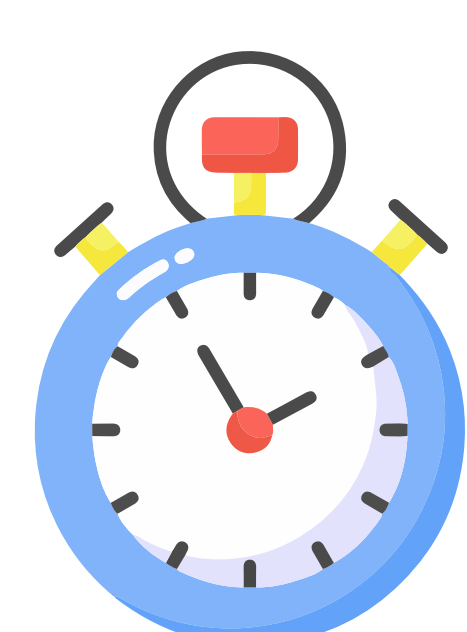


# 2023 Year-End Financial Checklist for Law Firms



You can't have a fresh start to 2024 without making sure you clean up at the end of 2023.

Chances are your firm follows these practices throughout the year, and not just to wrap up, but review this checklist to ensure you cover the critical activities to keep your firm's financials healthy as you look forward to 2024.



## Review timekeeping entries

- Go through your firm's time entries to ensure they are accurate and complete.
- Verify that all timekeepers have recorded billable hours.
- Correct any errors or omissions in time entries.



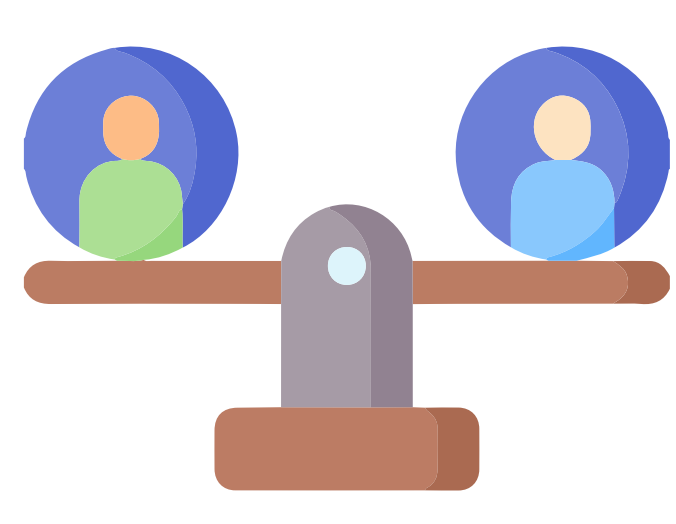
## Generate final invoices

- Generate and review invoices for all completed work.
- Ensure invoices are accurate and include all billable time and expenses.
- Set up invoice templates with the necessary year-end details.



## Track all expenses

- Review and categorize all expenses in your billing software.
- Conduct an audit to ensure expenses are appropriately allocated to clients or matters.



## Take care of unpaid client balances

- Review outstanding client balances.
- Follow up on overdue invoices and collections.



## Conduct your trust accounting due diligence

- Verify trust account transactions for accuracy.
- Ensure that you have reconciled and updated trust balances.



## Create yearly financial reports

- Generate year-end financial reports, such as profit and loss (P&L) and balance sheet.
- Analyze your firm's financial performance throughout the year.
- Pull the previous year's reports to compare year over year and to provide your firm a solid basis for projections.



## Prepare for upcoming tax season

- Export financial data and reports for tax purposes.
- Make sure you have organized all relevant tax documents and prepared all needed information for your accountant.



## Carry out a compliance check

- Ensure compliance with local, state, and federal tax regulations.
- Confirm that your firm followed all trust accounting rules and regulations and won't be surprised by non-compliance violations or consequences.



## Backup your firm's data and create a secure archive

- Create a backup of relevant financial data and reporting to prevent data loss.
- Archive important financial documents, such as invoices, receipts, and reports in a secure location.
- Familiarize yourself with record retention requirements in your jurisdiction and archive or dispose of records accordingly.



## Reconcile your records

- Reconcile your records with your bank statements and financial records.



## Make year-end adjustments and communicate them to clients

- Make any necessary year-end adjustments to your accounts.
- Review and update billing rates, if applicable.
- Inform clients of any changes in billing rates or policies for the next year.



## Plan your 2024 budget and goals

- Use your reported financial data to plan your budget for the upcoming year.
- Set financial goals and objectives for the upcoming year using insights gained from your year-end review.



## Seek out training and support

- If necessary, schedule training sessions with [TimeSolv](#) support to learn about any new features or updates that can streamline your financial processes.

By following this year-end financial checklist with [TimeSolv](#), you can ensure that your financial records are accurate, compliant, and ready for the coming year—and your firm is, too.