
BOOKKEEPING CHECKLIST FOR SMALL BUSINESS



HONEST ACCOUNTING GROUP
ORGANIZE. ANALYZE. MAXIMIZE™



CORNERSTONE TO A SUCCESSFUL AND PROFITABLE BUSINESS

O

Organize:

A well-organized bookkeeping system is the cornerstone of business success. By keeping your financial records accurate and up-to-date, you'll not only save time and reduce unnecessary costs, but you'll also enhance long-term business performance and efficiency.

A

Analyze:

Financial analysis is key to setting and achieving future business goals. It provides valuable insights into your company's financial health, helping you refine decision-making strategies, improve profitability, optimize cash flow, and increase the overall value of your business.

M

Maximize:

Every transaction holds valuable data. With an effective bookkeeping system, that data becomes a powerful tool to guide informed decisions, fostering a healthy, profitable, and steadily growing business.

"If you can't measure it, you can't improve it."

Enoch Garcia

CEO/SENIOR QB PROADVISOR

WEEKLY BOOKKEEPING

- Record Customer Invoices and Payments:
 - Enter all sales invoices into your accounting system and log payments received.
 - Ensure that customer accounts are up-to-date to avoid overdue balances.
- Prepare and Send Invoices:
 - Generate and send invoices to customers for services or products delivered.
 - Automate recurring invoices using accounting software like QuickBooks.
- Record Vendor Bills and Payments:
 - Log all vendor bills into the system and record payments made.
 - Ensure that vendor records are up-to-date to avoid late fees.
- Track and Record Daily Expenses:
 - Record all business-related expenses, including receipts for travel, meals, and supplies.
 - Use expense tracking software or apps for efficiency.
- Update Cash Flow Statement:
 - Review and update your cash flow projections to understand your current cash position.
 - Identify any potential cash shortages and plan for upcoming payments.
- Backup Financial Data:
 - Create regular backups of your accounting files to avoid data loss in case of system failure.
- Review Petty Cash Transactions:
 - Monitor petty cash balances and reconcile against receipts.
 - Replenish the petty cash fund as needed.

Tip: Automate Bill Processing

Using a system like QuickBooks Online to automate vendor payments and bill processing can save you valuable time. This efficiency allows you to focus on higher-priority tasks such as growing sales and serving your customers.

MONTHLY BOOKKEEPING

- Reconcile Bank and Credit Card Accounts:
 - Match your accounting records with bank and credit card statements to identify and correct discrepancies.
 - Ensure that all transactions (deposits, withdrawals, fees) are accurately recorded.
- Review Aged Receivables and Payables:
 - Review outstanding invoices and follow up with clients for overdue payments.
 - Check unpaid bills to avoid late fees and build positive vendor relationships.
- Check Inventory Levels:
 - Conduct an inventory check, reconcile inventory with records, and update stock levels.
 - Adjust for any discrepancies due to shrinkage or miscounts.
- Process and Review Payroll:
 - Verify employee hours, approve timecards, and process payroll.
 - Ensure payroll taxes and deductions are accurate before disbursement.
- Review Forecasted Cash Flow:
 - Compare actual cash flow against forecasts.
 - Adjust your forecast based on new trends or unanticipated changes.
- Prepare Financial Statements:
 - Generate key financial reports such as Profit & Loss (P&L), Balance Sheet, and Cash Flow statements.
 - Analyze these reports to identify trends and spot potential financial issues early.
- Meet Payroll Tax Requirements:
 - Ensure monthly payroll taxes are paid on time, following the IRS or state deadlines.
- Compare Profit & Loss to Budget:
 - Review monthly P&L against your budget to ensure you're on track.
 - Identify any major variances and investigate the reasons behind them.

Tip: Verify Balance Sheet Reconciliation

To ensure accurate reconciliation, review the balances on your balance sheet. Under the cash basis of accounting, the cash account should match the ending balance of your bank statement. If there's a discrepancy, it could indicate duplicate entries or unrecorded deposits or expenses. Investigate and adjust as needed to resolve any differences.



QUARTERLY BOOKKEEPING

- Prepare and File Quarterly Payroll Tax Returns:
 - Complete IRS Form 941 (or 944 for small businesses) and state payroll tax returns.
 - Ensure payroll tax deposits are up-to-date for the quarter.
- Make Quarterly Estimated Income Tax Payments:
 - Calculate and pay estimated income taxes based on projected profits.
 - Ensure both federal and state tax payments are made on time to avoid penalties.
- Review Profit & Loss Forecast:
 - Evaluate your financial performance for the quarter.
 - Adjust your financial forecast and budget for the remainder of the year based on actual results.
- Review Aged Receivables:
 - Evaluate outstanding receivables and determine if any invoices need to be sent to collections.
 - Follow up with customers who have delayed payments to avoid cash flow issues.
- Evaluate and Adjust Inventory:
 - Conduct a thorough inventory count and adjust records for any discrepancies.
 - Identify slow-moving or obsolete stock and make decisions on discounts or liquidations.
- Review Financial Statements:
 - Analyze your Profit & Loss, Balance Sheet, and Cash Flow statements in more detail.
 - Discuss any findings with your accountant or financial advisor to optimize financial strategies.
- Make Quarterly Sales Tax Payments:
 - File quarterly sales tax returns and ensure timely payment to state authorities.
- Evaluate Debt and Liabilities:
 - Review any outstanding loans or lines of credit.
 - Plan for upcoming debt payments and make adjustments if necessary.

Quarterly Estimated Tax Due Dates:

Payment Period	Due Date:	Payment Period	Due Date:
January 1 – March 31	April 15	June 1 – August 31	September 15
April 1 – May 31	June 15	September 1 – December 31	January 15



ANNUAL BOOKKEEPING

- Close Out Revenue and Expense Accounts:
 - Zero out revenue and expense accounts by transferring the balances to the Retained Earnings account.
 - Complete end-of-year adjustments, including depreciation and accruals.
- Prepare Annual Financial Statements:
 - Generate year-end Profit & Loss, Balance Sheet, and Cash Flow statements.
 - These statements will be used for tax preparation and financial planning for the next year.
- Perform a Full Inventory Count:
 - Conduct a physical count of inventory and adjust records accordingly.
 - Reconcile any inventory discrepancies before the year-end financial close.
- Meet with Your Accountant:
 - Provide all necessary documents (bank statements, invoices, receipts, etc.) to your accountant for tax preparation.
 - Review financial performance and tax strategies for the upcoming year.
- File Year-End Payroll Reports:
 - Prepare and distribute W-2s to employees and 1099s to contractors.
 - File IRS Forms W-3 and 1096, and submit year-end payroll reports to the IRS and state authorities.
- Make Annual Payroll Tax Payments:
 - Ensure all payroll taxes are settled, including federal unemployment (FUTA) and state unemployment (SUTA).
- Review and Update Business Plan:
 - Based on your year-end financial performance, review and adjust your business goals and strategies for the upcoming year.
 - Set new financial goals for sales, expenses, and profitability.
- Back Up All Financial Data:
 - Perform a complete backup of your accounting data to secure a year-end snapshot.
 - Store backups securely, either in the cloud or on physical drives.
- Plan for Year-End Tax Filings:
 - Ensure all tax-related documentation (deductions, credits, asset purchases) is ready for filing.
 - Review potential tax-saving strategies with your accountant, such as retirement contributions or asset depreciation.

Want to focus on growing your business?

SCHEDULE A FREE CONSULTATION TODAY

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