# Monthly Close Checklist

Reconcile, adjust, and review — a controller-grade close in a repeatable sequence

**Murray & Associates, LLC**
Bookkeeping and Advisory Services

A month-end close is more rigorous than day-to-day bookkeeping: you reconcile, post adjusting entries, and review the financials before you call the month final. Follow the sequence top to bottom — later steps depend on earlier ones being done.

## Step 1 · Cut-off & Data Complete

- [ ] Confirm all **bank, card, and loan feeds** are imported through month-end.
- [ ] Confirm all **revenue** for the period is recorded (invoices + processor sales).
- [ ] Confirm all **vendor bills and expenses** for the period are entered.
- [ ] Confirm **payroll** for the period is fully posted.

## Step 2 · Reconcile Every Account

- [ ] Reconcile all **cash / bank** accounts to statements — zero unexplained difference.
- [ ] Reconcile all **credit cards** to statements.
- [ ] Reconcile **merchant / payment processors**; tie payouts, fees, and reserves.
- [ ] Reconcile **loans & lines of credit**; confirm principal vs. interest split.
- [ ] Reconcile key **balance-sheet control accounts** (A/R, A/P, payroll liabilities, sales tax).

## Step 3 · Adjusting Journal Entries

- [ ] Post **accruals** — expenses incurred but not yet billed.
- [ ] Post **prepaid amortization** — insurance, software, deposits used this period.
- [ ] Post **depreciation / amortization** for the month.
- [ ] Record **deferred revenue** earned this period; defer what isn't earned yet.
- [ ] True-up **payroll and benefits** accruals.
- [ ] Book **sales-tax liability** for the period.

## Step 4 · Review the Financials

- [ ] Review **P&L;** vs. prior month and budget; explain material variances.
- [ ] Review **Balance Sheet** — no negative cash, no stale or unexplained balances.
- [ ] Run a **Cash Flow** view and confirm the change in cash reconciles.
- [ ] Scan the **G/L detail** for miscodings, duplicates, and outliers.
- [ ] Confirm **intercompany / owner accounts** are in balance.

## Step 5 · Finalize & Document

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- [ ] Write a short **close narrative** — what drove revenue, margin, and cash this month.
- [ ] Save **reconciliation reports and workpapers** for the period.
- [ ] **Lock / close the period** in your accounting system to prevent back-dated edits.
- [ ] Log **follow-ups and open items** to resolve before next close.
- [ ] Distribute the **financial package** to owners/stakeholders.