

BENEFIT INFORMATION
and
SUGGESTED ACCOUNTING ENTRIES

Prepared
for

Sample Client

Supplemental Executive Retirement Plan

For the Period: 01/01/2015 through 12/31/2015

Prepared
by

The Pangburn Group
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PREFACE

The following reports are designed to assist Plan Administrators and other parties interested in financial recordkeeping. All reports are based on our current understanding of tax law, Generally Accepted Accounting Principles (GAAP), and information furnished by the Plan Sponsor and any applicable vendors, mutual fund wholesalers, life insurance carriers, or other professional advisors. We do not accept liability for any direct, incidental, or consequential damages or claims resulting from the use of these reports. While the information contained herein is believed to be accurate, all users of this information are encouraged to rely on their own accounting, tax, and legal professionals for exact application and interpretation.

IMPORTANT REMINDER

FASB Accounting Standards Codification (ASC)

On June 29, 2009, the FASB released Statement No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles, which establishes the Codification effective for annual periods ending after September 15, 2009. This project created a single source for all U.S. Generally Accepted Accounting Principles (GAAP) and organized all existing authoritative levels of GAAP into one flat system of roughly 90 topics. All pre-Codification standards were superseded and any accounting literature not included is now considered nonauthoritative.

FASB Accounting Standards Codification (ASC) uses a topical structure in which topics, subtopics, and sections are numerically referenced. The ASC structure disregards any reference to the original standard setter or standard from which the content was derived. Additional information regarding FASB ASC can be found at <http://asc.fasb.org>.

The Codification does not change GAAP, but merely provides a new structure that is intended to reduce the amount of time and effort required to solve an accounting research issue, improve usability of the literature thereby mitigating the risk of noncompliance with standards, and provide real-time updates as new standards are released.

NOTICE REGARDING YOUR REPORTS: The contents of this report reflect plan values based on The Pangburn Group's records. The accuracy of these records is contingent upon the Plan Sponsor (or third-party sources) informing The Pangburn Group of changes in (a) Plan Sponsor information (e.g., new corporation type, tax bracket, fiscal year end, plan contacts, physical address); (b) bonus/commission programs; (c) plan and/or participant assumptions (e.g., discount/fica rate, compensation inflation rate, compensation amounts, offsets); (d) plan status (e.g., amendment or termination); (e) plan sponsor and/or participant status (e.g., change in control, death, retirement, termination, disability); (f) participant information (e.g., new participants, beneficiary designations, email or postal address); or (g) any other material changes in the administration or operation of the plan.

EMPLOYER: Sample Client
REPORT: Suggested General Ledger Accounting Entries
FOR THE PERIOD: 01/01/2015 through 12/31/2015
CALCULATION METHOD: ASC 710 - Immediate Recognition

(1)

DEFERRED COMPENSATION EXPENSE	4,651	
INTEREST COST	0	
CASH [BENEFITS PAID]		0
DEFERRED COMPENSATION LIABILITY		4,651

NOTE: The above CASH entry (if applicable) represents the cumulative results of all cash benefits paid during the current period.

(2)

DEFERRED TAX ASSET	1,860	
DEFERRED TAX EXPENSE		1,860

NOTE: To reduce the income tax expense due to the timing differences arising from the non-deductibility of the deferred compensation accrual.

ACTION REQUIRED:

- (1) POST ENTRIES TO THE GENERAL LEDGER.
- (2) SEE "PARTICIPANT ACCRUAL SCHEDULE AND/OR BENEFIT PAYMENT SCHEDULE" AND POST TO THEIR CORRESPONDING INDIVIDUAL DEFERRED COMPENSATION LEDGER.

[Suggested Entries are based on "Annual Totals" for the current period.]
[Deferred Tax Asset and Deferred Tax Expense are only applicable to Regular "C" Corporations.]

EMPLOYER: Sample Client

REPORT: Participant Accrual and/or Benefit Payment Schedule

FOR THE PERIOD: 01/01/2015 through 12/31/2015

CALCULATION METHOD: ASC 710 - Immediate Recognition

	(CR) Cash [Benefits Paid]	(DR) Deferred Comp Expense	(DR) Interest Cost	(CR) Deferred Comp Liability	(DR) Deferred Tax Asset	(CR) Deferred Tax Expense
Doe, Jill -- Contribution Credits 01/01/2015 12/31/2015	0	1,367	0	1,367	547	547
Participant Total:	0	1,367	0	1,367	547	547
Jones, Bob -- Contribution Credits 01/01/2015 12/31/2015	0	3,283	0	3,283	1,313	1,313
Participant Total:	0	3,283	0	3,283	1,313	1,313
Total @ 12/31/2015:	0	4,651	0	4,651	1,860	1,860

[Deferred Charge (Tax) and Deferred Income Tax only applicable to Regular "C" Corporations.]

EMPLOYER: Sample Client

REPORT: Plan Design Assumptions

FOR THE PERIOD: 01/01/2015 through 12/31/2015

Address: 12345 Company Square
XYZ, LA 70760
555-555-5555

Business Type: Regular 'C' Corporation

Plan Name: Supplemental Executive Retirement Plan

Type of Plan: Defined Contribution

Date Established: January 01, 2016

Fiscal Year Ends: December 31

Employer Tax Rate: 40.00%

Accrual Method: ASC 710 - Immediate Recognition

Prepared By: The Pangburn Group
P.O. Box 900
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New Roads, LA 70760-0900

EMPLOYER: Sample Client

REPORT: Plan Participant Summary

FOR THE PERIOD: 01/01/2015 through 12/31/2015

<u>Participant</u>	<u>Date Of Birth</u>	<u>Date Of Hire</u>	<u>Date Of Entry</u>	<u>Status</u>
Doe, Jill	01/01/1971	01/01/2005	01/01/2007	Active
Johnson, Matt	06/05/1962	08/01/2003	01/01/2007	Terminated 02/25/2009
Jones, Bob	01/01/1966	01/01/2000	01/01/2007	Active

EMPLOYER: Sample Client

REPORT: Total Account Balance Summary

FOR THE PERIOD: 01/01/2015 through 12/31/2015

	<u>Starting Balance</u>	<u>Distributions</u>	<u>Deferrals/ Contributions</u>	<u>Earnings/ Losses</u>	<u>Ending Balance</u>
Doe, Jill	53,759	0	1,367	0	55,126
Contribution Credits	53,759	0	1,367	0	55,126
Jones, Bob	120,130	0	3,283	0	123,414
Contribution Credits	120,130	0	3,283	0	123,414

Total @ 12/31/2015:	173,889	0	4,651	0	178,540
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EMPLOYER: Sample Client

REPORT: Impact On Retained Earnings

Period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
From	Plan Sponsor (Owner(s)) Tax Bracket	Cash [Benefits Paid To Participants]	Deferred Comp. Liability	Taxes Saved On Benefits Paid	Deferred Tax Asset	After-Tax Comp. Otherwise Payable	Relative Impact On Retained Earnings	
01/01/2007	12/31/2007	40.00%	0	114,564	0	45,826	0	(68,738)
01/01/2008	12/31/2008	40.00%	0	58,872	0	23,549	0	(35,323)
01/01/2009	12/31/2009	40.00%	43,651	(26,240)	17,460	(10,496)	0	(10,447)
01/01/2010	12/31/2010	40.00%	0	5,902	0	2,361	0	(3,541)
01/01/2011	12/31/2011	40.00%	0	6,434	0	2,573	0	(3,860)
01/01/2012	12/31/2012	40.00%	0	4,491	0	1,796	0	(2,695)
01/01/2013	12/31/2013	40.00%	0	5,842	0	2,337	0	(3,505)
01/01/2014	12/31/2014	40.00%	0	4,024	0	1,610	0	(2,415)
01/01/2015	12/31/2015	40.00%	0	4,651	0	1,860	0	(2,790)
Total @ 12/31/2015:		43,651	178,540	17,460	71,416	0	(133,315)	

Explanatory Notes:

Column	Description
(1) Plan Sponsor Tax Bracket	Effective Tax Rate for 'C' Corporations or Average Tax Rate for Business Owners ('S' Corporation, LLC, etc.)
(2) Cash [Benefits Paid To Participants]	Before-Tax payment from Plan Sponsor to Participants (retirement, death, disability, termination, etc.)
(3) Deferred Compensation Liability	Net change in Plan Liabilities
(4) Taxes Saved On Benefits Paid	Column #2 multiplied by Column #1
(5) Deferred Tax Asset	Column #3 multiplied by Column #1 (available only to 'C' Corporations on an Accrual Basis)
(6) After-Tax Compensation Otherwise Payable	After-Tax Cost to Plan Sponsor if Participant Deferrals (if any) had been paid instead as Current Compensation
(7) Relative Impact On Retained Earnings	Column #4 plus Column #5 plus Column #6 minus Column #3 minus Column #2

EMPLOYER: Sample Client

REPORT: Historical Accounting Entries (Individual Participants)

CALCULATION METHOD: ASC 710 - Immediate Recognition

Period From	To	(CR) Cash [Benefits Paid]	(DR) Deferred Comp Expense	(DR) Interest Cost	(CR) Deferred Comp Liability	(DR) Deferred Tax Asset	(CR) Deferred Tax Expense	Accrued Liability
Doe, Jill -- Contribution Credits								
01/01/2007	12/31/2007	0	11,285	0	11,285	4,514	4,514	11,285
01/01/2008	12/31/2008	0	31,374	0	31,374	12,550	12,550	42,659
01/01/2009	12/31/2009	0	991	0	991	397	397	43,650
01/01/2010	12/31/2010	0	4,200	0	4,200	1,680	1,680	47,850
01/01/2011	12/31/2011	0	1,030	0	1,030	412	412	48,880
01/01/2012	12/31/2012	0	1,574	0	1,574	630	630	50,454
01/01/2013	12/31/2013	0	2,096	0	2,096	838	838	52,550
01/01/2014	12/31/2014	0	1,209	0	1,209	483	483	53,759
Account Total:		0	53,759	0	53,759	21,504	21,504	53,759
Participant Total:		0	53,759	0	53,759	21,504	21,504	53,759
Johnson, Matt -- Contribution Credits (Terminated on 2/25/09)								
01/01/2007	12/31/2007	0	24,154	0	24,154	9,662	9,662	24,154
01/01/2008	12/31/2008	0	19,388	0	19,388	7,755	7,755	43,542
01/01/2009	12/31/2009	43,651	109	0	(43,542)	(17,417)	(17,417)	0
Account Total:		43,651	43,651	0	0	0	0	0
Participant Total:		43,651	43,651	0	0	0	0	0
Jones, Bob -- Contribution Credits								
01/01/2007	12/31/2007	0	79,125	0	79,125	31,650	31,650	79,125
01/01/2008	12/31/2008	0	8,111	0	8,111	3,244	3,244	87,236
01/01/2009	12/31/2009	0	16,311	0	16,311	6,524	6,524	103,546
01/01/2010	12/31/2010	0	1,702	0	1,702	681	681	105,249
01/01/2011	12/31/2011	0	5,404	0	5,404	2,161	2,161	110,652
01/01/2012	12/31/2012	0	2,917	0	2,917	1,167	1,167	113,569
01/01/2013	12/31/2013	0	3,746	0	3,746	1,498	1,498	117,315
01/01/2014	12/31/2014	0	2,816	0	2,816	1,126	1,126	120,130
Account Total:		0	120,130	0	120,130	48,052	48,052	120,130
Participant Total:		0	120,130	0	120,130	48,052	48,052	120,130
Total @ 12/31/2014:		43,651	217,540	0	173,889	69,556	69,556	

[Deferred Tax Asset and Deferred Tax Expense are only applicable to Regular "C" Corporations.]

EMPLOYER: Sample Client
REPORT: Social Security Sweep Report
DATE PREPARED: 05/25/2016



	<u>Last Name</u>	<u>First Name</u>	<u>SSN Value</u>	<u>Date of Birth</u>	<u>Date Notified</u>
Active	Doe	Jill	xxx-xx-5678	01/01/1971	
	Graham	Jessica	xxx-xx-9999	01/02/1920	
	Johnson	Carl	xxx-xx-1111	02/03/1973	
	Johnson	Matt	xxx-xx-7777	06/05/1962	
	Jones	Bob	xxx-xx-6666	01/01/1966	
	Smith	John	xxx-xx-3333	01/01/1955	

Note: This report is based on the Social Security Administration (SSA) Death Master File (DMF) and other sources. These sources do not have a death record for all persons. Thus, the absence of a death record is not proof that a person is alive.