OPERATIONS INSIDER

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THE MANAGER'S ACCOUNTING CHECKLIST

Twenty checks for numbers managers can trust and use.



TRACE THE TRANSACTION, THEN TRUST THE NUMBER

Accounting Essentials Checklist

Accounting and control for managers. Twenty statements in four blocks, one block for each part of the Principles of Accounting series on operationsinsider.com.

How to use this checklist

1. Score each statement honestly from 0 to 4 for your team or unit.
2. Use evidence, not intention: what would a colleague be able to observe?
3. Add up each block (maximum 20) and transfer the totals to the result sheet.
4. Choose three priorities and give each an owner and a date.

Score	Meaning
0	Not in place
1	Ideas exist, no practice
2	Applied sometimes
3	Applied consistently
4	Applied, measured and improved

Block 1: Purpose, Double Entry and Revenue

Related parts: Part 1, Part 2, Part 3

#	Statement	Score 0 to 4
1.1	We distinguish external reporting from information for internal decisions.	
1.2	The framework and entity behind each figure are stated.	
1.3	Managers can trace a transaction through assets, obligations and equity.	
1.4	Financing receipts are never treated as revenue.	
1.5	Revenue is linked to contract evidence, not only to invoices or cash.	
	Block total (maximum 20)	

Block 2: Assets, Cash and Cost

Related parts: Part 4, Part 5, Part 6

#	Statement	Score 0 to 4
2.1	Inventory and asset values are reviewed against expected use and recovery.	
2.2	We reconcile profit with cash every period.	
2.3	Free cash flow is defined explicitly in our reports.	
2.4	Product decisions separate avoidable from committed cost.	
2.5	Cost allocations use drivers with a credible link to the work.	
	Block total (maximum 20)	

Block 3: Budgets, Variances and Value

Related parts: Part 7, Part 8, Part 9

#	Statement	Score 0 to 4
3.1	Sales, operations, earnings and cash budgets use the same drivers.	
3.2	Targets are kept separate from unbiased forecasts.	
3.3	Variances are split into price, volume and other effects with a stated method.	
3.4	Explanations of variances are supported by operating evidence.	
3.5	Performance measures include a charge for the capital used.	
	Block total (maximum 20)	

Block 4: Scorecards, Ethics and Readiness

Related parts: Part 10, Part 11, Part 12

#	Statement	Score 0 to 4
4.1	Our scorecard is built from strategic choices, not from available data.	
4.2	Assumed cause and effect links in the scorecard are tested.	
4.3	Material estimates and uncertainties are made visible to decision makers.	
4.4	Automated and AI-assisted accounting steps remain traceable and reviewable.	
4.5	We know which reporting changes apply to us and when.	
	Block total (maximum 20)	

Result sheet

Block	Score	Level
1. Purpose, Double Entry and Revenue	/ 20	
2. Assets, Cash and Cost	/ 20	
3. Budgets, Variances and Value	/ 20	
4. Scorecards, Ethics and Readiness	/ 20	
Total	/ 80	

Block score	Level	What it means
0 to 7	Foundation needed	Start with the basics of this block. Pick one statement and make it true within 30 days.
8 to 13	Developing	The ideas are known but not applied consistently. Focus on evidence and ownership.
14 to 17	Established	Practice is solid. Use the weakest statement as your next improvement.
18 to 20	Leading	Keep it current, share the practice and test it under pressure.

Your three priorities

#	Priority	Owner	Due date
1			
2			
3			

Go further

Principles of Accounting Starter Kit: the toolkit with key ideas, diagnosis, reflection questions and an action plan for every block, a 30-day plan and the Excel self-assessment with profile chart.

Principles of Accounting Excellence Bundle: everything in the Starter Kit plus all 12 parts of the series as one collection and a ready-to-use workshop deck.

Read the full series free at operationsinsider.com/series/principles-of-accounting/

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