



## YEAR-END CHECKLIST

### Pre year-end

- Order 1099 and W-2 forms as necessary
- As notes payable statements arrive, reconcile note and keep December statement
- Submit asset additions and disposals to tax accountant for updated fixed asset schedules
- Review payroll data for retirement plan contributions, mileage adjustments
- Review estimated tax payments and make plan for additional payments in January, as necessary
- If cash basis, consider year-end purchases or payments
- Consider meeting with year-end advisors (tax, CFO, insurance) for any changes/planning

### Income statement

- Cut-off for expenses for the year. No further backposting unless material.
- All billings posted to proper month
- Accruals for revenue posted
- Maintenance and repairs or capital assets reviewed
- Missing expenses to direct cost to jobs for proper job schedule calculations
- Payroll accrual needed - if job payroll, accrue before preparing job schedule
- Benefits or bonus accrual
- All overhead posted to expense
- Missing any overhead expenses (utilities, phone, travel, fuel, etc)
- All payroll posted
- Depreciation / amortization posted
- Interest expense posted
- Insurance amortization of prepaid portion posted
- Other

### Balance sheet

- Bank reconciliation completed and posted. Copy saved on computer.
- Petty cash reconciled monthly
- A/R balance on GL matches A/R Aging, including retention balance
- Inventory adjustment recorded
- Prepaids amortized and current balance ties to roll forward schedule
- Underbillings ties to job schedule
- Interco accounts match
- Review for missing fixed asset purchases. (Review small tools or maintenance costs for missing assets)
- Monthly Depreciation posted
- Other assets, amortized assets adjusted
- Current portion of LT debt
- Line of credit balance agrees to month-end balance and transactions are recorded
- Interco payable agrees
- AP GL matches AP Aging, including retention payable
- Accrued payroll taxes and benefits agree to subsequent payments and payroll reports
- Accrued sales tax as necessary
- Overbillings ties to job schedule
- LT debt ties to amortization schedules or statements. Interest expenses posted
- Reconciled distributions or other equity section items
- Current Retained Earnings matches Net Income on Income Statement/Profit and Loss
- Assets = Liabilities + Equity

### Trial Balance

- In balance



AR Aging

- Print copy that matches GL
- Review accounts for any collection calls to make, paying attention to items in 60 days and especially items in 90+ days
- Review retention receivable and identify any follow up needed to collect

AP Aging

- Print copy that matches GL
- Review for any accounts that need attention
- Review retention payable and identify any follow up to any subcontractors/suppliers that need to be paid

Bank Rec

- Print copy that ties to GL
- Review for any old outstanding items

Job Schedule

- Job report from accounting system showing billings by job
- Job report from accounting system showing costs by job
- Run job report for all jobs that are on-going as of date of financials
- Use early start date on job report and end date equal to date of financials
- Obtain contract amount expected at the end of the job (includes approved change orders)
- Obtain total estimated cost per job at the end of the job
- Input contract amounts, estimated total cost, cost to date and billings to date into spreadsheet
- Verify all formula cells have proper calculation in each column and have not been hard-coded
- Check estimated gross profit percentage for reasonableness (GP % should be in line with average)
- Check percent complete for reasonableness (should be proportionate to job completion on site)
- Verify no percent complete is over 100%. If over 100% change estimated costs.
- Have Project Managers and/or Estimators review the job schedule for accuracy before making the journal entry
- Make journal entry to Costs in Excess and Billings in Excess
- Verify ending balance in the Costs in Excess and Billings in Excess agrees to your job schedule
- Reverse journal entry using the first date of the next month
- Save copy of report

Prepaid schedules

- Roll forward balances and reconciliations

Sales/use tax

- Prepare calculations for each state
- File each state return including zero balance returns
- Update tax tables in accounting software

Division/Department report

- Prepare divisional or other analytical reports for management review

Borrowing Base

- Complete monthly borrowing base calculation

Banking and Bonding relationships

- Prepare necessary financial statements to send to bank and surety. Package should include Balance Sheet, Income Statement  
WIP/Job schedule, A/R Aging, A/P Aging at a minimum.

Reporting

- W-2/W-3 reporting
- 1099 reporting
- State withholding reporting
- State unemployment reporting
- ACA reporting, as necessary
- State apportionment/allocation of income for business return