SAMPLE MONTH-END CLOSE CHECKLIST

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SAMPLE MONTH-END CLOSE CHECKLIST

Best Practice: Close books by the 10th of each month

Company: _____ **Month/Year:** _____

CLOSE TIMELINE

Day	What to Do
Day 1-3	Daily operations & collection (Section 1)
Day 4-5	Bank reconciliations (Section 2)
Day 6-7	Accounts cleanup (Section 3)
Day 8	Accruals & adjustments (Section 4)
Day 9	Review & final adjustments (Section 5)
Day 10	Lock period & generate reports (Section 6)

SECTION 1: DAILY OPERATIONS (Days 1-3)

Goal: Keep the pipeline flowing so you're not scrambling at month-end

☐	Send out all invoices for completed work (don't wait!)	Ops Mgr/Team
☐	Code and enter all bills/receipts from last week of month	AP
☐	Record any customer deposits or prepayments received	AR
☐	Enter payroll from last pay period (if not done automatically)	HR/Bookkeeper
☐	Make note of any large purchases or unusual transactions	All

💡 Why this matters: Waiting until day 10 to enter everything will likely create chaos, overwhelmed employees, and errors.

SECTION 2: BANK RECONCILIATIONS (Days 4-5)

Goal: Make sure your books match reality (aka your bank account)

☐	Download bank statements for ALL operating accounts	Bookkeeper
☐	Download credit card statements for ALL company cards	Bookkeeper
☐	Reconcile each bank account in QuickBooks	Bookkeeper
☐	Reconcile each credit card in QuickBooks	Bookkeeper
☐	Investigate and clear any transactions from last month	Bookkeeper/Team
☐	Document any outstanding checks	Bookkeeper

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🏳 Red Flag: If your reconciliation is off, stop and figure it out before moving on. Ask your company owner what an acceptable discrepancy amount is that you would be allowed to write off each month if it does not match. This is not best practice, but you don't want to waste your time chasing pennies.

Common Issues:

- Duplicate transactions (check if auto-import is on)
- Missing deposits (check if you recorded cash/check payments)
- Bank fees and interest not recorded

SECTION 3: ACCOUNTS CLEANUP (Days 6-7)

Goal: Clean up your books so the numbers are actually useful

A. Accounts Receivable (A/R)

☐	Review aging report for any invoices over 60 days	OPs/AR Manager
☐	Write off any uncollectible accounts (with owner/Ops Mgr approval)	Bookkeeper/AR
☐	Apply any unapplied payments sitting in A/R (in coordination with client if they don't match)	Bookkeeper/AR
☐	Verify no negative balances (these are likely errors)	Bookkeeper/AR
☐	Review collections activities and determine which clients will be placed on credit hold	AR/Owner/OpsMgr
☐	Send statements to customers and collections letters if applicable (ensure these are legally compliant)	AR

B. Accounts Payable (A/P)

☐	Review aging report, and bills due in next 10 days	Owner/OpsMgr
☐	Verify all bills are coded to correct job/expense category	Bookkeeper/AP
☐	Clear any old credit card charges sitting in A/P	Bookkeeper/AP
☐	Check for duplicate bills (common with vendors who send paper + email)	Bookkeeper/AP
☐	Do a quick review to see if you are missing out on any early payment discounts	Bookkeeper/AP

C. Inventory (if applicable)

☐	Do a quick physical count of high-value items	Warehouse/PM
☐	Adjust QBO inventory to match physical count; if theft is suspected, elevate appropriately	Bookkeeper
☐	Write off any damaged/obsolete materials	Owner/Ops Mgr approval
☐	Make note of any inventory that is overstocked or not turning as expected and determine course of action for these materials or equipment	Warehouse/OpsMgr
☐	Walk the warehouse with Warehouse Mgr to ensure it is clean and well organized and safety protocols are being followed, discuss any inventory write downs and ensure truck inventories are being completed as assigned (don't wait until the EOY)	Owner/Warehouse

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SECTION 4: ACCRUALS/DEFERRALS & ADJUSTMENTS (Day 8)

Goal: Record transactions that happened but haven't hit the bank yet, or transactions that should be deferred to a future month (get with your CPA on this if you are not sure). Smaller companies may decide to skip this step for now, but it is a best practice.

These make your P&L accurate for the month (not just when cash moves).

☐	Record unbilled revenue (work completed but not yet invoiced)	PM + Bookkeeper
☐	Accrue for received but unbilled vendor invoices (think packing slips)	Bookkeeper/AP
☐	Record depreciation (if doing monthly)	Bookkeeper/CPA
☐	Adjust loan payments (separate principal from interest)	Bookkeeper/AP
☐	Adjust prepaid expenses (insurance, rent paid in advance)	Bookkeeper/AP
☐	Accrue and defer transactions as appropriate (PE firms do this to see true monthly performance. Talk to your CPA if you're unsure. Note: This is more extensive FP&A than most SMBs do monthly.)	Owner, OpsMgr, Bookkeeper, CPA

Tip: If you have jobs that span multiple months, track % complete to recognize revenue accurately.

SECTION 5: REVIEW & FINAL CHECKS (Day 9)

Goal: Catch mistakes before they become 'official'

☐	Run Profit & Loss report and scan for anything that looks off, especially missing revenue or expenses (they should match the month they are incurred in – think progress billing)	Owner/OpsMgr + Bookkeeper
☐	Check that revenue is reasonable vs. last month/same month last year	Owner/OpsMgr
☐	Verify gross profit margin is in normal range (flag if off by >5%)	Owner/OpsMgr
☐	Review Balance Sheet for any accounts that don't make sense	Owner/OpsMgr, Bookkeeper
☐	Verify cash balance matches actual bank balance	Bookkeeper
☐	Check that A/R + A/P balances look reasonable; work with AR if you haven't already to place customers on credit hold as appropriate and get an update on collections activities	Owner/OpsMgr
☐	Scan expense categories for anything miscoded	Bookkeeper

Questions to Ask Yourself:

- Do the revenue, COGS and bottom line numbers feel right based on jobs completed?
- Are there any big expenses I forgot about?
- Did I record all the bills that came in?
- Are prepayments accounted for correctly (not all hitting one month)?
- Is there anything in 'Uncategorized Income/Expense'? (Fix it!)

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SECTION 6: LOCK PERIOD & REPORTING (Day 10)

Goal: Close the books and generate your monthly reports

☐	Set closing date in QuickBooks to last day of month	Bookkeeper
☐	Restrict changes to closed period (Settings > Advanced)	Bookkeeper
☐	Generate and save monthly financial package:	Bookkeeper
	- Profit & Loss (current month + YTD)	
	- Balance Sheet (as of month-end)	
	- Cash Flow Statement	
	- A/R Aging Summary	
	- A/P Aging Summary	
☐	Save reports as PDF (labeled with company name + month)	Bookkeeper
☐	Email reports to owner + any key stakeholders	Bookkeeper
☐	Update your cash flow forecast for next 90 days	Owner/CFO

FINAL NOTES

What 'Good' Looks Like:

- All bank accounts reconciled with $0 difference
- No transactions in 'Uncategorized'
- P&L matches what you expected (within 10-15%)
- Cash balance on books = actual bank balance
- All bills and invoices are properly coded to jobs/categories

Common Mistakes to Avoid:

- Letting this overwhelm you and shelving the idea. It will take time to implement if you have never asked your team to do it before. Enlist the help of your team to create a final schedule that works for your business.
- Waiting until the 10th to start (you'll never finish on time)
- Not reconciling credit cards (they matter just as much as bank accounts!)
- Forgetting to record work-in-progress revenue
- Not reviewing the P&L before closing (catch errors early!)
- Recording personal expenses in the business (don't comingle funds)

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