

# Small Business Year-End Checklist (Canada)

Use this checklist to prepare your books for your accountant and ensure your year closes cleanly and accurately.

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## 1. Financial Records & Bookkeeping

### Bank & Credit Card Reconciliation

- All bank accounts reconciled up to fiscal year-end
- All credit cards reconciled up to fiscal year-end
- No unknown or duplicate transactions
- All transfers between accounts properly recorded
- No unexplained balance differences

If something doesn't reconcile, stop and investigate — do not force it to match.

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### Accounts Receivable (Money Owed to You)

- Review A/R Aging Report
  - Identify overdue invoices
  - Send final reminders for outstanding balances
  - Decide if any invoices need to be written off
  - Confirm all revenue earned in the year is recorded
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### Accounts Payable (Money You Owe)

- Review A/P Aging Report
- Confirm all vendor bills for the year are entered
- Record any expenses incurred but not yet paid (utilities, wages, interest, etc.)
- Confirm credit card charges are entered correctly

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## Journal Entries & Adjustments

(Some of these may be done by your bookkeeper or accountant.)

- Record depreciation & amortization
  - Adjust prepaid expenses
  - Record accrued expenses
  - Adjust for bad debts if needed
  - Confirm shareholder loan balances
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## Inventory (If Applicable)

- Perform physical inventory count
  - Compare physical count to accounting system
  - Adjust for shrinkage or errors
  - Write off obsolete/damaged inventory
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# 2. Payroll & Contractor Records

## T4 / T4A Preparation

- Confirm total payroll matches payroll reports
  - Verify employee contact information
  - Confirm CPP, EI, and income tax deductions are correct
  - Confirm contractor totals for T4A reporting
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## Other Payroll Items

- Review vacation accrual balances
  - Record bonuses or year-end adjustments
  - Confirm final payroll remittances are submitted
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## 3. GST/HST & Tax Preparation

### GST/HST

- Confirm all GST/HST collected is recorded
  - Confirm all GST/HST paid on expenses is recorded
  - Reconcile GST/HST payable account
  - Ensure filings match accounting records
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### Income Tax Preparation

- Confirm all income is recorded
  - Ensure expenses are categorized properly
  - Gather receipts for deductible expenses
  - Identify potential tax credits
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### Other Taxes

- Payroll remittances up to date
  - Provincial tax obligations reviewed
  - Property or business-specific taxes accounted for
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## 4. Assets & Liabilities Review

### Fixed Assets

- Confirm all equipment purchases recorded
  - Record disposals or write-offs
  - Review accumulated depreciation
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### Loans & Liabilities

- Confirm loan balances match statements
  - Record accrued interest
  - Reconcile lines of credit
  - Confirm credit cards are reconciled
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## 5. Documentation for Your Accountant

Organize these in a shared folder:

- Bank statements (all months)
- Credit card statements
- Year-end reconciliations
- AR & AP aging reports
- Inventory summary
- Payroll summaries
- Loan statements
- Lease agreements
- Major contracts
- List of unusual transactions

Your accountant should not have to chase you for documents.

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## 6. Owner & Miscellaneous Items

- Review owner draws or dividends
  - Confirm shareholder loan balances
  - Review intercompany transactions (if applicable)
  - Confirm foreign currency transactions are recorded properly
  - Review Chart of Accounts for cleanup
  - Ensure no transactions remain uncategorized
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## 7. Provide to Accountant

Send:

- Trial Balance
  - Profit & Loss (year-to-date)
  - Balance Sheet (year-end)
  - GST/HST summary
  - Supporting schedules
  - Notes explaining unusual transactions
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## **Final Review Before Closing the Year**

- Financial statements reviewed
  - Numbers make sense
  - No negative balances that shouldn't be negative
  - Cash balance matches bank
  - Retained earnings reviewed
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## **Tips for a Smooth Year-End**

- ✓ Start early
- ✓ Keep documents organized throughout the year
- ✓ Don't guess on coding
- ✓ Make notes for your accountant
- ✓ Confirm your fiscal year-end date