

Month-end close checklist

1. Prepare for closing

- Back up accounting data
- Outline all closing deadlines and tasks on a calendar
- Prioritize tasks based on due dates
- Set calendar reminders to stay on track
- Assign tasks to appropriate team members

2. Record and reconcile revenue

- Record all sales, income and accounts receivable
- Cross-check revenue postings against invoices and bank deposits
- Follow up on any missing or disputed customer payments
- Apply late fees to overdue invoices per policy

3. Reconcile expenses

- Review all expenses, payables and receipts
- Confirm supplier invoices match expense entries
- Settle any outstanding payables and disputes

4. Reconcile balance sheet accounts

- Reconcile bank and credit accounts: match entries to statements, research and fix discrepancies, investigate suspicious transactions
- Reconcile petty cash: count cash on hand, match to accounting records and log, replenish petty cash if needed
- Reconcile payroll accounts: confirm payroll details and payments, verify taxes and deductions, check for unpaid reimbursements, post payroll entries to appropriate ledgers
- Reconcile loans: match balances to lender statements, record interest and principal payments, verify loan liability balances
- Reconcile accounts payable: review open AP aging report, match totals to AP subledger in general ledger, investigate and resolve any variances, reconcile statement balances from vendors, record any unpaid invoices or unrecorded liabilities
- Reconcile accounts receivable: review open AR aging report, match totals to AR subledger in general ledger, investigate and resolve any variances, reconcile statement balances from customers, record any unrecorded sales or payments, reconcile unapplied credits and deductions

5. Complete inventory count

- Perform full physical inventory check
- Update inventory accounting records
- Analyze slow-moving or expired stock

6. Review profit and loss statement

- Review for accuracy and investigate any large variances
- Verify appropriate recording of transactions
- Make any required adjusting entries

7. Generate financial statements

- Prepare accurate balance sheet
- Finalize month-end profit and loss statement
- Compile required financial reports

8. Close accounting period

- Complete all closing tasks and reviews
- Finalize and approve all closing entries
- Verify all needed journal entries are posted
- Archive files and documentation for the closed period