CCIFP Study Group											
Accounting and Reporting											
6-Oct-09											
										Estimated	
	Contract	Estimated	Estimated			Revenues	Cost of	Gross Profit	Billed	Cost to	
Job # Job Description	Value	Costs	Gross Profit	GP%	POC	Earned	Revenues	(Loss)	To Date	Complete	
·								, ,		-	1
Year 1											
123 Denver Hotel	\$ 2,000,000	\$ 1,800,000	\$ 200,000	10.00%	50.00%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,200,000	\$ 900,000	\$ 300,000
124 Denver Office Building	500,000	450,000	50,000	10.00%	50.00%	250,000	225,000	25,000	150,000	225,000	-75000
125 Rockford Town Center	2,100,000	2,000,000	100,000	4.76%	25.00%	525,000	500,000	25,000	750,000	1,500,000	250000
126 Going to the Sun Road	50,000,000	48,000,000	2,000,000	4.00%	12.50%	6,250,000	6,000,000	250,000	6,000,000	42,000,000	0
Year 2											
123 Denver Hotel	\$ 2,000,000	\$ 1,800,000	\$ 200,000	10.00%	90.00%	1,800,000	1,620,000	180,000	1,950,000	180,000	330,000
124 Denver Office Building	500,000	450,000	50,000	10.00%	100.00%	500,000	450,000	50,000	500,000	-	
125 Rockford Town Center	2,100,000	2,000,000	100,000	4.76%	50.00%	1,050,000	1,000,000	50,000	1,250,000	1,000,000	250,000
126 Going to the Sun Road	51,000,000	48,500,000	2,500,000	4.90%	50.00%	25,500,000	24,250,000	1,250,000	24,000,000	24,250,000	(250,000)

CCIFP Stud	ly Group				
Accounting	and Report	ing			
6-Oct-09					
To record jo	obs on the c	completed of	contract me	thod of accountir	ng Year 1
Account				Debit	Credit
Revenues (billings)			8,100,000	
Costs					7,625,000
Costs in exc	cess of billir	ngs		75,000	
Billings in e	xcess of co	sts			550,000
To record jo	bs on the c	completed of	contract me	thod of accounting	ng Year 2
Account				Debit	Credit
Revenues (billings)			27,200,000	
Costs					26,870,000
Costs in exc	cess of billing	ngs		250,000	
Billings in e	xcess of co	sts			580,000

CCIFP Study Group												
Accounting and Reporting												
6-Oct-09												
											Costs and	Billings
											Estimated	In Excess
										Estimated	Earnings	of Costs and
	Contract	Estimated	Estimated			Revenues	Cost of	Gross Profit	Billed	Cost to	In Excess of	Estimated
Job # Job Description	Value	Costs	Gross Profit	GP%	POC	Earned	Revenues	(Loss)	To Date	Complete	Billings	Earnings
Year 1		* + * * * * * * * * * * * * * * * * * *	* • • • • • • • • • • • • • • • • • • •	10.000/	-0.000 /				* 4 000 000	* 4 000 000		
123 Denver Hotel	\$ 2,000,000			10.00%		_			\$ 1,200,000		_	
124 Denver Office Building	500,000	450,000	50,000	10.00%					150,000	450,000	_	
125 Rockford Town Center	2,100,000	2,000,000	100,000	4.76%					750,000	2,000,000	_	
126 Going to the Sun Road	50,000,000	48,000,000	2,000,000	4.00%	12.50%				6,000,000	48,000,000		
Year 2												
123 Denver Hotel	\$ 2,000,000	\$ 1,800,000	\$ 200,000	10.00%	90.00%				1,950,000	1,800,000		
124 Denver Office Building	500,000	450,000	50,000	10.00%	100.00%				500,000	450,000		
125 Rockford Town Center	2,100,000	2,000,000	100,000	4.76%					1,250,000	2,000,000		
126 Going to the Sun Road	51,000,000	48,500,000	2,500,000	4.90%	50.00%				24,000,000	48,500,000		
Method A:												
l) determine POC												
2) multiply POC times Contract Valu												
3) multiply POC times Estimated cos												
	GP is compluted by subtracting calculated revenues earned from calculated costs											

CCIFP Stud	y Group														
Accounting a	and Reporting														
6-Oct-09															
A	В	С	D	E	F	G	Н	I	J K	L	M	N	0 1	Q Coots and	R
														Costs and	Billings
													Fatherstad	Estimated	In Excess
		Co	ontract	Estimated	Estimate	, al			Revenues	Coat of	Gross Profit	Billed	Estimated	Earnings	of Costs and Estimated
Job#	Job Description		Value	Costs	Gross Pro		GP%	POC	Earned	Cost of Revenues	(Loss)	To Date	Cost to Complete	In Excess of Billings	Earnings
				0000	0.000		0.70			1101011000	(====)	10 2 410	- Compileto		
Year 1															
123 E	Denver Hotel	\$ 2,0	000,000	\$ 1,800,000	\$ 200,	000	10.00%	50.00%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,200,000	\$ 900,000	\$ -	\$ 200,000
124 🛭	Denver Office Building	į	500,000	450,000	50,	000	10.00%	50.00%	250,000	225,000	25,000	150,000	225,000	100,000	-
125	Rockford Town Center	2,1	100,000	2,000,000	100,	000	4.76%	25.00%	525,000	500,000	25,000	750,000	1,500,000	-	225,000
126	Going to the Sun Road	50,0	000,000	48,000,000	2,000,	000	4.00%	12.50%	6,250,000	6,000,000	250,000	6,000,000	42,000,000	250,000	-
Year 2															
123 E	Denver Hotel	\$ 2,0	000,000	\$ 1,800,000	\$ 200,	000	10.00%	90.00%	1,800,000	1,620,000	180,000	1,950,000	180,000	-	150,000
124	Denver Office Building		500,000	450,000	50,	000	10.00%	100.00%	500,000	450,000	50,000	500,000	-	-	-
125	Rockford Town Center	2,1	100,000	2,000,000	100,	000	4.76%	50.00%	1,050,000	1,000,000	50,000	1,250,000	1,000,000	-	200,000
126	Soing to the Sun Road	51,0	000,000	48,500,000	2,500,	000	4.90%	50.00%	25,500,000	24,250,000	1,250,000	24,000,000	24,250,000	1,500,000	-

CCIFP Stu	dy Group	T											
	g and Reporting												
6-Oct-09													
												Costs and	Billings
												Estimated	In Excess
											Estimated	Earnings	of Costs and
		Contract	Estimated	Estimated			Revenues	Cost of	Gross Profit	Billed	Cost to	In Excess of	Estimated
Job#	Job Description	Value	Costs	Gross Profit	GP%	POC	Earned	Revenues	(Loss)	To Date	Complete	Billings	Earnings
Year 1													<u> </u>
	Denver Hotel	\$ 2,000,000	\$ 1,800,000		10.00%			\$ 900,000		\$ 1,200,000	\$ 900,000		
	Denver Office Building	500,000	450,000	50,000	10.00%			225,000		150,000	225,000		
	Rockford Town Center	2,100,000	2,000,000	100,000	4.76%			500,000		750,000	1,500,000		
126	Going to the Sun Road	50,000,000	48,000,000	2,000,000	4.00%	12.50%		6,000,000		6,000,000	42,000,000		
Year 2													
123	Denver Hotel	\$ 2,000,000	\$ 1,800,000	\$ 200,000	10.00%	90.00%		1,620,000		1,950,000	180,000		
124	Denver Office Building	500,000	450,000	50,000	10.00%	100.00%		450,000		500,000	-		
125	Rockford Town Center	2,100,000	2,000,000	100,000	4.76%	50.00%		1,000,000		1,250,000	1,000,000		
126	Going to the Sun Road	51,000,000	48,500,000	2,500,000	4.90%	50.00%		24,250,000		24,000,000	24,250,000		
Method B													
1) calculat	e POC												
2) Multiply	POC times Estimated gro	oss profit = gros	ss profit(loss)										
3) Revenu	ies is gross profit(loss) plu	us cost of reven	ues										

CCIFP Stud	y Group														
Accounting a	and Reporting														
6-Oct-09															
A	В	С	D	E	F	G	Н	I	J K	L	M	N	O F		R
														Costs and	Billings
													Estimated	Estimated Earnings	In Excess of Costs and
			ontract	Estimated	Estimated	Ш			Revenues	Cost of	Gross Profit	Billed	Cost to	In Excess of	Estimated
Job #	Job Description	V	/alue	Costs	Gross Profit		GP%	POC	Earned	Revenues	(Loss)	To Date	Complete	Billings	Earnings
Year 1						+									
123 E	Denver Hotel	\$ 2,0	000,000	\$ 1,800,000	\$ 200,000		10.00%	50.00%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,200,000	\$ 900,000	\$ -	\$ 200,000
124 C	Denver Office Building	5	500,000	450,000	50,000		10.00%	50.00%	250,000	225,000	25,000	150,000	225,000	100,000	-
125 F	Rockford Town Center	2,1	100,000	2,000,000	100,000		4.76%	25.00%	525,000	500,000	25,000	750,000	1,500,000	-	225,000
126 0	Going to the Sun Road	50,0	000,000	48,000,000	2,000,000		4.00%	12.50%	6,250,000	6,000,000	250,000	6,000,000	42,000,000	250,000	-
Year 2						+									
123 🛭	Denver Hotel	\$ 2,0	000,000	\$ 1,800,000	\$ 200,000		10.00%	90.00%	1,800,000	1,620,000	180,000	1,950,000	180,000	-	150,000
124	Denver Office Building	5	500,000	450,000	50,000		10.00%	100.00%	500,000	450,000	50,000	500,000	-	-	-
125 F	Rockford Town Center	2,1	100,000	2,000,000	100,000		4.76%	50.00%	1,050,000	1,000,000	50,000	1,250,000	1,000,000	-	200,000
126	Soing to the Sun Road	51,0	000,000	48,500,000	2,500,000		4.90%	50.00%	25,500,000	24,250,000	1,250,000	24,000,000	24,250,000	1,500,000	-

CCIFP Stud	ly Group			
Accounting	and Reporting			
6-Oct-09				
Year 1				
To record y	ear end over/underbi	llings		
Account			Debit	Credit
	estimated earnings in			
	excess of costs and e	estimated earnings		
Over/under	billings adjustment			
Year 2				
To record y	ear end over/underbi	llings		
Account			Debit	Credit
	estimated earnings in			
Billlings in e	excess of costs and e	estimated earnings		
Over/under	billings adjustment			

CCIFP Stud	ly Group			
Accounting	and Reporting			
6-Oct-09				
Year 1				
To record y	ear end over/underbi	llings		
Account			Debit	Credit
	estimated earnings in		350,000	
Billlings in e	excess of costs and e	stimated earnings		425,000
Over/under	billings adjustment		75,000	
Year 2				
To record y	ear end over/underbi	llings		
Account			Debit	Credit
	estimated earnings in		1,500,000	
Billlings in e	excess of costs and e	stimated earnings		350,000
Over/under	billings adjustment			1,150,000

CCIFP Stu	udy Group												
Accounting	g and Reporting												
6-Oct-09													
												Costs and	Billings
												Estimated	In Excess
											Estimated	Earnings	of Costs and
		Contract	Estimated	Estimated			Revenues	Cost of	Gross Profit	Billed	Cost to	In Excess of	Estimated
Job#	Job Description	Value	Costs	Gross Profit	GP%	POC	Earned	Revenues	(Loss)	To Date	Complete	Billings	Earnings
Year 1													
127	The Central Perk	250,000	300,000	(50,000)	-20.00%	50.00%	100,000	150,000	(50,000)	75,000	150,000	25,000	-
Year 2													
127	The Central Perk	250,000	350,000	(100,000)	-40.00%	100.00%	250,000	350,000	(100,000)	250,000	-	-	-

CCIFP Stu																		
6-Oct-09	g and Reporting																	
Job#	Job Description	Contract Value	Estimated Costs	Estimated Gross Profit	GP%	POC	Revenues Earned	Cost of Revenues	Loss Provision	Adjusted Cost of Revenues	Gross Profit (Loss)	Billed To Date	Estimated Cost to Complete	Costs and Estimated Earnings In Excess of Billings	Billings In Excess of Costs and Estimated Earnings	Gross Loss	POC Loss	Accrued Loss
Year 1																		
Per the sy	stem																	
	The Central Perk	250,000	300,000	(50,000)	-20.00%	50.00%	100,000	150,000	-	150,000	(50,000)	75,000	150,000	25,000	-	(50,000)	(25,000)	(25,000)
Correct ca																		
127	The Central Perk	250,000	300,000	(50,000)	-20.00%	50.00%	125,000	150,000	25,000	175,000	(50,000)	75,000	150,000	50,000	-	(50,000)	(25,000)	(25,000)
Year 2																		
127	The Central Perk	250,000	350,000	(100,000)	-40.00%	100.00%	250,000	350,000	-	350,000	(100,000)	250,000	-	-	-	(100,000)	(100,000)	-
To calcula	te the loss provision																	
	ate the gross profit b		;															
	additional cost for the			lated gross loss a	and esimate	ed gross los	SS											

CCIFP Stud	dy Group			
Accounting	and Reporting			
6-Oct-09				
Year 1				
To record y	ear end over/underb	illings		
Account			Debit	Credit
Costs and e	estimated earnings ir	n excess of billings		
Billlings in e	excess of costs and	estimated earnings		
Over/under	billings adjustment			
To record p	rovision for loss con	tracts		
Account			Debit	Credit
Costs and e	estimated earnings in	n excess of billings		
Billlings in e	excess of costs and	estimated earnings		
Over/under	billings adjustment			
Loss contra	cts - expense			
Provision for	r loss contracts			

CCIFP Stud	ly Group			
Accounting	and Reporting			
6-Oct-09				
Year 1				
To record y	ear end over/underb	illings		
Account			Debit	Credit
	estimated earnings in		25,000	
Billlings in e	excess of costs and	estimated earnings		
Over/under	billings adjustment			25,000
To record p	rovision for loss con	tracts		
Account			Debit	Credit
	estimated earnings in		25,000	
Billlings in e	excess of costs and	estimated earnings		
Over/under	billings adjustment			25,000
Loss contra	cts - expense		25,000	
Provision fo	r loss contracts			25,000