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CHECKLIST

Year-End Bookkeeping Cleanup Checklist

28 items · Print & work in order

The exact list we use to close client books before tax season. Work through it in order — earlier items make the later ones faster.

Bank & Credit Cards

1. All bank accounts reconciled through December 31
2. All credit card accounts reconciled through December 31
3. Uncleared/stale checks investigated and voided or reissued
4. Bank feed transactions all categorized (nothing sitting in "Uncategorized")
5. Business and personal transactions separated — no personal expenses in the business account

Accounts Receivable

6. Outstanding invoices reviewed for accuracy
7. Bad debts identified and written off if uncollectible
8. Customer deposits/prepayments correctly recorded as liabilities, not income

Accounts Payable

9. Outstanding bills reviewed and confirmed accurate
10. Any bills paid outside the system recorded
11. Recurring vendor bills matched to actual payments

Payroll

12. Payroll reports match the general ledger
13. Owner draws/distributions separated from payroll wages
14. Payroll tax liability accounts reconciled to actual filings
15. Year-end bonuses recorded in the correct tax year

Fixed Assets & Loans

6. Fixed asset purchases over your capitalization threshold recorded, not expensed
7. Depreciation schedules updated
8. Loan balances confirmed against the most recent lender statement
9. Loan payments split correctly between principal and interest

Inventory (if applicable)

0. Physical inventory count performed as of December 31
1. Inventory value in the books matches the physical count
2. Obsolete or unsellable inventory written down

Owner's Equity

3. Owner contributions and draws recorded and categorized correctly
4. Retained earnings rolled forward correctly if using year-end close

Chart of Accounts & Categorization

5. Chart of accounts reviewed for duplicate or unused categories
6. Miscategorized transactions corrected (check "Ask My Accountant")
7. 1099-eligible vendors flagged and W-9s on file for each

Final Review

8. P&L and Balance Sheet reviewed for anything unusual (negative bank balance, oddly large expense) before handing off for tax prep

> **Tip:** If you work through items 1–11 monthly instead of all at once in December, this whole checklist takes an afternoon instead of a week.
