

# The Heard Monthly Financial Planning Checklist

Heard

When it comes to doing your own accounting for your therapy practice, consistency is key. Complete these steps each month to stay on top of your finances and set yourself up for success.

- Categorize outstanding revenue**  
If there are revenue transactions from the prior month that haven't been categorized (with reference to your chart of accounts), now is the time to tackle them.
- Categorize outstanding expenses**  
If there are expense transactions from the prior month that haven't been categorized (with reference to your chart of accounts), categorize them now.
- Prepare a profit and loss (P&L) statement**  
Your P&L tells you how much your business earned and spent over the course of the month.
- Prepare an up-to-date balance sheet**  
The balance sheet tells you your assets, liabilities, and equity.
- Prepare a cash flow statement (accrual accounting only)**  
When you create a cash flow statement, you adjust your other financial reports to tell you how much cash you have on hand to work with.
- Reconcile bank accounts**  
This guarantees the assets, liabilities, and equity recorded on the books match up with reality.
- File away receipts and payment records**  
Store and categorize all physical and digital documents you need to support deductible expenses.
- Deposit tax withholdings (for employers only)**  
If you withhold taxes from employee paychecks, you're required to deposit them on a semi-weekly or monthly basis.
- Pay estimated quarterly taxes (if due)**  
If you owe quarterly taxes this month, be sure to file them before the due date.
- Update your budget**  
Update your monthly or quarterly budget, comparing your revenue and expenses for the month with the amounts you projected.

## Helpful resources

### **Categorizing transactions**

[The Complete Chart of Accounts for Therapists](#)

### **P&Ls**

[How to Read a Profit and Loss Statement for Your Therapy Practice \(with Example\)](#)

### **Balance sheets**

[How to Read a Balance Sheet for Your Therapy Practice](#)

### **Cash flow statements**

[How to Manage Cash Flow in Your Private Practice](#)

### **Record keeping**

[How to Track Expenses for Your Therapy Practice](#)

### **Quarterly taxes**

[What to Do if You Miss a Quarterly Tax Deadline for Your Therapy Practice](#)

### **Budgeting**

[How to Build a Budget for Your Therapy Practice](#)

### **Taxes**

[The Complete Tax Season Guide for Therapists](#)

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