

Secrets to a Smooth Month-End Closing

Q: What recommendations would you make to increase the speed and efficiency of a typical month-end closing?

A: Whether you are a CFO, Controller or Office Manager, there may be several changes that can be made to increase the speed of your month-end close. First, analyze whether there is a genuine need for all the reports you currently prepare each month. Perhaps some are being prepared simply out of habit. Second, consult with your software provider to determine whether an advanced report writer could more easily extract and summarize the data you are seeking.

Finally, consider preparing detailed analysis on a rolling cycle. For example, analyze assets the first month of each quarter, liabilities the second month and the income statement the third month of each quarter. Set a general materiality threshold and be flexible to the situation, always asking yourself, "Will the additional time needed to make this perfect significantly change the meaning of my financial statements?" Obviously, be sure to maintain good internal controls in order to minimize the risk of deliberate concealment of errors, or worse.

Implementing these changes will free-up time for the more strategic activities of reviewing the big picture, analyzing the data and implementing necessary changes. Generating reports for the sake of having reports creates no value. Remember that your month end close is intended to be a tool to assess and manage your business.

Looking for more secrets to running an efficient accounting operation?
Contact:



Joseph M. Falbo, Jr., CPA
Partner

Tronconi Segarra & Associates LLP

6390 Main Street, Suite 200

Williamsville, NY 14221

jfalbo@tsacpa.com

716-633-1373

www.tsacpa.com

TRONCONI SEGARRA
& ASSOCIATES LLP

Certified Public Accountants
Business Consultants

SOLUTIONS BEYOND THE OBVIOUS