

BANK & BREWS, LLC
FINANCIAL STATEMENT CHECKLIST

**** ARE F/S CASH OR ACCRUAL?**

BALANCE SHEET

- 1. Cash accounts
 - a. Balances agree to reconciliations
 - b. Any stale outstanding checks or deposits in transit?
- 2. Accounts Receivable
 - a. Balance agrees to detail
 - b. Any stale AR that should be written off?
- 3. Inventory - balance agrees to detail or confirmed by client
- 4. Employee receivables - check detail
- 5. Undeposited funds - balance clears to zero within 10 days?
- 6. Fixed assets - basis and accumulated depreciation tie to depreciation schedule
- 7. Franchise rights and organizational costs - basis and accumulated amortization tie to deprec./amort. schedule
- 8. Credit cards
 - a. Balances tie to reconciliations
 - b. Any stale items that need to be cleared?
- 9. Payroll tax liabilities - agree to applicable reports
- 10. Sales tax payable - agrees to applicable report
- 11. Notes payable - balances agree to amortization schedules/period-end confirmations
- 12. Shareholder loans - review current year activity for any transactions that should be coded to distributions/contributions.
- 13. Equity
 - a. Stock - any changes in current year?
 - b. Retained Earnings/Partners or Members Equity/Shareholders Equity - balance agrees to prior year ending balance

INCOME STATEMENT

- 1. Variance analysis
- 2. Gross profit analysis
- 3. Any transactions remaining in "Ask my Accountant?"
- 4. Depreciation/amortization expense ties to updated schedule
- 5. Interest income ties to 1099-INT
- 6. Interest expense ties to amortization schedule or year-end confirmations
- 7. Wages and payroll taxes tie to applicable reports
- 8. Officers salaries are allocated correctly
- 9. Any obvious reclasses needed - debit balance income accounts/credit balance expense accounts, etc.?
- 10. Large balances in other income or miscellaneous expense that should be reclassified?
- 11. Check for major changes in net income and resulting expected tax liability.