Xero month-end checklist (US)

Use one copy per client. Send the first group to the client before month-end, then work down the Xero steps and tick each one.

Client or engagement

Documents to request from the client

- [ ] Bank statements for each account connected to Xero
  PDF for the full month; needed even when the feed works.
- [ ] Credit card statements
  Closing balance used for the card reconciliation.
- [ ] Loan statements
  Principal balance and interest charged.
- [ ] Payroll register from the payroll provider
  Every pay date in the month.
- [ ] Receipts and bills for unreconciled lines
  Send the client the list of lines you cannot code.

Reconcile in Xero

- [ ] Check every bank feed has lines through month-end
  Import a statement file for accounts without a feed.
- [ ] Reconcile all statement lines in each bank account
- [ ] Run the Bank Reconciliation report and compare with the PDF
  Statement balance in Xero against the bank's closing balance.
- [ ] Reconcile each card account to its statement
- [ ] Compare each loan balance with the lender statement
  Manual journal for interest.

Reports and adjustments

- [ ] Run the Accounts Receivable Aging Summary
  Flag invoices past ninety days for the client.
- [ ] Run the Accounts Payable Aging Summary and enter late bills
- [ ] Post the payroll journal and tie liabilities to the provider report
- [ ] Post accruals as manual journals set to reverse next month
- [ ] Post prepaid amortization and depreciation
  From the prepaid schedule or the fixed assets register.

- [ ] Run the Sales Tax Audit and compare the balance with the state return
- [ ] Update contractor totals for Form 1099-NEC
  Form W-9 on file for each contractor.

Review and lock

- [ ] Run the Trial Balance and explain every suspense or clearing balance
- [ ] Compare the Profit and Loss with the prior month
- [ ] Set the lock date to the last day of the month
  Accounting > Accounting settings > Financial settings > Lock Dates. Administrator role.
- [ ] Check for drafts dated in the locked month
  Draft invoices, bills, expense claims and manual journals.
- [ ] File the statements and the Bank Reconciliation report