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|  |  | Detailed Items | Check |
| Finish recording transactions from 2020 | 1 | Part 1 is to ensure all the data have been recorded and ready for year-end closing |  |
|  | 1.1 | Add financial transactions into your accounting books - revenue and expenses |  |
|  | 1.2 | Make depreciation entries for fixed assets |  |
|  | 1.3 | Make accrual entries for unpaid revenue and expenses |  |
|  | 1.4 | Reconcile bank and credit card accounts |  |
|  | 1.5 | Write off bad debt |  |
| Clean up Balance Sheet | 2 | Part 2 is for reviewing and cleaning up asset, liabilities and equity items. |  |
|  | 2.1 | Verify total cash amount |  |
|  | 2.2 | Review accounts receivable |  |
|  | 2.3 | Inventory balance should match with physical counts (if applicable) |  |
|  | 2.4 | Record depreciation for fixed assets |  |
|  | 2.5 | Check investors’ equity against cap table |  |
|  | 2.6 | Know your retained earnings |  |
| Clean up Income Statement | 3 | Part 3 directly impacts the total tax dollars you will submit to the IRS |  |
|  | 3.1 | Verify revenue/sales |  |
|  | 3.2 | Expenses |  |
|  | 3.3 | Net income |  |
| Payroll reporting | 4 | Yearly Mandatory Task - 1099 filings for contractors |  |
| Perform management review | 5 | Review financial statements by management and investors. |  |
| Calculate taxes | 6 | Hand over the financials to your startup CPA.  Your CPA then will prepare current and deferred taxes, calculate and post of provisions for these taxes |  |