NEWLY INCORPORATED

Getting Started Guide

You have your incorporation certificate. The next step is putting the financial foundation in place so your corporation starts with clean records, clear separation, and a bookkeeping system that can grow with the business.

Start here.

These four areas are the core financial setup decisions to address early. They are not the only requirements a new corporation may have, but getting them right makes the bookkeeping much easier from day one.

01 Open a business bank account

Keep corporate money separate from personal money from the beginning. Deposit business income into the corporate account and pay business expenses from the corporation whenever possible.

Mixing personal and corporate funds makes reconciliations harder and can create confusion around shareholder transactions. A separate business bank account gives you a clean starting point and makes it much easier to see what belongs to the corporation.

GOOD HABIT Use the corporate bank account and business credit card consistently. If you do pay a business expense personally, keep the receipt and make sure it is recorded properly in the books.

02 Set up the CRA program accounts you need

Your corporation will have a CRA business number, but the program accounts attached to it depend on what the business actually needs.

GST/HST registration may be required once the business exceeds the small-supplier threshold, and some businesses choose to register earlier. If the corporation will pay salary to you or employees, it will also need a payroll program account before payroll remittances begin.

> **IMPORTANT** Registration timing and tax obligations depend on your circumstances. Confirm the current CRA requirements before registering or filing.

03 Set up a bookkeeping system

Choose a bookkeeping system before transactions begin piling up. Cloud accounting software connected to the business bank and credit-card accounts can make ongoing bookkeeping much easier, but the software is only part of the setup.

The chart of accounts should reflect how the business operates, and you need a consistent process for invoices, bills, receipts, bank reconciliations, GST/HST, payroll, and supporting documents.

> **KEEP IT SIMPLE** A clean, well-organized chart of accounts is more useful than a long list of categories. Build the structure around the information you actually need to understand the business.

04 Choose your fiscal year-end deliberately

A corporation can generally choose its fiscal year-end within its first tax year rather than automatically using December 31. That date becomes important because it drives the corporation's annual accounting and tax cycle.

Think about the natural rhythm of the business, when your busy and quiet periods occur, and when you want to prepare year-end information. Your accountant can help you decide which year-end makes sense for your circumstances.

> **BEFORE DECIDING** The fiscal year-end affects future filing and payment timelines. Confirm the choice with your accountant so you understand the implications before the first corporate tax return is filed.

A simple setup checklist

Once the four foundations are in place, use this checklist to make sure the day-to-day financial setup is organized.

AREA	WHAT TO HAVE IN PLACE
Banking	Business chequing account opened; business credit card or payment method established; personal and corporate spending kept separate.
CRA	Business number confirmed; required GST/HST and payroll program accounts reviewed and set up when applicable.
Bookkeeping	Accounting software selected; bank feeds connected; chart of accounts reviewed; opening transactions recorded correctly.
Documents	A consistent place established for receipts, supplier bills, customer invoices, bank statements, loan documents, and other financial records.
Invoicing	Invoice format created with business information, payment terms, and GST/HST information when applicable.
Payroll	Payroll process established before salary is paid; employee information and remittance requirements organized.
Year-end	Fiscal year-end selected; accountant/bookkeeper informed; year-end responsibilities and timing understood.

Not sure whether everything was set up correctly?

A Diagnostic Review takes a closer look at the books you already have and identifies what is accurate, what needs attention, and what should be addressed before ongoing bookkeeping begins.