

Clarity

Bookkeeping & Tax Inc

Year-End Bookkeeping Checklist

1. Reconcile All Accounts

- Reconcile all bank accounts
- Reconcile credit cards and loans
- Verify PayPal, Stripe, or other payment processor balances
- Reconcile petty cash

2. Review Income and Expenses by reviewing a detailed Profit & Loss Report

- Categorize all transactions correctly
- Verify all business expenses are entered
- Check for missing receipts or invoices
- Verify all income and expenses are recorded for the year

3. Accounts Receivable

- Review open customer invoices
- Follow up on past-due balances
- Write off uncollectible invoices if necessary
- Record customer deposits or retainers

4. Accounts Payable

- Enter all unpaid vendor bills
- Review outstanding payables
- Confirm vendor contact and W-9 information
- Record year-end expenses (utilities, rent, etc.)

5. Payroll

- Reconcile total wages, taxes, and benefits against the YTD payroll summary
- Verify employee and contractor info (W-2s and 1099s)
- Record year-end bonuses or adjustments
- File final payroll reports for the year

6. Fixed Assets and Depreciation

- Record any new asset purchases with detailed information
- Remove disposed or fully depreciated assets
- Update depreciation schedules

7. Inventory

- Conduct year-end physical inventory count
- Adjust inventory balances in books
- Write off obsolete or damaged stock

8. Loans and Liabilities

- Confirm year-end loan balances match loan statements
- Record any accrued interest or principal payments
- Verify business credit card and line of credit balances

9. Tax Preparation

- Gather W-9s from all contractors
- Review deductible expenses (mileage, home office, etc.)
- Print or export financial reports (P&L, Balance Sheet, Trial Balance)
- Provide documents to CPA or tax preparer