



• QuickBooks Online Cleanup Checklist

How Healthy Are Your Business Books?

Your bank balance looks right. Your transactions are categorized. QuickBooks seems to be working.

But does that mean your bookkeeping is accurate?

Not necessarily.

Even when your books appear to be in reasonable shape, errors can accumulate quietly. Duplicate transactions, unreconciled accounts, incorrect loan balances, and misclassified expenses can leave you with financial reports that don't tell the whole story.

Use this checklist to assess the health of your QuickBooks Online records and identify areas that may need professional attention.

Can you confidently check every box?

Check each item you can confidently confirm. Mark anything that doesn't apply as N/A. If you're unsure about an item, leave it unchecked—those are the areas that may deserve a closer look.

1. Gather Your Financial Records

- ☐ Do you have complete bank and credit-card statements for the periods being reviewed?
- ☐ Are receipts, invoices, and supporting documents available for business transactions?
- ☐ Do you have statements for business loans and other financing arrangements?
- ☐ Are your prior-year financial statements and tax returns available for comparison?
- ☐ Can you identify missing records or periods where bookkeeping hasn't been completed?

2. Review Bank & Credit-Card Reconciliations

- ☐ Have all bank accounts been reconciled through the most recent statements?
- ☐ Have all business credit cards been reconciled?
- ☐ Have old outstanding checks and deposits been investigated?
- ☐ Have duplicate or missing transactions been identified and corrected?
- ☐ Do transfers between accounts appear correctly, without creating artificial income or expenses?
- ☐ Are there unexplained reconciliation adjustments or opening balance discrepancies?

Remember: A reconciled bank account doesn't necessarily mean the underlying transactions have been categorized correctly.

3. Review Income & Revenue

- ☐ Is all business income recorded completely and accurately?
- ☐ Have customer payments been correctly matched to invoices where applicable?
- ☐ Are deposits recorded as income only when appropriate?
- ☐ Have duplicate sales or income transactions been identified?
- ☐ Are refunds, discounts, and customer credits correctly recorded?
- ☐ If you use Stripe, PayPal, Square, or another payment processor, are gross sales, processing fees, and net deposits properly accounted for?
- ☐ Are sales tax collections recorded separately from business revenue where applicable?

4. Review Expenses & Categorization

- ☐ Are expenses consistently assigned to the appropriate accounts?
- ☐ Have personal expenses been separated from legitimate business expenses?
- ☐ Are loan principal payments excluded from operating expenses?
- ☐ Have significant purchases been reviewed to determine whether they should be recorded as assets rather than expenses?
- ☐ Are reimbursable expenses and customer reimbursements handled consistently?
- ☐ Are there unusual, duplicate, or unexplained expenses?
- ☐ Can you identify transactions for which receipts or supporting documentation are missing?

5. Review Accounts Receivable

If your business invoices customers:

- ☐ Does your Accounts Receivable balance agree with outstanding customer invoices?
- ☐ Have payments been correctly applied to the corresponding invoices?
- ☐ Are there old invoices that have already been paid but still appear outstanding?
- ☐ Are customer credits and unapplied payments correctly recorded?
- ☐ Have potentially uncollectible balances been identified for review?

6. Review Accounts Payable

If your business records bills in QBO:

- ☐ Does Accounts Payable accurately reflect amounts owed to vendors?
- ☐ Are there duplicate or incorrectly recorded bills?
- ☐ Have payments been correctly matched to outstanding bills?
- ☐ Are old unpaid bills actually still outstanding?
- ☐ Have vendor credits and unapplied payments been reviewed?
- ☐ Are expenses being recorded consistently with your accounting method?

7. Review Loans & Other Liabilities

- ☐ Do business loan balances agree with lender statements?
- ☐ Are loan repayments correctly divided between principal and interest?
- ☐ Have new loans and refinancing transactions been recorded correctly?
- ☐ Are paid-off loans still showing balances in QBO?
- ☐ Are business credit cards correctly classified as liabilities?
- ☐ Are other liabilities, such as customer deposits and sales tax payable, accurately recorded?

8. Review Fixed Assets & Depreciation

- ☐ Are significant purchases of equipment, vehicles, furniture, and other assets properly recorded?
- ☐ Have asset purchases been distinguished from ordinary operating expenses?
- ☐ Have disposals or sales of business assets been identified?
- ☐ Do fixed-asset balances agree with available supporting schedules?
- ☐ Have depreciation entries been recorded where appropriate, based on information provided by your Tax Pro?
- ☐ Are there obsolete assets still appearing on the Balance Sheet?

9. Review Owner Equity & Personal Transactions

- ☐ Have owner contributions been recorded as equity rather than income where appropriate?
- ☐ Have owner draws or distributions been excluded from operating expenses?
- ☐ Have personal expenses paid through business accounts been identified?
- ☐ Have business expenses paid personally by the owner been properly accounted for?
- ☐ Are equity balances consistent with the business's legal structure and available historical records?
- ☐ Are there unexplained amounts in Opening Balance Equity?

10. Review Payroll & Inventory

Complete the sections that apply to your business.

Payroll

- ☐ Do payroll expenses agree with payroll reports?
- ☐ Are employee wages, employer payroll taxes, and payroll liabilities correctly recorded?
- ☐ Have payroll tax payments been correctly applied to the appropriate liability accounts?
- ☐ Are there old or unexplained payroll liability balances?

Inventory

- ☐ Do inventory balances agree with available inventory records?
- ☐ Are inventory purchases and Cost of Goods Sold being accounted for consistently?
- ☐ Have inventory adjustments, write-offs, and obsolete stock been reviewed?
- ☐ Are there unexplained negative inventory quantities or values?

11. Review Suspense & Problem Accounts

- ☐ Have transactions in Uncategorized Income been reviewed?
- ☐ Have transactions in Uncategorized Expenses been reviewed?
- ☐ Are there unresolved balances in Ask My Accountant?
- ☐ Have Uncategorized Asset balances been investigated?
- ☐ Are there unexplained amounts in Opening Balance Equity?
- ☐ Are there old balances that have remained unchanged for several years?
- ☐ Does your Chart of Accounts contain duplicate, obsolete, or unnecessary accounts?

12. Perform a Final Financial Review

Balance Sheet

- ☐ Do bank and credit-card balances reconcile to their statements?
- ☐ Do loan and liability balances agree with supporting records?
- ☐ Are fixed assets and other Balance Sheet accounts reasonable?
- ☐ Are receivables and payables accurate, where applicable?
- ☐ Are there unexplained negative balances or amounts that don't make sense?

Profit & Loss

- ☐ Does reported income appear consistent with business activity?
- ☐ Are expenses categorized correctly and consistently?
- ☐ Have unusual or unexpected fluctuations been investigated?
- ☐ Have significant one-time transactions been reviewed?
- ☐ Can you confidently explain the financial results shown in your reports?

What Did Your Checklist Reveal?

If you couldn't confidently check every applicable box, your QuickBooks file may contain problems that need attention. Some may be relatively minor. Others could affect your financial reports, tax preparation, or ability to make informed business decisions.

And the longer bookkeeping errors remain unresolved, the more difficult—and potentially expensive—they can become to correct.

A professional QBO cleanup is about more than catching up on transactions.

It's about getting your financial records reconciled, correcting historical errors, reviewing your Balance Sheet, and establishing a reliable foundation for your bookkeeping going forward.

Your Books Should Help You Move Forward

At Safe Hands Bookkeeping, QuickBooks Online cleanups are one of my specialties.

As a former corporate controller with over 40 years of accounting experience and a QuickBooks Online Advanced ProAdvisor, I help small-business owners turn messy, outdated, or unreliable books into accurate financial records they can trust.

Whether you're behind a few months or a few years, I can help you get your books back on solid ground.

Stop wondering whether your numbers are right.

Visit our [Cleanups](#) page to learn more about my QuickBooks Online cleanup services.

Safe Hands Bookkeeping — I turn bookkeeping chaos into profitable clarity.

