



MONTHLY REVIEW OF BANK RECONCILIATIONS - CHECKLIST

(Checklist useful to both preparers and reviewers)

Documents Required: trust bank reconciliation, trust bank stmt, client trust listing and trust bank journal

1.	Ensure trust and non-trust bank reconciliation are prepared on time.	Rule 1524(6) - Trust reconciliations must be reviewed, signed, and dated by member within 30 days of month-end.
2.	Check arithmetic of each document (bank reconciliation, trust listing, etc.)	Only a concern if using a manual system (i.e., not necessary if using PCLaw, EsiLaw, etc.)
3.	Check that trust bank reconciliation agrees to trust bank statement.	Ending bank statement balance reported on trust bank reconciliation must agree to closing bank balance per actual bank statement.
4.	Check that trust bank reconciliation agrees to client trust listing.	Adjusted bank balance per trust bank reconciliation must agree to total reported on client trust listing.
5.	Check that trust bank reconciliation agrees to trust bank journal.	Adjusted bank balance per trust bank reconciliation must agree to ending trust bank balance per trust bank journal.
6.	Verify that any bank errors from the prior month have cleared.	Bank errors should not take any longer than a month to clear. Check to see if any bank errors on the current month's reconciliation were also on the prior month's reconciliation.
7.	Ensure there are no outstanding deposits/receipts that have been outstanding for more than 3 business days.	Check to see if any deposits/receipts have a date of more than 3 days prior to month-end (e.g., deposit dated Aug 10 th but still not reflected on bank statement as at Aug 31 st). Enquire into any such late deposits.
8.	Confirm any stale-dated outstanding cheques have been properly dealt with.	Cheques become stale-dated if they are older than 6 months and once they are stale-dated banks are not supposed to accept them. Payees of any stale-dated cheques should be contacted and replacement cheques issued to current mailing address (if appropriate). Consider obtaining a void cheque from clients at the beginning of a matter to potentially assist in paying out old/small balances, i.e., void cheque will have account # so that firm can deposit monies directly to said client's bank account.
9.	Ensure all transactions in the trust bank account appear reasonable and trust account(s) were not overdrawn at any point.	Scan the trust bank statement to ensure all transactions appear reasonable (all monies paid out of trust were paid by either cheque or wire transfer, account was never in overdraft, no unusual payments, all trust cheques signed by at least 1 member, etc.). Also, scan client trust listing for overdrawn trust balances. Trust shortages over \$1,000 (at anytime, not just month-end) must be reported to the Executive Director. Trust shortages may be an overdrawn at the bank account level and/or overdrawn at the individual client trust ledger.
10.	Scan client trust listing for small/old balances that should be disbursed.	There may be legal matters that have concluded but related trust monies have not yet been disbursed (i.e., file not yet invoiced, balance owed to client, etc.). Old balances could be identified by the "last transaction date" and small balances would typically be considered amounts less than \$100.