

Balance Sheet Reconciliation Checklist

24 checkable steps across four phases, from scoping through reviewer sign-off.

1. PREPARATION AND SCOPE

- ☐ Verify trial balance agrees to the general ledger
- ☐ Confirm a reconciliation is prepared for every balance sheet account
- ☐ Ensure opening balances agree to prior period closing balances

2. DATA GATHERING AND MATCHING

- ☐ Compare ending balance to supporting documentation
- ☐ Verify bank accounts reconcile to bank statements
- ☐ Reconcile accounts receivable to customer subledger
- ☐ Reconcile inventory to physical counts and inventory records
- ☐ Reconcile fixed assets to asset register and depreciation schedule
- ☐ Reconcile accounts payable to vendor subledger
- ☐ Verify accrued expenses are complete and supported
- ☐ Review prepaid expenses and amortization calculations
- ☐ Verify payroll liabilities agree to payroll reports
- ☐ Confirm tax balances agree to tax filings or calculations
- ☐ Review debt balances against loan statements and amortization schedules
- ☐ Validate equity accounts, retained earnings, and dividends
- ☐ Ensure foreign currency balances are revalued correctly (if applicable)
- ☐ Confirm intercompany balances reconcile (if applicable)

3. INVESTIGATION AND ADJUSTMENT

- ☐ Investigate and explain all reconciling items
- ☐ Clear old or outstanding reconciling items
- ☐ Verify all journal entries have been posted correctly
- ☐ Review unusual or significant fluctuations from prior period
- ☐ Review all suspense and clearing accounts; ensure they are cleared or explained

4. REVIEW AND SIGN-OFF

- ☐ Obtain reviewer approval and sign-off
- ☐ Archive reconciliation and supporting documents