QuickBooks Online for Canada: Comprehensive

Academic Year 2022-2023

Chapter 9: Period-End Taxes 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

- Period end
  - Last day of the month, quarter or fiscal year
- Account reconciliation
  - Compare QBO records to banking records for accuracy
  - Can reconcile other balance sheet accounts
    - Clearing, long-term loan, investment and petty cash accounts

Period-End Tasks (cont.)

- Trial Balance report
  - See all COA accounts and balances
  - Confirm accuracy in data and transactions
  - Process:
    1. Review
    2. Assess
    3. Adjust
- Adjusting journal entries
  - Done by accounting professional working on the records

Period-End Tasks (cont.)

- Financial reports
  - Profit and loss (income statement)
    - Income less COGS/operating expenses = net income or loss
    - Can help budget for the next year
  - Balance sheet
    - Statement of the business' assets, liability and equity
  - Statement of cash flows
    - Operating, investment and financing activities

Closing the Books

- You should close the books in QBO to prevent work being done on a past period.

- This is usually done at the end of the fiscal year.
- QBO warns the 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.
  - Work with an accounting professional!