Masonry Contractor Accounting Checklist

Gondaliya CPA Professional Corporation | Year end 2026 | Incorporated masonry contractors

Holdbacks and revenue recognition

- [ ] Holdback schedule kept by project, not one balance
- [ ] Substantial performance dates and lien period expiry recorded
- [ ] Holdback receivable tracked apart from ordinary receivables
- [ ] Holdback payable to subcontractors tracked on the same basis
- [ ] Revenue method chosen: percentage-of-completion or completed contract
- [ ] Method applied consistently and documented
- [ ] Deposits received in advance carried as liabilities until earned
- [ ] Change orders priced and recorded as the contract value moves
- [ ] Cut-off discipline applied so income lands in the right period

Job costing and work in progress

- [ ] Cost centres set up for labour, materials and overheads
- [ ] Labour hours tracked by unit installed
- [ ] Scaffolding time charged to the job, not to overhead
- [ ] Breakage and waste accounted for accurately
- [ ] Equipment usage and depreciation allocated per project
- [ ] Subcontractor fees allocated to the right contract
- [ ] Supplier rebates documented separately
- [ ] Work in progress valued at fiscal year end
- [ ] Brick and material inventory counted at year end
- [ ] Warranty and callback provisions considered

Equipment and capital cost allowance

- [ ] Asset register lists scaffolding, mixers, saws and vehicles
- [ ] Scaffolding and equipment recorded in Class 8 at 20%
- [ ] Trucks and trailers recorded in Class 10 at 30%
- [ ] Half-year rule applied to first-year additions
- [ ] Available-for-use date confirmed before claiming
- [ ] Recapture recognised on disposals above undepreciated cost
- [ ] Terminal loss claimed where a disposal falls below it
- [ ] Lease payments deducted where the asset is not owned
- [ ] Rental fees expensed and charged to the job

Payroll, crews and apprentices

- [ ] Each worker tested against the employee and subcontractor factors
- [ ] Source deductions calculated for CPP, EI and income tax
- [ ] Remittances made on time for your remitter type
- [ ] T4 and T4A slips prepared and filed on time
- [ ] T5018 filed for subcontractor payments over $500
- [ ] T5018 filed six months after your reporting period ends
- [ ] Workers' compensation premiums remitted on payroll totals
- [ ] Apprentice wage rates and credits reviewed
- [ ] Safety clothing and small tools tracked within CRA limits

GST/HST and compliance

- [ ] Registered once revenue passed the Excise Tax Act threshold
- [ ] Supply-and-install treated separately from labour-only work
- [ ] Place of supply determined for out-of-province billing
- [ ] Mixed activity transactions split into taxable and exempt parts
- [ ] Documentary requirements met for every input tax credit claim
- [ ] Supplier statements reconciled monthly at close
- [ ] Meals and entertainment limited to 50%
- [ ] T2 filed within six months of the fiscal year end
- [ ] Compilation report prepared under CSRS 4200 for lenders
- [ ] Six years of records retained, including payroll records
- [ ] Winter shutdown and line-of-credit costs budgeted

Bring three things to your free consultation

1. Your holdback schedule, or the project list it can be built from
2. A sample of subcontractor invoices
3. Your last filed corporate return

Educational information only, not tax or legal advice. Reflects CRA rules current to 2026.
Outcomes depend on your own facts. Please consult a licensed CPA before acting.