



Year-End Balance Sheet Guide

While the Profit & Loss report shows your performance over the year, the **Balance Sheet** is a snapshot of your business's financial health on the very last day of the year. It captures what you own (**Assets**), what you owe (**Liabilities**), and the **Equity** held in the business.

Important Note: Always consult with the company's accountant before finalising reports.

How to Access the Report

1. Navigate to the **Reports** tab.
2. Select **Ledger Reports** and click **Balance Sheet**.
3. Set the **Date** to the last day of your financial year.
4. Ensure "**Include Sub-Nominals**" is selected to view the specific accounts behind the totals.

1. Bank and Cash Reconciliation

Your Balance Sheet bank balance must match your actual bank statement balance on the closing date.

- **Bank Statements:** Compare your ledger to the physical statement for the final day of the year to ensure they match to the cent.
- **Petty Cash:** Perform a physical count of on-site cash and adjust the ledger to match the "cash in the tin."
- **Credit Cards:** Verify that all business expenses paid with credit cards are entered accurately to ensure the liability is accurate.

2. Fixed Assets & Depreciation

- **Verification:** Ensure that small, day-to-day expenses have not been incorrectly coded as assets.
- **Disposals:** If an asset was sold or scrapped during the year, it must be removed from the Balance Sheet via a journal entry. [The instructions on how to dispose of fixed assets.](#)
- **Depreciation:** Provide the accountant with a clear list of all new purchases so they can determine the correct depreciation journals.

3. Debtors and Creditors (AR/AP)

- **Aged Debtors Review:** Review your **Aged Debtors Report**; if a debt is truly uncollectible, it should be identified as a "Bad Debt" to avoid overstating assets.
- **Supplier Statements:** Reconcile your top supplier balances against their actual statements to ensure no invoices are missing.

4. Stock and Inventory link

Your physical goods must be accurately reflected as a Current Asset.

- **Journal Entries:** Ensure the final stock value has been moved to the Balance Sheet (Nominal 13000) using a journal entry.
- **Physical Count:** The value should be based on a physical count performed on the last day of the financial year.
- **Valuation:** Stock should be valued at the **cost price** per single item.

5. Professional Consultations (Accruals & Taxes)

There are technical areas where a bookkeeper **must** consult with the company's accountant before finalising the books:

- **Year-End Journals:** All final adjustments should be reviewed by the accountant.
- **Accruals & Prepayments:** Discuss these "timing" adjustments to ensure income and expenses hit the correct year.
- **Taxes:** Confirm the **Corporation Tax** provision and ensure VAT, PAYE/PRSI/USC/LPT balances match final returns.
- **VAT on Cash vs. Accrual Basis:** If your business is registered for VAT on a **Cash Receipts basis**, please note that your Trial Balance and other ledger reports will display VAT amounts on an **Accrual basis**. It is normal for these figures to differ from your VAT returns, as this report follows standard accounting rules that record VAT based on the invoice date rather than the payment date.

6. Director's Loan Account

- **Reconciliation:** Verify that all personal funds put into the business, or personal expenses paid by the business, are recorded accurately here.
- **Opening Balances:** Ensure the start-of-year balance matches the closing balance of the previous year's signed accounts.

Year-End Balance Sheet Checklist

Category	Action Item	Checked?
Bank	Reconciled to the bank statement for the final day of the year.	<input type="checkbox"/>
Fixed Assets	New purchases identified and disposals removed via journal.	<input type="checkbox"/>
Stock	Final stock-take value journaled into Current Assets (13000).	<input type="checkbox"/>
Debtors	Aged Debtors reviewed, and bad debts identified.	<input type="checkbox"/>
Adjustments	Accruals and Prepayments discussed and agreed with the accountant.	<input type="checkbox"/>
Tax	Corporation Tax provision confirmed by the accountant.	<input type="checkbox"/>
Director's Loan Account	Reviewed for personal vs. business items and opening balance accuracy.	<input type="checkbox"/>