12-Point Bookkeeping Health Checklist

A practical self-assessment to help you identify bookkeeping gaps before they become bigger financial problems.

Why this matters

Reliable bookkeeping is the foundation for useful financial reporting, tax preparation, cash-flow management, financing applications and better business decisions. This checklist is designed to help business owners quickly identify areas that may deserve a closer look.

How to use the checklist

- Review each of the 12 areas on the following page.
- Select Good, Needs Attention, or Not Sure based on your current records and processes.
- Don't worry about getting a perfect score. The purpose is to identify where greater clarity or cleanup may be useful.

GOOD Records and processes appear current and reliable. **NEEDS ATTENTION** You know there is a gap or unresolved issue. **NOT SURE** You cannot confidently confirm the area is in order.

Important: This checklist is a general business self-assessment. It is not an audit, assurance engagement, tax opinion, legal advice, or accounting opinion.

12-POINT BOOKKEEPING HEALTH CHECKLIST

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Review the 12 areas below

BOOKKEEPING AREA	GOOD	NEEDS ATTENTION	NOT SURE
Bank & Credit Card Reconciliations All business bank and credit-card accounts are reconciled regularly, and unexplained differences are investigated rather than carried forward.	☐	☐	☐
Accounts Receivable Customer balances are current, overdue invoices are actively followed up, and old or uncollectible amounts are identified.	☐	☐	☐
Accounts Payable Supplier bills are entered accurately, payment obligations are known, and duplicate, missing or overdue bills are addressed.	☐	☐	☐
Transaction Categorization Income and expenses are consistently recorded in the correct accounts so financial reports accurately reflect how the business operates.	☐	☐	☐
GST/HST & Sales Tax Records Tax collected, input tax credits and filings can be supported by the bookkeeping records, and balances agree with amounts filed or payable.	☐	☐	☐
Payroll & Remittances Payroll records, source deductions, employer amounts and remittances are current and can be reconciled to the books.	☐	☐	☐
Owner / Shareholder Transactions Owner draws, contributions, reimbursements, shareholder loans and personal expenses are clearly identified and recorded separately from normal business activity.	☐	☐	☐
Loans & Financing Loan balances, interest, principal payments, leases and other financing obligations agree with lender statements and are recorded correctly.	☐	☐	☐
Fixed Assets & Major Purchases Equipment, vehicles, technology and other significant purchases are identified separately from routine expenses and supported by appropriate records.	☐	☐	☐
Financial Statements Profit & Loss and Balance Sheet reports are reviewed regularly, appear reasonable, and can be used with confidence to understand business performance.	☐	☐	☐
QuickBooks Online & Bookkeeping Controls The accounting system is organized, user access is appropriate, duplicate accounts are controlled, and supporting documents can be located when needed.	☐	☐	☐
Month-End & Year-End Readiness Key accounts are reviewed periodically and the records can be provided to the tax preparer or accountant without major last-minute cleanup.	☐	☐	☐

What did your checklist reveal?

There is no single passing score. What matters is whether your bookkeeping gives you reliable information when you need it.

Mostly Good

Your bookkeeping appears reasonably well maintained. Continue regular reconciliations and reviews, and address isolated issues before they accumulate.

Several Needs Attention

There may be gaps affecting the accuracy or usefulness of your financial information. Prioritize the areas that affect cash flow, taxes, financing or management decisions.

Several Not Sure

Uncertainty is itself useful information. If you cannot confidently confirm several areas are in order, a focused review can help determine whether cleanup or process improvements are needed.

Common warning signs

- ✓ Bank or credit-card balances in QuickBooks don't agree with statements.
- ✓ Old customer or supplier balances remain on reports without explanation.
- ✓ GST/HST, payroll or loan balances cannot be reconciled easily.
- ✓ Profit looks reasonable, but cash flow tells a very different story.
- ✓ Financial reports are only reviewed at tax time.
- ✓ Significant cleanup is required every year before records can be given to the accountant or tax preparer.

Not sure where your books stand?

RRL Business Solutions offers a complimentary 30-minute Business Financial Review to help identify financial and bookkeeping gaps and determine practical next steps.

Book a Free Financial Review: rrlbsi.com

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