

Year-end close checklist for New Zealand businesses

Key steps for a smooth financial close.

Financial year-end close is a critical time to review, compile and validate business transactions from the prior fiscal year. It's also a time to celebrate and commend your business for its successes. But that success can be overshadowed by mismatched timelines and stress-inducing reconciliations.

Use this checklist to focus on what matters and make year-end close smoother for your team. As you check off each task, consider how you can improve or automate your processes for next year.



1. Prepare and align early

- Confirm dates:** Start by confirming that all New Zealand entities – and any offshore subsidiaries consolidated into the group – are aligned to a 31 March balance date
- Map deadlines:** Identify all key dates that intersect with the close, including GST, FBT, provisional tax, terminal tax and any audit milestones.
 - ▶ **Note:** These deadlines do not move, so the close plan needs to be built around them rather than squeezed in alongside them.
- Assign ownership:** Make it clear who owns each part of the close, from reconciliations to tax inputs to financial statements.
- Lock internal cut-off dates:** Set and communicate firm deadlines for invoices, expense claims and accrual information by mid-March.
- Review accounting policies:** Confirm that accounting policies still comply with regulations and reflect how transactions have actually been treated during the year, not just how they were intended to be treated.
- Align audit expectations early:** Waiting until the last minute to establish benchmarks gives no time to work efficiently.



Pro tip: Build in time to receive documents and send reminders before the 31 March deadline. Create a specific shared project folder and make timelines and cut-off dates visible to all team members for greater collaboration and clarity.



Year-end close checklist: Key steps for a smooth financial close.

2. Accounts receivable (AR)

- Reconcile the AR subledger:** As of 31 March, make sure customer invoices match the receivables balance. Fix any differences while details are still easy to trace.
 - ▶ **Note:** **AR automation** makes account receivable reconciliation a breeze.
- Follow up on overdue payments:** Send reminders to customers to pay invoices and determine their collectability.
- Confirm revenue cut-off:** Check that revenue earned before 31 March is recorded in this year, regardless of when you issued invoices.
- Revalue foreign currency balances:** Convert foreign currency receivables using the exchange rate at 31 March.



Heads up: Check for large or unusual balances that you may need to confirm directly with customers.

3. Accounts payable (AP)

- Reconcile the AP subledger:** Match accounts between what you owed and what you paid.
 - ▶ **Note:** **AP automation solutions** make this easy at year-end close.
- Accrue unbilled expenses:** Record cost for goods or services received before the end of the year, even if supplier invoices have not yet arrived.
- Lock expense submission deadlines:** Enforce clear deadlines for employee expenses and approvals.
- Review supplier balances:** Check supplier balances for items that may indicate missing invoices, duplicate postings or errors.
- Check GST treatment:** Confirm GST has only been claimed where valid tax invoices exist and in the correct period.



Pro tip: Communicate expense submission deadlines far in advance to avoid delays in AP processing.

4. Accruals, prepayments and provisions

- Accrue known costs:** Record expenses for work done or goods received before 31 March where the invoice has not yet arrived.
- Adjust prepayments:** Move expenses already paid, such as rent, insurance or software, into the correct period.



Year-end close checklist: Key steps for a smooth financial close.

- Recognize provisions:** Set aside a cost at year end when you expect to have to pay for something later and can estimate the amount.
- Document key assumptions:** Record how material amounts were calculated so they can be clearly explained during review or sign-off.



Remember: Make sure similar costs are treated the same way each year and that accruals, prepayments and provisions are not used interchangeably.

5. Payroll, PAYE and employee-related items

- Reconcile payroll to the general ledger:** Confirm payroll reports agree to the general ledger.
- Confirm balances:** Verify PAYE, KiwiSaver and student loan deductions.
- Review leave liabilities:** Check that holiday pay and leave provisions are accurate, supported and consistent with employment agreements.
- Check payroll cut-off:** Ensure March payroll has been recorded in the correct financial period, particularly where pay cycles straddle month end.
- Identify FBT benefits:** Identify any benefits subject to FBT and capture them correctly in tax calculations and disclosures.

6. GST and indirect tax

- Reconcile GST control accounts:** Ensure GST control accounts reconcile to IRD filings and underlying transaction detail, with differences explained.
- Review GST classifications:** Confirm supplies classifications as standard-rated, zero-rated or exempt across entities.
- Identify mixed-use asset adjustments:** Apply required GST adjustments for assets used partly for taxable and non-taxable purposes.
- Align GST timing with the close:** Ensure GST reporting aligns with revenue recognition and financial close timing to avoid inconsistencies.
- Prepare support for non-standard positions:** Document the rationale for any unusual GST treatments.



Heads up: Tax regulations change frequently – stay updated with IRD changes and new tax bills.



Year-end close checklist: Key steps for a smooth financial close.

7. Fixed assets and leases

- Review the asset register:** Make sure it reflects all asset additions, disposals and transfers.
- Record depreciation:** Calculate and post depreciation with approved policies.
- Assess impairment indicators:** Review assets for indicators of impairment and adjust carrying values where required.
- Review leases:** Make sure all leases are recorded correctly and updated.
- Check useful lives:** Confirm assets are still being depreciated over realistic timeframes.

8. Inventory (if applicable)

- Validate cut-off:** Confirm goods in transit and consignment stock are recorded in the correct period.
- Perform inventory counts:** Conduct physical or cycle counts near year-end, depending on company policy.
- Reconcile inventory balances:** Ensure inventory records reconcile to the general ledger.
- Identify obsolete stock:** Write down slow-moving or obsolete inventory to net realisable value.
- Review assumptions:** Check costing methods and assumptions are applied consistently.

9. Income tax and provisional tax

- Gather tax information:** Collect all information needed for tax calculations, including GST returns, PAYE records, FBT data and provisional tax payments.
- Income tax provisions:** Estimate the company's income tax for the year and record the liability based on year-end results.
- Provisional tax position:** Compare provisional tax paid during the year to expected tax and identify any shortfall or overpayment.
- GST positions:** Review year-end GST balances and ensure they align with filed or upcoming GST returns.
- FBT obligations:** Confirm all fringe benefits have been identified and included in FBT calculations, where applicable.
- Coordinate with tax advisors, if needed:** Share draft numbers with tax advisors early to resolve issues before filing deadlines.



Year-end close checklist: Key steps for a smooth financial close.

10. Financial statements and disclosures

- Prepare draft financial statements:** Compile financial statements in line with applicable NZ reporting standards.
- Review accuracy and consistency:** Check internal consistency and alignment with supporting records.
- Prepare supporting schedules:** Ensure all material balances are supported by clear schedules and explanations.
- Draft disclosures:** Complete accounting policies and note disclosures with sufficient detail.
- Review comparatives:** Validate prior-year figures and clearly document any restatements.



Pro tip: Keep disclosure documents clear and concise for non-finance stakeholders to better understand them.

11. Audit preparation (if applicable)

- Prepare the audit file:** Assemble reconciliations, schedules and supporting documentation in a structured format.
- Confirm audit timelines:** Agree on dates and deliverables with auditors before year end.
- Address prior-year findings:** Ensure issues raised previously have been resolved or clearly addressed.
- Document key judgments:** Clearly explain significant estimates and decisions to reduce follow-up questions.
- Assign query owners:** Nominate owners for audit queries so responses are timely and consistent.

12. Final close and lock

- Post final journals:** Complete and approve all remaining adjustments.
- Perform a final review:** Conduct a full review of the financial statements.
- Get approvals:** Secure management or director approval as required.
- Lock the period:** Restrict further changes once sign-off is obtained.
- Archive documentation:** Retain all records in line with IRD and Companies Act requirements.



Year-end close checklist: Key steps for a smooth financial close.

Next-year preparation checklist

Though you've closed the books, it's not the end of your work yet. Immediately after close is the time to review your processes and find bottlenecks to clear for next year. Take this checklist and use it to review your year-end close workflow to identify possible improvements.

1. Post-close review

- Debrief:** Meet with the finance team while the close is still fresh and discuss what caused delays, rework or last-minute adjustments.
- Review close steps:** Walk through each close step and note where approvals, data handoffs or dependencies outside finance slowed things down.
- Review major expenses:** Review large or unusual costs from the year and confirm they were expected, accurate and explained.
- Evaluate IPO readiness:** If growth plans include fundraising or an exit, assess whether close timelines, documentation and controls would hold up under heavier scrutiny.
- Celebrate wins:** Acknowledge what improved compared to last year so good habits aren't lost.

2. Assess your tech

- ERP:** Check whether your ERP provided clear, reliable balances and approval visibility, or whether spreadsheets and manual workarounds filled the gaps. Does your **ERP integrate with other systems** or do you have to move data in and out of spreadsheets and inboxes?
- Data reporting:** How easily did you produce GST, payroll, tax and management reports without manual fixes or rework?
- Reconciliation and recognition:** Review whether reconciliations and timing of revenue and expenses were handled cleanly, without last-minute fixes.

3. Improve processes with automation

- Identify manual pain points:** List close tasks that required repeated follow-ups, manual matching or spreadsheet work. Research how you can automate manual processes to make year-end close smoother and feel more confident in your numbers.
- Prioritise recurring issues:** If year-end and month-end feel like a headache every time, focus on those month-end processes that take up the most time. Even minor manual fixes each month can cascade into larger problems at year-end.
- Plan changes early:** Define improvements and automation needs before next close cycle begins, not during it.



Finance without friction. NetSuite elevated.

Zone is the financial operations platform used by 4,000+ NetSuite customers. Our billing, AP automation, reporting and payroll solutions are embedded inside of NetSuite — so you have no integrations, no sync errors and no limits to your growth.