Levante

CHECKLIST

Month-end bookkeeping checklist for small business owners

A 6-step monthly close: collect records, reconcile balances, review adjustments, check tax deadlines, read the reports and protect the closed period.

Category	Bookkeeping
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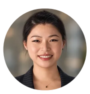

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A month-end close is the difference between books that answer questions and books that get rebuilt at tax time. Books kept current through the month make it short; the time depends on volume, complexity and open items. Check this month's deadlines first, since a payment is due whether or not the close is finished, then work through the six steps in order.

0. Check this month's deadlines

Before anything else, know what is due before the close is done.

- [ ] Payroll remittance, GST/HST return or instalment, corporate or personal tax instalment due this month: date and amount noted, money in place. The tax calendar has the rules.

1. Capture everything

A close starts with a complete record: every sale invoiced, every purchase backed by a receipt, every bill entered. Missing documents are easiest to find now, not at tax time.

- [ ] Every purchase has a receipt or supplier invoice attached to the transaction. Chase the missing ones now, while the purchase is still fresh.
- [ ] Every sale is invoiced and recorded, including the ones paid in cash or by e-transfer.
- [ ] Supplier bills received but not yet paid are entered.
- [ ] Staff expense claims and mileage logs are in.
- [ ] Business costs you paid personally: receipt attached, recorded as an amount the corporation owes you (a sole proprietor: an owner contribution). Only the business portion, and nothing already reimbursed.

2. Reconcile every account

Reconciling means the books agree with the outside world: each bank, card and loan balance ties to its statement once the outstanding items are listed. Every other difference has an explanation.

- [ ] Bank accounts reconciled to the statement. Outstanding deposits and cheques listed; nothing unexplained.
- [ ] Credit cards reconciled to the statement.
- [ ] Loans and lines of credit agree with the lender's statement, with principal and interest booked separately.
- [ ] Payment processors (Stripe, Square, Shopify, PayPal) reconciled: gross sales, fees, refunds, chargebacks and payouts each on the right line. Any balance the processor still holds is identified.
- [ ] Clearing and undeposited-funds accounts reconciled: every remaining balance identified with its expected settlement date, old or unexplained items investigated. Amounts in transit stay. No entry just to reach zero.
- [ ] Petty cash, if you have it, counted and matched.

3. Review what the numbers say

A reconciled month can still be wrong. This step catches what landed in the wrong place or the wrong month: personal spending, unresolved items, assets booked as expenses, income or costs that belong to another period.

- [ ] No unresolved transactions left. Get the missing fact or your accountant's call rather than guess a category. A material item still open is named, with its effect, not parked in a plausible account.
- [ ] Corporations: every payment to the owner is payroll, a declared dividend, a documented reimbursement, repayment of what the company owes you, or an advance to review. If you now owe the company money, flag that balance to your accountant; the after-incorporating checklist explains the shareholder loan clock.
- [ ] Sole proprietors: personal withdrawals recorded as owner draws, not wages, dividends or expenses.
- [ ] Equipment, improvements and other purchases with a lasting benefit reviewed under the capitalization policy agreed with your accountant, apart from inventory and current expenses. Price alone does not decide the treatment.
- [ ] Items that belong to another period reviewed: work earned but not yet invoiced, bills and wages incurred but not yet recorded, payments covering future months, customer deposits. Post the agreed accruals, deferrals and depreciation, or flag them for your accountant before the reports count as final.
- [ ] If registered for GST/HST: tax codes checked, tax charged and reportable for the period (unpaid invoices included where required), and input tax credits limited to eligible, documented purchases under your reporting method. Mixed-use, exempt, zero-rated and restricted items follow their own rules. Provincial sales tax is checked separately where it applies.
- [ ] Payroll expense, net pay and payroll liabilities reconciled to the payroll register: employee deductions, employer contributions, what is remitted and what is still owing. Provincial payroll accounts included where they apply.
- [ ] Receivables aging ties to the balance sheet. Follow-up by each invoice's payment terms and days overdue; credits, duplicates and doubtful balances reviewed.
- [ ] Payables aging ties to the balance sheet, and what is due before next month-end is scheduled.
- [ ] Inventory count and value agree with the books, and cost of sales reflects them, if you hold stock.

4. Pay and file what is due

Filing and payment deadlines run separately for each tax account and business type. Second pass on the dates from step 0.

- [ ] Payroll deductions remitted by the deadline for your CRA-assigned remitter type. For a regular monthly remitter that is the 15th of the following month, or the next business day after a weekend or holiday.
- [ ] GST/HST return filed and any balance or instalment paid, if one is due this month under your assigned reporting period. Annual filers can owe a quarterly instalment in a month with no return.
- [ ] Corporate tax instalment paid, if required. A sole proprietor: the personal instalment.
- [ ] Tax reserves updated for each upcoming payment date, in a separate account if that helps. The remitter types and annual-filer rules are in the tax calendar.

5. Read the month

Ten minutes with the profit and loss and the balance sheet is the return on the whole routine.

- [ ] Profit and loss for the month, against last month and the same month last year. Revenue earned and costs incurred, not cash movements.
- [ ] Cash separately: today, expected in, going out, months covered. Loan proceeds are not sales; loan principal is not an expense.
- [ ] Sales tax owing and corporate tax accrued, so the bank balance is read net of what is not yours.
- [ ] One question the numbers raised, written down, to ask your accountant.

6. Protect the closed month

A closed month should not change by accident, and a correction should leave a trail.

- [ ] Closing date or lock date set in QuickBooks or Xero, with an agreed correction process for later changes.
- [ ] Final reports and reconciliation reports saved where the year-end will find them.
- [ ] Invoices, receipts, statements, reconciliations and supporting schedules kept in readable, retrievable form, generally for 6 years after the end of the last tax year they relate to. Backup or export checked.

Sources: CRA: current vs capital expenses, CRA: shareholder loans, CRA: input tax credits, CRA: GST/HST deadlines, CRA: GST/HST instalments, CRA: remitter due dates, CRA: record keeping, QuickBooks: closing the books, Xero: lock dates.

BEFORE YOU USE THIS

General information for Canadian businesses, not advice for your situation. Rules and deadlines change, and your facts may differ. Check the CRA's current guidance or ask your accountant before acting on it. Figures current to September 2026.

Want the month closed for you?

Levante runs the bookkeeping steps on this page as the month happens: documents, reconciliations, adjustments, filings. Year-end starts from reviewed records. One monthly fee.

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