

(+) Quick QuickBooks Quiz...

(For QuickBooks Pro, Premier & Enterprise users: Please select all correct answers. Answers and explanations are provided on the next page)

True or False:

The reason that month-end closing procedures don't get performed in many small companies is that the bookkeeper is confident that most entries are accurate, and finds the process to be difficult and of little value.

(+) Quick QuickBooks Quiz Answers:

False. Based on our experience, we believe that most companies don't follow through on formal month-end closing procedures for one or more of the following reasons:

1. The bookkeeper doesn't know the specific procedures that should be followed to complete month-end closing.
2. The bookkeeper is expected to perform a wide variety of duties, and urgent concerns overshadow the need for quality-control processes.
3. The bookkeeper isn't able to create enough "quiet, focused time" to perform these critical proofing, checking, and balancing procedures.
4. The owner doesn't understand the importance or necessity for following a standard set of accounting quality-control procedures, so does not set the environmental tone or expectation that these tasks and accounting controls are an essential part of the bookkeeping, and the owner's, job.