HUMMINGBIRDS BOOKKEEPING & TAX SERVICES

Free Monthly Bookkeeping Checklist

A practical month-end routine to keep your books organized, your reports useful, and your business better prepared for taxes and financial decisions.

Use this checklist every month
Choose a consistent bookkeeping date each month. Complete the tasks that apply to your business, document unresolved items, and avoid forcing transactions into categories when you are unsure.

1. Gather and Organize Records

- ☐ Collect bank, credit card, loan, merchant processor, and other financial statements.
- ☐ Gather sales receipts, customer invoices, bills, expense receipts, deposit records, and contracts.
- ☐ Import or upload missing documents into your bookkeeping system.
- ☐ Save records using a consistent naming and folder system.
- ☐ Identify documents or explanations still needed before closing the month.

2. Record Income and Customer Activity

- ☐ Confirm all sales, service income, deposits, and other income have been recorded.
- ☐ Match customer payments to the correct invoices.
- ☐ Review open invoices and follow up on past-due balances.
- ☐ Confirm deposits in transit and uncleared payments are reasonable.
- ☐ Record refunds, credits, discounts, merchant fees, and chargebacks correctly.

3. Record and Categorize Expenses

- ☐ Enter or import all business expenses for the month.
- ☐ Review uncategorized transactions and assign appropriate accounts.
- ☐ Verify owner draws, owner contributions, loan payments, and transfers are not recorded as ordinary expenses.
- ☐ Separate loan principal from interest when applicable.
- ☐ Review large or unusual purchases for proper asset or expense treatment.

Reconcile and Review the Month

Reconciliation confirms that the books agree with outside account records and helps identify missing, duplicated, or incorrectly recorded activity.

4. Reconcile Financial Accounts

- ☐ Reconcile each business bank account to the monthly statement.
- ☐ Reconcile every business credit card account.
- ☐ Reconcile loans, lines of credit, payment processors, and cash accounts when applicable.
- ☐ Investigate duplicate, missing, stale, or unidentified transactions.
- ☐ Confirm each reconciliation ends with a zero difference before marking it complete.

5. Review Payroll and Contractor Activity

- ☐ Confirm payroll wages, taxes, benefits, and deductions were recorded correctly.
- ☐ Verify payroll liabilities and tax payments agree with payroll reports.
- ☐ Review contractor payments and confirm vendor information is complete.
- ☐ Identify vendors who may require year-end information reporting.
- ☐ Save payroll and contractor reports with the month’s records.

6. Review Sales Tax and Other Liabilities

- ☐ Review sales tax collected and payable, when applicable.
- ☐ Confirm payroll, loan, credit card, and other liability balances are reasonable.
- ☐ Review payments due to federal, state, or local agencies.
- ☐ Record scheduled liabilities and due dates in the business calendar.
- ☐ Set aside funds for taxes and other required payments.

7. Run and Review Financial Reports

- ☐ Run the Profit and Loss Statement for the month and year to date.
- ☐ Run the Balance Sheet and review cash, loans, credit cards, owner equity, and unusual balances.
- ☐ Review Accounts Receivable and Accounts Payable aging reports when applicable.
- ☐ Compare actual results with the budget or prior periods.
- ☐ Document questions, corrections, and decisions for follow-up.

Close the Month and Plan Ahead

A clean month-end close provides a clearer view of cash flow, profitability, obligations, and the next actions your business should take.

8. Check Cash Flow and Business Health

- ☐ Review cash available and upcoming bills for the next 30 to 60 days.
- ☐ Identify slow-paying customers, rising expenses, or recurring cash shortages.
- ☐ Review gross profit, net income, and major expense categories.
- ☐ Decide whether pricing, collections, spending, or cash reserves need attention.

9. Finalize and Protect the Records

- ☐ Resolve or clearly document outstanding bookkeeping questions.
- ☐ Lock or close the accounting period after the review is complete, if appropriate.
- ☐ Back up or export key reports and supporting records.
- ☐ Restrict access to sensitive financial information and update permissions when needed.

10. Prepare for Next Month

- ☐ List expected income, bills, tax payments, payroll dates, and major purchases.
- ☐ Schedule follow-up for unpaid invoices and missing documents.
- ☐ Update the budget or cash-flow forecast when circumstances change.
- ☐ Assign responsibility and due dates for unresolved items.

Monthly Snapshot

Month reviewed		**Review date**	
Revenue		**Expenses**	
Net income		**Cash balance**	
Unpaid invoices		**Bills due**	

Top Three Follow-Up Items

1. _____ Due: _____
2. _____ Due: _____
3. _____ Due: _____

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Educational notice: This general checklist is not accounting, legal, tax, or financial advice. Bookkeeping needs vary by business, accounting method, industry, and jurisdiction. Consult qualified professionals regarding your specific records and obligations.