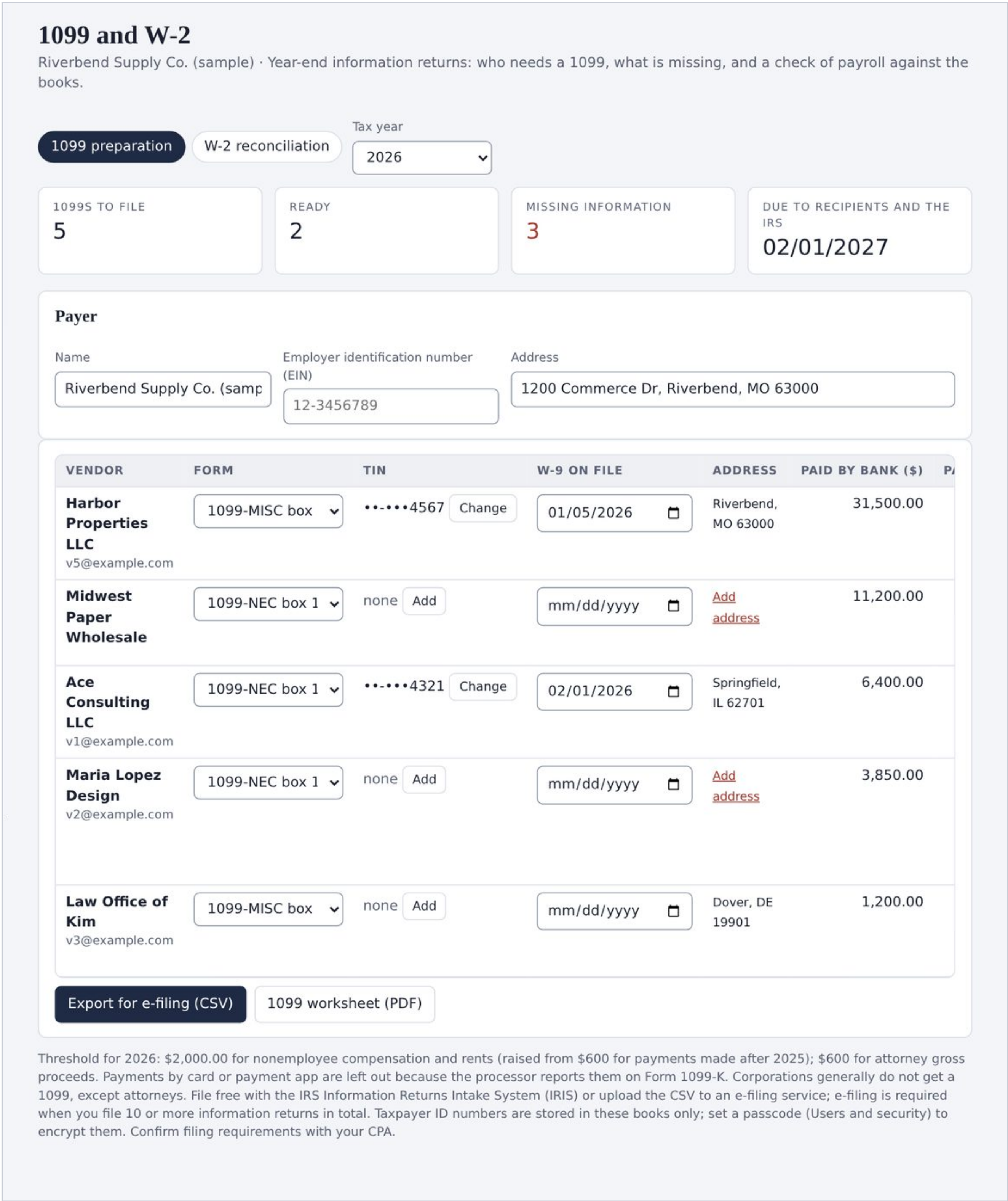
1099 preparation

The list shows every vendor marked as a 1099 vendor, and any vendor paid enough by bank, check or ACH to need one. Payments by card or payment app are shown but not counted: the processor reports them on Form 1099-K.

1. Enter the company's **EIN**. The company address from Company details prints on every form.
2. Choose each vendor's **form**: 1099-NEC box 1 for services, 1099-MISC box 1 for rent, 1099-MISC box 10 for gross proceeds paid to an attorney, or No 1099 for a corporation or other exempt payee.

3. Record the date the **W-9** arrived and enter the vendor's **taxpayer identification number** (SSN or EIN) from it. The number is shown masked, never printed in full on screen, in the audit trail or on the worksheet. For a vendor with an email address and no W-9, **Request W-9** opens an email with the IRS form link.
4. Add any missing addresses in Customers and vendors. Each vendor shows **Ready** or what is missing.
5. **Export for e-filing (CSV)** writes one row per required 1099 with the payer, recipient, TIN, address and amount in the right box, for the IRS's free Information Returns Intake System (IRIS) or an e-filing service. **1099 worksheet (PDF)** gives your CPA the list with totals by form.

Threshold (payments made in the year)	2025 and earlier	2026 and later
Nonemployee compensation (1099-NEC)	$600	$2,000
Rents (1099-MISC box 1)	$600	$2,000
Gross proceeds to an attorney (1099-MISC box 10)	$600	$600



1099 preparation: five 1099s for 2026, two ready and three waiting on a W-9, TIN or address.

Forms for 2026 go to recipients and the IRS by February 1, 2027 (January 31 falls on a Sunday). You must e-file when you file 10 or more information returns of all types in the year. Taxpayer ID numbers stay in your books; set a passcode (Section 3) so they are encrypted on the device.

W-2 reconciliation

Your payroll provider prepares and files the W-2s and W-3. Every payroll import (Section 26) now also keeps each employee's pay for the year, so the **W-2 reconciliation** tab can check the provider's year-end figures before they file:

- **By employee**: pay dates, gross wages, employee taxes withheld, deductions, net pay and employer taxes. The total line is the figure to compare with Form W-3.
- **By quarter**: gross wages and taxes for each quarter, to compare with the four Forms 941.
- **Against the books**: gross wages in the payroll registers against the wage and officer wage accounts. A difference points to a payroll not imported, one imported twice, or wages recorded by hand.

1099 and W-2

Riverbend Supply Co. (sample) · Year-end information returns: who needs a 1099, what is missing, and a check of payroll against the books.

1099 preparation · W-2 reconciliation

Tax year: 2026

EMPLOYEES	GROSS WAGES, PAYROLL REGISTERS	WAGE EXPENSE IN THE BOOKS	DIFFERENCE
2	$20,000.00	$79,750.00	($59,750.00)

By employee

EMPLOYEE	PAY DATES	GROSS WAGES ($)	EMPLOYEE TAXES WITHHELD ($)	DEDUCTIONS ($)	NET PAY ($)	EMPLOYER
Pat Owner	2	12,000.00	2,600.00	600.00	8,800.00	
Sam Lee	2	8,000.00	1,400.00	300.00	6,400.00	
Total (compare to Form W-3)		**20,000.00**	**4,000.00**	**900.00**	**15,200.00**	

By quarter (compare to Forms 941)

QUARTER	PAY DATES	GROSS WAGES ($)	EMPLOYEE TAXES ($)	EMPLOYER TAXES ($)
Q1 2026	0	0.00	0.00	0.00
Q2 2026	0	0.00	0.00	0.00
Q3 2026	2	20,000.00	4,000.00	1,600.00
Q4 2026	0	0.00	0.00	0.00

Export (CSV)

Wages in the payroll registers differ from the wage accounts in the books by $(59,750.00). Look for a payroll not imported, one imported twice, or wages recorded by hand. Your payroll provider prepares and files the W-2s and W-3. Use this worksheet to check their year-end totals against your books and your quarterly 941s before they file. Box 1 wages differ from gross wages by pre-tax deductions such as 401(k) and health premiums.

The W-2 reconciliation: two employees, the quarter, and a difference from wages the sample recorded by hand.

Box 1 wages on a W-2 are gross wages less pre-tax deductions such as 401(k) contributions and health premiums, so they are usually lower than gross wages.

Export to TurboTax

Export to TurboTax (Accountant menu) brings the year's tax figures from the tax mapping (Section 24) into TurboTax instead of retyping them. What it produces depends on the return:

Return	TurboTax edition	How the figures get in
Schedule C (sole proprietor, single-member LLC)	Home & Business or Premier, Desktop	TXF file: File › Import › From Accounting Software (Windows) or From TXF Files (Mac). One file per business; choose which Schedule C for a second business.
Schedule E (rental real estate)	Premier or Home & Business, Desktop	TXF file, the same way
Form 1120-S or 1065	TurboTax Business, Desktop	Entry worksheet in interview order; each owner's K-1 as a TXF file for their own return
Form 1120	TurboTax Business, Desktop	Entry worksheet in interview order
Any return	TurboTax Online	Entry worksheet (TurboTax Online does not import files)

- The TXF file carries each Schedule C or E line, with other expenses listed account by account. Meals go in at the full amount; TurboTax applies the 50% limit. TurboTax figures depreciation from each asset you enter, so depreciation and the home office are entered in TurboTax; the screen marks which lines are in the file and which to enter.
- TurboTax Business imports only from QuickBooks Desktop on the same computer. The entry worksheet (PDF or CSV) lists every figure in the order TurboTax Business asks: income and deductions, Schedule K, the Schedule L balance sheet at the start and end of the year, each owner's K-1, and the assets for depreciation with their tax class and dates.
- For an S corporation or partnership, **Owners' K-1s** takes each owner's share from the ownership chart (Section 21) or as entered, and **K-1 file (.txf)** saves their share of ordinary income, interest, dividends, capital gains and section 1231 gains for their personal TurboTax Desktop return.

Export to TurboTax

Riverbend Supply Co. (sample) · Schedule C (sole proprietor / single-member LLC) · Bring this year's figures into TurboTax instead of typing them.

Tax year 2025 | Tax year 2024 | Tax year 2023

Which Schedule C: First business (1)

How it goes into TurboTax

TurboTax Home & Business or Premier (Desktop) imports these figures from a TXF file: **File › Import › From Accounting Software** on Windows, or **File › Import › From TXF Files** on a Mac. TurboTax then walks through each figure for you to confirm. TurboTax Online does not import files; use the entry worksheet instead.

TurboTax file (.txf) | Entry worksheet (PDF) | Entry worksheet (CSV)

Figures for tax year 2025 on the accrual basis, from the tax mapping (Tax mapping). Tie them to the filed return in Tax return tie-out.

Income and deductions

RETURN LINE	AMOUNT ($)	INTO TURBOTAX
1 · Gross receipts or sales	900,000.00	In the file
2 · Returns and allowances	(3,000.00)	In the file
13 · Depreciation and section 179	7,000.00	**Enter in TurboTax**
22 · Supplies	15,000.00	In the file
24b · Deductible meals Full amount; TurboTax applies the 50% limit	4,000.00	In the file
27b · Other expenses	3,700.00	In the file
Net profit (loss), line 31	**869,300.00**	

TXF has no field for depreciation and section 179; TurboTax figures depreciation from the assets you enter in it (listed below when the company has them), and the home office on Form 8829.

Export to TurboTax for a Schedule C: the TXF file carries every line except depreciation, which TurboTax figures from the assets.

Review every imported figure in TurboTax before filing, and tie the filed return back to the books in Tax return tie-out.

30 · REPORTS

Reports are grouped the way you look for them. Pick the dates at the top (or This month, This quarter, This year, Last year), choose **All companies (consolidated)** in the Company menu for group reports, and **Export CSV** to take any report to Excel or your CPA.

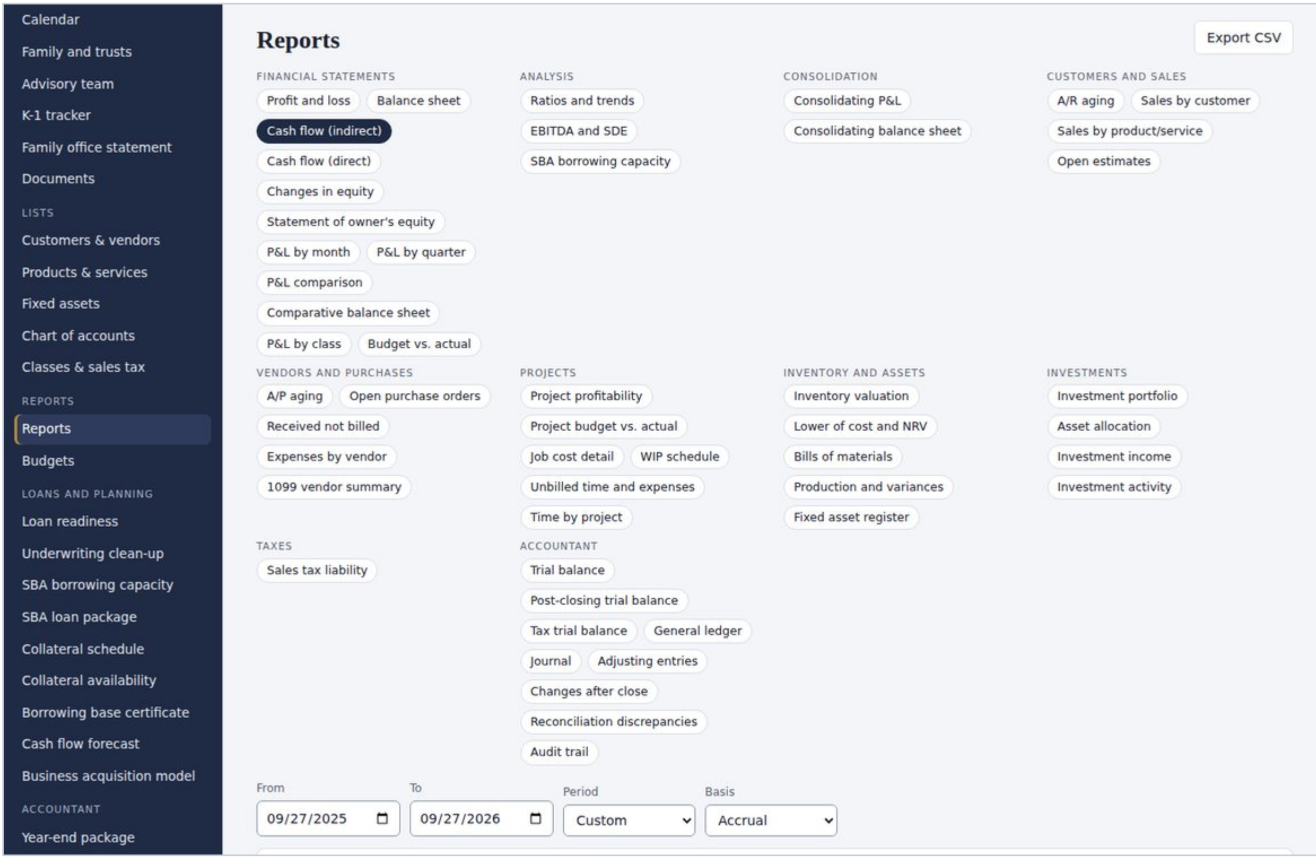
Group	Reports
Financial statements	Profit and loss (with % of revenue); balance sheet, with current and long-term liabilities and the current portion of long-term debt (principal due in the next twelve months, from the loan schedules) reclassified to current; statement of cash flows, indirect and direct; changes in equity; P&L by month and by quarter; P&L comparison; comparative balance sheet; P&L by class; budget vs. actual. Cash or accrual basis
Analysis	Ratios and trends; EBITDA, adjusted EBITDA and SDE; SBA borrowing capacity (Section 27)
Consolidation	Consolidating P&L; consolidating balance sheet
Projects	Project profitability; project budget vs. actual; job cost detail; WIP schedule; unbilled time and expenses; time by project
Customers and sales	A/R aging (credits shown); sales by customer; sales by product or service with cost and margin; open estimates
Vendors and purchases	A/P aging; expenses by vendor; 1099 vendor summary
Inventory and assets	Inventory valuation; lower of cost and net realizable value; bills of materials; production and variances; fixed asset register
Investments	Investment portfolio; asset allocation; investment income; investment activity
Taxes	Sales tax liability
Accountant	Trial balance; tax trial balance; general ledger; journal; adjusting entries; changes after close; reconciliation discrepancies; audit trail

The statement of cash flows, both ways

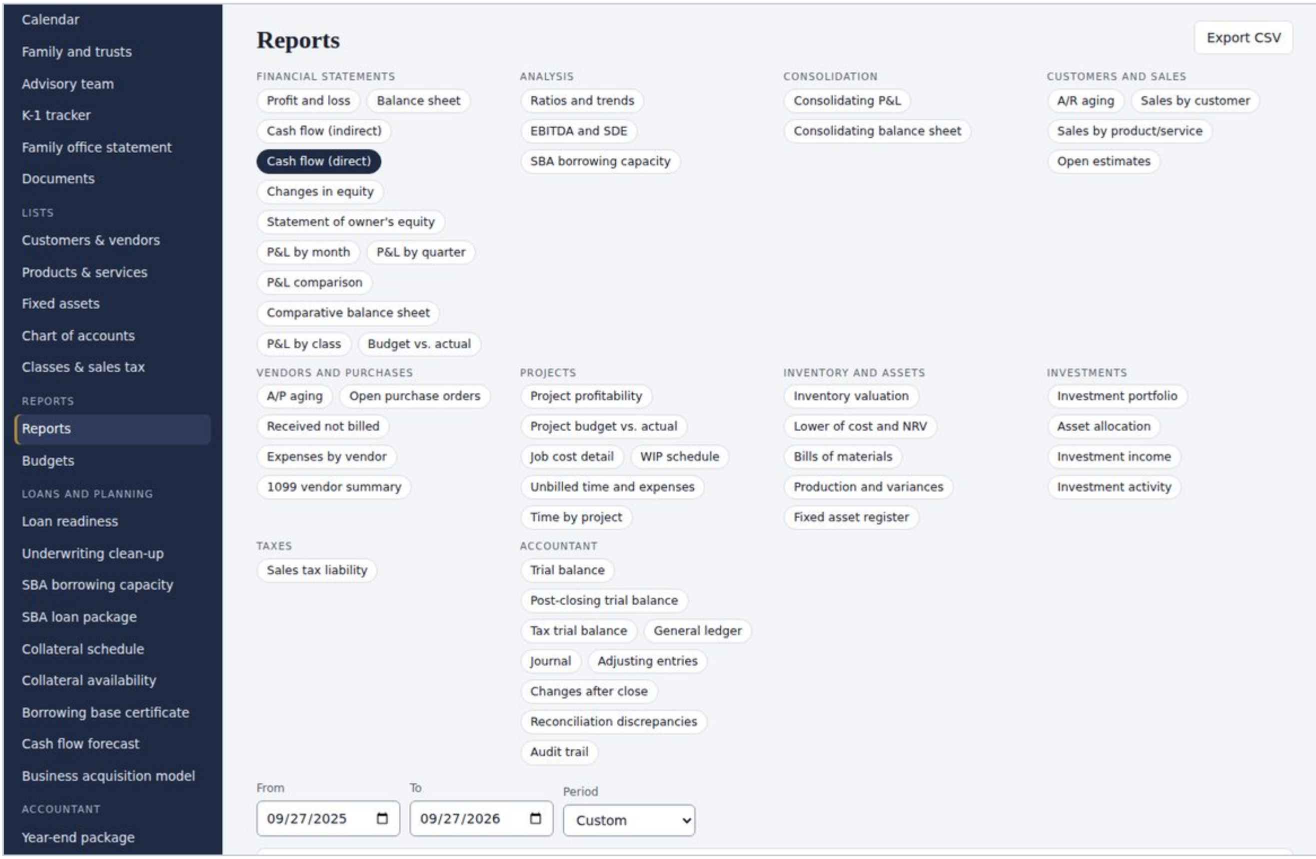
Cash flow (indirect) starts from net income, adds back depreciation, removes gains and losses on asset sales and unrealized gains on investments, adds deferred income taxes, and adjusts for the change in receivables, inventory, payables and other working capital; investing and financing activities follow. **Cash flow (direct)** shows the cash itself: received from customers, paid to suppliers and for expenses, paid to employees, interest and taxes paid, then investing and financing. Both end at the change in cash and tie to the bank accounts, and the direct report confirms its operating total agrees with the indirect method, which serves as the required reconciliation of net income. Cash means bank accounts; credit cards are treated as liabilities.

Investing and financing come from the cash transactions themselves, gross (ASC 230): purchases of property and equipment and proceeds from sales are separate lines, and borrowings on a line of credit, notes, mortgages and loans are financing whatever their account type. Transactions with no cash, such as equipment financed with a note, are left out of the statement and listed under **Non-cash investing and financing activities**, with the cash paid for interest and income taxes as supplemental disclosures. Opening-balance entries are the starting position, not cash flows.

Both statements end with **free cash flow**: net cash from operating activities less capital expenditures, the purchases of property and equipment shown under investing activities, net of any sales. It is the cash left for debt payments, distributions and growth, and it also appears in Ratios and trends, the SBA loan package ratios and Ask your books (*What was our free cash flow last year?*).



Statement of cash flows, indirect method: the line of credit draw is financing, the racking financed by the dealer is disclosed as non-cash, and the statement ties to the bank.



Statement of cash flows, direct method, for the same period.

1099 vendor summary

For the calendar year, the report totals payments to each vendor by bank, check or ACH and flags those over the reporting threshold: $2,000 for payments made in 2026 and later, $600 before. Card and payment-app payments are shown but not counted, because the card processor reports them on Form 1099-K. Vendors paid over the threshold but not marked as 1099 vendors are flagged for review. Confirm filing requirements with your CPA.

For one statement with a column for every company, choose Consolidating P&L above.

Riverbend Supply Co. (sample)
Profit and loss
01/01/2026 to 09/26/2026 · Accrual basis

ACCOUNT	AMOUNT ($)
Income	
4000 Sales	42,604.00
4100 Service revenue	900.00
Total income	**43,504.00**
Cost of goods sold	
5000 Cost of goods sold	21,918.00
Total cost of goods sold	**21,918.00**
Gross profit	**21,586.00**
Operating expenses	
6000 Advertising and marketing	420.00
6100 Bank and merchant fees	35.00
6300 Office supplies	187.45
6400 Professional fees	1,800.00
6500 Rent	7,500.00
6700 Utilities	642.50
6800 Wages	16,800.00
Total operating expenses	**27,384.95**
Other expenses	
Total other expenses	**0.00**
Net income	**(5,798.95)**

Profit and loss, year to date.

Riverbend Supply Co. (sample)
Sales by product/service
01/01/2026 to 09/26/2026 · cost is average cost for inventory items

PRODUCT / SERVICE	QTY	SALES ($)	AVG PRICE ($)	COST ($)	GROSS MARGIN ($)	MARGIN %
Jobsite safety kits (no product)		13,980.00				
Exam gloves, 40 cases (no product)		12,400.00				
Exam gloves, 25 cases (no product)		7,750.00				
Packaging supplies (no product)		6,850.00				
Exam gloves (case)	28	1,624.00	58.00	868.00	756.00	46.6%
Delivery (no product)		450.00				
Delivery	1	450.00	450.00			
Total		**43,504.00**		**868.00**	**42,636.00**	

Sales by product or service with average cost and gross margin.

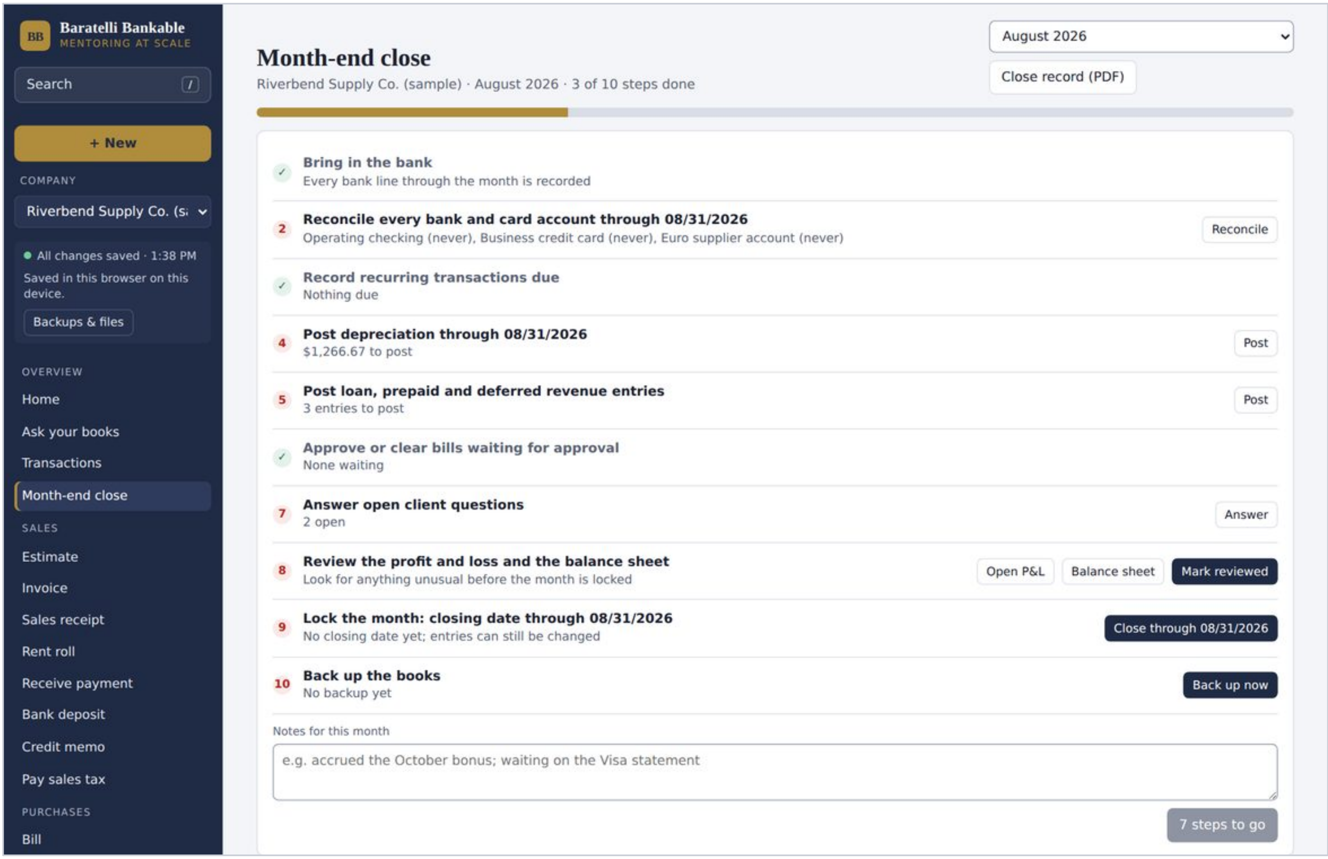
31 · CLOSING A PERIOD AND THE AUDIT TRAIL

When a month or year is finished and reconciled, set a **closing date** in Settings & backups for that company. Nothing dated on or before it can be added, changed or deleted, including imports, recurring transactions and depreciation. To make a correction, move the closing date back, correct, and set it again; the audit trail records each change.

The **Audit trail** report lists every addition, edit, void, deletion, import, reclassification, reconciliation, export and closing date change, newest first. Edits and deletions show the values before and after: the date, amount, name and every account line that changed. Voided transactions stay in the books at zero with the reason (Section 25).

Month-end close

Month-end close (Overview) walks one company through a month in ten steps, and ticks each off from the books themselves: bank and card accounts imported and reviewed, reconciled to the statement, recurring entries created, depreciation posted, loan and other schedules posted, bills approved, client questions answered, the reports reviewed (you tick this one), the closing date set, and a backup downloaded. Each step has a button to the screen that does it. When every step is done, **Mark closed** records who closed it and when, and **Close record (PDF)** prints the checklist for the file. From the fifth of the month, Home reminds you to close the month before.



Month-end close for August: three of ten steps done, each open step with a button to finish it.

32 · A MONTHLY ROUTINE

#	Task	Where
1	Import each bank and card account's activity; let bank rules sort it; clear the review list	Registers & import, Bank rules
2	Enter bills received, invoices and sales receipts not yet in; convert accepted estimates	Sales and Purchases
3	Apply customer payments and credits; match bills to receipts; pay bills due and print checks	Receive payment, Receive items, Pay bills, Print checks
4	Review recurring reminders on Home and create them	Home, Recurring
5	Record intercompany charges such as rent and management fees; import the month's payroll	Intercompany, Payroll import
6	Post depreciation through month-end; record any assets bought or sold; post loan, prepaid and deferred revenue schedules	Fixed assets, Loans and schedules
7	Enter time; bill unbilled time and expenses; update project estimates; review the WIP schedule and record the adjustment	Timesheets, Projects, Reports
8	Count or spot-check inventory; post count differences; reorder flagged items	Physical count, Products & services
9	Reconcile every bank and card account to its statement; save the reconciliation PDFs; pay sales tax due; approve bills over the threshold	Reconcile, Pay sales tax, Bill approvals

#	Task	Where
10	Upload the month's statements, contracts and policies; check renewals	Documents
11	Review P&L, balance sheet, cash flow, budget vs. actual, aging and sales tax	Reports
12	Import each investment account's positions and activity; update holdings valuations; review the family office statement	Investments, Holdings, Family office statement
13	Tie each balance sheet account in Account reconciliations; clear client questions; revalue foreign-currency accounts; review ratios, EBITDA and SDE	Accountant, Foreign currency, Reports
14	Set the closing date, download a backup, and send your CPA the export if needed	Settings & backups, Export to QuickBooks

33 · QUESTIONS AND FIXES

What you see	What to do
"Not saved" in red in the status box	The browser is blocking storage (often a private window). Use Save books to a file or Download backup, then open Baratelli Bankable in a normal window.
The import says it could not find the columns	Export the report named in Section 4. For Excel files without internet, save as CSV first.
Opening balance equity is not zero	The open invoices and bills do not total the receivables and payables on the trial balance. Re-export both as of the conversion date.
Inventory valuation does not agree with the ledger	Something posted to the inventory account without an item (a journal entry or an expense line), or starting quantities differ from the opening balance. Use an inventory adjustment or correct the entry.
The fixed asset register does not tie to the ledger	An asset is in the ledger but not the register, or depreciation was entered by hand. Add the asset with the depreciation already on the books.
QuickBooks rejects an account name on import	Import the chart of accounts file first, in the order READ_ME_FIRST gives, and turn account numbers off for the journal entry step.
I cannot change or delete an old entry	Its date is on or before the closing date. Move the closing date in Settings & backups.
A bank line was not imported	It was already in the books from an earlier import. Identical lines within one file are all kept.
Purchases imported as deposits	In the column check, change how this bank shows purchases (negative or positive) before importing.
I forgot the passcode	Encrypted books cannot be opened without it. Restore your latest backup that was made before the passcode was set, or an encrypted backup whose passcode you know.
A message says my role cannot do that	Sign in as a user whose role allows it; the owner can change roles in Users and security.
A payroll file will not balance	A total column is counted as well as the itemized columns, or a column is mapped to the wrong use. Set the extra column to Not used.
EBITDA looks wrong	Check the categories in EBITDA and SDE setup; an interest, tax or depreciation account with an unusual name may need to be set by hand.
I want my books on a new computer	Download a backup and restore it on the new computer, or use a books file. In your Claude account they are already there.

Baratelli Bankable does not run payroll, file tax returns, or connect to banks automatically. Import payroll from your provider's payroll journal (Section 26), and bring bank activity in with the Excel or CSV files your bank provides.

34 · GLOSSARY

Term	Meaning
13-week cash flow	A week-by-week forecast of cash in and out for the next quarter, the standard short-term cash tool for lenders and turnarounds
1099-K	The form card processors and payment apps file for payments they handle; those payments are left off 1099-NEC and 1099-MISC
AJE	Adjusting journal entry: an entry an accountant proposes at period end, often reversed on the first day of the next period
Accrual / cash basis	Accrual records income when earned and expenses when incurred; cash basis when money changes hands
Adjusted EBITDA	EBITDA plus one-time and non-operating items a lender or buyer accepts
Cost-to-cost	Percentage of completion measured as costs to date over total estimated costs, used in the WIP schedule
DPI / TVPI / IRR	Private fund measures: distributions ÷ paid-in; (distributions + NAV) ÷ paid-in; the annualized return from dated cash flows
DSCR	Debt service coverage ratio. EBITDA basis (ratios and covenants): EBITDA ÷ annual principal and interest. Cash flow basis (SBA analysis, readiness and projections): EBITDA less taxes, capital spending and distributions ÷ annual principal and interest
DSO / DIO / DPO	Days sales, inventory and payables outstanding
EBITDA	Earnings before interest, taxes, depreciation and amortization
Free cash flow	Operating cash flow minus capital expenditures: the cash left after keeping up and adding to equipment and property
Equity injection	The borrower's own money in an SBA-financed project, usually 10%
Global cash flow	Business and guarantor cash flow together, tested against all business and personal debt
IRIS	The IRS Information Returns Intake System: free online filing of Forms 1099
K-1	The schedule a partnership, S corporation or trust sends each owner showing their share of income, deductions and credits
Look-through ownership	A person's effective share of a company held through trusts or other companies
M-1	The tax return schedule reconciling book income to taxable income
MACRS	The tax depreciation system: half-year or mid-quarter convention for personal property, mid-month straight-line for real property
Modified cash basis	Cash basis with some accrual items, such as journal entries to receivables or payables, kept as entered
NAV	Net asset value: a fund's reported value of the investor's interest
Noncontrolling interest	The share of a subsidiary owned by outside owners, shown separately in consolidated equity
Personal financial statement	An owner's assets, liabilities, income and contingent liabilities; SBA collects it on Form 413 from each 20% owner
QoE	Quality of earnings report: an accountant's review of a business's earnings, required by SBA for purchases of $3 million or more

Term	Meaning
SDE	Seller's discretionary earnings: adjusted EBITDA plus one working owner's compensation and discretionary expenses
SOP 50 10 8.1	SBA's lending rules effective October 1, 2026
TIN	Taxpayer identification number: a Social Security number or an employer identification number (EIN)
Undeposited funds	An account holding customer payments received but not yet deposited, so one bank deposit can hold several checks
W-9	The IRS form a vendor completes with its name, TIN and tax classification so you can prepare its 1099
WIP	Work in progress: contract revenue earned against billings, showing over- and under-billings

ABOUT THE INSTITUTE

The Baratelli Institute

Mentoring at Scale

A practitioner reference library, written and published in the open by Phil Baratelli, CPA: company cases, guides to buying, selling and financing a business, and free tools like Baratelli Bankable.

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