

The Founder's Month-End Close Checklist

A disciplined, 27-point close framework to deliver audit-ready financials by the 5th business day.

1. Cash & Banking Operations (Day 1 - 2)

- ☐ Connect and sync all primary operational accounts (Mercury, Brex, SVB, Chase)
- ☐ Reconcile ending bank balances to general ledger cash accounts to the exact penny
- ☐ Clear and verify all credit card statement balances and unmatched merchant transfers
- ☐ Reconcile Stripe, PayPal, or Shopify clearing accounts against bank deposits
- ☐ Identify and investigate all outstanding checks or uncleared wires over 30 days old

2. Accounts Payable & Vendor Bills (Day 2 - 3)

- ☐ Review and approve all vendor bills in Bill.com, Ramp, or Brex Bill Pay
- ☐ Ensure all corporate card receipts are submitted, categorized, and receipt-backed
- ☐ Accrue for unbilled vendor services delivered in the month (SaaS, legal, cloud hosting)
- ☐ Match software subscriptions against authorized seat counts to eliminate zombie spend
- ☐ Verify W-9 collection for all domestic contractors before processing disbursements

3. Revenue Recognition & AR (ASC 606) (Day 3)

- ☐ Reconcile billing platform gross billings against QuickBooks/Xero revenue entries
- ☐ Amortize upfront annual software contracts ratably over the 12-month service term
- ☐ Record additions and releases from the Deferred Revenue waterfall schedule
- ☐ Review Accounts Receivable aging report; follow up on invoices 15+ days overdue
- ☐ Assess bad debt reserve requirements for disputed customer accounts

Founder Tip: Close by the 5th Business Day

Closing by the 5th allows you to spot burn acceleration early, calculate accurate net runway in months, and circulate crisp board updates before the 10th of every month.

4. Payroll, Benefits & Contractor Compliance (Day 3 - 4)

- ☐ Reconcile gross wages, employer payroll taxes, and net pay from Gusto or Rippling
- ☐ Verify multi-state payroll tax registrations for all remote employees
- ☐ Track 1099 contractor year-to-date thresholds for January Form 1099-NEC filings
- ☐ Record employee benefit deductions (health insurance, 401k match, commuter benefits)
- ☐ Document founder salary and tax withholdings in compliance with reasonable compensation

5. Balance Sheet Reconciliations & Prepaids (Day 4)

- ☐ Amortize prepaid insurance, annual software contracts, and security deposits
- ☐ Capitalize qualifying fixed asset purchases over your capitalization threshold (\$2,500)
- ☐ Calculate and record monthly depreciation and amortization schedules
- ☐ Reconcile intercompany loan balances and transfer pricing charges (cross-border entities)
- ☐ Lock the prior accounting period in QuickBooks/Xero to prevent retroactive edits

6. Board Pack, Runway & Tax Safeguards (Day 5)

- ☐ Generate final P&L, Balance Sheet, and Cash Flow Statement (GAAP Accrual basis)
- ☐ Calculate gross burn, net burn, and zero cash date (runway in months)
- ☐ Update core unit economics: CAC, LTV, Magic Number, Net Revenue Retention (NRR)
- ☐ Review sales tax economic nexus thresholds across key target revenue states
- ☐ Compile clean workpapers for external tax CPA and annual R&D tax credit study

Never Worry About the Monthly Close Again

Finendra runs your full-charge bookkeeping, ASC 606 rev rec, and closes your books by the 5th. Starter plan from \$499/mo for pre-revenue & seed startups. Growth plan at \$1,299/mo covers 90% of needs.

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