QuickBooks Online for Canada: Comprehensive

Academic Year 2021-2022

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

- The end of a period can be at the end of a month, quarter or fiscal year.
- Account Reconciliation
  - Compare QuickBooks Online records and banking records for accuracy.
  - You can also reconcile many other balance sheet accounts (e.g., clearing accounts, long-term loan accounts, investment accounts and petty cash).

Period-End Tasks (continued)

- Trial Balance Report
  - Allows you to see all Chart of Accounts accounts and their balances.
  - By analyzing this report, you can check for accuracy in your data and transactions (Review→Assess→Adjust).
- Adjusting journal entries are done by the accounting professional working on the records.
- Businesses usually create the following reports:
  - profit and loss (income statement)
  - balance sheet
  - statement of cash flows

Closing the Books

- Closing the books refers to preparing all the necessary reports before closing a fiscal period.

- After you close the books on a fiscal period in QuickBooks Online, you are warned before adding extra entries to that period later.

Sales Tax Filing

- You may be required to collect and remit a provincial sales tax either monthly, quarterly or annually.
- Right now, you can review, prepare and “file” in QuickBooks Online. You cannot file with the CRA or other tax agency directly from QuickBooks Online, but you mark it as filed to close the period.

Sales Tax Filing (continued)

- There are different types of adjustments you may have to deal with when it comes to filing sales tax in QBO (e.g., if the ledger balance doesn’t match the module). Don’t make this type of adjustment without speaking to your accounting professional.