

## Getting Started

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### Lesson 1

# Lesson Objectives

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- To gain an overview of the course and the topics to be covered
- To know how QuickBooks works and how you can get around in QuickBooks
- To learn common business terms used by QuickBooks
- To practice using the QuickBooks Help tools
- To see how to exit QuickBooks

# Introducing QuickBooks

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- Using forms
  - You record most of your daily business transactions on a QuickBooks form, which looks just like a paper form.
- Using lists
  - The list is another basic feature. You fill out most QuickBooks forms by selecting entries from a list.
- Using registers
  - Registers contain a record of all the activity in one account.

# Getting Around in QuickBooks

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In this section you'll learn how to do the following:

- Find information to help you get started using QuickBooks
- Manage your open windows
- Compare windows side by side
- Customize navigation features
- Use the Customer, Vendor, and Employee Centers
- Use the Company Snapshot to see how your company is doing

# Getting Around in QuickBooks

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- Manage your open windows
  - QuickBooks displays one window at a time.
- Using the menu bar
  - You can find all commands on the menu bar.
- Using the icon bar
  - The icon bar allows you to manage your business more quickly and provides quick access to the Centers.
- Using Centers
  - The Customers, Vendors, Employees, and Reports centers give you quick access to common tasks.
- Making the Home page your starting point
  - The Home page provides a graphical representation of the workflow, organized in logical groups.
- Using the QuickBooks Coach
  - The QuickBooks Coach guides you through business workflows.
- Getting an overview of your company
  - The Company Snapshot gives you real-time information about how your company is doing and provides a location where you can keep track of the tasks you need to perform.

# All the Accounting You Need to Know

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- About the chart of accounts
  - The chart of accounts is a complete list of your business' accounts and their balances.
- When you keep books for a company, you want to track:
  - Where your income comes from
  - Where you put it
  - What your expenses are for
  - And what you use to pay them
- You track this flow of money through the chart of accounts

# All the Accounting You Need to Know

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- Assets
  - Includes what you have and what people owe you.
- Liabilities
  - What your company owes to other people.
- Equity
  - Equity is the difference between what you have and what you owe.
  - $\text{Equity} = \text{Assets} - \text{Liabilities}$

# All the Accounting You Need to Know

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## Cash versus accrual bookkeeping

- Cash basis
  - Income is recorded when money from sales is received and expenses when bills are paid.
- Accrual basis
  - Income is recorded at the time of the sale and expenses when you receive the bill.

**Important:** When you create reports in QuickBooks, you can switch between cash and accrual reports at any time, regardless of which bookkeeping method you have chosen for tax purposes.



# All the Accounting You Need to Know

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- Measuring business profitability
- The balance sheet
  - A snapshot of your company on one date. It shows:
    - What you have (assets)
    - What people owe you (accounts receivable)
    - What your business owes (liabilities and accounts payable)
    - The net worth of your business (equity)
- The profit and loss statement (income statement)
  - A profit and loss statement or income statement shows income, expenses, and net profit or loss
- Statement of cash flows
  - Shows receipts and payments during a specific accounting period

# All the Accounting You Need to Know

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- General journal transactions
  - Traditional accounting method
  - Total amount in the Debit column equals the total amount in the Credit column
  - Each amount is assigned to an account in the chart of accounts
  - To view the journal entry for a transaction, select the transaction and press Ctrl-Y.
  - Modify the Transaction Journal report and choose to display the Credit and Debit columns if they do not appear in the report.

# Getting help while using QuickBooks

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- Onscreen Help to provide conceptual information and step-by-step instructions.
- Tutorials on key tasks. These are available by choosing Learning Center Tutorials from the Help menu.
- Live Community. Instant access to frequently asked questions and experts who can answer your own questions.

# Getting help while using QuickBooks

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To find a topic in onscreen Help:

1. From the Help menu, choose **QuickBooks help**, and then click the **Search** tab.
2. Type **customers** and click the arrow button.
3. Click **Edit or change customer information**.  
QuickBooks displays the topic in the lower portion of the help window.
4. Close the Help window.

# Exiting QuickBooks

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- To exit QuickBooks
  - From the File menu, choose **Exit**.
- To make a back copy of a data file
  - From the File menu, choose **Save Copy or Backup**.

# Moving between company files

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To open a previously opened file:

- From the File menu, choose **Open Previous Company**.
- From the submenu, choose the company file you want to open.

To increase or decrease the number of company files displayed:

- From the File menu, choose **Open Previous Company**.
- Choose **Set number of previous companies**.
- Enter the number of company files you want QuickBooks to display (up to twenty).
- Click OK.



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**LESSON 1      Review questions  
and activities**



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## **Lesson 1: Getting started**

### **Review questions**

- 1** List the three main ways you enter data in QuickBooks.  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- 2** List three ways to access features in QuickBooks.  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- 3** What bookkeeping method does QuickBooks use to create most reports?  
\_\_\_\_\_
- 4** Which of the following would you not include in the chart of accounts?
  - a** Checking account
  - b** Vendor record
  - c** Depreciation expense
  - d** Accounts payable
- 5** Which of the following is an asset?
  - a** Accounts Payable
  - b** Accounts Receivable
  - c** Company delivery van
  - d** Both a and b
  - e** Both b and c
- 6** Checking, savings, and petty cash should be set up as which of the following account types in QuickBooks?
  - a** Expense
  - b** Other current asset
  - c** Bank
  - d** Equity
- 7** Which of the following best describes a balance sheet?
  - a** A summary of a company's finances over the past year
  - b** A financial snapshot of a company at a specific point in time
  - c** A summary of a company's revenue and expenses for a fiscal year
  - d** None of the above



## Review activities

- 1** Run the Balance Sheet Standard report from the Reports menu.
- 2** Use the Report Center to generate the Profit and Loss Standard report.
- 3** Open the Vendor Center and select Cal Gas & Electric. Open the journal entry for the check dated 11/25/2015. How much is the amount in the Debit column and to which account is it assigned? How much is the amount in the Credit column and to which account is it assigned?
- 4** Display a Help topic on using class tracking. Explain when and why you might want to track classes.

## Review questions and activities

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## Lesson 1: Getting started

### Review questions

- 1** List the three main ways you enter data in QuickBooks.  
*Forms, lists, registers*
- 2** List three ways to access features in QuickBooks.  
*Menu bar, Icon Bar, Centers, Home page*
- 3** What bookkeeping method does QuickBooks use to create most reports?  
*Accrual, but you can see any report (except transaction reports) on a cash basis by changing the reporting preference.*
- 4** Which of the following would you not include in the chart of accounts?
  - a** Checking account
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  - d** Accounts Payable
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