

QUICKBOOKS ONLINE

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Period-End Tasks and Filing Sales Taxes

Learning Objectives

- Create a trial balance report
- Create adjusting journal entries
- Adjust inventory quantities
- Create financial statements and management reports
- Close the books in QuickBooks Online

Period-End Tasks

- The period end is the last day of the month, quarter or fiscal year
- Account reconciliation is the act of comparing QBO records to banking records for accuracy
- You can reconcile other balance sheet accounts:
 - Clearing accounts
 - Long-term loans
 - Investments
 - Petty cash accounts

Period-End Tasks (cont.)

- Trial Balance report
 - Allows you to see all COA accounts and balances
 - Ensures accuracy in data and transactions
 - Process:
 1. Review
 2. Assess
 3. Adjust
- Adjusting journal entries are created by an accounting professional working on the records

Period-End Tasks (cont.)

- Financial reports
 - **Profit and loss** (income statement) – can help the company budget for the next year
$$\text{Income} - \text{COGS/Operating Expenses} = \text{Net Income or Loss}$$
 - **Balance sheet** – a statement of a business's assets, liabilities and equity
 - **Statement of cash flows** – shows the cash as it moves in and out of the business from its operating, investment and financing activities
- Predesigned management reports can be packaged for presentation to executives, business partners, etc.

Closing the Books

- Close the books in QBO to prevent work being done on a past period



The screenshot shows a settings panel titled 'Close the books' with a help icon. A green toggle switch is turned on. Below the title is a 'Closing date' text label and an empty input field. At the bottom is a dropdown menu with the text 'Allow changes after viewing a warning' and a help icon.

- Usually done at the end of a fiscal year
- QBO warns user if they attempt to modify a closed period

Sales Tax Filing

- You may be required to collect and remit a provincial sales tax (monthly, quarterly or annually)
- You can review, prepare and file in QBO
- You cannot file with the CRA or other tax agency directly from QBO
 - Mark it as filed to close the period
- Adjustments may be needed
 - If so, work with an accounting professional!