



THE FREE GUIDE

The Leaky Bucket Report

50 hidden ways messy books are costing your business money — and how to fix every one.

INTRODUCTION

Why your books might be costing you more than you think

Running a business is hard enough — but disorganized, outdated, or incomplete bookkeeping quietly drains your profits in ways you might not notice until it's too late.

Every unreconciled account, missed receipt, or unchecked report is a leak. And leaks add up. The good news? **Every single one of them is fixable.**

This guide breaks down 50 of the most common financial leaks we see in Canadian small business books — organized into five categories — along with a practical tip to start plugging each one.

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01 Lost Tax Deductions

Incomplete records cost you more at tax time than you realize.

- ◆ Missing receipts for deductible expenses.
- ◆ Poor expense categorization hides legitimate write-offs.
- ◆ Mixing personal and business expenses blurs what's claimable.
- ◆ Forgetting mileage or home office deductions.
- ◆ Ignoring small cash purchases that add up over the year.
- ◆ Omitting or double-entering expenses due to a bookkeeping backlog.
- ◆ Not recording Capital Cost Allowance (CCA) on eligible assets.
- ◆ Losing digital receipts buried in email inboxes or paper piles.
- ◆ Claiming ineligible expenses that trigger a CRA review or audit.
- ◆ Missing GST/HST Input Tax Credits (ITCs) you're entitled to claim.

FIX THIS BY

Use a digital receipt app like Hubdoc and review expense categories monthly — don't wait until year-end.

02 Wasted Time & Productivity

Disorganized books eat hours you could spend growing your business.

- ◆ Searching for missing invoices or receipts across email, paper, and apps.
- ◆ Manually re-entering data that QBO bank feeds could automate.
- ◆ Delayed invoicing because billing processes aren't documented.
- ◆ Constant back-and-forth with your accountant to explain transactions.
- ◆ A cluttered Chart of Accounts causing duplicate or miscoded entries.
- ◆ Using multiple apps that don't sync, creating double work.
- ◆ Scrambling for bank statements and records at year-end.
- ◆ Paying for a full bookkeeping cleanup after months of neglect.
- ◆ Missing payroll remittance deadlines due to disorganized records.
- ◆ Overpaying your accountant for time spent fixing preventable errors.

FIX THIS BY

Set up recurring monthly bookkeeping tasks and connect your QBO bank feeds — automation saves hours every month.

03 Missed Revenue & Cash Flow

Sloppy books hide money you're owed — and money you're wasting.

- ◆ Forgetting to send invoices after completing work.
- ◆ Not following up on overdue accounts receivable.
- ◆ Leaving recurring unpaid invoices sitting unnoticed.
- ◆ No real-time cash flow visibility to plan ahead with confidence.
- ◆ Paying the same vendor twice due to duplicate bills.
- ◆ Not billing clients for reimbursable expenses.
- ◆ Undercharging because your pricing data or records are outdated.
- ◆ Delayed deposits or payments not recorded in your books.
- ◆ Failing to monitor when client prepaid retainers run out.
- ◆ Losing track of e-transfer payments or missing payment links.

FIX THIS BY

Review your Accounts Receivable report weekly and set up automated follow-up reminders for overdue invoices in QBO.

04 CRA & Compliance Risks

Messy books are a fast track to CRA penalties, interest, and stress.

- ◆ Late GST/HST filing leading to interest charges and CRA penalties.
- ◆ Incorrect or missed payroll remittances (CPP, EI, source deductions).
- ◆ Filing a corporate or personal return with incomplete or inaccurate data.
- ◆ Missing supporting documents during a CRA review or audit.
- ◆ Recording owner's draws or dividends incorrectly.
- ◆ Misclassifying workers — employees vs. independent contractors.
- ◆ Using personal accounts for business spending, making records unauditible.
- ◆ Forgetting to remit GST/HST collected from customers.
- ◆ Missing T4, T4A, or corporate return deadlines.
- ◆ Overpaying taxes because income was overstated from data-entry errors.

FIX THIS BY

Keep your books current every month and store all records digitally for at least 7 years — CRA can audit any period.

05 Financial Blind Spots

Without accurate numbers, every business decision is just a guess.

- ◆ Not knowing which services or products are actually profitable.
- ◆ Missing rising expenses or supplier price increases until margins shrink.
- ◆ Making growth decisions based on outdated or incorrect financial data.
- ◆ Ignoring warning trends like shrinking margins or seasonal cash shortages.
- ◆ No cash flow forecast to prepare for slow months or unexpected expenses.
- ◆ Overspending because your bank balance looks higher than it really is.
- ◆ Missing fraudulent charges or duplicate transactions in your bank feeds.
- ◆ No monthly financial reports — no accountability, no insight, no strategy.
- ◆ Paying for software subscriptions or services you no longer use.
- ◆ Losing lender or investor confidence because your financials are messy.

FIX THIS BY

Review your P&L, Balance Sheet, and cash flow monthly. Schedule a quarterly check-in with your bookkeeper to stay in control.

READY TO TAKE THE NEXT STEP?

Want to Know Where Your Books Stand?

A **Diagnostic Review** is the first step for new clients at Golden Star Bookkeeping.

We review your current books to understand what's working, what may need attention, and what should happen next.

You'll receive a clear **Report of Findings** with our observations, recommendations, and prioritized next steps.

[Get Started →](#)

Get started to see if Golden Star Bookkeeping is the right fit for your business.

★ GOLDEN STAR BOOKKEEPING INC.

A Vancouver-based bookkeeping firm helping Canadian small businesses keep accurate, organized, and stress-free books — monthly bookkeeping, diagnostic reviews, cleanup engagements, GST/HST filing, and financial reporting, all built around QuickBooks Online.

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