



**CPB**  
CANADA

CERTIFIED  
PROFESSIONAL  
BOOKKEEPERS  
OF CANADA

# **INDIVIDUAL BOOKKEEPING COMPETENCIES CHECKLIST**

## **The National Standard in Bookkeeping**

Whether you're a seasoned professional or just starting your journey, this checklist is your pathway to excellence.

The Bookkeeping Competencies Checklist is a comprehensive tool that outlines the essential knowledge areas every bookkeeper should master. Whether you're aiming to achieve recognition through the CPB designation or simply want to expand your skill set, this checklist provides a clear roadmap for your professional development.



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# BOOKKEEPING COMPETENCIES CHECKLIST

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## With CPB Canada's Bookkeeping Competencies Checklist, you'll benefit from the following:

**Clarity:** Gain a thorough understanding of the core competencies and areas of expertise critical for success in bookkeeping.

**Focus:** Stay on track of your learning journey.

**Professional Growth:** Demonstrating a solid understanding of the bookkeeping competencies outlined in the checklist sets you apart in the industry.

The checklist serves as a reference guide, assisting you in meeting CPB Canada's national knowledge standard.

The checklist allows you to identify your knowledge level and identify any areas where you may need additional development.

Members on CPB Canada's Certification Pathway showcase their dedication to professional growth, positioning them as trusted and reliable experts in the field.

Whether you're a beginner, intermediate or advanced-level bookkeeper, CPB Canada provides a pathway for continued growth.

By strengthening these competencies and demonstrating achievements along the way, you'll become a trusted and sought-after bookkeeping professional through CPB Canada's milestone recognition.

## Join CPB Canada and take your career to new heights!

### How to use the checklist

1. Familiarize yourself with CPB Canada's pathway (knowledge) levels:
  - **Apprentice** – Beginner knowledge equivalent to one year of experience
  - **Technician** – Intermediate knowledge equivalent to two years of experience
  - **CPB** – Advanced knowledge equivalent to three or more years of experience
2. Compare your knowledge and skills with the expectations outlined in the checklist. Evaluate each item to determine if you possess the required knowledge outlined.
3. As you go through the checklist, mark the items where you feel confident you have the necessary knowledge or skills and identify areas you feel need improvement or development. The score at the bottom of each knowledge level sheet is a helpful tool.
4. Develop a learning plan to address any gaps in knowledge. Support can be found through CPB Canada's **Education Partners**, self-instruction or by working with a mentor.
5. Visit our **"How it works"** section and start your journey toward the CPB designation.

## APPRENTICE

### GENERAL BOOKKEEPING

- ☐ Definition of bookkeeping and the order of the bookkeeping process
- ☐ Chart of accounts – definition and categories, as well as:
  - assets (definition, purpose, normal balance, current vs. capital)
  - liabilities (definition, purpose, normal balance, short-term vs. long-term)
  - equity (definition, purpose, normal balance)
  - revenue (definition, purpose, normal balance)
  - expenses (definition, purpose, normal balance, grouping (COGS vs. payroll vs. general and admin))
  - contra accounts and control accounts (definitions, comprehension)
- ☐ Determining financial vs. non-financial transactions
- ☐ Terms of a sale (definition, types, i.e., 2% 10, Net 30, COD.)
- ☐ Source documents (definition, purpose)
- ☐ T-accounts (definition, purpose)
- ☐ General ledger records (definition, purpose)

### SALES TAXES

- ☐ GST/HST basics (definitions, separation vs. inclusion in transaction totals)
- ☐ GST/HST (understanding of GST/HST remittances)

### A/R & A/P

- ☐ Recording transactions in sub-ledgers (accounts payable and accounts receivable)
- ☐ Subledger records (A/P and A/R – definition, purpose)
- ☐ Credit limits (definition, basic comprehension)
- ☐ Accounts payable: purchase orders, invoices, and payments (definitions where applicable, understanding of each type of transaction and its purpose, recording of each transaction type)
- ☐ Accounts receivable: estimates, invoices, and receipts (definition where applicable, understanding of each type of transaction and its purpose, recording of each transaction type)
- ☐ Accounts payable & accounts receivable (refunds and credits, definition, and processing)
- ☐ Gift cards/gift certificates (definition, basic understanding of process)

### PERIOD END

- ☐ Trial balance report (definition, purpose, process to create)
- ☐ Control accounts (definition, purpose, effect of subledger postings)
- ☐ Bank reconciliations (purpose, processing of basic bank reconciliations, knowledge re: inability to reconcile)
- ☐ Month-end closing concepts (including bank reconciliation reporting, entering of prepaid expenses)
- ☐ Balance sheet (definition, purpose, process to create)
- ☐ Income statement (definition, purpose, process to create)

### INVENTORY

- ☐ Inventory basics:
  - definitions of inventory methods
  - effects of buying and selling on the chart of accounts
  - basic transaction processing for buying and selling inventory items
  - understanding of back-orders
  - adjustment entries resulting from an inventory count or a customer return

### PAYROLL

- ☐ Payroll basics:
  - definition of basic payroll terms
  - basic payroll processing (EI, CPP and tax deductions, vacation pay calculations/handling)
- ☐ Payroll remittances (understanding of payroll remittances and thresholds)

### Competencies Met

**Total :**

**/25**



## TECHNICIAN

*All Apprentice level knowledge, plus this page*

### GENERAL BOOKKEEPING

- ☐ Credit card reconciliations (purpose, processing, troubleshoot reconciliation differences)
- ☐ Owner's accounts (personal credit card expenses, impact of transactions on owner's accounts)
- ☐ Petty cash reconciliations (purpose, replenishing of funds, processing entries, troubleshoot reconciliation differences)
- ☐ Due to/from accounts: inter-company relationships (purpose, processing transactions)
- ☐ Accurately set up a new company's basic set of books in a software program

### SALES TAXES

- ☐ GST/HST (importance of filing procedures and deadlines, comprehension of remittance forms, quick method of filing)

### A/R & A/P

- ☐ Vendor/customer accounts (reconciliations and verification of statements)
- ☐ Foreign currency (definition, purpose, basic understanding of exchange rates)
- ☐ Gift cards (handling customer returns of an item)

### PERIOD END

- ☐ Adjustment of prepaid expenses to expenses (purpose, processing)
- ☐ Loans and lines of credit (current vs. long-term accounts)
- ☐ Produce a balance sheet and income statement, spot oddities and know who to speak to about them
- ☐ Month-end (knowledge of tasks involved and able to carry them out)
- ☐ Year-ends:
  - knowledge of tasks involved
  - communicate with the accountant re: their requirements
  - prepare a preliminary year-end set of books for a supervisor or accountant, including explanations where needed and queries of items needing attention
  - posting of accountant's year-end adjusting entries (to be reviewed by supervisor or accountant)
  - comprehension of effects of accountant's year-end adjusting entries on subledgers



### INVENTORY

- ☐ Inventory (assist with inventory discrepancies, processing transactions for adjustments)

### PAYROLL

- ☐ Payroll (processing transactions that include taxable benefits, group benefits, statutory holiday pay and garnishees)
- ☐ Payroll remittances for thresholds 1 & 2 (definition and knowledge, processing)
- ☐ Payroll year-end: T4's and T4 summary (definition, processing, identifying discrepancies)
- ☐ Employee's out-of-pocket expenses (understanding of requirements, processing of transactions)

### Competencies Met

**Total :**

**/19**



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Advanced level knowledge with a minimum of three years of work experience.

Members who pass the CPB exam receive the CPB designation and are awarded the CPB digital credential and Certified Professional Bookkeeper certificate.



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*Apprentice and Technician level knowledge, plus this page*

## GENERAL BOOKKEEPING

- ☐ Prepaid expense transactions
- ☐ Loans and lines of credit (current and long-term reconciliations)
- ☐ Credit card usage (aware of costs to the company, advise on improved processes or options)
- ☐ Owner's accounts (reconcile and troubleshoot reconciliation differences, advise, and educate company owners on management, adverse effects of their actions on these accounts to include sole proprietorships, partnerships and corporations)
- ☐ 3rd party software reconciliations (reconcile general ledger accounts to 3rd party software - i.e., point-of-sale software, inventory management software, etc.)
- ☐ Business processes (identify efficiency improvements for a customer's company, recommend changes and assist in the implementation of changes)
- ☐ Due to/from accounts: inter-company relationships (reconciling)
- ☐ Ratios (basic/typical, what they are used for)
- ☐ Definitions of basic key performance indicators (KPIs). i.e., A/R, A/P, gross margin, etc.
- ☐ Accurately set up a new or existing company's complete set of books in a software program or modify/revise a set of books for an existing company where necessary

## SALES TAXES

- ☐ GST/HST/PST (awareness of customer claims and their filing requirements, filing amendments, reconcile against federal and provincial governing accounts)

## A/R & A/P

- ☐ Foreign currency (re-value transactions, report balances to accommodate exchange rates)

## PERIOD END

- ☐ Produce a set of financial statements, spot oddities, know who to speak to about them when necessary, perform corrections
- ☐ Month-end (create month-end processes where nonexistent and recommend best practices)
- ☐ Audits from governing bodies – obtain online access when applicable / identify discrepancies / perform corrections
- ☐ Year-ends:
  - create year-end processes where nonexistent
  - recommend best practices
  - prepare a draft year-end set of books for an accountant with notes
  - process bad debts
  - post accountant's year-end adjusting entries unsupervised
  - balance company books to accountant's set
  - identify adverse effects on subledgers
  - communicate with the accountant regarding any discrepancies
  - review year-end books with the customer (before or after accountant's Y/E adjusting entries)
  - produce full-cycle bookkeeping reports based on customer/accountant/CRA requirements

## INVENTORY

- ☐ Inventory (identify discrepancies and possible causes, process correcting entries)

## PAYROLL

- ☐ Payroll (process varying levels of payroll with multiple requirements for all thresholds and remittances, including reconciliations to CRA balances)
- ☐ Payroll year-end: T4's/T4 summary (processing of both, correct discrepancies)
- ☐ T4A and T5018 reporting (definitions, purpose, processing, correct discrepancies)
- ☐ Workers' compensation groups (information required for filing, deadlines, preparing remittances, handling refunds)

## Competencies Met

**Total :**

**/21**

**Grand Total:**

**/65**



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