QuickBooks cleanup checklist

General steps. Menu names are QuickBooks Online terms and may differ in QuickBooks Desktop.

Business		**Period being cleaned**	
Prepared by		**Reviewed by**	
Date started		**Date finished**	

What should you do before changing anything?

Done	Step	Who	Date	Notes
	Make a backup or export your key reports, so you can compare before and after			
	Note the date through which you trust the data			
	Gather bank and card statements for the period you are cleaning			
	Check whether a closing date or password is set on the file, and ask your tax professional before changing it			
	Write down who else uses the file			

Bank and card accounts

Done	Step	Who	Date	Notes
	Check the bank feed is connected once, to the right account			
	Reconcile each account to its statement, oldest unreconciled month first			
	Investigate any reconciliation with a difference rather than adding a plug entry			
	Review old uncleared checks and deposits			
	Delete or void unreconciled items that were entered twice (for reconciled items, see the old-transactions section)			

Transactions

Done	Step	Who	Date	Notes
	Clear the Uncategorized income, Uncategorized expense and any Ask My Accountant balances			
	Look for the same transaction imported from the feed and entered by hand			
	Mark transfers between your own accounts as transfers			
	Move personal spending out of business expenses			
	Check for payments applied to the wrong invoice or bill			

Chart of accounts

Done	Step	Who	Date	Notes
	List accounts with no activity and make them inactive			
	Merge duplicates that mean the same thing			
	Rename vague accounts so a stranger could understand them			
	Check loans sit in liability accounts, not expenses			

Customers, vendors and lists

Done	Step	Who	Date	Notes
	Merge duplicate customers and vendors			
	Review old open invoices and bills; decide with the owner and your tax professional whether to collect or write off			
	Check items and products used on invoices are still valid			

How do you clean up old transactions?

Done	Step	Who	Date	Notes
	Reconcile the oldest period first			
	Review stale uncleared items			
	Reclassify transactions in the wrong year only after asking your tax professional about prior-year implications			
	Do not delete transactions that have been reconciled; fix them by reversing the reconciliation properly			

What reports should you check at the end?

Done	Step	Who	Date	Notes
	Profit and loss by month: do the totals look plausible?			
	Balance sheet: do the cash, loan and card balances match your statements?			
	Accounts receivable aging: are the open invoices real?			
	Accounts payable aging: are the open bills real?			
	Any negative balance: explained or corrected			
	Trial balance: no surprises in accounts you do not recognize			

How do you keep QuickBooks clean afterwards?

Done	Step	Who	Date	Notes
	Review the bank feed weekly			
	Reconcile every account monthly			
	Clear uncategorized items when they arrive, not at year end			
	Keep the chart of accounts short and named clearly			
	Limit who can edit the file			

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