Monthly Bookkeeping Checklist

A practical month-end guide for small business owners

Stay organized. Catch mistakes early. Know your numbers.

1. Gather Your Records

- ■ Download all bank statements for the month
- ■ Download all business credit card statements
- ■ Gather receipts and supporting documentation
- ■ Collect loan and financing statements
- ■ Confirm payroll reports are available
- ■ Gather merchant processor reports (Square, Stripe, PayPal, etc.)
- ■ Make sure all business transactions have been entered or imported

2. Review & Categorize Transactions

- ■ Review all downloaded/imported bank transactions
- ■ Review all credit card transactions
- ■ Categorize income and expenses appropriately
- ■ Identify any personal expenses paid from business accounts
- ■ Identify owner contributions, draws or distributions
- ■ Review transfers between accounts to avoid duplicate income or expenses
- ■ Resolve transactions in Uncategorized Income, Uncategorized Expense or Ask My Accountant
- ■ Confirm major purchases are categorized appropriately

3. Reconcile the Accounts

- ■ Reconcile every business checking and savings account to its statement
- ■ Reconcile every business credit card to its statement
- ■ Verify beginning and ending balances
- ■ Investigate uncleared checks or deposits that appear unusually old
- ■ Review duplicate or missing transactions
- ■ Confirm reconciled balances agree with the actual statements

> ***Bookkeeper's Note:***
> *A transaction appearing in QuickBooks doesn't necessarily mean the books are correct. Reconciliation verifies that what's recorded in the books agrees with what actually occurred at the bank.*

4. Review Money Coming In

- ■ Confirm all customer payments have been recorded
- ■ Match deposits to invoices or sales
- ■ Review Accounts Receivable
- ■ Follow up on overdue customer balances
- ■ Review customer credits and unapplied payments
- ■ Verify merchant processing fees were recorded correctly
- ■ Confirm income hasn't been duplicated through bank-feed deposits

5. Review Money Going Out

- ■ Confirm bills and expenses for the month have been recorded
- ■ Review Accounts Payable for unpaid bills
- ■ Look for duplicate vendor expenses or payments
- ■ Review recurring expenses for accuracy
- ■ Confirm credit card payments were recorded as payments/transfers - not expenses
- ■ Review vendor credits and unapplied payments
- ■ Identify upcoming bills that may affect cash flow

6. Review Payroll & Taxes

- ■ Confirm payroll transactions are recorded correctly
- ■ Review payroll liabilities for unusual or past-due balances
- ■ Verify payroll tax payments were recorded
- ■ Review sales tax or other applicable tax liabilities
- ■ Set aside funds for upcoming tax payments
- ■ Confirm filing/payment deadlines for the next month

For Hawaii Businesses

- ■ Review income subject to Hawaii General Excise Tax (GET)
- ■ Confirm GET liability and upcoming filing requirements

7. Verify Balance Sheet Accounts

- ■ Compare loan balances to current lender statements
- ■ Separate loan principal from interest expense where applicable
- ■ Verify credit card balances
- ■ Review fixed asset purchases made during the month
- ■ Review owner equity/contribution/distribution accounts
- ■ Investigate negative or unusual account balances
- ■ Review clearing, suspense and undeposited funds accounts

8. Review Your Financial Reports

- Profit & Loss
- Balance Sheet
- Accounts Receivable Aging (if applicable)
- Accounts Payable Aging (if applicable)
- Does monthly revenue look reasonable?
- Are expenses consistent with what happened in the business?
- Are there unusually high or low expense categories?
- How does this month compare with last month?
- How does year-to-date performance compare with expectations?
- Is the business profitable?
- Does the Balance Sheet make sense?
- Is cash sufficient for upcoming obligations?

Bookkeeper's Note:
Don't just run the reports - read them. Clean bookkeeping should help you understand what is happening in your business and make better-informed decisions.

Final Month-End Check

- All transactions are entered and categorized
- Bank accounts are reconciled
- Credit cards are reconciled
- A/R and A/P have been reviewed
- Loans and liabilities have been reviewed
- Payroll and applicable taxes have been reviewed
- Uncategorized and unusual balances have been investigated
- Financial statements have been reviewed
- Supporting records are saved and organized
- A backup/export of important records has been retained when appropriate

Month-End Review Details

Month Reviewed: ______________________

Reviewed By: ______________________

Date Completed: ______________________

Items Requiring Follow-Up

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Are you confident in your numbers?

Keeping up with monthly bookkeeping is one thing. Knowing that your books are accurate is another.

Take the **Aloha Bookkeeping Pros Business Finance Confidence Scorecard** to see where your business financials are strong - and where they may need attention.

Need professional bookkeeping support?
Aloha Bookkeeping Pros provides monthly bookkeeping, reconciliations, financial reporting, QuickBooks Online support, cleanup services, and specialized trust accounting services for law firms.

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