

COMPLETE MONTHLY CLOSE CHECKLIST

- ADJUSTMENTS
- INTEGRATION
- RECONCILE
- REVIEW
- PAYROLL
- REPORTS
- BACKUP

A CHECKLIST FOR CLOSING YOUR
COMPANY/CLIENT'S MONTHLY BOOKS



STEP 1 ADJUSTMENTS



Automatic payments

(bank drafts and adjustments)



Transactions Not Entered Yet

These might include invoices, bills, sales commissions, and royalties.



Transactions Entered or Coded Incorrectly

These might include invoices, bills, sales, and payroll.



Infrequent Transactions

These might include returns, voided, corrected or reissued paychecks, tax payments, vendor refunds, etc.



Inventory Adjustments



Job Adjustments or Allocations



Payroll Adjustments



Adjustments for Taxes

These might include sales tax, payroll taxes, franchise taxes, etc.



Fixed Assets

Depreciation entries need to be adjusted for.



Loan Payments

Allocate interest and principle.



Aged Accounts Receivable

Search for any Accounts Receivable that needs to be written off as an uncollectible.



Accruals



Any Questions Client Might Ask

A client might bring up something that would lead to a journal entry.



STEP 2 INTEGRATION



Revenue & Cost of Goods Sold

This might also be referred to as the inventory entry.



Payroll

Here, you may have several weekly entries to post.



Job Costing



Suggest change to Intuit systems

These might include sales tax, payroll taxes, franchise taxes, etc.



STEP 3 RECONCILE



Bank Statement Additions & Corrections

These cash accounts may be sourced on a website, such as Paypal.



Loans



Petty Cash



Inventory



Accounts Receivable



Fixed Assets



Credit Card Statements



Any Other Asset or Liability Accounts



Equity Accounts



STEP 4 REVIEW

General Ledger Coding Consistency

Is the transaction coded completely and to the right account?

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If job is used, is it complete for all transactions?

Is the backup documentation in order?

Are authorizations complete?

Do the transactions look reasonable?



STEP 5 PAYROLL

- Is documentation for new hires complete?
- Is the hourly rate or salary amount correct?
- Are hours accurate for hourly employees?
- Is overtime paid at the agreed-upon rate?
- Are deductions taken?
- Are taxes figured correctly?
- Are payroll deposits made on time?
- Are there any court orders that need to be followed?
- Is tax taken out of bonus checks?
- Are there any checks that are paid directly to employees?
- Are employee loans accounted for and collected?
- Are payroll reports filed timely?
Quarterly?
- Are state unemployment payments and reports handled accurately?
- Are there any cash payroll transactions?
These are found illegal in many states.
Is it legal in your state?
- Are all transactions booked correctly?
- If payroll is charged to classes or jobs, are classes/jobs charged appropriately?



STEP 6 REPORTS

- Monthly Profit & Loss
- Sales Reports
- Balance Sheet as of Month End
- Aged Accounts Receivable
- Reports By Job Or Class
- Budget vs. Actual Reports (if applicable)
- Any Memorized Report That is Routine For The Client
- Generate Task List From Report Analysis
- General Ledger
- Missing Checks Report
- Voided Or Deleted Transactions
- Audit Trail
- Payroll Reports
- Vendor Reports
- Ledgers From Any Accounts That Need Special Review



STEP 7 BACKUP

- Make Backups
- New Backup System Needed?