

Proving the Balance Sheet

The key areas to focus on are:

- Review each checking/credit card for an accurate balance
- Review A/R
- Review any new asset purchases
- Review any prepaids and confirm they were accurately categorized
- Review loan accounts and make sure they have been reconciled against current ending balances
- Review owner transactions in the equity section
- Check that the net income in the balance sheet matches the Net Income on the Profit and Loss for the same period and the same accounting method (e.g. accrual)

Balance Sheet Account	Subsidiary Report that proves to balance
Cash, Checking	Bank Reconciliation Report
Accounts Receivable	A/R Aging or Open Invoices (using "Report Date" method)
Inventory	Inventory Valuation Summary (or Detail)
Fixed Assets	Transaction Detail Report filtered for Account
Other Assets	Transaction Detail Report filtered for Account and/or Reconciliation Report
Accounts Payable	A/P Aging or Open Bills
Credit Card Accounts	Reconciliation Report
Liability accounts (current or long term)	Transaction Detail Report filtered by Account and/or Reconciliation Report
Sales Tax	Sales Tax Liability Report
Payroll Tax	Payroll Tax Liability Report
Equity	Transaction Detail Report filtered by Account