



Standard Accounting vs Construction Accounting: A blueprint of differences

ACCOUNTING

CONSTRUCTION ACCOUNTING

Financial Statements

Standard Reports



Specialized reports often including WIP, job costing, backlog, and other critical data

Revenue Recognition

When product is sold or service is provided



Often uses percentage of completion or completed projects methods

Expenses

Recorded as summary on financials



Tracked by specific projects and/or phases

Job Costing

Not a focus



Reporting of labor, materials, subs, and overhead per project

Change Orders

Not a focus



Manage modifications to original project scope

Progress Billing

Not a focus



Monitoring billings and retentions for accurate reporting and financial ratios

Bonding & Lending

Not a focus



Special considerations for surety bonds, lending, and prequalification statements

Accounting in the construction industry is notably distinct from other business models. Do you have a partner that understands and specializes in your unique needs?



XLS BUSINESS SOLUTIONS
RESULTS DELIVERED