

Intuit QuickBooks Training
by Real World Training

Mastering QuickBooks®

Level 2

Learning Manual

Mastering QuickBooks®

Level 2

Learning Manual

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Table of Contents

CHAPTER 1-INTRODUCTION & PRODUCT OVERVIEW	1
INTUIT RESOURCES.....	3
EDITIONS OF QUICKBOOKS.....	5
WHAT QUICKBOOKS DOESN'T DO	6
CHAPTER 2-SETUP ISSUES.....	7
SHOULD I START OVER?	8
SETUP ORDER	9
EXPRESS START	11
COMPLETE YOUR SETUP	12
DETAILED START	14
ENTER OPENING BALANCES	16
PAYROLL SETUP	20
ENTER HISTORY	21
CHECK SETUP	22
CHAPTER 3-CUSTOMIZING QUICKBOOKS.....	25
PREFERENCES.....	27
CUSTOMIZE ICON BAR.....	29
CUSTOM FIELDS	30
ACCOUNT NUMBERS	32
CLASSES	33
CHAPTER 4-ITEMS & INVENTORY	35
EXPENSES VS. ITEMS	36
INVENTORY LIMITATIONS	37
GROUP ITEMS.....	40
INVENTORY ASSEMBLIES	41
UNITS OF MEASURE	44
CHAPTER 5-SALES TRANSACTIONS	45
ESTIMATES/INVOICE FROM ESTIMATE.....	47
PRICE LEVELS	50
SALES ORDERS	53
BATCH INVOICING	56
BILLABLE COSTS.....	58
ADVANCED SALES TAX.....	59
CHAPTER 6-SALES TRANSACTION WORKAROUNDS.....	63
CUSTOMER DEPOSITS.....	64
BAD DEBTS	70
CUSTOMER UNDER/OVER PAYMENTS	73
MULTIPLE A/R ACCOUNTS.....	77
RETAIL SALES.....	79
DEPOSIT CREDIT CARD RECEIPTS	82
CHAPTER 7-PURCHASES & PAYABLES.....	83
PURCHASE FIXED ASSETS.....	85
LOAN MANAGER	87
LINE OF CREDIT	91
FIX BILL PAYMENT ERRORS.....	96
1099S/1096.....	98

CHAPTER 8-ADVANCED PURCHASE TRANSACTIONS	101
EMPLOYEE/OWNER PURCHASES	102
PREPAID EXPENSES.....	104
VENDOR DEPOSITS	106
SUPPORT SCHEDULES	108
VENDOR REFUNDS.....	111
TRADING A/R & A/P ACCOUNT BALANCES	113
VOID PRIOR PERIOD CHECKS	116
CASH FLOW PROJECTOR.....	118
CHAPTER 9-PAYROLL.....	121
MAPPING PAYROLL ITEMS	126
PAYCHECK ISSUES.....	128
TRACK EMPLOYEE LOANS	133
COMPANY & EMPLOYEE EXPENSES	136
W-2s AND W-3.....	138
MANUALLY ADJUST W-2s & W-3.....	139
TIME REPORTS BY BILLED STATUS	145
SUMMARIZE PAYROLL DATA IN EXCEL®	146
CHAPTER 10-REPORTS	147
TYPES OF REPORTS.....	151
CUSTOM REPORTS	152
MODIFY REPORTS.....	154
MEMORIZE AND MANAGE REPORTS	158
CHAPTER 11-REPORTS- EXPERT.....	161
REPORT CONSIDERATIONS.....	162
SPECIAL FIELDS.....	163
WORK WITH MICROSOFT® EXCEL®	170
QUICKBOOKS STATEMENT WRITER.....	176
CHAPTER 12-FILE UTILITIES	177
SCHEDULED BACKUPS	178
CONDENSE DATA.....	179
IMPROVE PERFORMANCE	181
CORRUPT DATA FILES.....	182
VERIFY/REBUILD DATA FILES	183
CHAPTER 13-IMPORTING & EXPORTING	185
BETWEEN QUICKBOOKS FILES	186
QUICKBOOKS AND OTHER PROGRAMS.....	190
QUICKBOOKS AND EXCEL®	193
ADD/EDIT MULTIPLE LIST ENTRIES	194
CHAPTER 14-WORKING WITH ACCOUNTANTS.....	195
JOURNAL ENTRIES	196
YEAR-END PROCEDURES.....	197
ACCOUNTANT-CLIENT SCENARIOS.....	198
ACCOUNTANT'S COPY-STEP BY STEP	200
CONDENSE DATA.....	203
FIND PRIOR YEAR CHANGES	208
REPORT ISSUES.....	210
APPENDIX-MULTICURRENCY	215
SET UP MULTIPLE CURRENCIES	216
FOREIGN PRICE LEVEL	219
MULTIPLE CURRENCY TRANSACTIONS	220
REPORTS/ACTIVITIES	223

Chapter 1- Introduction & Product Overview

*Mastering QuickBooks
Level 2*

Introduction

Welcome

Welcome to Mastering QuickBooks Level 2. The focus of this training is using QuickBooks to its fullest potential, and getting what you need from QuickBooks.

Goals/Learning Objectives

- 1) Learn the advanced features and capabilities of QuickBooks (including those features that advanced users use most)
- 2) Discover solutions to errors (that are difficult to find using available help)
- 3) Apply workarounds to handle tricky transactions
- 4) Learn tricks and tips to get the most from QuickBooks
- 5) Gain insight into QuickBooks functionality to avoid unexpected results
- 6) Learn how best to set up QuickBooks for your company
- 7) Learn advanced reporting techniques to access the information you need

About Intuit

Intuit Inc. is a leading provider of business and financial management solutions for small businesses, consumers and accounting professionals. Its flagship products and services, including QuickBooks®, Quicken® and TurboTax® software, simplify small business management and payroll processing, personal finance, and tax preparation and filing. ProSeries® and Lacerte® are Intuit's leading tax preparation software suites for professional accountants. For more information, visit www.intuit.com on the internet.

About Real World Training

Real World Training was founded in 1992 by David J. O'Brien, CPA. Initially the company provided one-on-one accounting software training to small businesses. In 1994, the company began focusing exclusively on QuickBooks and began offering training courses on the program. In 1996, Real World Training developed the *Mastering QuickBooks* seminar. Since that time, Real World Training has taught over 1,000,000 students how to master QuickBooks for their business. For more information on Real World Training or to see seminar schedules online, visit www.quickbookstraining.com on the internet.

Intuit Resources

Intuit

The QuickBooks website is located at quickbooks.intuit.com. This website has resources to help you better use QuickBooks. You will find information on Intuit's technical support options. You can find Certified ProAdvisors in your area, or learn how to become a Certified ProAdvisor.

The website offers other Intuit products and services that integrate with QuickBooks. You can find information on merchant credit card accounts, payroll services, checks and forms, and other products/services.

The website also includes various small business resources. This includes links to other websites of particular interest to the QuickBooks user.

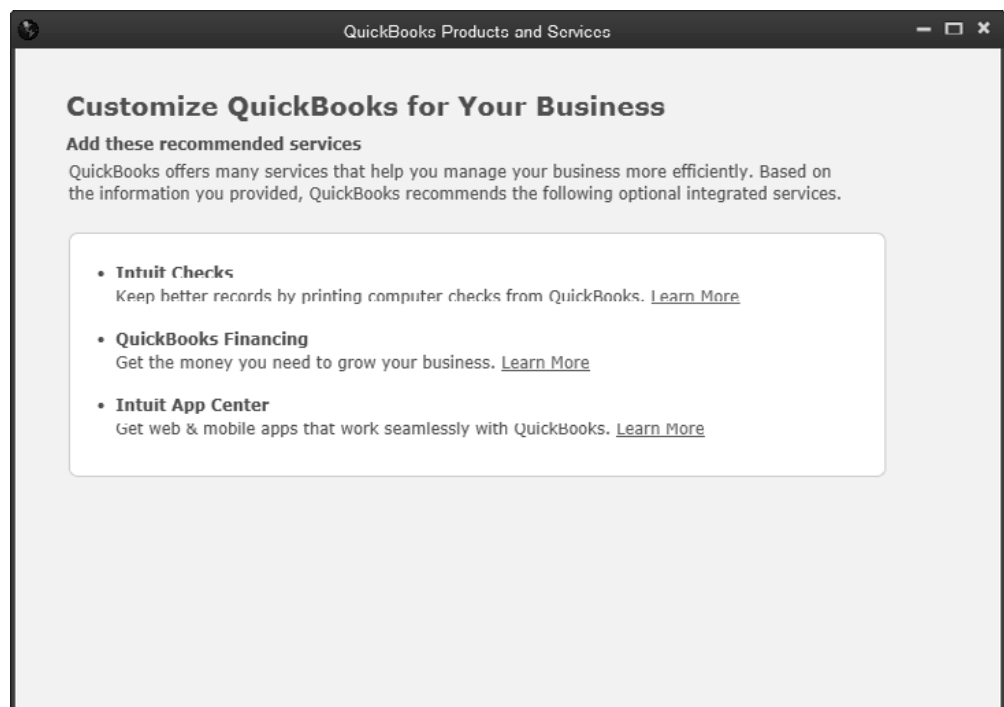
Intuit Business Services

Intuit has formed strategic partnerships with other companies to offer you helpful resources for running your business. This helps you take advantage of emerging technologies usually reserved for larger companies.



Access QuickBooks Products and Services

- 1) Select **Help:Add QuickBooks Services** from the menu.



Intuit products and services are optional and may require internet access, sign-up and/or application approval, and other service fees, terms and conditions. Occasionally, Intuit may decide to update their selection and change certain product and service offerings. See quickbooks.intuit.com for the latest information, including pricing and availability, of QuickBooks products and services.

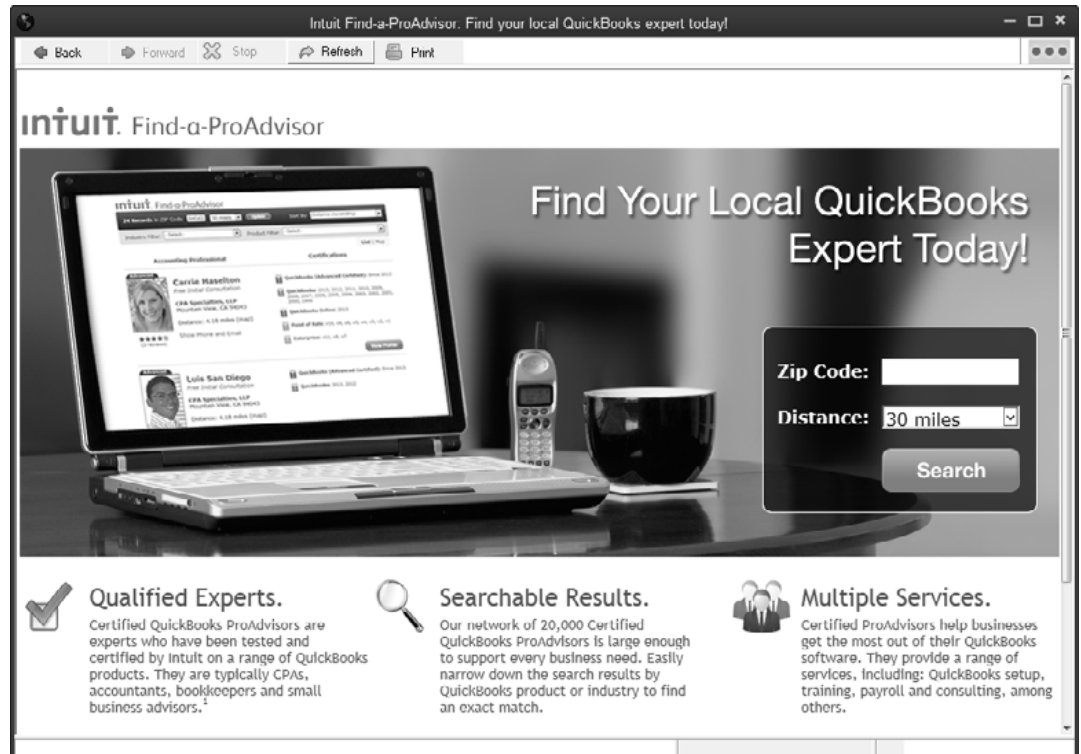
Locate a Certified QuickBooks ProAdvisor^(SM)

Certified QuickBooks ProAdvisors are accounting professionals and computer consultants who work with small businesses using QuickBooks. They offer guidance on anything from installing QuickBooks to more advanced features such as customizing the program. Use a QuickBooks ProAdvisor to solve your toughest QuickBooks problems.



Locate a QuickBooks ProAdvisor

- 1) Select **Help:Find A Local QuickBooks Expert** from the menu.
- 2) Enter appropriate search information.
- 3) Click **Search**.



Editions of QuickBooks

There are several editions of QuickBooks: QuickBooks Online, QuickBooks for Mac, QuickBooks Pro, QuickBooks Premier, and QuickBooks Enterprise Solutions.

Each edition includes basic features such as check writing, paying bills, entering sales and making deposits, and additional features and capabilities to support your growing business.

As an additional benefit, QuickBooks Pro, Premier, and Enterprise Solutions share a common look and feel. QuickBooks Premier and QuickBooks Enterprise Solutions are also available in industry-specific editions.

Your most important decision is whether to use online software or desktop software.

QuickBooks Editions
QuickBooks Online
QuickBooks for Mac
QuickBooks Pro
QuickBooks Premier
QuickBooks Enterprise Solutions
Industry-Specific Editions

What QuickBooks Doesn't Do

QuickBooks might not be the best solution for some situations. These include the following:

- 1) Businesses with transaction levels too high for QuickBooks.
- 2) Companies that require more than five users simultaneously accessing company data files. QuickBooks Enterprise Solutions allows up to 30 concurrent users.
- 3) Businesses that need lists larger than the limits shown in the following table.

List Name	Pro & Premier	Enterprise Only
Customers & Jobs	14,500	Unlimited*
Vendors	14,500	Unlimited*
Employees	14,500	Unlimited*
Other Names List	14,500	Unlimited*
Chart of accounts	10,000	100,000
Items-including inventory items	14,500	Unlimited*
Sales reps	10,000	10,000
Price levels	100	100
Sales tax codes	10,000	10,000
Job types	10,000	10,000
Vendor types	10,000	100,000
Customer types	10,000	100,000
Payroll items	10,000	10,000
Classes	10,000	100,000
A/R terms & A/P terms (added together)	10,000	29,000
Payment methods	10,000	10,000
Shipping methods	10,000	10,000
Customer messages	10,000	100,000
To do's	10,000	100,000
Memorized transactions	14,500	50,000
Memorized reports	14,500	29,000

*Performance testing was conducted at 100,000 list entries. You may see performance degradation as you add more than 100,000 items, customers or vendors.

Chapter 2- Setup Issues

Mastering QuickBooks
Level 2

Should I Start Over?

You may want to start a new file if your current file is too large, or if there are too many errors in the file. Starting over allows you to correct past mistakes, and set the file up correctly based on a better understanding of QuickBooks. Before you start over, here are some questions to consider:

- 1) Would fixing your current file be better than starting a new file?
- 2) How much time can you invest in setting up your file correctly?
- 3) Would starting over provide additional information you would use?
- 4) Can you wait until the end of the current financial period to start over?
(This is the best time to start over)

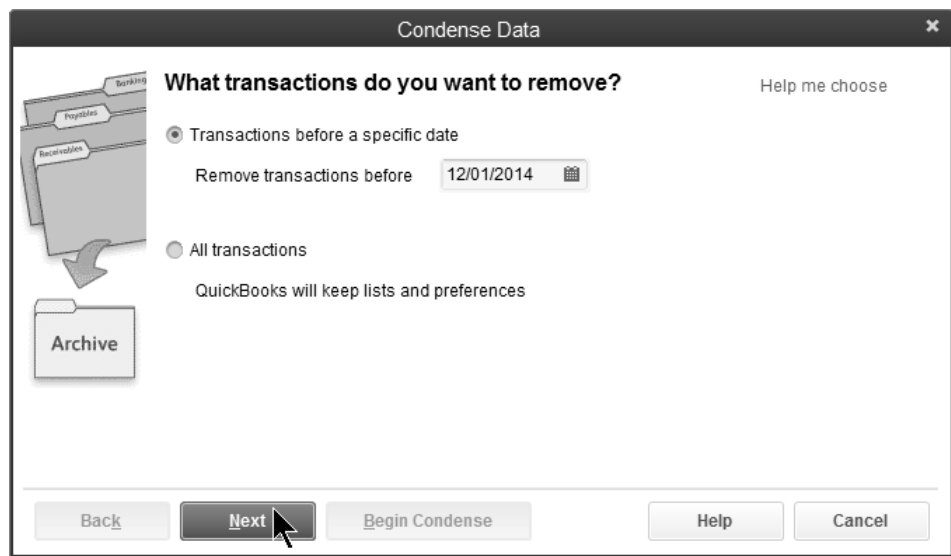
Remove All Transactions from a Company File

What if you already use QuickBooks and wish to start over? QuickBooks has a feature that makes this easier. The feature removes all transactions from an existing file. This option leaves lists, preferences, and service subscriptions in the file. However, all balances are removed. You must enter opening balances for accounts, customers, vendors, and inventory. Removing transactions is not allowed if payroll transactions exist in the current year. QuickBooks creates an archive copy of your data file before removing the transactions. Open this archive file if you need to access any of the removed transactions.



Remove All Transactions from a Company File

- 1) Select **File:Utilities:Condense Data** from the menu.
- 2) Click **Yes** in the **Budget Data May Be Affected** window (if applicable).
- 3) Click the **All transactions** button.
- 4) Click the **Next** button.
- 5) Click **Yes** in the **Condense Data** window.
- 6) Click the **Begin Cleanup** button.



Setup Order

Follow the correct order to ensure the new file is set up correctly.

- 1) **Express Start/Advanced Setup/From an existing company file**
Use one of these tools to create your company file. Enter company information, customize QuickBooks for your business, set up your chart of accounts, and password protect your company file.
- 2) **QuickBooks Setup**
This walks you through the process of setting up names, products and services, and bank accounts
- 3) **Complete & Modify Lists**
This could include importing lists from your old file. This is covered in Chapter 13.
- 4) **Enter Opening Balances**
Enter bank account balances through the EasyStep Interview. There are multiple ways to enter the rest of your opening balances. These are discussed later in the chapter.
- 5) **Payroll Setup**
- 6) **Enter History**
Enter transactions that have occurred from the start date to the current date.
- 7) **Check Setup**
- 8) **Customize the File**
 - Customize Home Page
 - Set Preferences
 - Add Custom Fields
 - Customize Forms

Suggestions for New Start

The ideal start date is the beginning of a financial year. If this is not realistic, the beginning of a financial period (such as a month or quarter) is the next best option. Ideally, you should have an accurate balance sheet dated on the previous day.

Proper planning eases the transition to a new QuickBooks file. When starting a new file, follow these recommendations.

- 1) Gather necessary information
- 2) If you import lists, delete unnecessary entries in the new file
- 3) Practice with QuickBooks by entering transaction history (entering history is covered later in this chapter).
- 4) If possible, enter transactions in your new file AND your old file (or other accounting system) to ensure data is being entered correctly (i.e. run parallel systems)
- 5) If you don't have an accounting background, consider hiring an accounting professional or consultant.

Starting a New File

It is important to have a number of items ready before you set up a new QuickBooks company file. Your accountant can provide valuable assistance in gathering this information.

Company information

QuickBooks needs basic information such as company name, address, and tax IDs.

Bank account balances

Look at recent bank statements and in company checkbooks for the current balances.

Sales taxes due

If your business collects sales taxes, you need to know how much sales taxes were due as of the start date. After the start date, QuickBooks calculates the sales tax for you.

Inventory quantities and value

QuickBooks needs starting information for inventory such as quantities on hand and value.

How much customers owe you

You should know how much each customer owes you.

How much you owe vendors

A vendor is someone from whom you purchase goods or services. You should know how much you owe each vendor.

Chart of accounts

If you have a current chart of accounts, you will need this for the set up process.

An accountant can provide valuable assistance during the setup process.

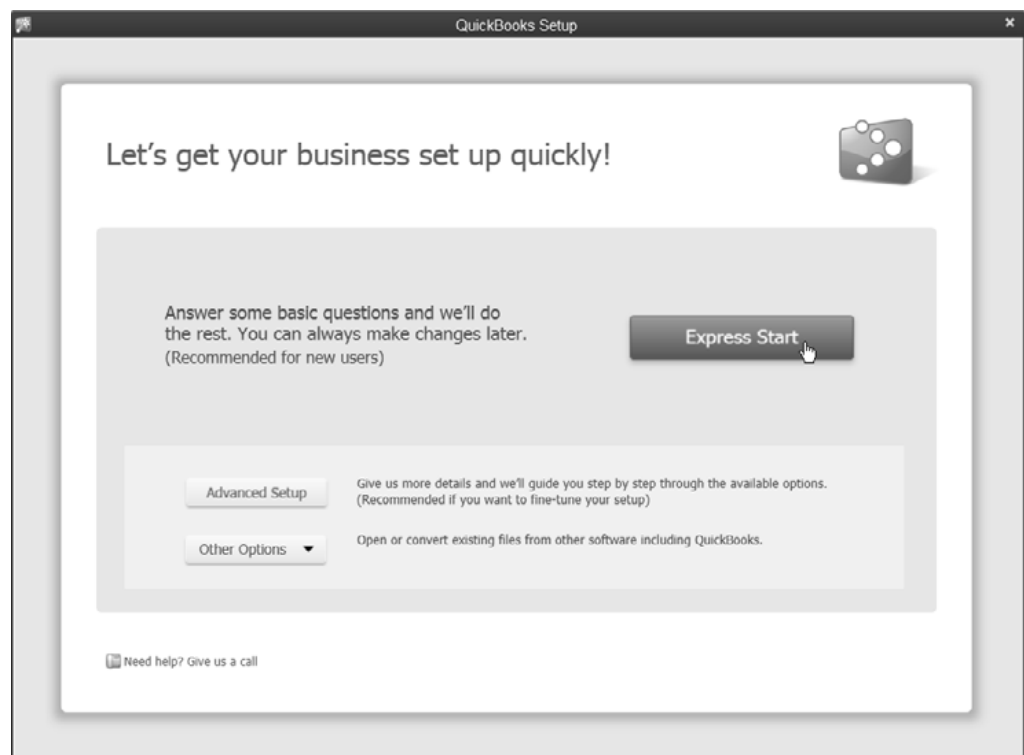
Express Start

The *Express Start* is the quickest and easiest way to set up your company file. Just answer some basic questions about your business to create your company file.



Start Express Start

- 1) Select **File:New Company** from the menu.
- 2) Click the **Express Start** button.
- 3) Enter appropriate information into the windows displayed by QuickBooks.



Complete Your Setup

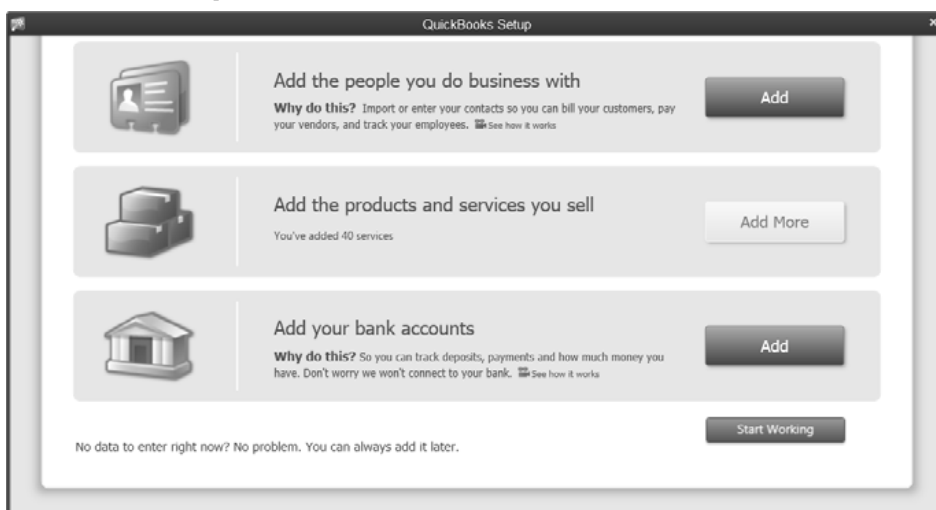
After the Detailed Start, use QuickBooks Setup to set up your customers, vendors, employees, items, and bank accounts. Then, use the Quick Start Center to start common tasks and review helpful tips to get the most out of QuickBooks.



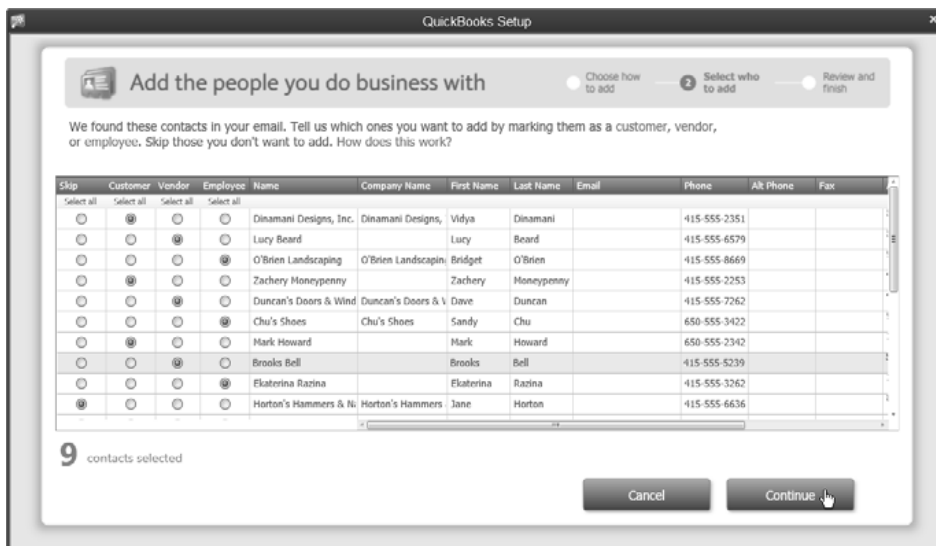
Complete Setup

- 1) When you finish the **Detailed Start**, QuickBooks opens the **QuickBooks Setup** window.
- 2) Click the **Add** button to enter customers, vendors, employees, items, and bank accounts.
- 3) Click **Start Working** to begin using QuickBooks.

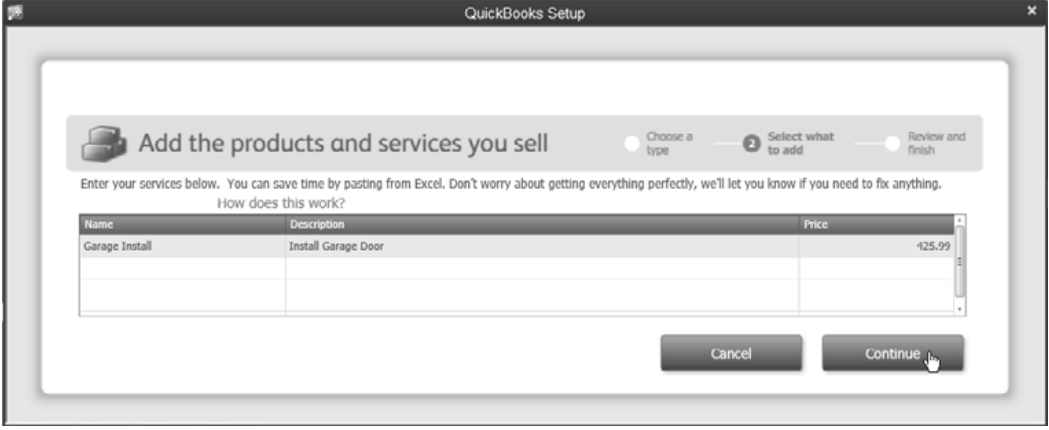
QuickBooks Setup



Add the People You Do Business With



Add the Products and Services You Sell



QuickBooks Setup

Add the products and services you sell

Choose a type ☐ 2 Select what to add ☒ Review and finish ☐

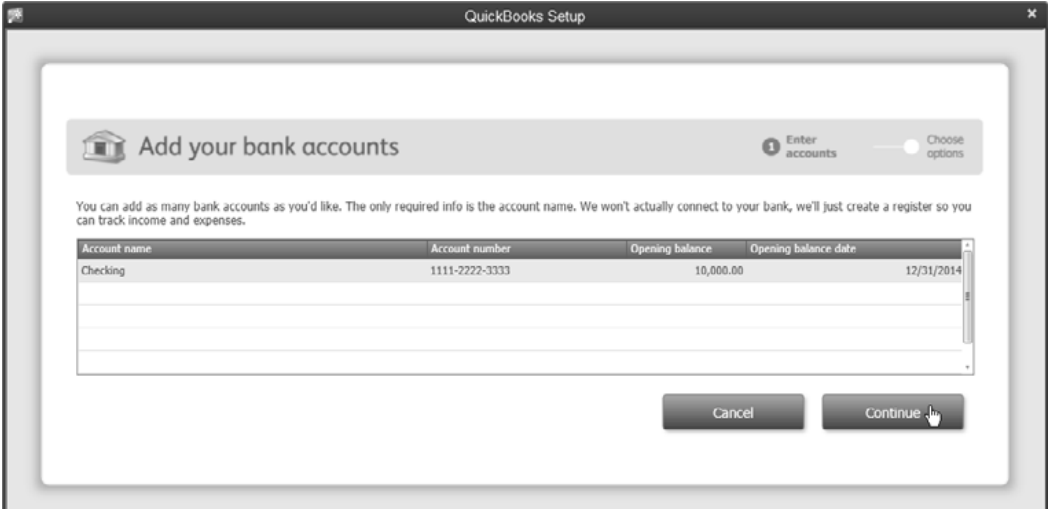
Enter your services below. You can save time by pasting from Excel. Don't worry about getting everything perfectly, we'll let you know if you need to fix anything.

How does this work?

Name	Description	Price
Garage Install	Install Garage Door	\$25.99

Cancel Continue

Add Your Bank Accounts



QuickBooks Setup

Add your bank accounts

1 Enter accounts ☒ Choose options ☐

You can add as many bank accounts as you'd like. The only required info is the account name. We won't actually connect to your bank, we'll just create a register so you can track income and expenses.

Account name	Account number	Opening balance	Opening balance date
Checking	1111-2222-3333	10,000.00	12/31/2014

Cancel Continue

Detailed Start

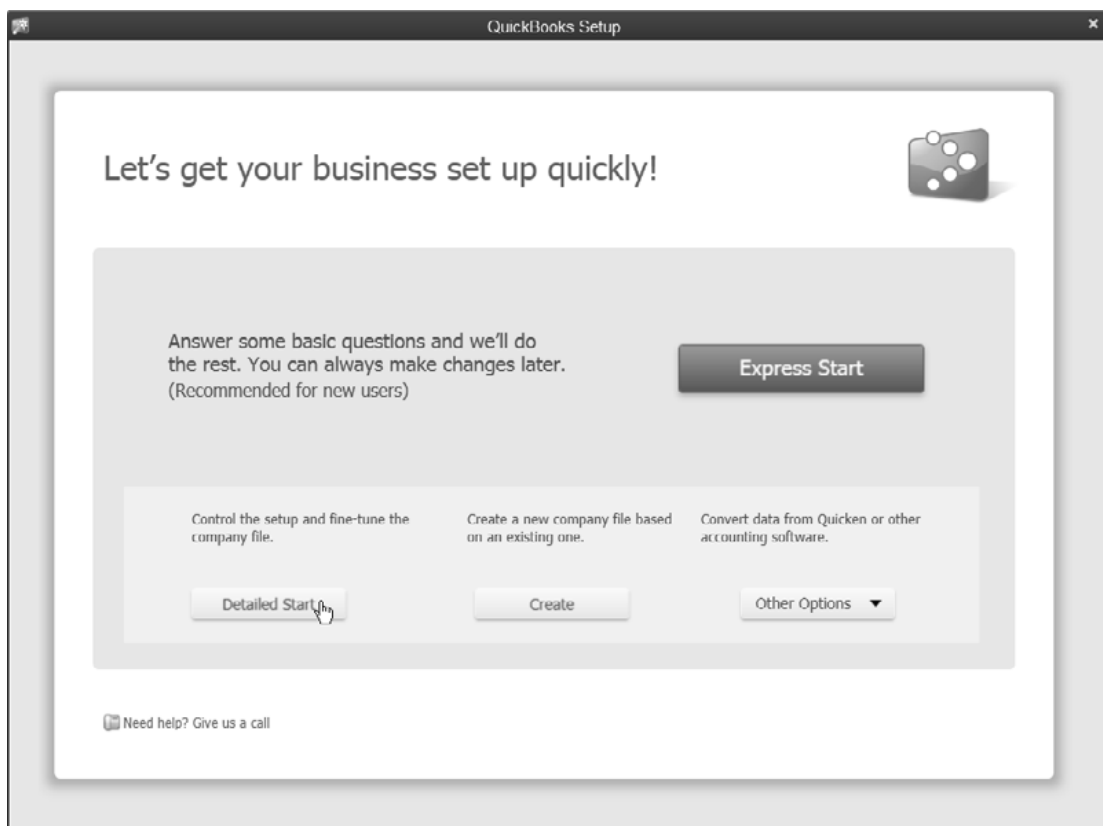
The *Detailed Start* walks you through the process of setting up a QuickBooks company. The tool simplifies the process of making important start-up decisions and customizing various elements of QuickBooks for your business.



Start the EasyStep Interview

- 1) Select **File:New Company** from the menu.
- 2) Click the **Detailed Start** button.
- 3) Enter appropriate information on each window of the interview.

Get Started



Enter Company Information

EasyStep Interview

Get answers

Enter your company information

QuickBooks uses this information on your tax forms and forms you use to communicate with your customers and vendors.

* Company name

Legal name

The name you use on your tax and legal forms. Unless you use a DBA name, this will probably be the same as the company name. Explain

Tax ID

Your Federal Employer Identification Number (EIN) or Social Security Number. Used only on tax forms.

Street address

City State Zip

Country

Phone Fax

Use the format you would like displayed on your forms, e.g., (555) 555-1212

E-mail address

Web site

* required field What if I have more than one business?

Leave... < Back Next >

Need help setting up?

Find A Local
QuickBooks Expert
(fees may apply)

intuit
Certified Professional
QuickBooks

Select Your Industry

EasyStep Interview

Get answers

Select your industry

Tell us your industry and we'll customize QuickBooks to work best for you.

You will be able to review our recommendations and change them in this interview. And, you can always change each of these settings later. Explain

Note: Don't see your industry? Choose an industry that is similar to yours. Examples

Select an industry from the list

INDUSTRY

- Accounting or Bookkeeping
- Advertising or Public Relations
- Agriculture, Ranching, or Farming
- Art, Writing, or Photography
- Automotive Sales or Repair
- Church or Religious Organization
- Construction General Contractor
- Construction Trades (Plumber, Electrician, HVAC, etc.)
- Design, Architecture, or Engineering

How does QuickBooks use my industry selection?

Leave... < Back Next >

Need help setting up?

Find A Local
QuickBooks Expert
(fees may apply)

intuit
Certified Professional
QuickBooks

Enter Opening Balances

You must enter opening balances if you want accurate financial statements. You can enter most opening balances with a journal entry. However, several accounts require special attention. These accounts are shown in this section.

General Journal Entry

Use a Journal Entry to enter most opening balances. Use Opening Balance Equity to “balance” this entry. You adjust Opening Balance Equity later in this chapter.

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Employee Loan	2,500.00				
Vehicles	24,148.00				
Sales Tax Payable		350.00			
Loan Payable		14,000.00			
Vehicle Loan		11,000.00			
Opening Bal Equity		1,598.00			
Totals	26,948.00	26,948.00			

Bank Accounts

During QuickBooks Setup, QuickBooks asks for the last *bank statement balance*. It does not ask for the *book balance* on the balance sheet. Convert the bank’s balance to the book balance by entering the outstanding transactions into the checking account. Entering outstanding bank transactions is also necessary for your first bank reconciliation. However, do not use the original expense or income accounts used in those transactions. Use the Opening Balance Equity account instead.

Account name	Account number	Opening balance	Opening balance date
Checking	1111-2222-3333	10,000.00	12/31/2014

Account Register (Enter Outstanding Transactions)

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
	TYPE	ACCOUNT	MEMO		
12/09/2014	445	Opening Bal Equity	2,000.00		-2,000.00
	CHK	uncleared at start date			
12/13/2014	446	Opening Bal Equity	800.00		-2,800.00
	CHK	uncleared at start date			
12/22/2014		Opening Bal Equity		5,000.00	2,200.00
	DEP	Account Opening Balance			
12/25/2014		Opening Bal Equity		500.00	2,700.00
	TRANSF	uncleared at start date			

ENDING BALANCE **2,700.00**

Buttons: Splits, 1-line, Sort by (Date, Type, Number/Ref), Record, Restore

Accounts Receivable

There are 2 ways to enter beginning Accounts Receivable using forms. The appropriate method depends upon your requirements.

1) Enter A/R without Invoice Detail

Create an item linked to Opening Balance Equity. QuickBooks uses this account as the offset for each beginning balance entry. Build the Accounts Receivable detail by entering each outstanding invoice with the original date. Enter the invoice balance using the item linked to Opening Balance Equity. This enters the detail for Accounts Receivable without entering each invoice's detail.

Create Invoices

CUSTOMER:JOB **Isabella Incorp...** TEMPLATE **Intuit Service...**

Invoice

Date: **12/11/2014** Bill To: **Isabella Rosa
212 Toopretty Street
Dallas, TX 78776**

Invoice #: **1**

P.O. No. Terms

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT
Opening Balance		Beginning balance for customer	2,500.00	2,500.00

ONLINE PAY: **Off**

Customer Message:

MEMO:

Summary: Total **2,500.00**, PAYMENTS APPLIED **0.00**, BALANCE DUE **2,500.00**

Buttons: Save & Close, Save & New, Clear

2) Enter A/R with Invoice Detail

Build the Accounts Receivable detail by entering each outstanding invoice using the original date. Use items that are linked to the appropriate income accounts. Because the invoices will likely be dated in the prior year, the activity is included in beginning Retained Earnings. This enters the detail for Accounts Receivable and the individual invoice's detail.

Use this method if you are on the cash basis of accounting. The income is not recognized until the money is received. Therefore, enter the invoices using the appropriate items so the proper accounts are affected when payment is received.

Create Invoices

Customer: **Isabella Incorp...** | Template: **Intuit Service...**

Invoice

Date: 12/11/2014 | Invoice #: 1

Bill To: Isabella Rosa
212 Toopretty Street
Dallas, TX 78776

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT
General Service	2.5	Services provided by the hour	90.00	225.00

ONLINE PAY: Off

Customer Message: [Empty]

MEMO: [Empty]

Total: 225.00
PAYMENTS APPLIED: 0.00
BALANCE DUE: 225.00

Buttons: Save & Close, Save & New, Clear

Accounts Payable

There are 2 ways to enter beginning Accounts Payable using forms. The appropriate method depends on your requirements.

- 1) Build the Accounts Payable detail by entering each outstanding bill using the original date. Use Opening Balance Equity as the expense account.
- 2) Build the Accounts Payable detail by entering each outstanding bill using the original date. Use appropriate accounts, or items linked to the appropriate accounts. Because the bills will likely be dated in the prior year, the activity is included in beginning Retained Earnings.

Use this method if you are on the cash basis of accounting. The expense is not recognized until the bill is paid. Therefore, enter the bills using the appropriate items or accounts so QuickBooks affects the correct accounts when you pay the bills.

Credit Cards

Credit card account balances cannot be entered during QuickBooks Setup. Instead, enter your credit card opening balance using the account register or a journal entry which you learned earlier. Use the credit card statement balance as the opening balance. However, this creates the same reconciliation issue explained in the bank account section. The solution is the same. Enter the outstanding credit card charges and payments using the Opening Balance Equity account.

The screenshot shows the 'Visa' account register in QuickBooks. The window title is 'Visa'. The menu bar includes 'Go to...', 'Print...', 'Edit Transaction', 'QuickReport', and 'Download Card Charges'. The table below shows the transaction history:

DATE	REF	PAYEE	CHARGE	PAYMENT	BALANCE
	TYPE	ACCOUNT	MEMO		
12/26/2014	Ref	Payee			
	CC	Opening Bal Equity	Account Opening Balance	2,000.00	2,000.00
12/28/2014		Restaurant		87.00	2,087.00
	CC	Opening Bal Equity	Last Year Charge		
12/29/2014		Visa		2,000.00	87.00
	CC CRED	Opening Bal Equity	Last Year Payment		
04/01/2015					

At the bottom right, the 'ENDING BALANCE' is displayed as **87.00**. There are buttons for 'Splits', '1-Line', 'Sort by' (set to 'Date, Type, Number/Ref'), 'Record', and 'Restore'.

Equity Accounts

Equity is the last opening balance you should enter. Enter Equity balances with a journal entry. This journal entry should also transfer the Opening Balance Equity balance to the appropriate equity accounts.

The screenshot shows the 'Make General Journal Entries' window in QuickBooks. The window title is 'Make General Journal Entries'. The menu bar includes 'Main', 'Reports', 'Find', 'New', 'Save', 'Delete', 'Create a Copy', 'Memorize', 'Reverse', 'Print', and 'Attach File'. The entry is dated 12/31/2014. The table below shows the journal entry:

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Opening Bal Equity	14,011.00		Classify Beginning Equity		
Additional Paid in Capital		5,000.00	Classify Beginning Equity		
Capital Stock		2,750.00	Classify Beginning Equity		
Retained Earnings		6,261.00	Classify Beginning Equity		
Totals	14,011.00	14,011.00			

At the bottom right, there are buttons for 'Save & Close', 'Save & New', and 'Clear'. A mouse cursor is pointing at the 'Save & Close' button.

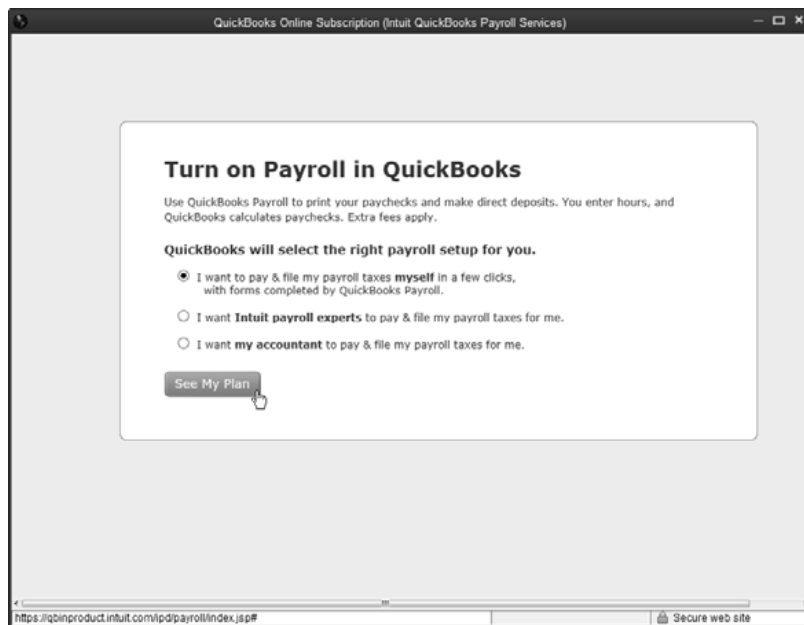
Payroll Setup

The Payroll Setup interview streamlines payroll setup. Use QuickBooks Payroll Setup to enter all necessary payroll information and payroll related account opening balances.



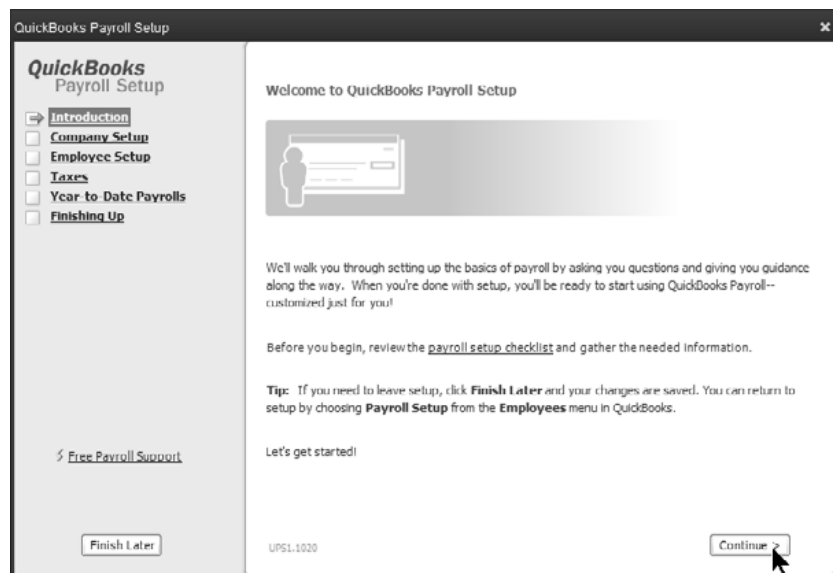
Learn about Payroll Options

- 1) Click the **Turn on Payroll** icon on the **Home** page.



Set Up Payroll

- 1) Select **Employees:Payroll Setup** from the menu.
- 2) Enter appropriate information in the **QuickBooks Payroll Setup** windows.
- 3) Click **Finish** when complete.



Enter History

Your accounting records are not complete until the transactions from the start date to the current date are entered. There are two ways to enter the history.

(A) Enter Individual Transactions

A list of the historical transactions and the order they should be entered follows:

- 1) Sales & Accounts Receivable History
 - a) Invoices
 - b) Statement Charges
 - c) Sales Receipts
 - d) Customer Credits/Returns
 - e) Customer Payments
 - f) Deposits of Customer Payments
 - g) Sales Tax Payments
- 2) Vendor & Accounts Payable History
 - a) Bills
 - b) Vendor Credits
 - c) Bill Payments
- 3) Payroll History
 - a) Use the *Year-to-Date Payrolls* step of the QuickBooks Payroll Setup interview
- 4) Bank & Credit Card History
 - a) Checks (do not duplicate bill payments)
 - b) Deposits (do not duplicate customer payments/deposits)
 - c) Bank Fees and Transfers
 - d) Credit Card Charges/Credits
- 5) Reconcile Bank Accounts
 - a) Reconcile each month to ensure greatest accuracy

(B) Enter Summary Journal Entries

Journal entries can be used to summarize transactions between the start date and the current date.

DATE	ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLING
01/01/2015	Sales		10,000.00	Jan 2015 Activity		
	Equipment Rental	2,000.00		Jan 2015 Activity		
	Insurance Dental In...	1,500.00		Jan 2015 Activity		
	Postage and Delivery	500.00		Jan 2015 Activity		
	Repairs Computer R...	2,000.00		Jan 2015 Activity		
	Rent	4,000.00		Jan 2015 Activity		
	Totals	10,000.00	10,000.00			

Check Setup

After you enter opening balances and history, test their accuracy by running several reports. Compare the reports to the supporting schedules or last year's tax return.

- 1) Use the Balance Sheet as of the day before your start date to verify beginning account balances.

Buildem, Inc.	
Balance Sheet	
As of December 31, 2014	
04/01/15	As of Dec 31, 14
Accrual Basis	
ASSETS	
Current Assets	
Checking/Savings	
Checking	2,700.00
Total Checking/Savings	2,700.00
Accounts Receivable	
Accounts Receivable	10,000.00
Total Accounts Receivable	10,000.00
Other Current Assets	
Employee Loan	2,500.00
Total Other Current Assets	2,500.00
Total Current Assets	15,200.00

- 2) Use the Profit & Loss Statement for the periods since the start date to verify historical transactions.
- 3) Use the Open Invoices report to verify accounts receivable detail as of the start date.
- 4) Use the Unpaid Bills Detail report to verify accounts payable detail as of the start date.
- 5) Use the Inventory Valuation Summary report to verify inventory.
- 6) Use the Payroll Liabilities report to verify payroll liability detail as of the start date.
- 7) Use the Payroll Summary report to check year-to-date payroll transactions.

Edit Beginning Balance/Start Date

If you need to change either the beginning balance or the start date of an account, the easiest way to do so is through the account register.



Edit Beginning Account Balance

- 1) Click the **Chart of Accounts** icon on **Home** page.
- 2) Double-click on the appropriate account.
- 3) Click the entry with the **Memo** entered as **Account Opening Balance**.
- 4) Enter the new **Date** to change the account's start date.
- 5) Press **Tab** until the cursor is in the amount field.
- 6) Enter the correct beginning balance.
- 7) Click the **Record** button.

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE	
		ACCOUNT	MEMO			
12/13/2014	446	CHK	Opening Bal Equity	undcleared at start date	800.00	-2,800.00
12/22/2014		DEP	Opening Bal Equity	Account Opening Balance	5,000.00	2,200.00
12/25/2014		TRANSF	Opening Bal Equity	undcleared at start date	500.00	2,700.00
04/01/2015	447					

ENDING BALANCE **2,700.00**

☐ 1-Line

Sort by Date, Type, Number/Ref

Visit Our Website
www.quickbookstraining.com

Chapter 3- Customizing QuickBooks

Mastering QuickBooks
Level 2

Customize QuickBooks

You should customize QuickBooks to suit your needs. During this chapter, you learn to customize preferences, the Icon Bar and custom fields. You also customize QuickBooks using account numbers and class tracking.

(1) Preferences

You turn features on and off with preferences. Some preferences are set automatically during the Advanced Setup, but you can change them at any time. Some preferences also change how QuickBooks looks. You change and set preferences during this chapter.

(2) Icon Bar

Use the Icon Bar to create shortcuts to activities you perform often. You learn to customize the Icon Bar during this chapter.

(3) Custom Fields

Create custom fields to track information specific to your business. You set up and use custom fields during this chapter.

(4) Account Numbers

Most people only use account numbers at the request of their accountant. You learn about account numbers during this chapter.

(5) Class Tracking

Classes provide a way to classify income and expense transactions. Use classes for departments, business offices or locations, separate properties, or whatever else is appropriate for your business. You learn about class tracking during this chapter.

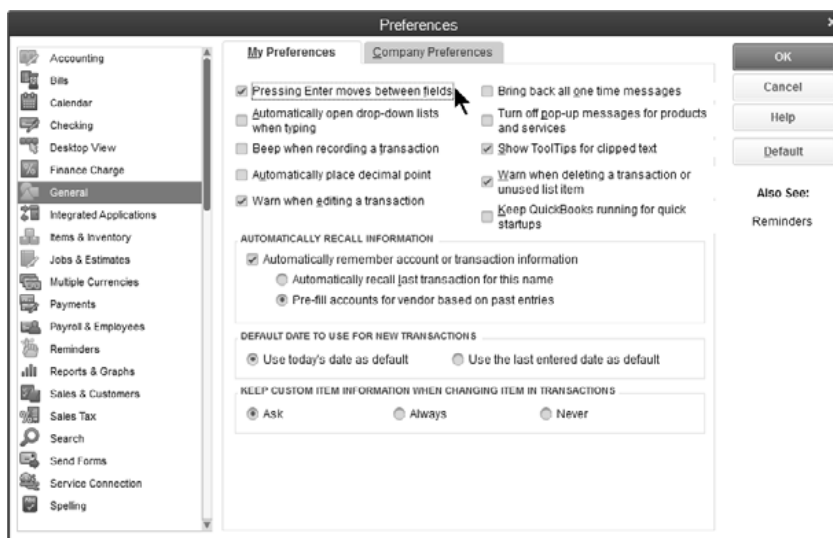
Preferences

To learn more about a particular preference, open the appropriate preferences window and press the F1 key. QuickBooks displays a help window explaining each preference.



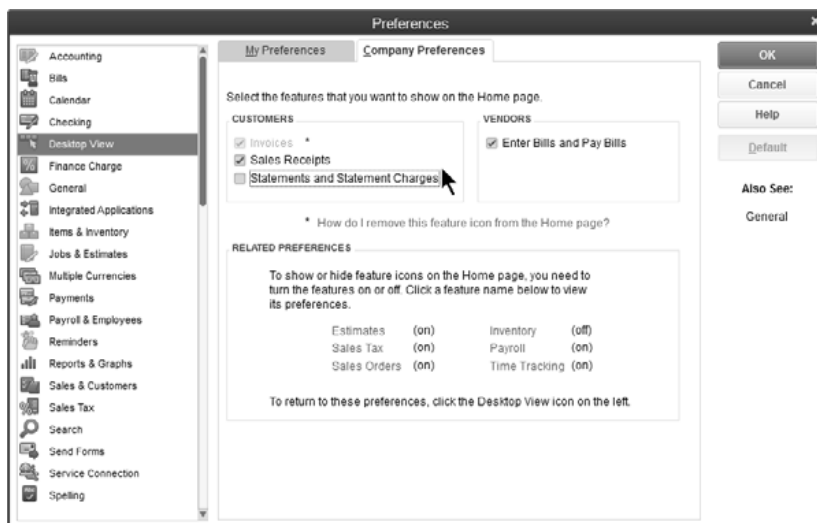
General Preferences (User)

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **General** icon in the list to the left.
- 3) Change appropriate information in the **Preferences** window.
- 4) Click **OK**.



Desktop View Preferences (Company)

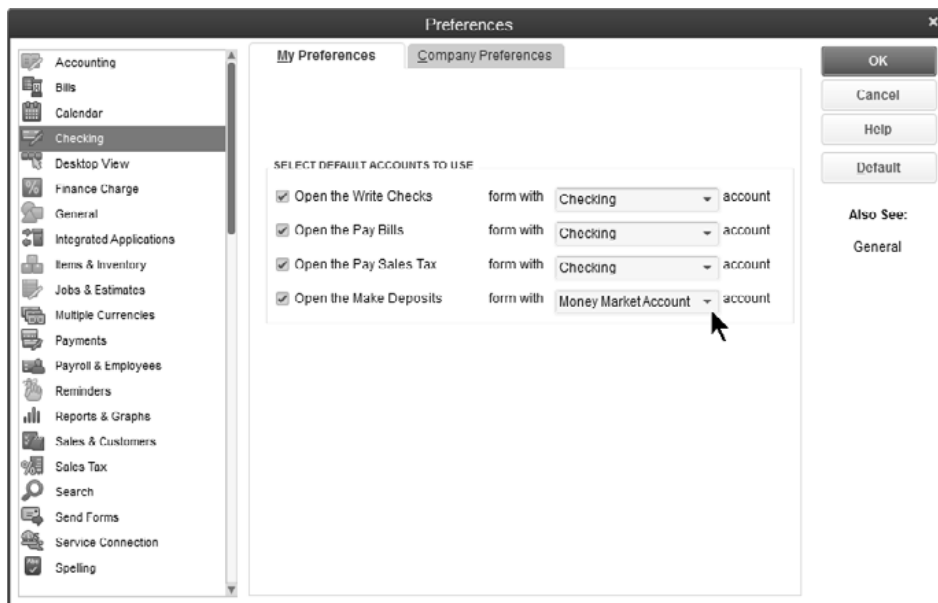
- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Desktop View** icon in the list to the left.
- 3) Change appropriate information in the **Preferences** window.
- 4) Click **OK**.





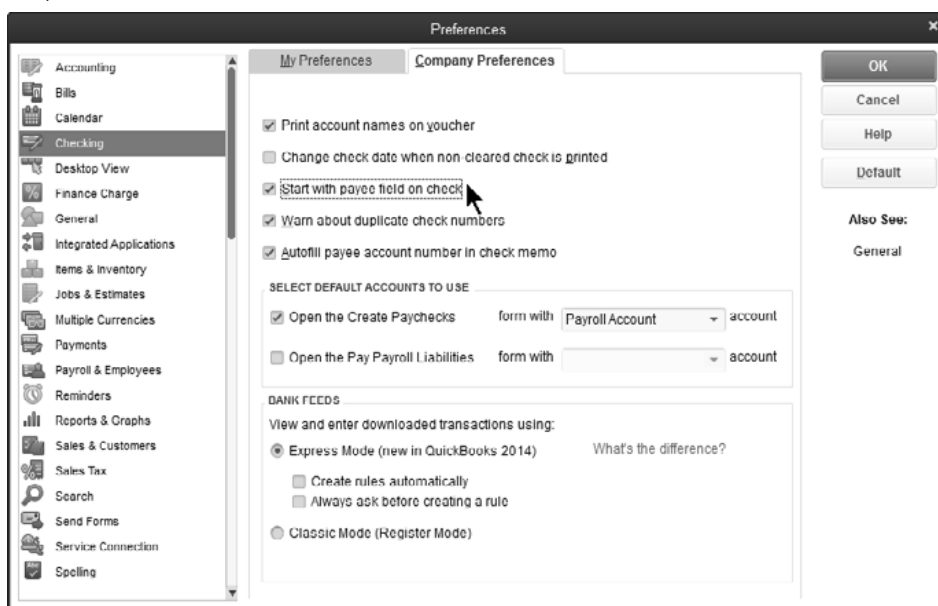
Checking Preferences (User)

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Checking** icon in the list to the left.
- 3) Change appropriate information in the **Preferences** window.
- 4) Click **OK**.



Checking Preferences (Company)

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Checking** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Change appropriate information in the **Preferences** window.
- 5) Click **OK**.

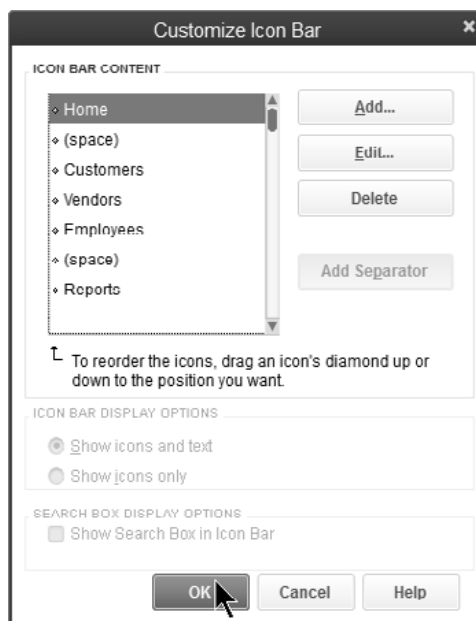


Customize Icon Bar



Customize Icon Bar

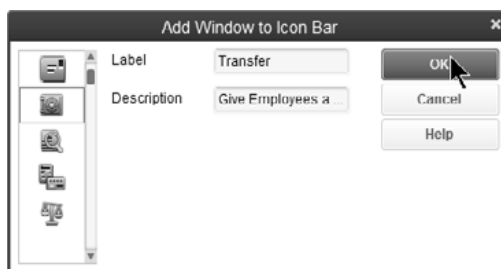
- 1) Select **View:Customize Icon Bar** from the menu.
- 2) Change appropriate information in the **Customize Icon Bar** window.
- 3) Click **OK**.



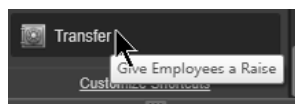
Add Window to Icon Bar

- 1) Display the window to be added to the **Icon Bar**.
- 2) Select **View:Add (Window Name) to Icon Bar** from the menu.
- 3) Change appropriate information in the **Add Window to Icon Bar** window.
- 4) Click **OK**.

Add Window to Icon Bar



Customized Icon Bar



Custom Fields

QuickBooks lets you add up to 7 custom fields for customers, vendors, and employees. You can add up to five custom fields for items. The custom fields can then be added to reports and forms.



Define Custom Fields

- 1) Display the **Customer Center**, **Vendor Center** or **Employee Center**.
- 2) Edit or create a new entry.
- 3) Click the **Additional Info** tab.
- 4) Click the **Define Fields** button.
- 5) Enter the custom fields and make the appropriate selections in the **Set up Custom Fields for Names** window.
- 6) Click **OK**.
- 7) Click **OK**.

Set up Custom Fields for Names

The dialog box titled "Set up Custom Fields for Names" contains a table with columns: Label, Use for: (Cust, Vend, Empl), and buttons (OK, Cancel, Help). The table lists four custom fields: Service Person, Credit Rating, Pager #, and Birthday. The "Use for:" columns show checkmarks for Cust, Vend, and Empl for Service Person, Credit Rating, and Pager #, and a checkmark for Cust for Birthday.

Label	Use for:	Cust	Vend	Empl
Service Person		✓		
Credit Rating		✓		
Pager #		✓		
Birthday		✓		

Enter Custom Field Information

The "Edit Customer" dialog box shows the "Additional Info" tab. The "CUSTOM FIELDS" section contains input fields for SERVICE PERSON (Smith), CREDIT RATING (AA), PAGER # (312-555-0011), and BIRTHDAY (10/15). A "Define Fields" button is located below these fields. The "OK", "Cancel", and "Help" buttons are at the bottom right.

Custom Fields-Enterprise Solutions

Enterprise Solutions has enhanced custom field capabilities, such as assigning a data type/format, creating a multiple choice list, and the option to require entry of the field on transactions and/or lists. These enhancements improve data entry accuracy and consistency.



Define Custom Fields

- 1) Display the **Customer Center**, **Vendor Center** or **Employee Center**.
- 2) Edit or create a new entry.
- 3) Click the **Additional Info** tab.
- 4) Click the **Define Fields** button.
- 5) Enter the custom fields and make the appropriate selections in the **Set up Custom Fields for Names** window.
- 6) Click **OK**.
- 7) Click **OK**.

Set up Custom Fields for Names

Label	Use for:			What kind of data?	Required on:	
	Cust	Vend	Empl		Trans	List
Birthday	✓			Date (mm/dd/yyyy)		
Service Person	✓			User's multi-choice list...		

Enter Custom Field Information

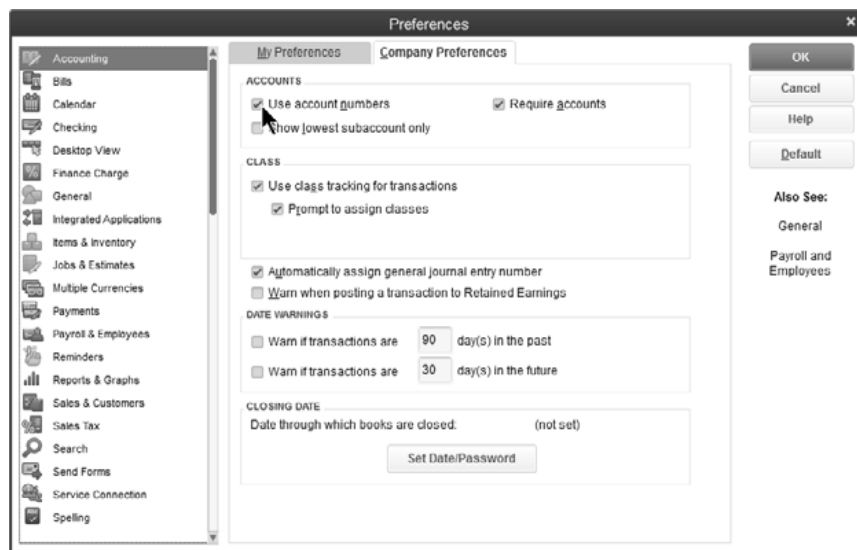
Account Numbers



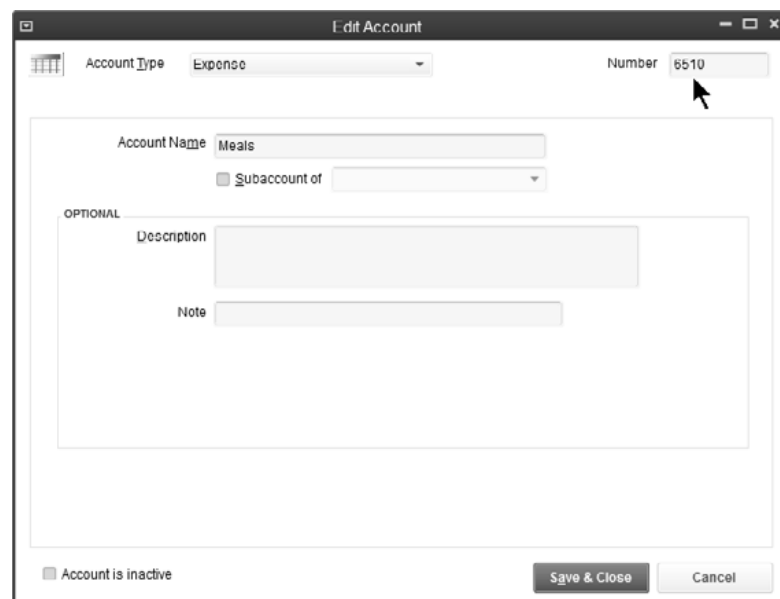
Turn On/Off Account Numbers

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Accounting** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click the box next to **Use account numbers**.
- 5) Click **OK**.

Accounting Preferences



Edit Account



Classes

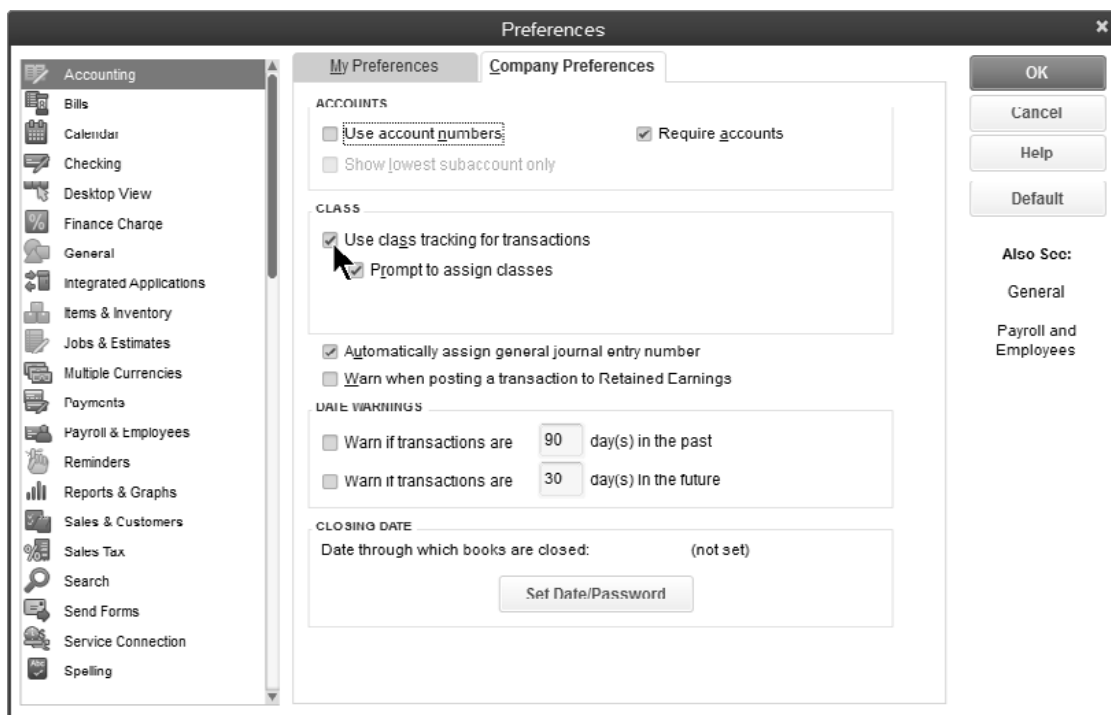
Classes provide a way to classify account balances. This allows you to generate profit & loss statements and balance sheets by *class*.

Use classes for departments, business offices or locations, separate properties, or whatever else is appropriate for your business. This is much easier than setting up an extensive chart of accounts to provide the same information.



Turn On/Off Classes

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Accounting** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click the box next to **Use class tracking**.
- 5) Click **OK**.



Add Class

- 1) Select **Lists:Class List** from the menu.
- 2) Click the **Class** button.
- 3) Select **New** from the menu.
- 4) Enter appropriate information in the **New Class** window.
- 5) Click **OK**.



Review the Balance Sheet by Class

- 1) Select **Reports:Company & Financial:Balance Sheet by Class** from the menu.

Balance Sheet by Class					
Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh					
Dates	This Fiscal Year-to-date	As of	04/01/2015	Columns	Class
Sort By Default					
Buildem, Inc. Balance Sheet by Class As of April 1, 2015					
Accrual Basis					
	Dallas	Fort Worth	Houston	Unclassified	TOTAL
ASSETS					
Current Assets					
Checking/Savings					
Checking	(27,868.63)	(7,567.95)	13,037.76	28,840.97	6,442.15
Money Market Account	0.00	0.00	0.00	4,500.00	4,500.00
Total Checking/Savings	(27,868.63)	(7,567.95)	13,037.76	33,340.97	10,942.15
Accounts Receivable					
Accounts Receivable	52,704.29	15,484.50	8,748.40	0.00	76,937.19
Total Accounts Receivable	52,704.29	15,484.50	8,748.40	0.00	76,937.19



Review the Profit & Loss Statement by Class

- 1) Select **Reports:Company & Financial:Profit & Loss by Class** from the menu.

Profit & Loss by Class					
Customize Report Share Template Memorize Print E-mail Excel Hide Header Collapse Refresh					
Dates	This Fiscal Year-to-date	From	01/01/2015	To	04/01/2015
Columns Class					
Buildem, Inc. Profit & Loss by Class January 1 through April 1, 2015					
Accrual Basis					
	Dallas	Fort Worth	Houston	Unclassified	TOTAL
Ordinary Income/Expense					
Income					
Sales	1,849.95	64.00	7,848.75	0.00	9,762.70
Parts Sales	36,259.50	8,417.45	2,085.90	0.00	46,762.85
Service Income	61,120.90	10,985.84	12,521.00	0.00	84,627.74
Freight Income	2,540.01	0.00	45.00	0.00	2,585.01
Total Income	101,770.36	19,467.29	22,500.65	0.00	143,738.30
Cost of Goods Sold					
Construction Labor	25,000.00	10,500.00	0.00	0.00	35,500.00
Materials	24,117.50	4,779.55	749.23	0.00	29,646.28
Total COGS	49,117.50	15,279.55	749.23	0.00	65,146.28
Gross Profit	52,652.86	4,187.74	21,751.42	0.00	78,592.02

Chapter 4- Items & Inventory

*Mastering QuickBooks
Level 2*

Expenses vs. Items

When entering a bill or check, you have the option of entering the line item as an *Expense* or *Item*. Use the *Items* tab in the following instances:

- 1) The line item relates to the purchase of an *Inventory Part*.
- 2) The cost relates directly to a job. Then, the cost appears in a meaningful fashion on job cost reports.

Use the *Expenses* tab for all other transactions.

Job Profitability Detail Report

Job Profitability Detail for Lake Michigan Development

Customize Report Share Template Memorize Print E-mail Excel Hide Header Collapse Refresh

Dates All From To Columns Total only

04/01/15 Buildem, Inc.

Job Profitability Detail for Lake Michigan Development

All Transactions

	Act. Cost	Act. Revenue	(\$ Diff.
Inventory			
Cedar Door (Natural Cedar Door)	2,999.90	1,999.50	1,999.60
Total Inventory	2,999.90	4,999.50	1,999.60
Service			
Knob Install (Install door knob)	150.00	0.00	(150.00)
Total Service	150.00	0.00	(150.00)
No item			
	99.00	0.00	(99.00)
TOTAL	3,248.90	4,999.50	1,750.60

Bill Using Items

Enter Bills

Main Reports

Find New Save Delete Create a Copy Memorize Print Attach File Select PO Enter Time Clear Splits Recalculate Pay Bill

BILL CREDIT BILL RECEIVED

Bill

VENDOR: Spendalot, Inc. DATE: 04/01/2015

ADDRESS: Spendalot, Inc.
12 East White
Mesquite, TX 83488

REF. NO: 0040

AMOUNT DUE: 150.00

TERMS: Net 15 BILL DUE: 04/16/2015

MEMO: DISCOUNT DATE:

Expenses \$0.00 **Items \$150.00**

ITEM	DESCRIPTION	QTY	COST	AMOUNT	CUSTOMER-JOB	BILLABLE?
Knob Install	Install door knob	2	75.00	150.00	Lake Michigan Development	<input checked="" type="checkbox"/>

Receive All Show PO

Save & Close Save & New Clear

Inventory Limitations

There are certain situations where QuickBooks might not be the best solution for inventory. These include:

- 1) Inventory consists of unique items
- 2) You track inventory items by serial number
- 3) Inventory consists of rental items
- 4) Items sold are not owned (such as items held on consignment)
- 5) You need to value inventory using LIFO or FIFO or another cost flow assumption

Also, an important consideration when setting up items is how they are labeled in the list. When entering line items on a sales form, the Item Name/Number is entered. Name items so they are easily retrievable using Quick Fill.

NAME	DESCRIPTION	TYPE	ACCOUNT	TOTAL	ACCUM.	PRICE	PAYMENT METHOD	ATTACH
Lock Repair-Thelma	Repair by senior specialist ...	Service	Service Income		0.00	29.95		
Oak Install	Install custom oak door	Service	Service Income		0.00	150.00		
Patio Lock Install	Customized Installation of ...	Service	Service Income		0.00	109.95		
Services		Service	Service Income		0.00	0.00		
Cedar Door	Natural Cedar Door	Inventory Part	Parts Sales	26	0.00	499.95		
Door Knob	Deluxe Brass Door Knob	Inventory Part	Parts Sales	105	0.00	49.95		
Garage Door	All-weather customer garag...	Inventory Part	Materials	55	0.00	1,599.95		
Glass Door	Deluxe, Customized Clear	Inventory Part	Parts Sales	25	0.00	395.99		
Hinges	Hinges used on new doors	Inventory Part	Parts Sales	50	0.00	25.00		
Lock	Lock with Kryptonite key	Inventory Part	Parts Sales	9	0.00	69.95		
Oak Door	Old-fashioned varnished oa...	Inventory Part	Parts Sales	15	0.00	999.00		
Patio Locks	Kryptonite locks used on pa...	Inventory Part	Parts Sales	100	0.00	99.95		
Regular Door	Regular wood door.	Inventory Part	Parts Sales	45	0.00	69.95		
Steel Locks	Regular dead-bolt lock.	Inventory Part	Parts Sales	360	0.00	15.95		

Other Uses for Inventory Adjustments

Use inventory adjustments to change the on-hand quantities in QuickBooks to match the actual quantity on-hand. There are other situations when you need to adjust inventory quantities. For example, if you donate inventory, use inventory internally, or give away inventory as a promotion.



Adjust Inventory

- 1) Click the **Inventory Activities** icon on the **Home** page.
- 2) Click **Adjust Quantity/Value On Hand**.
- 3) Click the **Adjustment Type** drop-down list and select **Quantity**.
- 4) Enter appropriate information in the **Adjust Quantity/Value on Hand** window.
- 5) Enter either the **New Qty** or **Qty Difference** in the window.
- 6) Click **Save & Close**.

Charitable Contribution

Adjust Quantity/Value on Hand

Previous Next Attach

Adjustment Type: Quantity

Adjustment Date: 04/01/2015

Reference No.: 1

Adjustment/Account: Charitable Contributions

Customer/Job:

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE
Door Knob	Deluxe Brass Door Knob	165	164	-1

Memo:

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand	164
Avg Cost per Item	35.95
Value	5,895.80

Total Value of Adjustment: -35.95

Number of Item Adjustments: 1

Save & Close Save & New Clear

Sales Promotion

Adjust Quantity/Value on Hand

Previous Next Attach

Adjustment Type: Quantity

Adjustment Date: 04/01/2015

Reference No.: 1

Adjustment/Account: Sales Promotion

Customer/Job: Auldridge Windows

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE
Door Knob	Deluxe Brass Door Knob	164	163	-1

Memo:

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand	163
Avg Cost per Item	35.95
Value	5,859.85

Total Value of Adjustment: -35.95

Number of Item Adjustments: 1

Save & Close Save & New Clear

Value Adjustments

QuickBooks uses the average cost method for inventory. Adjust the average cost and inventory asset value by making a *Value Adjustment*.



Review an Inventory Valuation Detail

- 1) Select **Reports:Inventory:Inventory Valuation Detail** from the menu.

Buildem, Inc.
Inventory Valuation Detail
 April 1, 2015

Type	Date	Name	Num	Qty	Cost	On Hand	Avg Cost	Asset Value
Inventory								
Cedar Door								
Total Cedar Door						26		0.00
Door Knob								
Credit Memo	04/01/2015	The Jones...	39	1		165	35.95	5,931.75
Inventory Adjust	04/01/2015		1	(1)		104	35.95	5,095.00
Inventory Adjust	04/01/2015	Auldridge ...	1	(1)		163	35.95	5,859.85
Total Door Knob						163		5,859.85
Garage Door								
Bill	04/01/2015	Columbia M...		20	14,999.00	55	749.95	41,247.25
Total Garage Door						55		41,247.25



Adjust Value of Inventory

- 1) Click the **Inventory Activities** icon on the **Home** page.
- 2) Click **Adjust Quantity/Value On Hand**.
- 3) Click the **Adjustment Type** drop-down list and select **Total Value**.
- 4) Enter appropriate information in the **Adjust Quantity/Value on Hand** window.
- 5) Enter the correct **New Value** for the item.
- 6) Enter remaining information in the **Adjust Quantity/Value on Hand** window.
- 7) Click **Save & Close**.

Adjust Quantity/Value on Hand

Adjustment Type: **Total Value**
 Adjustment Date: 04/01/2015
 Adjustment Account: Cost of Sales
 Reference No.: 1
 Customer Job: [Empty]

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	TOTAL VALUE	NEW VALUE
Door Knob	Deluxe Brass Door Knob	163	5,859.85	4,890.00

Memo: [Empty]
 Total Value of Adjustment: -969.85
 Number of Item Adjustments: 1

ITEM INFO AFTER ADJUSTMENT
 Quantity on Hand
 Avg Cost per Item
 Value

Save & Close Save & New Clear

Group Items

Group items are a group of items or services often sold together as a package. Group items speed data entry, and are a creative way to hide details on purchase and sales forms.

Group

ITEM	DESCRIPTION	QTY
Glass Door	Deluxe, Customized Clear Glass Patio Door	2
Glass Install	Installation of New Patio Door	2
Patio Locks	Kryptonite locks used on patio doors	4
Patio Lock Install	Customized Installation of Deluxe Kryptonite Lock	4

Group Item on Invoice

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Patio Door Group					
Glass Door	2	Deluxe, Customized Clear Glass Patio Door	395.99	791.90	Tax
Glass Install	2	Installation of New Patio Door	295.00	590.00	Non
Patio Locks	4	Kryptonite locks used on patio doors	99.95	399.80	Tax

ONLINE PAY: Off
 Customer Message:
 Dallas County (8.25%) 98.32
 Total 2,679.90
 PAYMENTS APPLIED 0.00
 BALANCE DUE 2,679.90
 MEMO:
 CUSTOMER TAX CODE: Tax
 Buttons: Save & Close, Save & New, Clear

Inventory Assemblies

Inventory assemblies are inventory items that you assemble from other inventory, non-inventory, service, other charge, and inventory assembly items and then sell.

Inventory Assembly

New Item

TYPE
 Inventory Assembly Use for inventory items that you assemble from other inventory items and then sell.
 What's the difference between an Inventory Assembly and a Group?

Item Name/Number ☐ Subitem of
 Finished Door

☐ I purchase this assembly item from a vendor

UNIT OF MEASURE

Cost What is this cost? **COGS Account**

Description

Sales Price **Tax Code** **Income Account**

Bill of Materials

ITEM	DESCRIPTION	TYPE	COST	QTY	TOTAL
Cedar Door	Natural Cedar Door	Inv Part	299.99	1	299.99
Door Knob	Deluxe Brass Door Knob	Inv Part	35.95	2	71.90
Hinges	Hinges used on new do...	Inv Part	15.00	2	30.00
Total Bill of Materials Cost:					521.89

INVENTORY INFORMATION

Asset Account Build Point On Hand Total Value As of

☐ Item is inactive

Building Inventory Assemblies



Display Reminders-Assembly Items to Build

- 1) Select **Company:Reminders** from the menu.

The screenshot shows a window titled "Reminders" with a table of items. A mouse cursor is pointing at the "Assembly Items to Build" row.

DUE DATE	DESCRIPTION	AMOUNT
	Bills to Pay	-18,847.75
	Overdue Invoices	64,192.65
	Invoices/Credit Memos to Print	-54.07
	Purchase Orders to Print	-33,993.15
	Inventory to Reorder	
	Assembly Items to Build	

Buttons at the bottom: Custom View, Collapse All, Expand All, Set Preferences...



Assemble Inventory

- 1) Click the **Inventory Activities** icon on the Home page.
- 2) Click **Build Assemblies**.
- 3) Click the **Build Assemblies** icon on the **Home** page.
- 4) Click the **Assembly Item** drop-down list and select the appropriate item to assemble.
- 5) Enter an appropriate amount as the **Quantity to Build**.
- 6) Click **Build & Close**.

The screenshot shows the "Build Assemblies" window. The "ASSEMBLY ITEM" is set to "Finished Door". The "Date" is 04/01/2015 and the "Build Ref. No." is 1. The "Build Assembly" section shows the following quantities:

QUANTITY ON HAND	QUANTITY RESERVED FOR OTHER ASSEMBLIES	QUANTITY AVAILABLE
0	0	0

Build Point: 20

Components Needed to Build Finished Door

ITEM	DESCRIPTION	TYPE	QTY ON HAND	QTY NEEDED
Cedar Door	Natural Cedar Door	Inv Part	26	25
Door Knob	Deluxe Brass Door Knob	Inv Part	163	50
Hinges	Hinges used on new doors	Inv Part	50	50
Door Assembly ...	Labor to assemble door	Service		25

Maximum number you can build from the quantity on hand: 25

QUANTITY TO BUILD: 25

MEMO:

Buttons at the bottom: Build & Close, Build & New, Clear

Group vs. Inventory Assemblies

Differences Between Groups and Assemblies

What are the differences between Group Items and Inventory Assemblies?

- 1) Group items let you print the detail on an invoice...Inventory Assemblies do not.
- 2) Inventory Assemblies appear on sales reports...Group Items do not.
- 3) You can set a unique sales price for Inventory Assemblies. Group items calculate a price based on the sales prices of the individual items within the group.
- 4) An inventory transaction occurs when you build Inventory Assemblies before the sale. The inventory transaction for a Group Item occurs when you sell the group.

The following table compares group and assembly items to help you decide which item type is appropriate for your situation.

Group item	Inventory assembly item
Can include any item type except other groups.	Can contain any of the following item types: service, inventory part, inventory assembly, non-inventory part, other charge. Notice that you can include other inventory assemblies (subassemblies) within an inventory assembly.
Enables you to print on sales forms the individual items contained in the group.	Prints only the assembly name, not component part names, on sales forms.
No reports available specifically for groups.	Appears after inventory part items on standard inventory reports; Pending Builds report lists assembly builds in the pending state.
Quantity on hand of each item included in the group is adjusted in inventory at the time of sale.	Quantity on hand of component items is adjusted in inventory when the assembly is built.
Sales tax is calculated by individual items included in the group item.	One sales tax code applies to the entire assembly, even if component item tax codes differ.
Cannot be included in another group item (nested) or in an inventory assembly item.	Can be included (nested) in other inventory assembly items and included in group items.
For groups of inventory parts, QuickBooks tracks inventory of items in the group, not the group itself.	QuickBooks tracks assembly items in inventory.
Price of a group item is the sum of the items in the group (although you can include an item in the group for a discount or additional charge to adjust the simple sum calculation).	Price of an assembly item can be anything you specify.
Can include both taxable and nontaxable items.	Must be designated as either taxable or nontaxable.

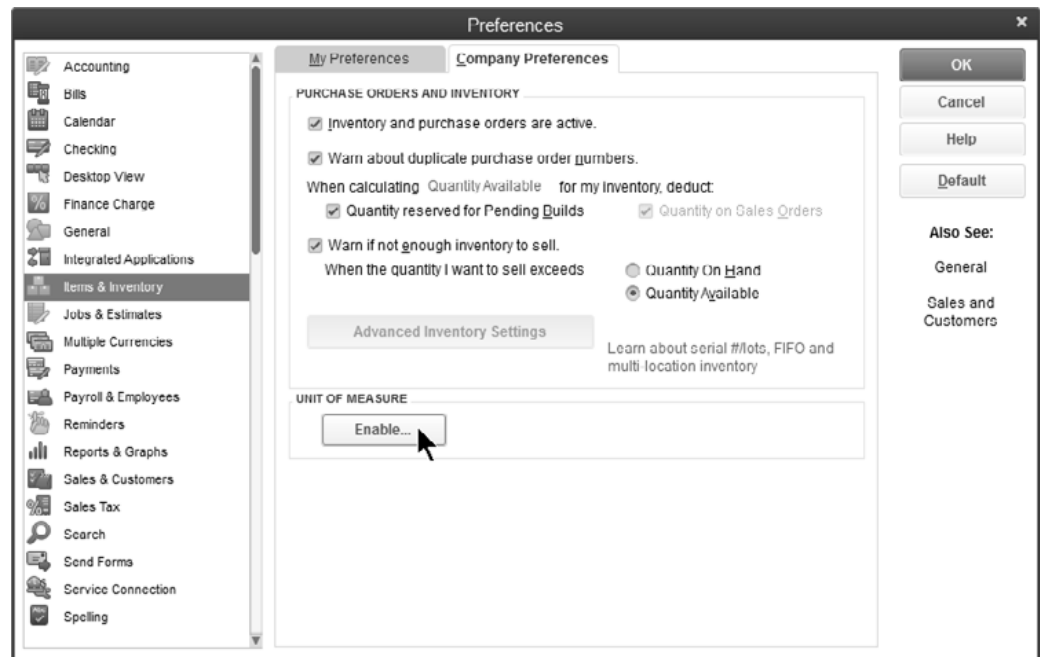
Units of Measure

The Units of Measure feature is available in QuickBooks Premier and Enterprise Solutions. You should use multiple units of measure if you buy, stock, or sell items in different units or quantities. For example, you can purchase items by the case, track items by a single unit, and sell them by the pair or dozen.



Enable Units of Measure

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Items & Inventory** icon.
- 3) Click the **Company Preferences** tab.
- 4) Click **Enable** below **Unit of Measure**.
- 5) Click **OK**.



Set Up Units of Measure

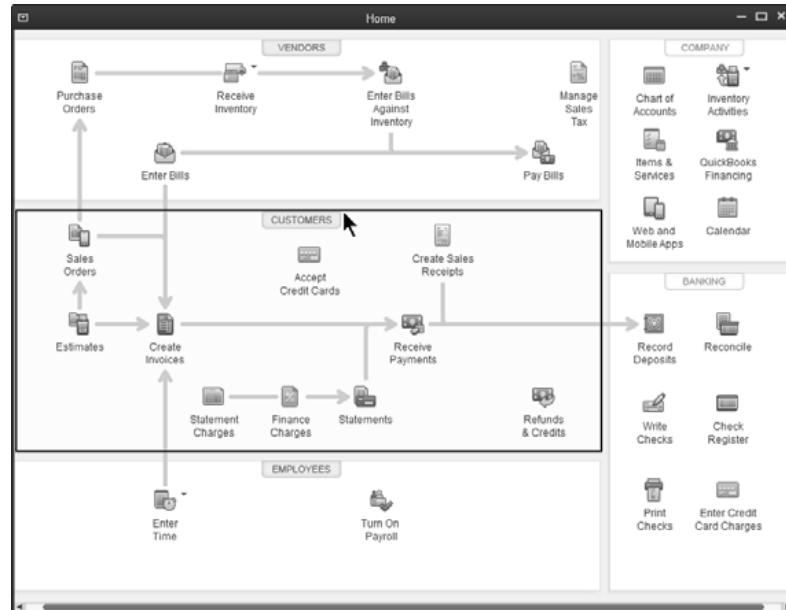
- 1) Click the **Lists** menu and select **U/M Set List**.
- 2) Click the **U/M Set** button and select **New**.
- 3) Select a **Unit of Measure** type and click **Next**.
- 4) Select a **Base Unit of Measure** and click **Next**.
- 5) Make selections in the **Add Related Units** window and click **Next**.
- 6) Enter appropriate information in the **Select Default Units of Measure** window and click **Next**.
- 7) Name the **Unit of Measure Set** and click **Finish**.

Chapter 5- Sales Transactions

*Mastering QuickBooks
Level 2*

Review

Home Page



Customer Center

The customer center stores information about your customers and the jobs you perform for them. QuickBooks uses jobs to track income and expense by project. Some uses of jobs include:

- A customer's project for which you want to track revenue and expenses
- In property management, the building or property might represent a customer and the individual tenants might represent the jobs
- For schools that invoice tuition, the family can represent the customer and each child within the family can represent the job
- If you invoice against purchase orders, each purchase order can be set up as a job

The screenshot shows the QuickBooks Customer Center for 'Auldridge Windows'. The left sidebar lists 'Active Customers' with a table showing customer names and balance totals. The main area displays 'Customer Information' for 'Auldridge Windows', including contact details, terms, and a map. The bottom section shows a list of 'Transactions' with columns for type, number, date, account, and amount.

NAME	BALANCE TOTAL	ATT
Auldridge Windows	53,472.00	
Columbia Management	0.00	
Seattle School	0.00	
Spokane Civic Center	0.00	
Crandall Contractors	27,320.34	
Cheyenne 1	27,320.34	
Cheyenne 3	0.00	
Dallas Hardware and Tools	3,374.89	
David O'Brien Landscaping	0.00	
Fort Worth Homes	46,531.21	
Ambercrombie Develop.	0.00	
Convention Center	0.00	
Lake Worth Homes	12,950.00	
Madison Development	33,581.21	
Frugal Discount Store	0.00	
Home & Hardware Stop	0.00	
Jupiter Homes	1,361.32	

TYPE	NUM	DATE	ACCOUNT	AMOUNT
Inventory Adjust	1	04/01/2015	Sales Promotion	35.95
Sales Order	2	04/01/2015	Sales Orders	6,909.90
Invoice	31	03/28/2015	Accounts Receivable	7,874.50
Invoice	30	02/28/2015	Accounts Receivable	33,625.00
Payment	2929	02/25/2015	Checking	10,000.00

Estimates

Estimates allow you to enter projected costs and revenue for jobs. Also, you can quickly compare projected costs and revenue for a job to actual costs and revenue.

Individual estimates can be e-mailed to customers, or you can batch them to send all at once.



Prepare Estimate

- 1) Click the **Estimates** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Enter appropriate information in the **Create Estimates** window.
- 4) Click **Save & Close**.

Create Estimates

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Inactive Print Email Email Later Attach File Create Invoice Create Sales Order

CUSTOMER:JOB Trevor Incorporated... TEMPLATE Custom Estimate

Estimate

DATE 04/01/2015 NAME / ADDRESS Trevor Incorporated
Trevor Matheson
7621 Main Street
Dallas, TX 75212

ESTIMATE # 9

ITEM	DESCRIPTION	QTY	COST	AMOUNT	MARKUP	TOTAL	TAX
Door Knob	Deluxe Brass Door Knob	40	35.95	1,438.00	10.0%	1,581.80	Tax
Knob Install	Install door knob	40	75.00	3,000.00	2,000.00	5,000.00	Non
Oak Door	Old-fashioned varnished oak door	20	749.00	14,980.00	100.27%	30,000.00	Tax

SUBTOTAL 19,418.00
MARKUP 17,163.80
TOTAL 39,187.30

Customer Message Dallas County (8.25%)

MEMO CUSTOMER TAX CODE Tax

Save & Close Save & New Clear

Invoice from Estimate

An estimate for a job might have many line items. QuickBooks lets you convert an estimate into an invoice, and will copy the line items saving you time.



Invoice Based on Estimate

- 1) Click the **Create Invoices** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Select the appropriate estimate to invoice in the **Available Estimates** window.
- 4) Click **OK**.
- 5) If using Progress Invoicing, specify what to include on the invoice in the first window.
- 6) Click **OK**.
- 7) Enter appropriate information in the **Specify Invoice Amounts for Items on Estimate** window.
- 8) Click **OK**.
- 9) Enter or change information in the **Create Invoices** window.
- 10) Click **Save & Close**.

Select Available Estimates

DATE	AMOUNT	CUSTOMER:JOB	EST. NO.
04/01/2015	39,187.30	Trevor Incorporated:Dallas Motor Inn	9

Progress Invoice Options

Specify what to include on the invoice.

☐ Create invoice for the entire estimate (100%).
☐ Create invoice for a percentage of the entire estimate.
☒ Create invoice for selected items or for different percentages of each item.

% of estimate

Amounts for Progress Invoice

Specify Invoice Amounts for Items on Estimate

Progress Invoice for: **Trevor Incorporated:Dallas Motor Inn**

For each item below, specify the quantity, rate, amount or % of the estimate amount to have on the invoice

☒ Show Quantity and Rate ☒ Show Percentage

ITEM	EST QTY	EST RATE	EST AMT	PRIOR QTY	PRIOR AMT	PRIOR %	QTY	RATE	AMOUNT	CURR %	TOT %	TAX
Door Knob	40	39.545	1,581.80	0		0.0%	15	39.545	593.18	37.50%	37.50%	Tax
Knob Install	40	125.00	5,000.00	0		0.0%	15	125.00	1,875.00	37.50%	37.50%	Non
Oak Door	20	1,500.00	30,000.00	0		0.0%	10	1,500.00	15,000.00	50.0%	50.0%	Tax
									Total (w/ taxes)	18,754.62		

Note: All items will transfer to the invoice. The quantities and amount will be as you indicated. Although items with a zero amount display on screen, they can be set not to print from the Jobs and Estimates Preferences.

Progress Invoice (Print Later)

Create Invoices

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email ☒ Print Later ☐ Email Later Attach File Add Time/Costs Apply Credits Progress

CUSTOMER:JOB Trevor Incorpor... TEMPLATE Progress Invoice

Invoice

DATE: 04/01/2015 INVOICE #: 40 BILL TO: Trevor Incorporated
Trevor Matheson
7621 Main Street
Dallas, TX 75212

P.O. NO. TERMS: Net 30

ITEM	DESCRIPTION	EST AMT	PRIOR AMT	QTY	RATE	TOTAL %	AMOUNT	TAX
Door Knob	Deluxe Brass Door Knob	1,581.80		15	39.545	37.50%	593.18	Tax
Knob Install	Install door knob	5,000.00		15	125.00	37.50%	1,875.00	Non
Oak Door	Old-fashioned varnished oak door	30,000.00		10	1,500.00	50.0%	15,000.00	Tax

ONLINE PAY: Off

Customer Message:

Dallas County (8.25%) 1,286.44
Total 18,754.62
PAYMENTS APPLIED 0.00
BALANCE DUE 18,754.62

MEMO: CUSTOMER TAX CODE: Tax Save & Close Save & New Clear

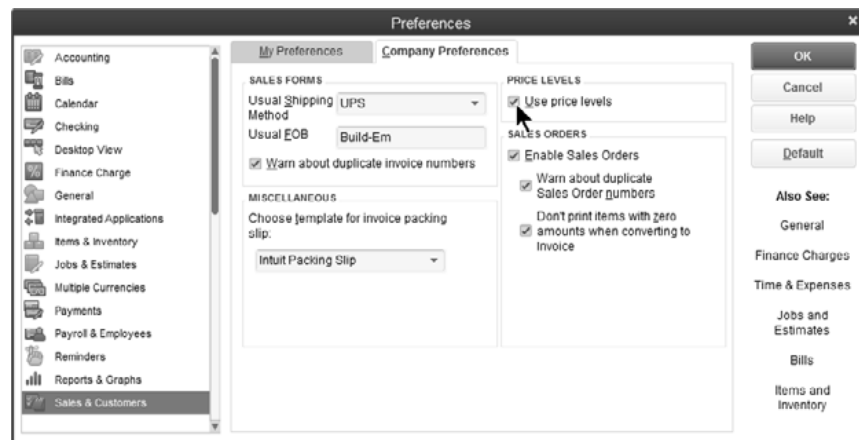
Price Levels

The *Price Level List* stores price levels for customers. A price level lets you automatically adjust certain customer's sales price for inventory parts, inventory assemblies, non-inventory parts, and service items. QuickBooks has two types of price levels: Fixed % and Per Item. Fixed % price levels are used to increase or decrease the price of all items sold by a fixed percentage. Per Item price levels allow custom prices to be set for individual items. Per item price levels are only available in QuickBooks Premier and Enterprise Solutions.



Turn Price Levels On/Off

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Sales & Customers** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click the box next to **Use price levels**.
- 5) Click **OK**.

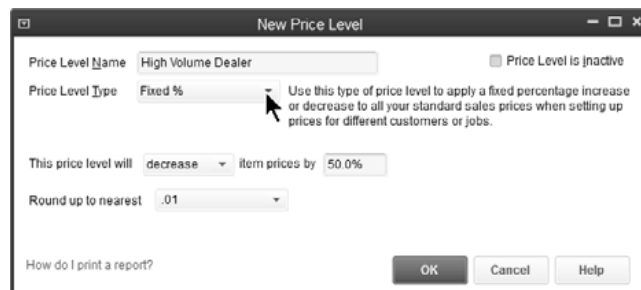


Fixed % Price Levels



Add Fixed % Price Level

- 1) Select **Lists:Price Level List** from the menu.
- 2) Click the **Price Level** button.
- 3) Select **New** from the menu.
- 4) Click the **Price Level Type** drop-down list and select **Fixed %**.
- 5) Enter additional information in the **New Price Level** window, as appropriate.
- 6) Click **OK**.





Assign Price Level

- 1) Click the **Customers** icon.
- 2) Edit or create a customer on the list.
- 3) Click the **Payment Settings** tab.
- 4) Click the **Price Level** drop-down list and select the appropriate price level.
- 5) Click **OK**.

Assign Price Level

Edit Customer

CUSTOMER NAME: **Frugal Discount Store**

CURRENT BALANCE **0.00** How do I adjust the current balance?

Address Info ACCOUNT NO. CREDIT LIMIT

Payment Settings PAYMENT TERMS: **Net 10** PRICE LEVEL: **High Volume Dealer** ?

Sales Tax Settings PREFERRED DELIVERY METHOD: **None** ADD ONLINE PAYMENT LINK TO INVOICES: **Follow Company Default** ?

Additional Info PREFERRED PAYMENT METHOD

Job Info

CREDIT CARD INFORMATION

CREDIT CARD NO. EXP. DATE NAME ON CARD ADDRESS ZIP / POSTAL CODE

Can I save the Card Security Code?

☐ Customer is inactive

OK **Cancel** **Help**

Fixed % Price Level on Invoice

Create Invoices

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER:JOB **Frugal Discoun...** TEMPLATE **Intuit Service...**

Invoice

Date: **04/01/2015** Bill To: **Frugal Discount Store**
Bob B Frugal
123 Cheaper
Lower, TX 73999

Invoice #: **41**

P.O. No. Terms: **Net 10**

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Door Knob	1	Deluxe Brass Door Knob	24.98	24.98	Tax

ONLINE PAY: **Off** Dallas County (8.25%) 2.06

Customer Message: **Dallas County**

Total: **27.04**

PAYMENTS APPLIED: **0.00**

BALANCE DUE: **27.04**

MEMO: CUSTOMER TAX CODE: **Tax** **Save & Close** **Save & New** **Clear**

Per Item Price Levels



Add Per Item Price Level

- 1) Select **Lists:Price Level List** from the menu.
- 2) Click the **Price Level** button.
- 3) Select **New** from the menu.
- 4) Click the **Price Level Type** drop-down list and select **Per Item**.
- 5) Enter additional information in the **New Price Level** window, as appropriate.
- 6) Click **OK**.

Per Item Price Level

New Price Level

Price Level Name: New Customer ☐ Price Level is inactive

Price Level Type: Per Item
 Use this type of price level to set custom prices for individual items when setting up prices for different customers or jobs.

ITEM	COST	STANDARD PRICE	CUSTOM PRICE
Weekly Mowing Service		40.00	
Cedar Door	299.99	499.95	
Door Knob	35.95	49.95	39.95
Garage Door	749.95	1,599.95	
Glass Door	199.95	395.99	
Hinges	15.00	25.00	

☐ Mark All

Adjust price of marked items to be: 0.0% lower than its standard price
 Round up to nearest: no rounding

How do I print a report?
 OK **Cancel** **Help**

Per Item Price Level on Invoice

Create Invoices

Main Formatting Send/Ship Reports

CUSTOMER_JOB: Smith Hardware
 [New Customer]

TEMPLATE: Intuit Service

Invoice

Date: 04/01/2015
 Invoice #: 42

Bill To: Smith Hardware
 5736 North California
 Dallas, TX 84334

P.O. No. Terms: Net 30

ITEM	QUANT.	DESCRIPTION	RATE	AMOUNT	TAX
Door Knob		Deluxe Brass Door Knob	39.95	39.95	Non
Lock		Lock with Kryptonite key	69.95	69.95	Non

ONLINE PAY: Off
 Customer Message:

Out of State (0.0%)
 Total: 109.90
 PAYMENTS APPLIED: 0.00
 BALANCE DUE: 109.90

MEMO: CUSTOMER TAX CODE: Non
 Save & Close **Save & New** **Clear**

Sales Orders

QuickBooks Premier and QuickBooks Enterprise Solutions allow you to create Sales Orders. Use sales orders to enter backorders for inventory you do not have on hand. You can also use sales orders to record future sales of services or goods. Sales orders are non-posting, so they do not affect financial statements.

Turn Sales Orders On/Off



Enable Sales Orders

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Sales & Customers** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click the box next to **Enable Sales Orders**.
- 5) Click **OK**.

Prepare Sales Order-Back Order



Create Sales Order

- 1) Click the **Sales Orders** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Enter remaining information in the **Create Sales Orders** window.
- 4) Click **Save & Close**.

Create Sales Orders

Main Formatting Reports

Find New Save Delete Create a Copy Memorize Mark As Closed Print Email Print Later Attach File Create Invoice Create Purchase Order

CUSTOMER:JOB Pathways Doors TEMPLATE Custom Sa...

Sales Order

Date: 04/01/2015 Name / Address: Pathways Doors, 123 Sheraton Avenue, Dallas, TX 75213 Ship To: Pathways Doors, 123 Sheraton Avenue, Dallas, TX 75213

S.O. No.: 3 P.O. No.: Promised Date: 04/01/2015

ITEM	DESCRIPTION	ORDERED	RATE	AMOUNT	TAX
Lock	Lock with Kryptonite key	20	69.95	1,399.00	Tax

Dallas Co... (8.25%) 115.42
Total 1,514.42

Customer Message

MEMO CUSTOMER TAX CODE Tax Save & Close Save & New Clear

Invoice Sales Orders

You can invoice a customer based on a sales order after receiving backordered parts.



Invoice Based on Sales Order

- 1) Click the **Create Invoices** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Select the appropriate sales order to invoice in the **Available Sales Orders** window.
- 4) Click **OK**.
- 5) Specify what to include on the invoice in the first window.
- 6) Click **OK**.
- 7) Enter appropriate information in the **Specify Invoice Quantities for Items on Sales Order** window (if applicable).
- 8) Click **OK**.
- 9) Enter or change appropriate information in the **Create Invoices** window.
- 10) Click **Save & Close**.

Create Invoices

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER:JOB Pathways Doors TEMPLATE Custom S.O....

Invoice

Date: 04/01/2015 Invoice #: 43

Bill To: Pathways Doors
123 Sheraton Avenue
Dallas, TX 75213

Ship To: Pathways Doors
123 Sheraton Avenue
Dallas, TX 75213

S.O. No. 3 P.O. No. Terms: Net 10

ITEM	DESCRIPTION	ORDERED	PREV. INVOICED	INVOICED	RATE	AMOUNT	TAX
Lock	Lock with Kryptonite key	20	0	8	69.95	559.60	Tax

ONLINE PAY: Off

Customer Message:

Dallas County (8.25%) 46.17

Total 605.77

PAYMENTS APPLIED 0.00

BALANCE DUE 605.77

MEMO: CUSTOMER TAX CODE: Tax

Save & Close Save & New Clear

Sales Order Reports



Review an Open Sales Orders by Customer Report

- 1) Select **Reports:Sales:Open Sales Orders by Customer** from the menu.

Open Sales Orders by Customer

Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh

Dates All From To Sort By Default

Buildem, Inc.
04/01/15
Open Sales Orders by Customer

All Transactions

Type	Date	Num	Memo	Amount	Open Balance
Auldridge Windows					
Sales Order	04/01/2015	2		6,909.90	6,909.90
Total Auldridge Windows				6,909.90	6,909.90
Home & Hardware Stop					
Sales Order	04/01/2015	1		36,182.96	36,182.96
Total Home & Hardware Stop				36,182.96	36,182.96
May B. Later					
Sales Order	04/01/2015	4	Estimate 10:	14,245.00	14,245.00
Total May B. Later				14,245.00	14,245.00
Pathways Doors					
Sales Order	04/01/2015	3		1,514.42	908.65
Total Pathways Doors				1,514.42	908.65
TOTAL				58,852.28	58,246.51



Review an Open Sales Orders by Item Report

- 1) Select **Reports:Sales:Open Sales Orders by Item** from the menu.

Open Sales Orders by Item

Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh

Dates All From To Sort By Default

Buildem, Inc.
04/01/15
Open Sales Orders by Item

All Transactions

Type	Date	Due Date	Num	Name	Qty	Invoiced	Backordered	Amount
inven...								
Glass Door (Glass Patio Doo...								
Sales Order	04/01/2015	04/11/2015	1	Home & Hardware...	50	0	50	19,799.50
Sales Order	04/01/2015	04/11/2010	2	Auldridge Windows	10	0	10	3,959.90
Total Glass Door (Glass Patio Doo...					60	0	60	23,759.40
Lock (Lock with Kryptonite ke...								
Sales Order	04/01/2015	04/11/2015	3	Pathways Doors	20	8	12	1,399.00
Total Lock (Lock with Kryptonite ke...					20	8	12	1,399.00
Total Inve...					80	8	72	25,158.40
Se...								
Glass Install (Installation of New Patio Doo...								
Sales Order	04/01/2015	04/11/2015	1	Home & Hardware...	50	0	50	14,750.00
Sales Order	04/01/2015	04/11/2010	2	Auldridge Windows	10	0	10	2,950.00
Total Glass Install (Installation of New Patio Doo...					60	0	60	17,700.00

Batch Invoicing

Batch invoicing makes it easy to invoice multiple customers for the same items or services. Before you create batch invoices, check your customer's information to be sure you have selected the method the customer prefers to receive invoices (email or regular mail). If a customer prefers email, be sure there is an email address associated with that customer.



Create Batch Invoices

- 1) Select **Customers>Create Batch Invoices** from the menu.
- 2) Click **OK**.
- 3) Select the customers to invoice.
- 4) Click **Next**.
- 5) Select the items to include on the invoices.
- 6) Click **Next**.
- 7) Click **Create Invoices**.
- 8) In the **Batch Invoice Summary** window, select to **Print** or **Email** the invoices.
- 9) Click **Close**.

Create Batch Invoices

Batch Invoice

Step 3 of 3: Review the list of invoices to be created for this batch and click **Create Invoices**.

Invoice Date: 04/01/2015

SELECT	CUSTOMER	TERMS	SEND METHOD	AMOUNT	TAX CODE	TAX RATE	TAX	TOTAL	STATUS
<input checked="" type="checkbox"/>	Dallas Hardware and Tools	Net 15	Email	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Trevor Incorporated:Dallas Motor Inn	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	David O'Hnen Landscaping	Due on receipt	E-mail	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Jupiter Homes:Fannin Residence	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Jupiter Homes	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Pathways Doors	Net 10	Print	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Jupiter Homes:Rucker Residence	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Smith Hardware	Net 30	None	40.00	Non	0.0%	0.00	40.00	OK
<input checked="" type="checkbox"/>	Tom's Painting	Net 30	Print	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Trevor Incorporated	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK
<input checked="" type="checkbox"/>	Jupiter Homes:White Residence	Net 30	None	40.00	Tax	8.25%	3.30	43.30	OK

Buttons: Back, Next, **Create Invoices**, Help, Cancel

Print or Email Batch Invoices

Batch Invoice Summary

Your invoices are created. They're marked for print or email based on each customer's **Preferred Send Method**. How do I enter or change the Send Method?

2 marked for print

2 marked for email

6 unmarked (you can send these later)

Collections Center

The Collections Center keeps track of almost due and overdue invoices to make it easier to send collections emails. When you send a collections email, QuickBooks attaches the overdue invoice to the email as a PDF.



Enable Collections Center

- 1) Select **Edit:Preferences**.
- 2) Click **Sales & Customers**.
- 3) Check the box next to **Enable Collections Center**.
- 4) Click **OK**.
- 5) Click **OK**.



Send Collections E-mails

- 1) In the **Customer Center**, click the **Collections Center** button.
- 2) Click **Select and Send Email**.
- 3) Check the box next to the customer's invoices to email.
- 4) (Optional) Make any edits to the email **Subject** or message.
- 5) Click **Send**.

Collections Center

Overdue Almost Due

Send Mass Email - Overdue

<input checked="" type="checkbox"/> CUSTOMER NAME	BALANCE	DAYS OVERDUE
KC Construction	48,260.25	
<input checked="" type="checkbox"/> Invoice #32	48,260.25	49
Auldridge Windows	12,472.45	
<input checked="" type="checkbox"/> Invoice #29	11,972.50	22
<input checked="" type="checkbox"/> Invoice #40	499.95	15
Sun Valley Builders:Philly County	3,959.90	
<input type="checkbox"/> Invoice #4	3,959.90	9

To: [Appropriate customer's email address will be used here]

From: kelsey@buildem.com

Cc:

Bcc:

Subject: Please respond - overdue payment from Buildem, Inc.

We'd like to bring your attention to the attached invoice where you have an overdue account balance.

Can you please remit payment immediately?

Please contact us if you have any questions.

Sincerely,

Buildem, Inc.
214-555-1212

[Your invoice will be attached to the message as a PDF file]

Back Send

Billable Costs

QuickBooks offers a convenient way of invoicing based on your costs.



Invoice for Time & Costs

- 1) Click the **Create Invoices** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Click the **Select the outstanding billable time and costs to add to this invoice?** button.
- 4) Click **OK**.
- 5) Select the **Time, Expenses, Mileage**, and **Items** to invoice in the **Choose Billable Time and Costs** window.
- 6) Enter the **Markup Amount or %** and **Markup Account** fields if necessary for billable expenses.
- 7) Click **OK**.
- 8) Enter remaining information in the **Create Invoices** window.
- 9) Click **Save & Close**.

Choose Billable Time and Costs

Time and Costs For:

Columbia Management:Spokane Civic Center

Time\$0.00

Expenses\$1,100.00

Mileage\$0.00

Items\$0.00

Select All

Markup Amount or %

10.0%

Markup Account

✓	DATE	PAYEE	MEMO	AMOUNT	HIDE
✓	03/25/2015	General Carriers, Inc.		1,000.00	
Total Selected Charges				1,000.00	

☐ Selected expenses are taxable

Total expenses with markup

1,100.00

☐ Print selected time and costs as one invoice item

Total billable time and costs

1,100.00

OK

Cancel

Help

Advanced Sales Tax

Charging Multiple Sales Tax Rates

If multiple sales taxes must be applied to different portions of a sale, the regular method for handling sales tax will not work. Instead, follow these procedures to charge multiple sales tax rates on the same invoice.



Charge Multiple Sales Tax Rates on Invoice

- 1) Create a special *Sales Tax Item* with a rate of 0%.
- 2) Use this 0% tax item in the tax field at the bottom of the invoice.
- 3) When preparing an invoice, list the items taxed at an individual tax rate together on the invoice.
- 4) After each list of taxable items, include a *Subtotal* item.
- 5) On the line after each subtotal, include the applicable *Sales Tax Item*. The result is that all taxable items in the subtotal are taxed at the *Sales Tax Item's* tax rate.
- 6) Repeat steps 3) to 5) for each different sales tax rate you need to charge on the invoice.

Zero % Sales Tax Item

The screenshot shows the 'Edit Item' window in QuickBooks. The 'TYPE' dropdown is set to 'Sales Tax Item'. Below it, a description reads: 'Use to calculate a single sales tax at a specific rate that you pay to a single tax agency.' The 'Sales Tax Name' field contains 'See Above'. The 'Description' field also contains 'See Above'. The 'Tax Rate (%)' field is set to '0.0%', and the 'Tax Agency (vendor that you collect for)' field is empty. On the right side, there are buttons for 'OK', 'Cancel', 'Notes', and 'Spelling', along with a checkbox labeled 'Item is inactive' which is currently unchecked.

Invoice Charging Multiple Sales Tax Rates

Create Invoices

Customer: **Bayshore Build...** Template: **Intuit Service...**

Invoice

Date: **04/01/2015** Invoice #: **43**

Bill To: **Bayshore Building Supply
8753 S. Mountain View
Bayshore, CA 94326**

P.O. No. Terms

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Garage Door	2	All-weather customer garage door	1,599.95	3,199.90	Tax
Oak Door	2	Old-fashioned varnished oak door	999.00	1,998.00	Tax
Subtotal		Subtotal		5,197.90	
San Domingo		CA Sales Tax, San Domingo County	7.5%	380.84	
Bag Of Nails	5	Deluxe Container with 2" Heavy Duty Nails	19.95	99.75	Tax
Bag of Washers	5	Heavy duty deluxe bag of washers (various sizes)	29.95	149.75	Tax
Subtotal		Subtotal		249.50	

ONLINE PAY: **Off**

Customer Message

See Above (0.0%) 0.00

Total 5,854.71

PAYMENTS APPLIED 0.00

BALANCE DUE **5,854.71**

MEMO CUSTOMER TAX CODE **Tax** Save & Close Save & New Revert

Sales Taxes Paid Incorrectly

What if sales tax was paid incorrectly? For instance, the **Write Checks** feature was used to pay sales tax, instead of the built-in **Pay Sales Tax** feature. Correcting this is a two-step process:

- 1) Find the original payment and delete the check.

Checking

Go to... Print... Edit Transaction QuickReport Download Bank Statement

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
03/31/2015			12,360.55		33,004.53
	GENJRN	Cost of Sales [split]			
04/01/2015	11	State Of Texas	962.48		32,042.05
	CHK	Sales Tax Payable			
04/01/2015					

ENDING BALANCE **32,042.05**

Splits 1-L line

Sort by Date, Type, Number/Ref

Record Restore

- 2) Pay sales tax correctly by clicking **Manage Sales Tax** on the **Home** page. If the original check was marked as *cleared* in QuickBooks, manually reconcile the new sales tax payment in the checking account register.

Reports

Prepare a numerical list of invoices and credit memos to help you find transactions and identify missing forms.

Finding Invoices and Credit Memos



List Invoices Numerically

- 1) Select **Reports:Banking:Missing Checks** from the menu.
- 2) Click the **Specify Account** drop-down list and select **Accounts Receivable**.
- 3) Click **OK**.
- 4) Click the **Customize Report** button.
- 5) Click the **Filters** tab.
- 6) Click **Amount** from the list of filters to the left and select **Any** from the list of options to the right.
- 7) Click **Transaction Type** from the list of filters to the left.
- 8) Click the **Transaction Type** drop-down list and choose **Multiple Transaction Types**.
- 9) Select **Invoice** and **Credit Memo** in the **Select Transaction Types** window.
- 10) Click **OK**.
- 11) Click **OK**.

Missing Checks

Customize Report

Share Template

Memorize

Print

E-mail

Excel

Hide Header

Refresh

Dates

All

From

To

Buildern, Inc.

Missing Checks

All Transactions

Type	Date	Num	Name	Memo	Account	Split	Amount
Invoice	03/27/2015	22	Orlando Homes.Div...		Accounts Receiva...	-SPLIT-	15,727.50
Invoice	03/27/2015	23	Myers & Associates		Accounts Receiva...	-SPLIT-	24.95
Invoice	03/28/2015	24	The Jones Group		Accounts Receiva...	-SPLIT-	54.07
*** Missing numbers here ***							
Invoice	03/28/2015	26	Crandall Contracto...		Accounts Receiva...	-SPLIT-	4,990.00
Invoice	03/28/2015	27	Crandall Contracto...		Accounts Receiva...	-SPLIT-	22,330.34
Invoice	02/01/2015	28	Auldridge Windowe		Accounts Receiva...	SPLIT	2,494.12
Invoice	02/08/2015	29	Auldridge Windows		Accounts Receiva...	-SPLIT-	21,972.50
Invoice	02/28/2015	30	Auldridge Windows		Accounts Receiva...	-SPLIT-	33,625.00
Invoice	03/28/2015	31	Auldridge Windows		Accounts Receiva...	-SPLIT-	7,874.50
Invoice	01/12/2015	32	KC Construction		Accounts Receiva...	-SPLIT-	48,260.25
Invoice	03/28/2015	33	KC Construction		Accounts Receiva...	SPLIT	48,260.25
Invoice	03/15/2015	34	Tom's Painting		Accounts Receiva...	-SPLIT-	10,000.00
Invoice	03/15/2015	35	Tom's Painting		Accounts Receiva...	-SPLIT-	2,706.25
Invoice	03/28/2015	36	Tom's Painting		Accounts Receiva...	-SPLIT-	5,412.50
Invoice	03/28/2015	37	Myers & Associates		Accounts Receiva...	-SPLIT-	5,000.00
Invoice	03/31/2015	38	Fort Worth Homca...		Accounts Receiva...	-SPLIT-	12,050.00
Credit Memo	04/01/2015	39	The Jones Group		Accounts Receiva...	-SPLIT-	(54.07)
Invoice	04/01/2015	40	Frugal Discount St...		Accounts Receiva...	-SPLIT-	54.07
Invoice	04/01/2015	41	Smith Hardware		Accounts Receiva...	-SPLIT-	109.90
Invoice	04/01/2015	42	Pathways Doors		Accounts Receiva...	-SPLIT-	605.77
Invoice	04/01/2015	43	Dayshore Building...		Accounts Receiva...	-SPLIT-	5,054.71
Invoice	04/01/2015	44	Columbia Managem...		Accounts Receiva...	-SPLIT-	1,100.00

Aging Errors

Setting the Aging Reports preference to *Age from transaction date* means QuickBooks shows all invoices as due the day after they were issued! This causes errors on aging reports and customer statements. Follow these steps to fix this error.



Check Aging Preferences

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Reports & Graphs** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Select the appropriate **Aging Reports** preference (normally **Age from due date**).
- 5) Click **OK**.

Aging Information on Customer Statement-Before

Print Preview -- Page 1 of 1

CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00	27,320.34	0.00	0.00	0.00	\$27,320.34

Aging Reports Preference

Preferences

My Preferences Company Preferences

SUMMARY REPORTS BASIS

☒ Accrual
☐ Cash

AGING REPORTS

☒ Age from due date
☐ Age from transaction date

REPORTS - SHOW ITEMS BY:

☐ Name only
☐ Description only
☒ Name and Description

REPORTS - SHOW ACCOUNTS BY:

☒ Name only
☐ Description only
☐ Name and Description

STATEMENT OF CASH FLOWS

Click here to assign accounts to sections of the Statement of Cash Flows:

Classify Cash...

Format...

OK
Cancel
Help
Default

Also See:
General

Aging Information on Customer Statement-After

Print Preview -- Page 1 of 1

CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
27,320.34	0.00	0.00	0.00	0.00	\$27,320.34

Chapter 6- Sales Transaction Workarounds

*Mastering QuickBooks
Level 2*

Customer Deposits-Method 1

Real World Training recommends the following method for handling customer deposits/down payments because it is the easiest to follow for non-accountants. A journal entry to reclassify unused deposits might be required to prepare year-end financial statements.

- 1) Record the deposit as a payment when you receive the money
- 2) Create an invoice when you provide the products or services
- 3) Apply the deposit to the invoice
- 4) Print the invoice showing the balance due and send to your customer

(1) Receive Payment

Receive Payments

Customer Payment

RECEIVED FROM: **Isabella Rosa** CUSTOMER BALANCE: **0.00**

AMOUNT: **5,000.00** DATE: **04/01/2015**

PMT. METHOD: **Check** CHECK #: **545** DEPOSIT TO: **Undeposited Funds**

DATE	NUMBER	ORIG. AMT	AMT. DUE	PAYMENT
There are no unpaid invoices for this customer				
Totals			0.00	0.00

OVERPAYMENT: **\$ 5,000.00.**

WHEN FINISHED:

☒ LEAVE THE CREDIT TO BE USED LATER

☐ REFUND THE AMOUNT TO THE CUSTOMER

VIEW CUSTOMER CONTACT INFORMATION

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE	0.00
APPLIED	0.00
DISCOUNT AND CREDITS APPLIED	0.00

MEMO: **Down Payment** ☐ Process payment when saving

Save & Close **Save & New** **Clear**

(2) Invoice Customer

Create Invoices

Invoice

CUSTOMER/JOB: **Isabella Rosa** TEMPLATE: **Custom Ser...**

Date: **04/01/2015** Invoice #: **42**

Bill To: **Isabella Rosa**
212 Toopretty Street
Dallas, TX 78776

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Services		For services rendered at your request	12,000.00	12,000.00	Non

ONLINE RPT: **Off** Dallas County (8.25%) 0.00

Customer Message:

Payments Applied: **0.00**

BALANCE DUE: **12,000.00**

MEMO: CUSTOMER TAX CODE: **Tax**

Save & Close **Save & New** **Clear**

(3) Apply Deposit/Down Payment to Invoice



Apply Deposit/Down Payment to Invoice

- 1) Click the **Apply Credits** button in the **Create Invoices** window.
- 2) Click **Yes** in the **Recording Transaction** window.
- 3) Enter appropriate information in the **Apply Credits** window.
- 4) Click **Done**.
- 5) Click **Save & Close** in the **Create Invoices** window.

Apply Deposit/Down Payment to Invoice

DATE	CREDIT NO.	CREDIT AMT.	AMT. TO USE	CREDIT BALANCE
04/01/2015	545	5,000.00	5,000.00	0.00
Totals		5,000.00	5,000.00	0.00

DATE	CREDIT NO.	CREDIT AMT.	AMT. TO USE	CREDIT BALANCE
Totals		0.00	0.00	0.00

Down Payment "Credit" Applied

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Services		For services rendered at your request	12,000.00	12,000.00	Non

ONLINE PAY: Off

Customer Message:

MEMO:

CUSTOMER TAX CODE: Tax

Dallas County (0.25%) 0.00

Total 12,000.00

PAYMENTS APPLIED 5,000.00

BALANCE DUE 7,000.00

Buttons: Save & Close, Save & New, Revert

(4) Print Invoice with Balance Due

Print Preview -- Page 1 of 1

Print Prev page Next page Zoom Out Help Close

	Total	\$12,000.00
	Payments/Credits	-\$5,000.00
	Balance Due	\$7,000.00

Reclassification Journal Entry

A journal entry to reclassify unused deposits might be required to prepare year-end financial statements.

Make General Journal Entries

Main Reports

Find New Save Delete Create a Copy Memorize Reverse Print Attach File

DATE: 12/31/2015 ENTRY NO.:

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Accounts Receivable	20,000.00		Reclassify A/R at Year-end	CPA Use Only	
Customer Deposits		20,000.00	Reclassify A/R at Year-end		
Totals	20,000.00	20,000.00			

Save & Close Save & New Clear

Customer Deposits-Method 2

This method involves tracking customer deposits/down payments in a separate liability account. To use this method, follow these steps.

- 1) Create a liability account for customer deposits
- 2) Create an item for the deposit, linked to the liability account
- 3) Invoice the customer using the deposit item (original deposit)
- 4) Receive the payment from the customer
- 5) Apply the deposit to the final invoice, using the deposit item with a negative amount

(1) Add Customer Deposits Liability Account

Edit Account

Account Type: Other Current Liability

Account Name: Customer Deposits

Subaccount of: [Empty]

OPTIONAL

Description: [Empty]

Account No.: [Empty]

Routing Number: [Empty]

Enter Opening Balance... Should I enter an opening balance?

Account is Inactive [Unchecked] Set Up Online Services... Save & Close Cancel

(2) Create Deposit Item

New Item

TYPE: Other Charge Use for miscellaneous labor, material, or part charges, such as delivery charges, setup fees, and service charges.

Item Name/Number: Deposit Subitem of: [Empty]

This item is used in assemblies or is a reimbursable charge [Unchecked]

Description: Your deposit for service

Amount or %: 0.00 Tax Code: Non

Account: Customer Deposits

Item is Inactive [Unchecked]

OK Cancel Next Notes Custom Fields Spelling

(3) Invoice Customer for Deposit/Down Payment

Create Invoices

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER: JOB **Isabella Rosa** TEMPLATE Custom Ser...

Invoice

Date: 04/01/2015 Invoice #: 43 Bill To: Isabella Rosa
212 Toopretty Street
Dallas, TX 78776

P.O. No. Terms

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Deposit		Your deposit for service	5,000.00	5,000.00	Non

ONLINE PAY: Off

Customer Message

MEMO

CUSTOMER TAX CODE: Tax

Dallas County (8.25%) 0.00
Total 5,000.00
PAYMENTS APPLIED 0.00
BALANCE DUE 5,000.00

Save & Close Save & New Clear

(4) Receive Payment from Customer

Receive Payments

Main Reports Payments

Find New Delete Print Attach File Look up Customer/Invoice Un-Apply Payment Discounts And Credits Add Credit Card Processing

Customer Payment

RECEIVED FROM: Isabella Rosa CUSTOMER BALANCE: 5,000.00

AMOUNT: 5,000.00 DATE: 04/01/2015

PMT. METHOD: Check CHECK #: 545 DEPOSIT TO: Undeposited Funds

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
04/01/2015	43	5,000.00	5,000.00	5,000.00
Totals		5,000.00	5,000.00	5,000.00

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE 5,000.00
APPLIED 5,000.00
DISCOUNT AND CREDITS APPLIED 0.00

MEMO

Process payment when saving

Save & Close Save & New Clear

(5) Final Invoice With Deposit Applied

Create Invoices

CUSTOMER: JOB **Isabella Rosa** TEMPLATE **Custom Ser...**

Invoice

Date: 04/01/2015 Invoice #: 44

Bill To: Isabella Rosa
212 Toopretty Street
Dallas, TX 78776

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Services		For services rendered at your request	12,000.00	12,000.00	Non
Deposit		Your deposit for service	-5,000.00	-5,000.00	Non

ONLINE PAY: Off

Customer Message:

Dallas County (8.25%) 0.00

Total 7,000.00

PAYMENTS APPLIED 0.00

BALANCE DUE 7,000.00

MEMO: CUSTOMER TAX CODE: Tax

Buttons: Save & Close, Save & New, Clear

Determine Customer's Deposit Balance

To determine a customer's deposit balance, run a QuickReport for the customer in the liability account register. You can also create a *Customer Deposit Support Schedule* using the technique shown on Page 108.

Customer Deposits Support Schedule

Register QuickReport

Buildem, Inc.

04/01/15

Accrual Basis

Isabella Rosa

Type	Date	Num	Memo	Account	Clr	Split	Amount
Invoice	04/01/2015	43		Customer Deposits		Accounts Re...	5,000.00
Invoice	04/01/2015	44		Customer Deposits		Accounts Re...	(5,000.00)
Total Isabella Rosa							0.00
TOTAL							0.00

Bad Debts

There are two ways to write off bad debts in QuickBooks. The easier method is to write off the receivable as a discount. However, this method does not adjust sales taxes. The second method uses a credit memo to write off the bad debt. This method does adjust for sales taxes.

Method 1-No Sales Tax

If the original sale did not include sales taxes, this is the recommended method.



Write-Off Bad Debt

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the appropriate customer or job.
- 3) In the bottom section of the screen, click once in the **Payment** column for the invoice being written off.
- 4) Click the **Discount & Credits** button.
- 5) Enter the invoice amount due as the **Amount of Discount**.
- 6) Click the **Discount Account** drop-down list and select an appropriate bad debt expense account.
- 7) Click **Done**.
- 8) Click **Save & Close**.

Receive Payments

Main Reports Payments

Find New Delete Print Attach File Look up Customer/Invoice Auto Apply Payment Discounts And Credits Add Credit Card Processing

Customer Payment

RECEIVED FROM: **Lancaster County** CUSTOMER BALANCE: **4,999.50**

AMOUNT: **0.00** DATE: **04/01/2015**

PMT. METHOD: **Check** CHECK #: DEPOSIT TO: **Undeposited Funds**

✓ DATE	NUMBER	ORIG. AMT.	DISC. DATE	AMT. DUE	DISCOUNT	PAYMENT
01/01/2015	21	4,999.50	04/01/2015	4,999.50	4,999.50	0.00
Totals		4,999.50		4,999.50	4,999.50	0.00

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE: **0.00**

APPLIED: **0.00**

DISCOUNT AND CREDITS APPLIED: **0.00**

MEMO: **Bad Debt** ☐ Process payment when saving

Save & Close **Save & New** **Clear**

Method 2-Sales Tax

If the original sale included sales taxes, this is the recommended method.

- 1) Create a bad debt item which points to a bad debt expense account
- 2) Enter a credit memo using the bad debt item
- 3) Apply the credit against the invoice using the *Receive Payments* window

(1) Add Item



Add Bad Debt Item

- 1) Click the **Items & Services** icon on the **Home** page.
- 2) Click the **Item** button.
- 3) Select **New** from the menu.
- 4) Click the **Type** drop-down list and select **Other Charge**.
- 5) Enter **Bad Debt** as the **Item Name/Number**.
- 6) Click the **Account** drop-down list and select an appropriate bad debt expense account.
- 7) Enter remaining information in the **New Item** window.
- 8) Click **OK**.

(2) Issue Credit Memo



Enter Credit Memo

- 1) Click the **Refunds & Credits** icon on the **Home** page.
- 2) Click the **Customer:Job** drop-down list and select the appropriate customer or job.
- 3) Use the **Bad Debt** item as a line item.
- 4) Enter the amount of the bad debt to write off as the **Amount**.
- 5) Choose the appropriate **Tax Code** in the **Tax** column of the bad debt line item.
- 6) Click the **Tax** drop-down list and specify the appropriate sales tax item if the original sale was taxable.
- 7) Enter remaining information in the **Create Credit Memos/Refunds** window.
- 8) Click **Save & Close**.
- 9) Select **Apply to an invoice** in the **Available Credit** window.
- 10) Click **OK**.
- 11) Select the appropriate invoice in the **Apply Credit to Invoices** window.
- 12) Click **Done**.

Create Credit Memos/Refunds

Available Credit

(3) Apply Credit to Invoices

Customer Under/Over Payments

Customer Underpayments

If a customer makes a partial payment, the invoice remains open until full payment is received. But a problem arises if the customer underpays by a nominal amount that you do not intend to collect. Write off small underpayments using the *Receive Payments* window.



Write Off Small Underpayment

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the appropriate customer or job.
- 3) In the **Underpayment** section, select **Write off the extra amount**.
- 4) Click **Save & Close**.
- 5) Select an appropriate bad debt expense account as the **Account**, in the **Write Off Amount** window.
- 6) Click **OK**.

Write Off Underpayment

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
03/15/2015	34	10,000.00	10,000.00	10,000.00
03/15/2015	35	2,706.25	2,706.25	2,706.25
03/28/2015	36	5,412.50	5,412.50	5,411.75
Totals		18,118.75	18,118.75	18,118.00

Write Off Amount

Customer Overpayments

There are two methods for issuing customer refunds. If you know the customer wants a refund when you record the payment, use Method 1. If the customer has an existing credit, use Method 2.

Issue a Refund-Method 1



Built-in Method

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the appropriate customer or job.
- 3) Enter the payment **Amount**.
- 4) Select the appropriate invoice.
- 5) In the **Overpayment** section, select **Refund the amount to the customer**.
- 6) Click **Save & Close**.
- 7) Enter remaining information in the **Issue a Refund** window.
- 8) Click **OK**.

Issue a Refund-Method 2

Follow these steps to refund an overpayment if the customer already has a credit in QuickBooks.

- 1) Issue a check to refund the money to the customer
- 2) Apply the check to the credit using the *Receive Payments* window

(1) Issue Check to Customer



Issue Refund Check

- 1) Click the **Write Checks** icon on the **Home** page.
- 2) Enter the **Customer:Job** in the **Pay to the Order of** field.
- 3) Use **Accounts Receivable** as the **Account**.
- 4) Enter remaining information in the **Write Checks** window.
- 5) Click **Save & Close**.

(2) Apply Credit to Check



Apply Refund Amount to Credit Balance

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the appropriate customer or job.
- 3) Click the **Discount & Credits** button.
- 4) Make the appropriate selections in the **Apply Credits** window.
- 5) Click **Done**.
- 6) Click **Save & Close**.

Transferring Credits Between Customers/Jobs

What if a customer wants to apply a credit (or overpayment) from one job to a different job? This method uses a *Clearing Account* to transfer the credit between jobs.

- 1) Set up Clearing Account
- 2) Remove the credit from Customer/Job1
- 3) Apply the credit to Customer/Job2

(1) Set Up Clearing Account

(2) Remove Credit from Customer/Job 1



Remove Credit and Apply to Balance

- 1) Click the **Write Checks** icon on the **Home** page.
- 2) Click the **Bank Account** drop-down list and select **Clearing Account**.
- 3) Enter the Customer:Job whose credit you want to remove as the **Pay to the Order of**.
- 4) Enter **Accounts Receivable** as the **Account**.
- 5) Click **Save & Close**.

(3) Apply Credit to Customer:Job 2**Apply Credit to Customer:Job**

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the customer:job that will receive the credit.
- 3) Enter the amount of the credit as the **Amount**.
- 4) Click on the individual invoices to apply the credit (if appropriate).
- 5) Click the **Deposit to** drop-down list and select **Clearing Account***.
- 6) Enter remaining information in the **Receive Payments** window.
- 7) Click **Save & Close**.

*The **Deposit to** option may not be enabled in your QuickBooks. Turn this option on by selecting **Edit:Preferences** from the menu. Click **Payments** in the list to the left. Click the **Company Preferences** tab. Uncheck the box next to **Use Undeposited Funds as a default deposit to account**.

Multiple A/R Accounts

Creating multiple A/R accounts allows you to separate your Accounts Receivables on reports. For example, you may want separate A/R reports for different divisions or types of customers. However, you will have to specify an accounts receivable account every time you perform the following activities:

- 1) Enter Invoices
- 2) Receive Payments
- 3) Issue Credit Memos
- 4) Enter Statement Charges
- 5) Create Statements
- 6) Assess Finance Charges
- 7) Print Invoices and Credit Memos

The screenshot shows the 'Add New Account' dialog box. The 'Account Type' is set to 'Accounts Receivable'. The 'Account Name' is 'A/R South Office'. There is a 'Subaccount of' checkbox and dropdown. Under the 'OPTIONAL' section, there are fields for 'Description' and 'Note'. The bottom buttons are 'Save & Close', 'Save & New', and 'Cancel'.

Invoice

Create Invoices - A/R South Office

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER_JOB June May ACCOUNT A/R South ... TEMPLATE Custom Ser...

Invoice

Date: 04/01/2015 Bill To: June May
23 Doctor Street
Cubsville, TX 88998

Invoice #: 1

P.O. No. Terms

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Services		For services rendered at your request	1,000.00	1,000.00	Non

ONLINE PAY: Off Dallas County (8.25%) 0.00

Customer Message

Total: 1,000.00

PAYMENTS APPLIED: 0.00

BALANCE DUE: 1,000.00

MEMO CUSTOMER TAX CODE: Tax Save & Close Save & New Clear

Report Filter

Modify Report: Open Invoices

Display Filters Header/Footer Fonts & Numbers

CHOOSE FILTER

FILTER: Account Account: A/R South Office

Amount Include split detail?

Date ☒ No ☐ Yes ☐ For detail accounts matching

Item All accounts

Memo

ACCOUNT FILTER

Choose the types of accounts or a specific account from the drop-down list. Indicate whether or not you want split detail to appear in the report (Balance Sheet accounts only).

Tell me more...

CURRENT FILTER CHOICES

FILTER	SET TO
Account	A/R South Office
Date	Today
Name	All customers/jobs
Paid Status	Open

Remove Selected Filter

Revert

OK Cancel Help

Retail Sales

Items for Retail Sales



Add Items

- 1) Click the **Items & Services** icon on the **Home** page.
- 2) Click the **Item** button.
- 3) Select **New** from the menu.
- 4) Click the **Type** drop-down list and select the appropriate item type.
- 5) Enter remaining information in the **New Item** window.
- 6) Click **OK**.

Taxable Sales

The screenshot shows the 'Edit Item' window with the following details:

- TYPE:** Other Charge (dropdown menu)
- Item Name/Number:** Taxable Sales
- Subitem of:** (empty dropdown)
- Description:** Taxable sales for the day
- Amount or %:** 0.00
- Tax Code:** Tax (dropdown menu)
- Account:** Food Sales (dropdown menu)
- Buttons:** OK, Cancel, Notes, Custom Fields, Spelling
- Item is inactive:** (unchecked checkbox)

Non-taxable Sales

The screenshot shows the 'Edit Item' window with the following details:

- TYPE:** Other Charge (dropdown menu)
- Item Name/Number:** Non-Tax Sales
- Subitem of:** (empty dropdown)
- Description:** Nontaxable sales
- Amount or %:** 0.00
- Tax Code:** Non (dropdown menu)
- Account:** Food Sales (dropdown menu)
- Buttons:** OK, Cancel, Notes, Custom Fields, Spelling
- Item is inactive:** (unchecked checkbox)

Paid-Outs

The 'Edit Item' window shows the configuration for a 'Paid Out' item. The 'TYPE' dropdown is set to 'Other Charge'. The 'Item Name/Number' field contains 'Paid Outs'. The 'Description' field contains 'Paid out of register for the day'. The 'Amount or %' field is set to '0.00'. The 'Tax Code' dropdown is set to 'Non'. The 'Account' dropdown is set to 'Miscellaneous'. The 'Item is inactive' checkbox is unchecked. The 'OK', 'Cancel', 'Notes', 'Custom Fields', and 'Spelling' buttons are visible on the right.

Set up separate “paid out” items for expenses other than miscellaneous.

Payment

The 'Edit Item' window shows the configuration for a 'Payment' item. The 'TYPE' dropdown is set to 'Payment'. The 'Item Name/Number' field contains 'AMEX'. The 'Description' field contains 'Paid by American Express credit cards'. The 'Payment Method' dropdown is set to 'American Express'. The 'Group with other undeposited funds' radio button is selected. The 'Deposit To' dropdown is set to 'Checking'. The 'Item is inactive' checkbox is unchecked. The 'OK', 'Cancel', 'Notes', 'Custom Fields', and 'Spelling' buttons are visible on the right.

Over/Short

The 'Edit Item' window shows the configuration for an 'Over/Short' item. The 'TYPE' dropdown is set to 'Other Charge'. The 'Item Name/Number' field contains 'Over/Short'. The 'Description' field contains 'Over/Short in register for the day'. The 'Amount or %' field is set to '0.00'. The 'Tax Code' dropdown is set to 'Non'. The 'Account' dropdown is set to 'Over/Short'. The 'Item is inactive' checkbox is unchecked. The 'OK', 'Cancel', 'Notes', 'Custom Fields', and 'Spelling' buttons are visible on the right.

Daily Sales Entry



Enter Daily Sales Summary

- 1) Click the **Create Sales Receipts** icon on the **Home** page.
- 2) Select a **Customer:Job** from the drop-down list. (Optional)
- 3) Enter remaining information in the **Enter Sales Receipts** window.
- 4) Click **Save & Close**.

Enter Sales Receipts

Main Formatting Send/Ship Reports Payments

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add time/costs Add Credit Card Processing

CUSTOMER:JOB DEPOSIT TO Checking TEMPLATE Daily Sales

DATE 04/01/2015

DAILY SALES

ITEM	DESCRIPTION	AMOUNT	TAX
Taxable Sales	Taxable sales for the day	1,000.00	Tax
Non-Tax Sales	Nontaxable sales	450.00	Non
Paid Outs	Paid out of register for the day	-37.50	Non
AMEX	Paid by American Express credit cards	-812.36	Non
Over/Short	Over/Short in register for the day	-0.64	Non

Dallas County (8.25%) 82.50

Cash In 682.00

☐ Process payment when saving

MEMO CUSTOMER TAX CODE

Save & Close Save & New Clear

Deposit Credit Card Receipts



Depositing Credit Card Receipts

- 1) Click the **Record Deposits** icon on the **Home** page.
- 2) Select the appropriate payment method in the box next to **View payment method type**.
- 3) Click the line items to deposit.
- 4) Click **OK**.
- 5) Enter an additional line for any credit card fees, using a negative amount.
- 6) Enter a batch number in the memo (if applicable).
- 7) Click **Save & Close**.

Select Payments to Deposit

Payments to Deposit

SELECT VIEW

View payment method type: American Express

Sort payments by: Payment Method

What are payment method views?

SELECT PAYMENTS TO DEPOSIT

DATE	TIME	TYPE	NO.	PAYMENT METHOD	NAME	AMOUNT
04/01/2015		RCPT	3	American Express		812.36

1 of 1 payments selected for deposit

Payments Subtotal: 812.36

Select All Select None

See an easier way to match these payments with your bank deposits.

OK Cancel Help

Make Deposit

Make Deposits

Previous Next Save Print Payments History Attach

Deposit To: Checking Date: 04/01/2015 Memo: Deposit

Save time reconciling your merchant service account with QuickBooks. Learn More

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
	Undeposited Funds	Paid by American Express credit cards		American Express	812.36
	Credit Card Fees	Amex Charge			-24.37

Deposit Subtotal: 787.99

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to: Cash back memo: Cash back amount:

Deposit Total: 787.99

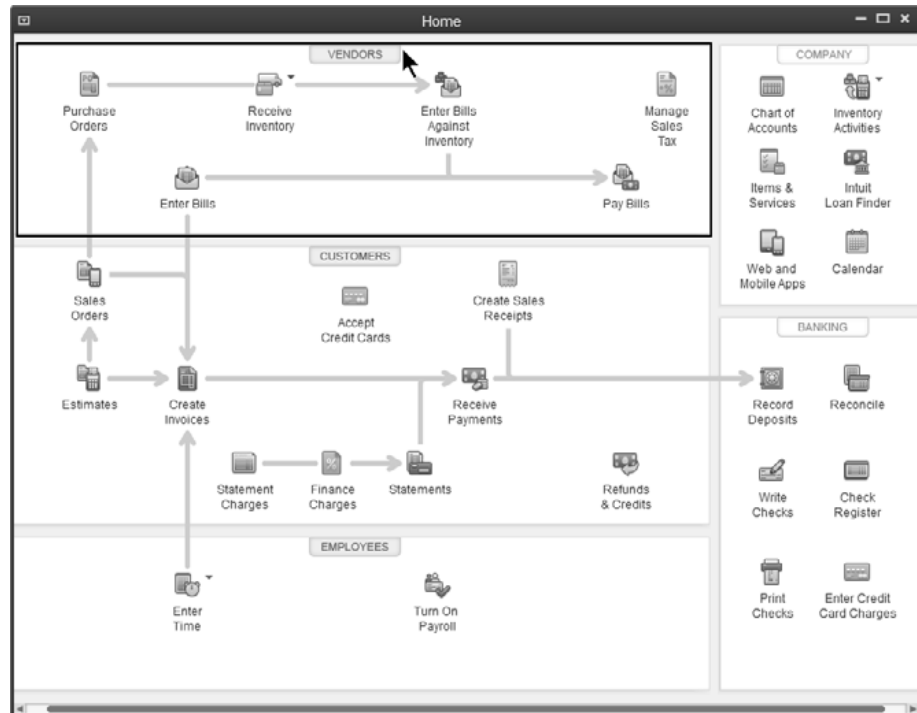
Save & Close Save & New Clear

Chapter 7- Purchases & Payables

*Mastering QuickBooks
Level 2*

Review

To ensure proper processing of transactions and accurate reporting, enter transactions in the order presented on the **Home** page.



Vendor Center

Vendor Center: American Express

New Vendor... New Transactions Print Excel Word

Vendors Transactions

Active Vendors

NAME	BALANCE TOTAL
American Express	0.00
Boise County	0.00
Buildings, Inc.	0.00
Cal Gas & Telephone C...	0.00
City of Boise	0.00
Dallas Doors	0.00
Dave's Cafe	0.00
Door Knob Corporation	3,749.75
Door Tools, Inc.	0.00
East Bayshore Tool & S...	0.00
Edgar Leasing	0.00
Electric, Inc.	0.00
General Carriers, Inc.	7,250.00
Great Statewide Bank	0.00

Vendor Information

Company Name: American Express
Full Name: Greg Jansen
Billed From: American Express
3400 Watson Ave
Springfield, MO 3455

Main Phone: 800-363-8585
Alt Phone: 316-987-3499
Fax: 800-363-8500
Main Email: greg@amex.com

QuickReport
Open Balance
Order Checks

Map | Directions

Transactions Contacts To Do's Notes

SHOW: All Trans... FILTER BY: All DATE: This Fisc... 01/01/2015 - 12/31/2015

TYPE	NUM	DATE	ACCOUNT	AMOUNT
Check		03/10/2015	Checking	-550.00

Manage Transactions Run Reports

Purchase Fixed Assets

A Fixed Asset Tracker is available in QuickBooks. You create *Fixed Asset Items* to track relevant information for each fixed asset. To enter the purchase of a fixed asset, follow these steps:

- 1) Create a Fixed Asset account for each general fixed asset category
- 2) Create a Liability account to track amount owed/financed. This is only necessary if you financed a portion of the purchase.
- 3) Set up the new asset on the *Fixed Asset Item List*
- 4) Enter a bill or check to record the purchase of the fixed asset

(1) Fixed Asset Account

The screenshot shows the 'Add New Account' dialog box. The 'Account Type' is set to 'Fixed Asset'. The 'Account Name' is 'Computers'. The 'Subaccount of' dropdown is empty. The 'Description' field is empty. The 'Note' field is empty. There is a button 'Enter Opening Balance...' and a checkbox 'Should I enter an opening balance?'. At the bottom are buttons 'Save & Close', 'Save & New', and 'Cancel'.

(2) Liability Account

The screenshot shows the 'Add New Account' dialog box. The 'Account Type' is set to 'Long Term Liability'. The 'Account Name' is 'Computer Loan'. The 'Subaccount of' dropdown is empty. The 'Description' field is empty. The 'Account No.' field is empty. There is a button 'Enter Opening Balance...' and a checkbox 'Should I enter an opening balance?'. At the bottom are buttons 'Save & Close', 'Save & New', and 'Cancel'.

(3) Fixed Asset Item**Add Fixed Asset Item**

- 1) Select **Lists:Fixed Asset Item List** from the menu.
- 2) Click the **Item** button.
- 3) Select **New** from the menu.
- 4) Enter appropriate information in the **New Item** window.
- 5) Click **OK**.

(4) Purchase Fixed Asset

Loan Manager

The QuickBooks Loan Manager helps you manage loans for long term liability and other current liability accounts set up on your chart of accounts. You can view payment schedules, schedule loan payments, and evaluate “what if” scenarios.

Add Loan Account



Add Loan Account

- 1) Click the **Chart of Accounts** icon on the **Home** page.
- 2) Click the **Account** button.
- 3) Select **New** from the menu.
- 4) Select **Other Current Liability** or **Long Term Liability** as the **Type**.
- 5) Enter remaining information in the **New Account** window.
- 6) Click **OK**.

Deposit Loan Proceeds



Make Deposit

- 1) Click the **Record Deposits** icon on the **Home** page.
- 2) Click on the first available deposit line in the **Make Deposits** window.
- 3) Click the **Received From** drop-down list and select the appropriate vendor.
- 4) Click the **From Account** drop-down list and select the appropriate long term liability or other current liability for which you are receiving a loan.
- 5) Enter other appropriate information in the **Make Deposits** window.
- 6) Click **Save & Close**.

Make Deposits

Previous Next Save Print Payments History Attach

Deposit To: **Checking** Date: **04/01/2015** Memo: **Deposit**

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK. NO.	PMT. METH.	AMOUNT
Texas Bank	Equipment Loan	Proceeds from equipment loan	1234	Check	40,000.00
Deposit Subtotal					40,000.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to: Cash back memo: Cash back amount:

Deposit Total: 40,000.00

Save & Close Save & New Clear

Add Loan to Loan Manager



Add Loan

- 1) Select **Banking:Loan Manager** from the menu.
- 2) Click the **Add a Loan** button.
- 3) Enter appropriate information in the **Add Loan** windows.
- 4) Click **Finish** in the last **Add Loan** window.

Add Loan

Enter account information for this loan

ACCOUNT NAME: **Equipment Loan**

CURRENT BALANCE: **40,000.00**

LENDER: **Texas Bank**

ORIGINATION DATE: **04/01/2015** Why should I enter an origination date?

ORIGINAL AMOUNT: **40,000.00**

TERM: **60** **Months**

Previous Next Finish Cancel Help

Make Loan Payment from Loan Manager



Make Loan Payment

- 1) Select **Banking:Loan Manager** from the menu.
- 2) Select the appropriate loan in the loan list.
- 3) Click the **Set Up Payment** button.
- 4) Change information in the **Set Up Payment** window (if appropriate).
- 5) Click **OK**.
- 6) Change information in the **Write Checks** or **Enter Bills** window (if appropriate).
- 7) Click **Save & Close**.

Set Up Payment

Set Up Payment

This payment is **Regular payment**

Why should I pay my loans from the Loan Manager?
What is the difference between a regular and an extra payment?

ACCOUNT INFORMATION

ACCOUNT NAME Equipment Loan
LENDER Texas Bank
BANK ACCOUNT Checking

PAYMENT INFORMATION

PRINCIPAL (P) 551.52 FEES & CHARGES 0.00 PAYMENT NUMBER 1
INTEREST (I) 250.00 ESCROW 0.00
TOTAL (P+I) 801.52 TOTAL PAYMENT **801.52**

PAYMENT METHOD

I want to **Write a check**

OK **Cancel** **Help**

Loan Payment

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Select PO Enter Time Clear Splits Recalculate

BANK ACCOUNT **Checking** ENDING BALANCE **83,761.93**

PAY TO THE ORDER OF **Texas Bank** NO **14** DATE **04/01/2015** \$ **801.52**

Eight hundred one and 52/100 ***** DOLLARS

TEXAS BANK
8765 BANK STREET
DALLAS, TX 74248

MEMO **Acct# 02933-99 - Pmt# 1**

Expenses	AMOUNT	Item	AMOUNT
Equipment Loan	551.52		
Interest Expense	250.00		

Save & Close **Save & New** **Revert**

Review Loan Information



View Loan Information

- 1) Select **Banking:Loan Manager** from the menu.
- 2) Select the appropriate loan in the loan list.
- 3) Click appropriate tab to view loan information.

Loan Manager

What you need to do before you add a loan

NAME	BALANCE	NEXT PAYMENT	AMOUNT
Equipment Loan	39,448.48	05/30/2015	801.52

Buttons: Add a Loan..., Set Up Payment..., Edit Loan Details..., Remove Loan...

Tabs: Summary (selected), Payment Schedule, Contact Info

LENDER NAME Texas Bank
ACCOUNT NUMBER 02933-99
ORIGINATION DATE 04/01/2015
ORIGINAL AMOUNT 40,000.00

PAYMENT AMOUNT 801.52
INTEREST RATE 7.500%
MATURITY DATE 03/28/2020
BALLOON PAYMENT None

Buttons: Print..., What If Scenarios..., Close, Help



Print Loan Information

- 1) Select **Banking:Loan Manager** from the menu.
- 2) Select the appropriate loan in the loan list.
- 3) Click the **Print** button.
- 4) Select the appropriate printer in the **Print** window.
- 5) Click **Print**.

Buildem, Inc.
Payment Schedule
Wednesday, April 01, 2015

Account Name Equipment Loan

Payment #	Date	Principal (P)	Interest (I)	Payment (P+I)	Balance
2	05/30/2015	554.97	246.55	801.52	38,893.51
3	06/30/2015	558.44	243.08	801.52	38,335.07
4	07/30/2015	561.93	239.59	801.52	37,773.14
5	08/30/2015	565.44	236.08	801.52	37,207.70
6	09/30/2015	568.97	232.55	801.52	36,638.73
7	10/30/2015	572.53	228.99	801.52	36,066.20
8	11/30/2015	576.11	225.41	801.52	35,490.09
9	12/30/2015	579.71	221.81	801.52	34,910.38
10	01/30/2016	583.33	218.19	801.52	34,327.05
11	02/29/2016	586.98	214.54	801.52	33,740.07
12	03/29/2016	590.64	210.88	801.52	33,149.43

Lines of Credit

Use the following steps to track the use and payback of a line of credit.

- 1) Set up Liability account to track the line of credit
- 2) Transfer Funds to record use of the line of credit or overdraft facility
- 3) Pay back the line of credit

(1) Set Up Liability Account to Track Line of Credit

(2) Transfer Funds to Checking Account

(3) Write Check to Pay Line of Credit

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time

BANK ACCOUNT: **Checking** ENDING BALANCE: **103,761.93**

PAY TO THE ORDER OF: **Great Statewide Dank** NO. **EFT** DATE **01/01/2015** \$ **1,000.00**

One thousand and 00/100***** DOLLARS

Great Statewide Bank
Bucksville, TX 99898

MEMO

Expenses **\$1,000.00** Items **\$0.00**

ACCOUNT	AMOUNT	MEMO	CUSTOMER.J...	BILLAB...
Line of Credit	900.00			
Interest Expense	100.00			

Save & Close Save & New Clear

If the payment is made with an Electronic Fund Transfer, type “EFT” in the *No.* field.

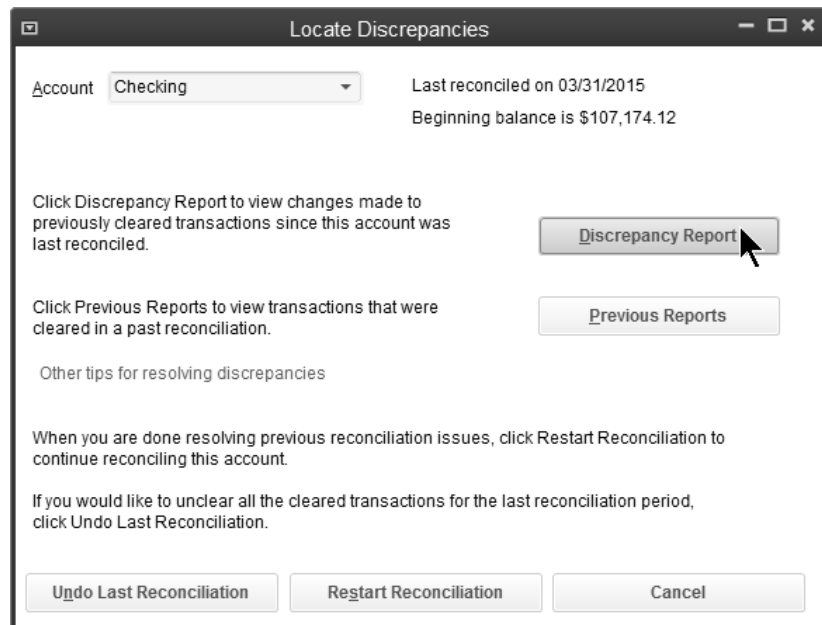
Reconcile Bank Accounts

Beginning Reconciliation Balance

What if this month's Beginning Balance has changed from last month's bank statement ending balance? In QuickBooks, the Beginning Balance is the sum of all cleared transactions in the account. If a cleared transaction is modified or deleted, the Beginning Balance changes. Then, the account cannot be reconciled until the problem is corrected.

What if it doesn't match? Follow step 1 below if you use QuickBooks Premier or Enterprise Solutions. Follow steps 2 through 5 if you use QuickBooks Pro.

- 1) Run Reconciliation Detail reports for prior months. Compare these reports to the bank statements for those periods. Look for transactions that cleared on the statements but do not appear on the Reconciliation Detail reports.
- 2) Run the Reconcile Discrepancy Report. This report shows any cleared transactions that were modified or deleted since the last bank reconciliation.
- 3) As a first step, search for any difference in the account register.
- 4) Run the Audit Trail Report and look for an amount that equals the difference.
- 5) Compare past bank statements and reconciliation reports to the bank activity in QuickBooks. Look for any transactions that are missing or have changed in QuickBooks.



Review Previous Reconciliation Report

QuickBooks Premier and Enterprise Solutions let you print past reconciliation reports. QuickBooks Pro only lets you print a copy of the last report.



Review Previous Reconciliation Report

- 1) Click the **Reconcile** icon on the **Home** page.
- 2) Click the **Account** drop-down list and select the appropriate bank account.
- 3) Click the **Locate Discrepancies** button.
- 4) Click the **Previous Reports** button.
- 5) Select the **Statement Ending Date** and make other appropriate choices in the **Select Previous Reconciliation Report** window.
- 6) Click **Display**.

Buildem, Inc.						
Reconciliation Detail						
Checking, Period Ending 02/28/2015						
04/01/15						
Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						106,992.94
Cleared Transactions						
Checks and Payments - 1 item						
Check	2/28/2015	1003	Edgar Leasing	X	(2,818.82)	(2,818.82)
Total Checks and Payments					(2,818.82)	(2,818.82)
Deposits and Credits - 1 item						
Deposit	2/28/2015			X	10,000.00	10,000.00
Total Deposits and Credits					10,000.00	10,000.00
Total Cleared Transactions					7,181.18	7,181.18
Cleared Balance					7,181.18	114,174.12
Register Balance as of 02/28/2015					7,181.18	114,174.12

Run Reconcile Discrepancy Report

Run a Reconcile Discrepancy Report to identify why the beginning balance has changed since the last statement. This report lists all previously reconciled transactions that were changed since the last statement date. Use this report to identify changed amounts and changes in cleared status.

This report does not show deleted transactions. If you suspect a deleted transaction, identify it by comparing a previous reconciliation report to the bank register.



Run Reconcile Discrepancy Report

- 1) Select **Banking:Reconcile** from the menu.
- 2) Click the **Account** drop-down list and select the appropriate bank account.
- 3) Click the **Locate Discrepancies** button.
- 4) Click the **Discrepancy Report** button.

Previous Reconciliation Discrepancy Report								
Buildem, Inc.								
Previous Reconciliation Discrepancy Report								
Checking								
Type	Date	Entered/Last Modified	Num	Name	Reconciled Amount	Type of Change	Effect of Change	
Statement Date: 03/31/2010								
Check	03/31/2015	04/01/2015 11:39:31	10	SmithTrillion Produ...	(3,000.00)	Amount	(7,000.00)	
Total 03/31/2010							(7,000.00)	
Statement Date: 03/31/2015								
Total 03/31/2015							0.00	
							(7,000.00)	

Changing Cleared Status

The primary cause of beginning balance changes is when you change or delete a cleared transaction. This includes changing the cleared status of a transaction. If this occurs, change the cleared status in the account register.



Change Cleared Status

- 1) Click the **Chart of Accounts** icon on the **Home** page.
- 2) Double-click on the appropriate bank account.
- 3) Click once on the transaction with the incorrect cleared status (look at the column labeled with a check mark).
- 4) Click in the check mark column for the transaction until the appropriate cleared status appears.
- 5) Click the **Record** button.

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
	TYPE	ACCOUNT	MEMO		
03/30/2015				✓	
	DEP	-split-	Deposit		3,267.09
03/31/2015			12.50	✓	117,174.12
	CHK	Bank Service Char Service Charge			
3/31/2015	10	SmithTriton Product Development	10,000.00	✓	107,174.12
	CHK	Professional...	Memo		

ENDING BALANCE **103,136.12**

☐ 1-Line

Sort by Date, Type, Number/Ref

Manually change cleared transactions to fix errors only. Use the *Reconcile* window in QuickBooks to clear transactions.

Fix Bill Payment Errors

A common mistake is paying bills using the *Write Checks* feature. This leaves the original bill unpaid and doubles the expense. There are two ways to handle this:

(1) Delete Original Bill

Find the original bill and delete the transaction.



Delete Bill Paid by Check

- 1) Select **Reports:Vendors & Payables:Unpaid Bills Detail** from the menu.
- 2) Double-click on the bill to delete.
- 3) Select **Edit>Delete Bill** from the menu.
- 4) Click **OK**.

(2) Delete Original Check and Pay the Bill

Find the check and delete the transaction. Pay the bill using *Pay Bills* and make sure the reconciled status and the check number of the new check matches that of the deleted check.

Pay Bills

SELECT BILLS TO BE PAID

Show bills: ☐ Due on or before 04/11/2015 ☒ Show all bills

Filter By: All vendors

Sort By: Due Date

<input checked="" type="checkbox"/>	DATE DUE	VENDOR	REF. NO.	DISC. DATE	AMT. DUE	DISC. USED	CREDITS USED	AMT. TO PAY
<input type="checkbox"/>	03/15/2015	Spendalot	0039		14,000.00	0.00	0.00	0.00
<input type="checkbox"/>	04/04/2015	JoJo, Inc.	343	03/15/2015	18,748.75	0.00	0.00	0.00
<input type="checkbox"/>	04/14/2015	JoJo, Inc.	343v	03/25/2015	2,999.90	0.00	0.00	0.00
<input checked="" type="checkbox"/>	04/14/2015	Lew Plumbing	4558		3,250.00	0.00	0.00	3,250.00
Totals					66,582.65	0.00	0.00	3,250.00

Clear Selections

DISCOUNT & CREDIT INFORMATION FOR HIGHLIGHTED BILL

Vendor: **Lew Plumbing** Terms: **Net 30** Number of Credits: **0**

Bill Ref. No. **4558** Sugg. Discount: **0.00** Total Credits Available: **0.00**

Go to Bill Set Discount Set Credits

PAYMENT

Date: 04/01/2015 Method: Check ☐ To be printed ☒ Assign check number

Account: Checking Ending Balance: 103,136.12

Pay Selected Bills Cancel

Check Detail Report

Bill payments on reports and in registers usually do not show what expenses were paid. To see what expenses were paid with a bill payment, run the *Check Detail* report.

Bill Payment in Checking Register

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
	TYPE	ACCOUNT	MEMO		
01/21/2015	2	Electric, Inc.	124.89		86,470.11
	CHK	Utilities:Electricity			
01/29/2015	1000	Walnut, Inc.	7,499.75		78,970.36
	BILLPMT	Accounts Payable Reg-384			
01/31/2015			12.50		78,957.86
	CHK	Bank Service Charge			
ENDING BALANCE					103,136.12

Check Detail Report



Review a Check Detail Report

- 1) Select **Reports:Banking:Check Detail** from the menu.

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Bill Pmt -Check	1000	01/29/2015	Walnut, Inc.	(Reg-3...	Checking		(7,499.75)
Bill	AD205	01/12/2015		Cedar D...	Raw Materials Inve...	(7,499.75)	7,499.75
TOTAL						(7,499.75)	7,499.75

1099s/1096

Printing 1099s is a seven step process. You perform most of these steps using the *1099 Wizard*.

- 1) Turn on 1099 preference
- 2) Select Your 1099 Vendors
- 3) Verify Vendor Information
- 4) Set 1099 Account Mapping
- 5) Review 1099 Data
- 6) Confirm 1099 Entries
- 7) Print or E-file 1099s and 1096

(1) Turn on 1099 Preference



Turn on 1099 Preference

- 1) Select **Edit:Preferences** from the menu.
- 2) Select **Tax:1099** from the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Select **Yes** next to **Do you file 1099-MISC forms?**.

Start the 1099 and 1096 Wizard



Open 1099s/1096 Wizard

- 1) Select **Vendors:Print/E-file 1099s:1099 Wizard** from the menu.

(2) Select 1099 Vendors and Verify Information



Verify 1099 Vendors

- 1) Click **Get Started** in the **QuickBooks 1099 Wizard** window.
- 2) Review the vendor information and make any necessary changes.
- 3) Click **Continue**.

Verify your 1099 vendors' information

Edit each vendor's information as needed. Changes you make are saved in QuickBooks.

Vendor Name	Tax ID*	Company Name	First Name	M.I.	Last Name	Address*	Phone
King & King	75-7654321					King & King	214-555-8711
Smith & Smith	75-8888888	Smith & Smith	Trevor		Smith	Smith & Smith	214-555-1784
Spendalot	75-3838383					Spendalot	214-555-8784
Supply-A-Lot	75-3939393	Supply-A-Lot	Emit	M	Jackson	Supply-A-Lot	214-555-9845

*Required if e-filing

Need more information? Back Save & Close Continue

(3) Map Accounts



Map Vendor Payment Accounts

- 1) Click the drop-down arrow to the right of each account in the list and select the appropriate 1099 box.
- 2) Click **Continue**.

Map vendor payment accounts

You used these QuickBooks accounts to track payments to your 1099 vendors. Now, tell QuickBooks where the amounts paid from each account should appear on Form 1099-MISC.

Show 1099 accounts

Tip!
Most companies map the accounts they use to pay 1099 vendors to Box 7: Nonemployee Compensation on Form 1099-MISC.
Tell me more about the 1099 boxes.
☐ Report all payments in Box 7

Accounts used for 1099	Account type	Apply payments to this 1099 box
Cost of Assembled Items	Cost of Goods Sold	Omit these payments from 1099
Advertising	Expense	Box 7: Nonemployee Compensation
Bank Service Charges	Expense	Omit these payments from 1099
Building Supplies	Expense	Omit these payments from 1099
Car Rental	Expense	Omit these payments from 1099
Cleaning	Expense	Omit these payments from 1099
Contributions	Expense	Omit these payments from 1099
Depreciation Expense	Expense	Omit these payments from 1099
Dues and Subscriptions	Expense	Omit these payments from 1099
Equipment Rental	Expense	Omit these payments from 1099
Federal Payroll	Expense	Omit these payments from 1099
Freight & Delivery	Expense	Omit these payments from 1099

Show IRS 1099-MISC filing thresholds

Need more information? Back Save & Close Continue

(4) Review Vendor Payments and Confirm Entries



Review 1099 Summary

- 1) Review the information in the **Review 1099 Summary** window.
- 2) Click **Continue**.

(5) Choose a Filing Method



Print 1099s/1096

- 1) Click **Print 1099s** in the **1099 Wizard** window.
- 2) Select the date range for 1099s in the **Printing 1099-MISC and 1096 Forms** window.
- 3) Click **OK**.
- 4) Click **Print 1099** in the **Select 1099s to Print** window.
- 5) Click **Print** in the **Print 1099s** window.
- 6) Click **Print 1096** in the **Select 1099s to Print** window.
- 7) Enter appropriate information in the **1096 Information** window.
- 8) Click **OK**.
- 9) Click **Print** in the **Print 1096** window.

1099s/1096 Date Range

Printing 1099-MISC and 1096 Forms

Please specify a date range:

This Calendar Year

From 01/01/2015 To 12/31/2015

OK Cancel Help

Select 1099s to Print

Select 1099s to Print

Select vendors to print 1099-MISC / 1096 forms.

✓ VENDOR	VALID ID	VALID ADD...	TOTAL
✓ Spandalot	Yes	Yes	3,000.00
✓ Supply-A-Lot	Yes	Yes	25,125.00

1096 SUMMARY INFORMATION

Number of vendors selected: 2

Total for vendors selected: 28,125.00

Preview 1099

Print 1099

Print 1096

Cancel

Help

Select All

Select None

1096 Information

1096 Information

Form 1096 summarizes the 1099s.

Please fill in the additional information below to complete your Form 1096.

Contact Name Kelsey Auldridge

☐ This is my final return

OK Cancel

Chapter 8- Advanced Purchase Transactions

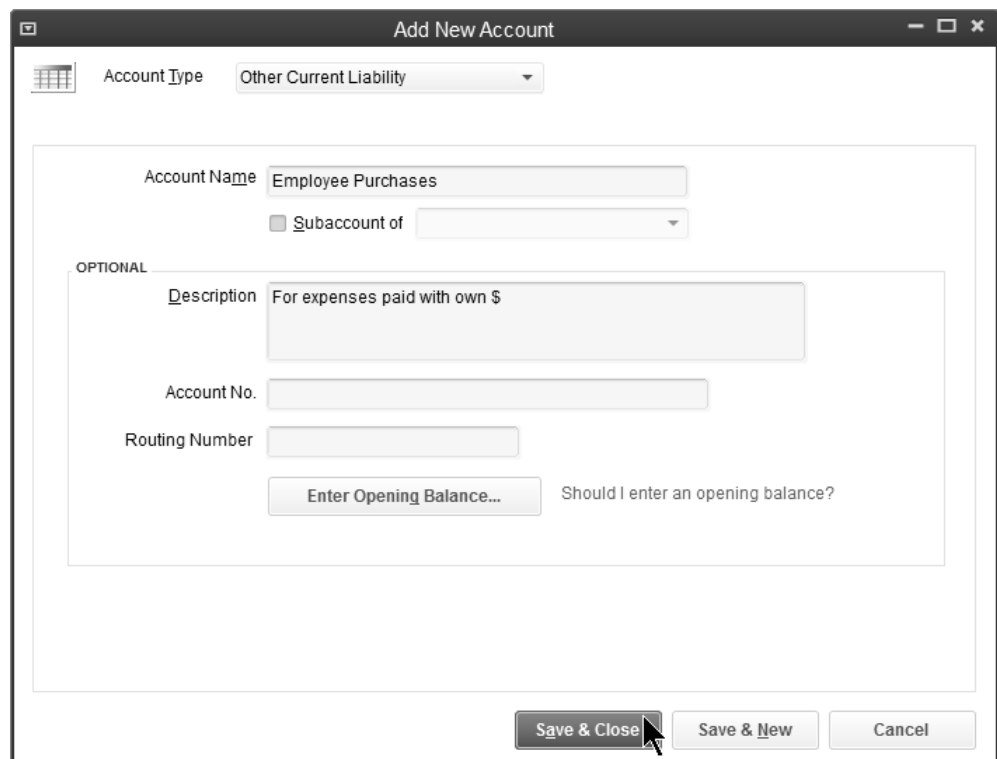
*Mastering QuickBooks
Level 2*

Employee/Owner Purchases

When an owner or employee pays for goods or services using their own funds, the transaction must be recorded to show that the services or goods were bought, and that the money is owed to the owner or employee. Follow these steps to track employee/owner purchases.

- 1) Set up account to track money owed to Employee/Owner
- 2) Record purchase using zero-based check
- 3) Reimburse Employee/Owner if necessary

(1) Set Up Account to Track Money Owed to Employee/Owner



This may be an Equity type account for owner purchases. An accountant can help with this decision.

(2) Record Purchase Using Zero-Based Check

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time Clear Splits

BANK ACCOUNT: Checking ENDING BALANCE: 79,252.04

PAY TO THE ORDER OF: Pete J Smith

NO: 25 DATE: 04/01/2015 \$ 0.00

ADDRESS: Pete J Smith, 36 Elm #1076, Dallas, TX 75241

MEMO:

ACCOUNT	AMOUNT	MEMO	CUSTOMER J...	BILLAB...
Office Supplies	50.00			
Employee Purchases	-50.00			

Expenses: \$0.00 Items: \$0.00

Save & Close Save & New Clear

Reconcile this check on your next bank reconciliation.

(3) Reimburse Employee/Owner

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time Clear Splits

BANK ACCOUNT: Checking ENDING BALANCE: 79,252.04

PAY TO THE ORDER OF: Pete J Smith

NO: 10 DATE: 04/01/2015 \$ 50.00

Text: Fifty and 00/100

ADDRESS: Pete J Smith, 36 Elm #1076, Dallas, TX 75241

MEMO: Pay back for office supplies

ACCOUNT	AMOUNT	MEMO	CUSTOMER J...	BILLAB...
Employee Purchases	50.00			

Expenses: \$50.00 Items: \$0.00

Save & Close Save & New Clear

Prepaid Expenses

You should track prepaid expenses as an asset when paid, and use a journal entry to expense the cost in the appropriate month. Use the following steps to record a prepaid expense. You could memorize this journal entry to automatically record the monthly expense for the rest of the fiscal year.

- 1) Create a prepaid expense asset account
- 2) Record prepaid expense
- 3) Create journal entry for monthly expense

(1) Create a Prepaid Expense Asset Account

(2) Record Prepaid Expense

ACCOUNT	AMOUNT	MEMO	CUSTOMER J...	BILLAB...
Prepaid Insurance	1,200.00	General liability May 2015 to April 2015		

(3) Create Journal Entry for Monthly Expense

General Journal Entry

Make General Journal Entries

Main Reports

Find New Save Delete Create a Copy Memorize Reverse Print Attach File

DATE 04/01/2015 ENTRY NO. 18

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABL...
Insurance	100.00		Expense one month's prepaid insurance		
Prepaid Insurance		100.00	Expense one month's prepaid insurance		
Totals	100.00	100.00			

Save & Close Save & New Clear

Memorize Transaction

Memorize Transaction

Name Prepaid Insurance Adjustment

☐ Add to my Reminders List
 ☐ Do Not Remind Me
 ☒ Automate Transaction Entry
 ☐ Add to Group

How Often Monthly
 Next Date 05/31/2015
 Number Remaining 12
 Days In Advance To Enter 0
 Group Name <None>

OK Cancel

Vendor Deposits

To correctly track vendor deposits in a separate asset account, follow these steps:

- 1) Create a Vendor Prepayments asset account
- 2) Use the Vendor Prepayments account when the deposit is paid
- 3) Use the Vendor Prepayments account with a negative amount on the check/bill when applying the deposit

(1) Add Vendor Prepayments Account

Edit Account

Account Type: Other Current Asset

Account Name: Vendor Prepayments

☐ Subaccount of

OPTIONAL

Description: For vendor deposits

Account No.

Change Opening Balance... You can change the opening balance in the account register.

☐ Account is inactive

Save & Close Cancel

(2) Pay Vendor Deposit

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time Clear Splits

BANK ACCOUNT: Checking ENDING BALANCE: 78,002.04

PAY TO THE ORDER OF: East Bayshore Tool & Supply

NO: 20 DATE: 04/01/2015

\$ 1,000.00

One thousand and 00/100***** DOLLARS

East Bayshore Tool & Supply
87 Hammer St
Wrenchville, TX 77887

MEMO: 453

Expenses \$1,000.00 Items \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER J...	DILLAD...
Vendor Prepayments	1,000.00	Deposit on BIG hammer		

Save & Close Save & New Clear

(3) Apply Vendor Prepayment

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time Clear Splits

BANK ACCOUNT: **Checking** ENDING BALANCE: **77,002.04**

PAY TO THE ORDER OF: **East Bayshore Tool & Supply** NO: **21** DATE: **04/01/2015** \$ **2,000.00**

Two thousand and 00/100*** DOLLARS**

ADDRESS: **East Bayshore Tool & Supply
87 Hammer St.
Wrenchville, TX 77887**

MEMO: **453**

Expenses: **\$2,000.00** Items: **\$0.00**

ACCOUNT	AMOUNT	MEMO	CUSTOMER:J...	BILLAB...
Tools and Machinery	3,000.00	Big Hammer		
Vendor Prepayments	1,000.00			

Save & Close Save & New Clear

Support Schedules

Other Balance Sheet accounts can be reconciled. This can help provide a support schedule for accounts such as deposits, retainage, or employee advances. To create a support schedule, follow these steps:

- 1) Reconcile the Balance Sheet account using the QuickBooks *Reconcile* feature. Clear any amounts that are “finished” (both sides of the transaction are complete).
- 2) Run a Custom Transaction Detail Report for the account. Total the report by customer or vendor as appropriate. Filter the report to include only the Balance Sheet account and uncleared transactions.

(1) Reconcile Balance Sheet Account



Reconcile Account

- 1) Click the **Reconcile** icon on the **Home** page.
- 2) Click the **Account** drop-down list and select the appropriate balance sheet account.
- 3) Enter the date of the schedule as the **Statement Date**.
- 4) Enter the **Ending Balance**.
This should be the same as the Beginning Balance.
- 5) Click **Continue**.
- 6) Click the items that have “cleared” the account (check both sides of each cleared item).
- 7) Click the **Reconcile Now** button.
- 8) Select the type of reconciliation report and click **Print**.

Reconcile Window

Reconcile - Vendor Prepayments

For period: 03/31/2015 ☐ Hide transactions after the statement's end date

Checks and Payments				Deposits and Other Credits						
✓	DATE	CHK #	PAYEE	AMOUNT	✓	DATE	CHK #	MEMO	TYPE	AMOUNT
✓	03/26/2015		Buildings, Inc.	2,000.00	✓	03/01/2015			CHK	2,000.00
✓	03/28/2015		Otto Mekanix	1,300.00	✓	03/05/2015			CHK	5,000.00
✓	03/31/2015		General Carri...	1,212.00	✓	03/08/2015			CHK	1,300.00
✓	04/01/2015		East Bayshor...	1,000.00	✓	03/13/2015			CHK	1,212.00
						03/25/2015			CHK	3,000.00
					✓	04/01/2015		Deposit on BIG ham...	CHK	1,000.00

☒ Highlight Marked

Beginning Balance	0.00	<input type="button" value="Modify"/> <table border="1"> <tr> <td>Service Charge</td> <td>0.00</td> </tr> <tr> <td>Interest Earned</td> <td>0.00</td> </tr> <tr> <td>Ending Balance</td> <td>0.00</td> </tr> <tr> <td>Cleared Balance</td> <td>0.00</td> </tr> <tr> <td>Difference</td> <td>0.00</td> </tr> </table>	Service Charge	0.00	Interest Earned	0.00	Ending Balance	0.00	Cleared Balance	0.00	Difference	0.00
Service Charge	0.00											
Interest Earned	0.00											
Ending Balance	0.00											
Cleared Balance	0.00											
Difference	0.00											
Items you have marked cleared												
4 Deposits and Other Credits	5,512.00											
4 Checks and Payments	5,512.00											

Reconciliation Detail Report

Reconciliation Detail						
Buildem, Inc.						
04/01/15						
Reconciliation Detail						
Vendor Prepayments, Period Ending 03/31/2015						
Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						0.00
Cleared Transactions						
Checks and Payments - 4 items						
Check	03/26/2015	15	Buildings, Inc.	✓	(2,000.00)	(2,000.00)
Check	03/28/2015	16	Otto Mekanix	✓	(1,300.00)	(3,300.00)
Check	03/31/2015	17	General Carriers, L...	✓	(1,212.00)	(4,512.00)
Check	04/01/2015	21	East Bayshore Too...	✓	(1,000.00)	(5,512.00)
Total Checks and Payments					(5,512.00)	(5,512.00)
Deposits and Credits - 4 items						
Check	03/01/2015	10	Buildings, Inc.	✓	2,000.00	2,000.00
Check	03/08/2015	12	Otto Mekanix	✓	1,300.00	3,300.00
Check	03/13/2015	13	General Carriers, L...	✓	1,212.00	4,512.00
Check	04/01/2015	20	East Bayshore Too...	✓	1,000.00	5,512.00
Total Deposits and Credits					5,512.00	5,512.00
Total Cleared Transactions					0.00	0.00
Cleared Balance					0.00	0.00

(2) Prepare Support Schedule



Review Support Schedule for Account

- 1) Select **Reports:Custom Reports:Transaction Detail** from the menu.
- 2) Click the **Total by** drop-down list and select customer or vendor (as appropriate).
- 3) Click the **Dates** drop-down list and select **All**.
- 4) Click the **Filters** tab.
- 5) Click **Account** in the list of filters to the left.
- 6) Click the **Account** drop-down list and select the appropriate account.
- 7) Click **Cleared** in the list of filters to the left.
- 8) Select **No** to the right.
- 9) Click the **Header/Footer** tab.
- 10) Rename the **Report Title** as appropriate.
- 11) Click **OK**.

Modify Custom Transaction Detail Report

Modify Report: Custom Transaction Detail Report

Display Filters Header/Footer Fonts & Numbers

CHOOSE FILTER

FILTER

TransactionType

Aging

Billing Status

Class

Cleared

Cleared

Either

No

Yes

CLEARED FILTER

Choose whether or not you want to include cleared transactions (that have been reconciled against your bank or credit card statement).

Tell me more...

CURRENT FILTER CHOICES

FILTER SET TO

Account	Vendor Prepayments
Cleared	No

Remove Selected Filter

Revert

OK Cancel Help

Vendor Prepayments Support Schedule

Custom Transaction Detail Report

Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh

Dates All From To Total By Vendor Sort By Default

04/01/15 Buildem, Inc.

Custom Transaction Detail Report

Accrual Basis All Transactions

Type	Date	Num	Name	Memo	Clr	Amount	Balance
JoJo, Inc.							
Check	03/05/2015	11	JoJo, Inc.	83848		5,000.00	5,000.00
Total JoJo, Inc.						5,000.00	5,000.00
Locks, Inc.							
Check	03/25/2015	14	Locks, Inc.	43437C		3,000.00	3,000.00
Total Locks, Inc.						3,000.00	3,000.00
TOTAL						8,000.00	8,000.00

Vendor Refunds

Method 1-Credit Already Entered in QuickBooks

If a credit has already been entered in QuickBooks, use the Make Deposits window to deposit the refund. Enter the vendor's name in the *Received From* field and *Accounts Payable* in the *From Account* field. Next, apply the vendor credit against this deposit in the *Pay Bills* window.

- 1) Deposit vendor check
- 2) Apply credit to refund

(1) Deposit Vendor Check

Make Deposits

Previous Next Save Print Payments History Attach

Deposit To: Checking Date: 04/01/2015 Memo: Deposit

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
Smith & Smith	Accounts Payable	Refund Check	898	Check	1,000.00

Deposit Subtotal 1,000.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to: Cash back memo: Cash back amount:

Deposit Total 1,000.00

Save & Close Save & New Clear

(2) Apply Credit to Refund



Apply Credit to Refund from Vendor

- 1) Click the **Pay Bills** icon on the **Home** page.
- 2) Click the deposit amount which is listed among the bills.
- 3) Click the **Set Credits** button.
- 4) Select the appropriate credits and amounts to apply in the **Discount and Credits** window.
- 5) Click **Done**.
- 6) Enter remaining information in the **Pay Bills** window.
- 7) Click **Pay Selected Bills**.

Pay Bills

SELECT BILLS TO BE PAID

Show bills: ☐ Due on or before 04/11/2015 ☒ Show all bills

Filter By: All vendors
Sort By: Due Date

<input checked="" type="checkbox"/>	DATE DUE	VENDOR	REF. NO.	DISC. DATE	AMT. DUE	DISC. USED	CREDITS USED	AMT. TO PAY
<input type="checkbox"/>	03/15/2015	Spendalot	0039		14,000.00	0.00	0.00	0.00
<input type="checkbox"/>	03/30/2015	Fort Worth Homes-V	398		10,000.00	0.00	0.00	0.00
<input checked="" type="checkbox"/>		Smith & Smith			1,000.00	0.00	1,000.00	0.00
<input type="checkbox"/>	04/04/2015	JoJo, Inc.	343	03/15/2015	18,748.75	0.00	0.00	0.00
Totals					66,082.65	0.00	1,000.00	0.00

Clear Selections

DISCOUNT & CREDIT INFORMATION FOR HIGHLIGHTED BILL

Vendor: **Smith & Smith** Terms: n nn Number of Credits: n
Bill Ref. No.: Sugg. Discount: n nn Total Credits Available: n nn

Go to Bill Set Discount **Set Credits**

PAYMENT

Date: 04/01/2015 Method: Check ☒ To be printed ☐ Assign check number Account: Checking
Ending Balance: 76,002.04

Pay Selected Bills Cancel

Method 2-Credit Not Entered in QuickBooks

If a credit has not been entered in QuickBooks, enter the deposit using the original expense account as the *From Account*.

Make Deposits

Previous Next Save Print Payments History Attach

Deposit to: Date: Memo:

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
Smith & Smith	Freight & Delivery	Refund for bad service	399	Check	1,000.00
Deposit Subtotal					1,000.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to: Cash back memo: Cash back amount:

Deposit Total **1,000.00**

Save & Close Save & New Clear

Trading A/R & A/P Account Balances

Do you have a balance in accounts payable (money you owe) that you would like to offset against a balance in accounts receivable (money owed to you)? Examples of this include:

- You have a customer who is also a vendor.
- You receive a 3 party check (customer, vendor, and you), which you endorse and forward to the vendor. You must show that the customer has paid you AND you have paid your vendor.
- You accept something in trade. First, you enter a bill for what you received. Then you offset that with the money the customer owes you.

In these and other similar situations, use the following steps.

- 1) Set up clearing/trade bank account
- 2) Offset the receivable
- 3) Offset the payable

(1) Set Up “Clearing/Trade” Bank Account



Set Up “Clearing/Trade” Bank Account

- 1) Click the **Chart of Accounts** icon on the **Home** page.
- 2) Click the **Account** button.
- 3) Select **New** from the menu.
- 4) Select **Bank** as the **Type**.
- 5) Click **Continue**.
- 6) Enter **Clearing/Trade** as the **Account Name**.
- 7) Click **Save & Close**.

(2) Offset the Receivable



Offset the Receivable

- 1) Click the **Receive Payments** icon on the **Home** page.
- 2) Click the **Received From** drop-down list and select the appropriate customer or job.
- 3) Enter the amount to clear against the payable as the **Amount**.
- 4) Click on the individual invoices to offset against the payable.
- 5) Click the **Deposit to** drop-down list and select **Clearing/Trade**.
- 6) Enter remaining information in the **Receive Payments** window.
- 7) Click **Save & Close**.

Receive Payments

Main Reports Payments

Find New Delete Print Attach File Look up Customer/Invoice Un-Apply Payment Discounts And Credits Add Credit Card Processing

Customer Payment

RECEIVED FROM: **Fort Worth Homes** CUSTOMER BALANCE: **33,000.00**

AMOUNT: **10,000.00** DATE: **04/01/2015**

PMT. METHOD: **Discover** REFERENCE #: DEPOSIT TO: **Clearing/Trade**

CARD NO.: EXP. DATE:

✓	DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
✓	02/21/2015	6	25,832.71	25,832.71	10,000.00
	03/28/2015	13	7,167.29	7,167.29	0.00
Totals			33,000.00	33,000.00	10,000.00

UNDERPAYMENT \$ 15,832.71.

WHEN FINISHED:

☒ LEAVE THIS AS AN UNDERPAYMENT

☐ WRITE OFF THE EXTRA AMOUNT

[VIEW CUSTOMER CONTACT INFORMATION](#)

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE **25,832.71**

APPLIED **10,000.00**

DISCOUNT AND CREDITS APPLIED **0.00**

MEMO ☐ Process Discover payment when saving

Save & Close **Save & New** **Clear**

(3) Offset the Payable



Offset the Payable

- 1) Click the **Pay Bills** icon on the **Home** page.
- 2) Click the **Payment Method** drop-down list and select **Check**.
- 3) Click the **Payment Account** drop-down list and select **Clearing/Trade**.
- 4) Click on the individual bills to offset against the receivable.
- 5) Enter the amount to offset as the **Amt. To Pay**.
- 6) Enter remaining information in the **Pay Bills** window.
- 7) Click **Pay Selected Bills**.

Pay Bills

SELECT BILLS TO BE PAID

Show bills: ☐ Due on or before 04/11/2015 ☒ Show all bills

Filter By: All vendors

Sort By: Due Date

<input checked="" type="checkbox"/>	DATE DUE	VENDOR	REF. NO.	DISC. DATE	AMT. DUE	DISC. USED	CREDITS USED	AMT. TO PAY
<input type="checkbox"/>	03/15/2015	Spendalot	0039		14,000.00	0.00	0.00	0.00
<input checked="" type="checkbox"/>	03/30/2015	Fort Worth Homes-V	398		10,000.00	0.00	0.00	10,000.00
<input type="checkbox"/>	04/04/2015	JoJo, Inc.	343	03/15/2015	18,748.75	0.00	0.00	0.00
<input type="checkbox"/>	04/14/2015	JoJo, Inc.	343v	03/25/2015	2,999.90	0.00	0.00	0.00
Totals					65,082.65	0.00	0.00	10,000.00

Clear Selections

DISCOUNT & CREDIT INFORMATION FOR HIGHLIGHTED BILL

Vendor: **Fort Worth Homes V** Terms: **Net 30** Number of Credits: **0**

Bill Ref. No. **398** Sugg. Discount: **0.00** Total Credits Available: **0.00**

Go to Bill Set Discount Set Credits

PAYMENT

Date: 04/01/2015

Method: Check

☒ To be printed ☐ Assign check number

Account: Clearing/Trade

Ending Balance: 0.00

Pay Selected Bills Cancel

Void a Prior Period Check-Simple

Void prior period checks using the built-in void feature if the check only used Expense type accounts (simple check).

Void a Simple Check



Void a Simple Check

- 1) Display the appropriate check.
- 2) Click the **Delete** button and select **Void**.
- 3) Click **Save & Close**.
- 4) Click **Yes** in the **QuickBooks** window.
- 5) Click **Yes (Recommended)** to have QuickBooks make the appropriate journal entries.

Simple Check

Write Checks - Checking

Main Reports

Find New Save Delete Create a Copy Memorize Print Print Later Attach File Pay Online Select PO Enter Time Clear Splits

BANK ACCOUNT: Checking ENDING BALANCE: 77,002.04

PAY TO THE ORDER OF: Electric, Inc. NO: 6 DATE: 03/13/2014 \$: 0.00

ADDRESS: Electric, Inc. 7838 Conductor Blvd. Irving, TX 73848

MEMO: VOID:

Expenses \$0.00 Items \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER J.	BILLAB
Utilities:Electricity	0.00			

Save & Close Save & New Revert

Automatically Entered Journal Entry

Make General Journal Entries

Main Reports

Find New Save Delete Create a Copy Memorize Reverse Print Attach File

DATE: 04/01/2015 ENTRY NO: 18R

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Checking	87.89		Reverse of GJE 18 -- For CHK 6 voided on 04/01/2015	Electric, Inc.	
Utilities:Electricity		87.89			
Totals	87.89	87.89			

Save & Close Save & New Revert

Void a Prior Period Check-Alternate

Void checks using this method if the check used Items and/or included Asset or Liability accounts (non simple check).

Voiding a check in QuickBooks deletes the financial statement impact of the original check. This changes the financial statements for the original accounting period. To avoid this, follow these steps:

- 1) Find the original check and run the *Transaction Journal* report. Note the Date, Debit and Credit amounts, and the Accounts in the entry.
- 2) Make a journal entry that reverses (does the opposite of) the original check. Date the journal entry in the current period.
- 3) Clear the original check and journal entry the next time you reconcile the bank account.



Run Transaction Journal Report

- 1) Display the appropriate check.
- 2) Press **Ctrl+Y** on your keyboard.

Buildem, Inc.
Transaction Journal
All Transactions

Trans #	Type	Date	Num	Name	Memo	Account	Class	Debit	Credit
79	Check	03/10/2014	5	Edgar Leasing		Checking			1,700.00
				Edgar Leasing		Materials		1,700.00	1,700.00
TOTAL								1,700.00	1,700.00



Reversal Journal Entry

- 1) Select **Company:Make General Journal Entries** from the menu.
- 2) Enter appropriate information in the **Make General Journal Entries** window.
- 3) Click **Save & Close**.

Make General Journal Entries

DATE: 04/01/2015 ENTRY NO.: 10R

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Checking	1,700.00		To void check #5 (3/31/14)		
Materials		1,700.00	To void check #5 (3/31/14)		
Totals		1,700.00	1,700.00		

Buttons: Save & Close, Save & New, Clear

Cash Flow Projector

Use the cash flow projector to predict your cash flow for the next six weeks. QuickBooks walks you step-by-step through the process. When complete, you can view a report that shows available cash.



Use the Cash Flow Projector

- 1) Select **Company:Planning & Budgeting:Cash Flow Projector** from the menu.
- 2) Enter appropriate information in the windows displayed by QuickBooks.
- 3) Click **Finish Projection** in the last **Cash Flow Projector** window.

Project Cash Receipts

Cash Flow Projector

1 Welcome 2 Beginning Balance **3 Cash Receipts** 4 Business Expenses 5 Accounts Payable

How do I?
Decide which projection method to choose
Enter and edit cash receipts
Understand when to adjust my cash receipt summaries

Choose a method for projecting your cash receipts and add any additional cash receipts. You can also manually adjust your sales receipts summaries.

ITEMIZED CASH RECEIPTS
Choose a projection method **I want to project cash receipts manually**

DATE	DESCRIPTION	AMOUNT
04/02/2015	Fort Worth Homes	45,000
04/15/2015	Smith Hardware	25,000
04/26/2015	Orlando Homes	20,000

CASH RECEIPTS SUMMARY

	CURRENT WEEK	4/5/15	4/12/15	4/19/15	4/26/15	5/3/15	5/10/15
	45,000	0	25,000	0	20,000	0	0
ADJUSTMENT	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
	45,000	0	25,000	0	20,000	0	0

Previous **Next** Preview Projection Close Help

Project Business Expenses

Cash Flow Projector

1 Welcome 2 Beginning Balance 3 Cash Receipts **4 Business Expenses** 5 Accounts Payable

How do I?
Enter memorized transactions as expenses
Decide whether to use detailed vs. summarized business expenses

Choose an existing account or type an expense description and enter any non-accounts payable business expenses. You can enter detailed expenses or a summary of multiple expenses in a single row.

BUSINESS EXPENSES

EXPENSE	DATE	FREQUENCY	AMOUNT
Payroll Expenses	04/11/2015	Semi-Monthly	4,500
Rent:Office Rent	04/30/2015	Monthly	2,500
Loan Payable	04/22/2015	Monthly	5,000

BUSINESS EXPENSES SUMMARY

	CURRENT WEEK	4/5/15	4/12/15	4/19/15	4/26/15	5/3/15	5/10/15
ADJUSTMENT	0	4,500	0	5,000	7,000	0	4,500
	0	4,500	0	5,000	7,000	0	4,500

Previous Next Preview Projection Close Help

Cash Flow Projection Report

Projection - Cash Flow Projector

Buildem, Inc.
Weekly Cash Flow Projection
April 02 through May 16, 2015

	Current Week	4/5/15	4/12/15	4/19/15	4/26/15
Cash:					
Beginning Cash	83,290	95,541	91,041	109,791	103,706
Cash Receipts	45,000	0	25,000	0	20,000
Adjustments	0	0	0	0	0
Total Cash	128,290	95,541	116,041	109,791	123,706
Business Expenses:					
Payroll Expenses	0	4,500	0	0	4,500
Rent:Office Rent	0	0	0	0	2,500
Loan Payable	0	0	0	5,000	0
Adjustments	0	0	0	0	0
Total Business Expenses	0	4,500	0	5,000	7,000
Cash Available for Disbursement	128,290	91,041	116,041	104,791	116,706
Accounts Payable:					
Spendalot	14,000	0	0	0	0
JoJo, Inc.	18,749	0	3,000	1,085	0

Print... Save as PDF... Close Help

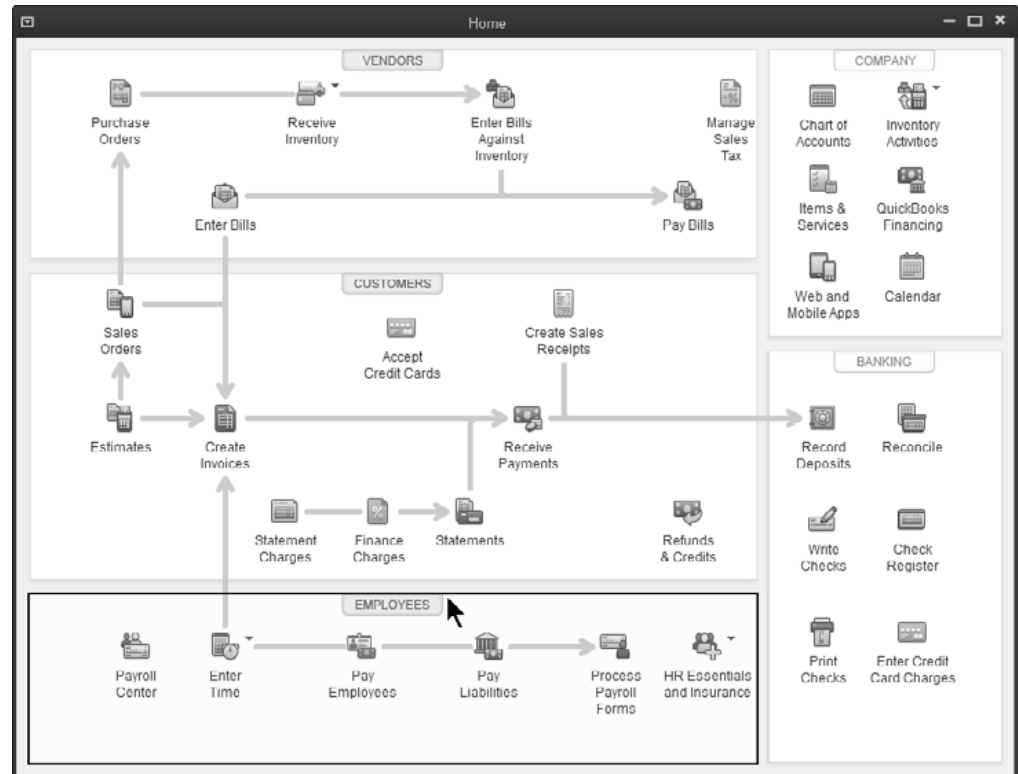
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Chapter 9- Payroll

Mastering QuickBooks
Level 2

Review

To ensure proper processing of transactions and accurate reporting, enter transactions in the order presented on the **Home** page.



Employee Center

The screenshot shows the 'Employee Center' interface for 'Mary B Auldridge'. The top navigation bar includes 'New Employee...', 'Manage Employee Information', 'Print', 'Enter Time', 'Excel', and 'Word'. The main content area is divided into two sections: 'Employee Information' and 'Transactions'.

Employee Information:

- Full Name: **Mary D Auldridge**
- Address: **Mary B Auldridge, 100 East Collins, Dallas, TX 75248**
- Main Phone: **214 515 0577**
- Alt. Phone: **214-515-0580**
- Mobile: **000-564-2600**
- Main Email: **mary@bulldem.com**

REPORTS FOR THIS EMPLOYEE:

- QuickReport
- Payroll Summary
- Paid Time Off Report
- Payroll Transaction Detail

Transactions:

TRANSACTION TYPE	DATE	ACCOUNT	AMOUNT
Paycheck	01/31/2013	Checking	1,500.95



Payroll Items

QuickBooks uses Payroll Items for anything that affects the amount on a payroll check and for company expenses related to payroll. After turning on QuickBooks Payroll, you can add payroll items as needed.

In QuickBooks, you add payroll items in 2 ways:

- 1) *EZ Method*-Uses the *Payroll Setup Interview* to create new payroll items. This method allows you to quickly set up common payroll items. After you add the item, you must edit the item to supply/edit information.
- 2) *Custom Method*-Use for less common payroll items and for additional state and other taxes.

Payroll Item Types

		Item Type	Description	Example
EZ Method		Compensation	Hourly or salary wage, commission, or bonus paid to employee	Straight Time, Salary, Sales Commission, Bonus
		Insurance Benefits	Taxable and pre-taxable Insurance benefits	Health Insurance, Sec 125 Insurance, Dental Insurance
		Retirement Benefits	Employee benefits related to retirement	401(K) Plans, Simple IRA
		Paid Time Off	Vacation and sick time	Vacation Salary, Vacation Hourly, Sick Hourly
		Other Additions	Other common additions to a paycheck	Mileage Reimbursement, Employee Advance
Custom Method		Other Deductions	Other common deductions from a paycheck	Wage Garnishments, Union Dues
		Custom	Payroll items not falling within another type	State Income Tax, State Unemployment Tax

EZ Method



Add Payroll Items (EZ Method)

- 1) Select **Employees:Manage Payroll Items:New Payroll Item** from the menu.
- 2) Select **EZ Setup** and click **Next**
- 3) Select one of the top payroll item types and click **Next**.
- 4) Enter remaining information in the **Add new payroll item** windows.
- 5) Click **Finish**.

Bonus

Add New

Tell us how you compensate your employees

Choose all that apply:

☐ Salary

☐ Hourly wage and overtime

☒ Bonus, award, or one-time compensation

Other compensation

☐ Commission

☐ Tips

☐ Piecework [Explain](#)

[Can I make changes later?](#)

[How do I set up wages for special situations?](#)

Cancel Next >

Medical Insurance

Add New

Set up the payment schedule for vision insurance

Payee (Vendor) Texas Medical [Explain](#)

Account # 51233
(The number the payee uses to identify you. Example: 99-99999X)

Payment frequency

☐ Weekly, on Monday for the previous week's liabilities

☒ Monthly, on the 15 day of the month for the previous month's liabilities

☐ Quarterly, on the 1 day of the month for the previous quarter's liabilities

☐ Annually, on January 1 for the previous year's liabilities

☐ I don't need a regular payment schedule for this item

Cancel < Previous Next >



Edit Payroll Items

- 1) Select **Employees:Manage Payroll Items:View/Edit Payroll Item List** from the menu.
- 2) Select payroll item to edit.
- 3) Click the **Payroll Item** button.
- 4) Select **Edit Payroll Item** from the menu.
- 5) Enter remaining information in the **Edit payroll item** windows.
- 6) Click **Finish**.

Edit payroll item (Deduction:Vision Insurance (taxable))

Agency for employee-paid liability

Enter name of agency to which liability is paid: Texas Medical

Enter the number that identifies you to agency: 51233

Liability account (employee-paid): Payroll Liabilities:Medical Ins. Payable

This liability account tracks deductions to be paid. You can change this account at any time.

Back Next Finish Cancel

Custom Method



Add Payroll Items (Custom Method)

- 1) Select **Employees:Manage Payroll Items:New Payroll Item** from the menu.
- 2) Select **Custom Payroll Item Setup**.
- 3) Click **Next**.
- 4) Select appropriate payroll item type.
- 5) Click **Next**.
- 6) Enter remaining information in the **Add new payroll item** windows.
- 7) Click **Finish**.

Add new payroll item (FL-State Unemployment Tax)

Company tax rates for 2012

Enter the tax rate specified by your state agency, as a percentage. For example, enter three and a quarter percent as 3.25% (not .0325). Your tax rate can change at the beginning of any quarter.

Year	For	Company rate
2012	For 1/1 - 3/31:	2.7%
	For 4/1 - 6/30:	2.7%
	For 7/1 - 9/30:	2.7%
	For 10/1 - 12/31:	2.7%

Explain these rates

Back Next Finish Help Cancel

Mapping Payroll Items

QuickBooks suggests using just one liability account for payroll-related liabilities (*Payroll Liabilities*), and one expense account named *Payroll Expenses*. However, mapping payroll items to appropriate subaccounts provides more meaningful financial statements. For proper payroll item mapping, follow these steps:

- 1) Create subaccounts of Payroll Liabilities for each type of payroll liability
- 2) Create subaccounts of Payroll Expenses and Taxes to track these expenses in detail
- 3) Map payroll items to the appropriate subaccount
This change is retroactive so adjusting history is not necessary

(1) Create Payroll Liability Subaccounts

The screenshot shows the 'Edit Account' window in QuickBooks. The 'Account Type' is set to 'Other Current Liability'. The 'Account Name' is 'Federal Withholding'. The 'Subaccount of' dropdown is set to 'Payroll Liabilities'. The 'Description' field is empty. The 'Account No.' and 'Routing Number' fields are also empty. There is a 'Change Opening Balance...' button and a note: 'You can change the opening balance in the account register.' At the bottom, there is a checkbox for 'Account is inactive', a 'Set Up Online Services...' button, and 'Save & Close' and 'Cancel' buttons.

(2) Create Payroll Expenses/Taxes Subaccounts

The screenshot shows the 'Edit Account' window in QuickBooks. The 'Account Type' is set to 'Expense'. The 'Account Name' is 'Hourly Wages'. The 'Subaccount of' dropdown is set to 'Payroll Expenses'. The 'Description' field is empty. The 'Note' field is also empty. At the bottom, there is a checkbox for 'Account is inactive', a 'Save & Close' button, and a 'Cancel' button.

(3) Map Payroll Items to Subaccounts

Edit payroll item (Federal Withholding)

Agency for employee-paid liability

Enter name of agency to which liability is paid: Internal Revenue Service

Liability account (employee-paid): Payroll Liabilities:Federal Withholding

This liability account tracks federal withholding tax to be paid. You can change this account at any time.

Back Next Finish Help Cancel

Mapping Problems

Financial statements typically show problems with incorrectly mapped Payroll Items. Look for the financial statement lines “Payroll Liabilities-Other” or “Payroll Expenses-Other”. This indicates that a Payroll Item is mapped to a parent account instead of a subaccount.

Run the Payroll Item Listing report and review the account columns to see which payroll items are incorrectly mapped.



Review Payroll Item Listing Report

- 1) Select **Reports:List:Payroll Item Listing** from the menu.

Buildem, Inc.

Payroll Item Listing

01/31/13

Payroll Item	Type	Amount	Limit	Expense Account	Liability Account	Tax Tracking
Salary	Yearly Salary			Payroll Expenses:Salaries		Compensation
Sick Salary	Yearly Salary			Payroll Expenses:Salaries		Compensation
Vacation Salary	Yearly Salary			Payroll Expenses:Salaries		Compensation
Overtime	Hourly Wage			Payroll Expenses:Hourly Wages		Compensation
Sick Hourly Rate	Hourly Wage			Payroll Expenses:Hourly Wages		Compensation
Straight Time	Hourly Wage			Payroll Expenses:Hourly Wages		Compensation
Vacation Hourly Rate	Hourly Wage			Payroll Expenses:Hourly Wages		Compensation
Donus	Donus	0.00		Payroll Expenses:Donuses		Compensation
Expense Reimb	Addition	0.00		Miscellaneous		None
Piecework	Addition	10.00		Payroll Expenses		Compensation
401(k) Emp.	Deduction	5.0%			Payroll Liabilities:401k Payable	401(k)
Dental Insurance	Deduction	20.00			Payroll Liabilities:Dental Insura...	None
Health Insurance	Deduction	95.00			Payroll Liabilities	None
Vision Insurance	Deduction	15.00			Payroll Liabilities:Vision Insura...	None
Advance Earned Income Credit	Federal Tax				Payroll Liabilities	Advance EIC Paym...
Federal Unemployment	Federal Tax	0.6%	7,000.00	Taxes:Federal Payroll	Payroll Liabilities:Federal Unem...	FUTA
Federal Withholding	Federal Tax				Payroll Liabilities:Federal With...	Federal
Medicare Company	Federal Tax	1.45%		Taxes:Federal Payroll	Payroll Liabilities:Medicare Pay...	Comp. Medicare
Medicare Employee	Federal Tax	1.45%			Payroll Liabilities:Medicare Pay...	Medicare
Social Security Company	Federal Tax	6.2%	113,700.00	Taxes:Federal Payroll	Payroll Liabilities:Social Security	Comp. SS Tax
Social Security Employee	Federal Tax	6.2%	113,700.00		Payroll Liabilities:Social Security	SS Tax
FL - Unemployment Company	State Unemployment...	2.7%	0,000.00	Taxes:State Payroll	Payroll Liabilities:FL Unemploy...	Comp. SUI
TX - Unemployment Company	State Unemployment...	2.7%	9,000.00	Taxes:State Payroll	Payroll Liabilities:Texas Unemp...	Comp. SUI
Medicare Employee Addl Tax	Other Tax	0.9%			Payroll Liabilities	Medicare Addl Tax

You can also use this report to check the tax table rates and limits QuickBooks uses for Payroll Items.

Paycheck Issues

Order of Payroll Items

The order of *Other Payroll Items* on a paycheck could be important. If an *Other Payroll Item* performs calculations, the calculation includes only those items appearing above it in the list. Therefore, Payroll Items that perform calculations should be last in the list.

Review Paycheck

Thelma I Crabtree PAY PERIOD 01/16/2013 - 01/31/2013

☐ Use Direct Deposit

Earnings

ITEM NAME	RATE	HOURS	CUSTOMER-JOB	CLASS
Straight Time	10.00	90:00		Fort Worth
Overtime	15.00	8:00		Fort Worth
TOTALS 1,020.00 98:00 hrs				

SICK AVAILABLE 2:00
VACATION AVAIL. 16:00
SICK ACCRUED 2:00
VAC. ACCRUED 4:00
☐ Do not accrue sick/vac

Other Payroll Items

ITEM NAME	RATE	QUANTITY
Dental Insurance	-20.00	
Piecework	10.00	10.00
401(k) Emp.	-5.0%	

Company Summary

ITEM NAME	AMOUNT	YTD
Social Security Company	69.44	69.44
Medicare Company	16.24	16.24
Federal Unemployment	6.72	6.72
TX - Unemployment Comp...	30.24	30.24

Employee Summary

ITEM NAME	AMOUNT	YTD
Straight Time	900.00	900.00
Overtime	120.00	120.00
Dental Insurance	-20.00	-20.00
Piecework	100.00	100.00
401(k) Emp.	-56.00	-56.00
Federal Withholding	-64.00	-64.00
Social Security Employee	-69.44	-69.44
Medicare Employee	-16.24	-16.24
Check Amount:	894.32	

How are these items calculated?

☐ Lock Net Pay ☒ Unlock Net Pay ☐ Enter net/Calculate gross

OK Cancel Help

Tracking Benefits/Taxes to Classes/Jobs

QuickBooks lets you track wages, payroll taxes, and benefits by class and/or customer:job. To do this, several options must be set:

- 1) Class tracking must be turned on
- 2) The proper payroll preferences must be set
- 3) The *Payroll Item* needs to be set up to track expenses by job

(1) Turn Class Tracking On



Turn On/Off Classes

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Accounting** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Check the box next to **Use class tracking**.
- 5) Click **OK**.

(2) Set Payroll Preferences



Set Payroll Preferences

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Payroll & Employees** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Check the box next to **Job Costing, Class and Item tracking for paycheck expenses**.
- 5) Click **OK**.

(3) Set Up Payroll Item

Addition and *Company Contribution* payroll items must be set up to *Track Expenses By Job*.

Edit payroll item (Addition: Piecework)

Name used in paychecks and payroll reports

Enter name for addition:

For example, if you are creating an addition for an employee loan, you may want to call it 'Employee Loan'.

☒ **Track Expenses By Job**
 To track expenses by customer and job, by class, and by service item, select the checkbox. For more information, click Help.

☐ Payroll item is inactive
 To hide this item on the Payroll Item list, select the checkbox.

Back Next Finish Help Cancel

Job Cost for Salaried Employee

What if you need job costing for a salaried employee? This is confusing because the employee is not paid based on the number of hours worked. QuickBooks handles this by automatically allocating the salary based on the number of hours worked on each job. To job cost a salaried employee, do the following:

- 1) In the **Payroll and Compensation Info** section of the **Edit Employee** window, select **Use time data to create paychecks**
- 2) Use the **Weekly Timesheet** or **Time/Enter Single Activity** windows to enter time for the salaried employee
- 3) Process the paycheck in the normal fashion

Job Cost on Paycheck

Review Paycheck

Pete J Smith PAY PERIOD 01/16/2013 - 01/31/2013

☐ Use Direct Deposit

ITEM NAME	RATE	HOURS	CUSTOMER-JOB	CLASS	SERVICE ITEM
Salary	220.96	5:00	Cecil's Lawn & Garden	Atlanta	Oak Install
Salary	220.96	5:00	Cecil's Lawn & Garden	Atlanta	Lock Install
Salary	353.53	8:00	Dallas Hardware and T...	Atlanta	Oak Install
Salary	309.34	7:00	Cecil's Lawn & Garden	Atlanta	Garage Install
TOTALS			1,450.32	33.90 hrs	

SICK AVAILABLE 1:40
VACATION AVAIL. 14:00
SICK ACCRUED 1:40
VAC. ACCRUED 2:00
☐ Do not accrue sick/vac

ITEM NAME	RATE	QUANTITY
Dental Insurance	-20.00	

Other Payroll Items

ITEM NAME	AMOUNT	YTD
Social Security Company	90.42	90.42
Medicare Company	21.15	21.15
Federal Unemployment	8.75	8.75
TX - Unemployment Comp...	39.37	39.37

Company Summary

ITEM NAME	AMOUNT	YTD
Salary	220.96	1,450.32
Salary	220.96	1,450.32
Salary	353.53	1,450.32
Salary	309.34	1,450.32
Salary	353.53	1,450.32
Dental Insurance	-20.00	-20.00
Federal Withholding	-106.00	-106.00
Social Security Employee	-90.42	-90.42
Medicare Employee	-21.15	-21.15
Check Amount:	1,140.75	

Employee Summary

How are these items calculated?

☐ Lock Net Pay ☒ Unlock Net Pay ☐ Enter net/Calculate gross

OK Cancel Help

Void Paycheck

What happens if a paycheck is lost or damaged? The paycheck should be voided in QuickBooks. However, the new paycheck must be recreated from scratch.



Void Paycheck

- 1) Select **Employees>Edit/Void Paychecks** from the menu.
- 2) Enter the appropriate date range and sort order in the **Edit/Void Paychecks** window.
- 3) Select the appropriate paycheck.
- 4) Click the **Void** button.
- 5) Click **Done**.

Important! Avoid costly mistakes. Voiding paychecks cannot be undone. The only common reason to void a paycheck is if you created it by accident. Other situations should be handled differently. [Tell me how to handle other situations.](#)

Show paychecks dates from **01/31/2013** through **03/31/2013** Sort By **Check No.**

PAYCHECK DATE	CHECK NO.	EMPLOYEE	MEMO	NET AMOUNT
01/31/2013	1002	Mary B Auldridge		1,500.95
01/31/2013	1003	Pete J Smith		1,140.75
01/31/2013	1004	Thelma I Crabtree		861.97

Warning: This paycheck is dated in a previous quarter. Voiding it will reduce the payroll taxes you owe. If you've already filed tax forms reflecting those taxes, you should file amended tax forms.

The only common reason to void an issued paycheck is that you created it in error and the employee did not earn the wages on the check. A common example is that you accidentally created a duplicate paycheck.

Edit **Void** **Help** **Done**

Void/Reprint Paycheck-A Faster Method

To save time, you can void and reprint a paycheck without recreating the paycheck. There are several ways to do this. This is the suggested method:

- 1) Reprint the original check with the next available check #
- 2) Void a new check using the old check #

(1) Reprint Original Check



Reprint Original Paycheck

- 1) Display the appropriate paycheck in the **Paycheck** window.
- 2) Click **Print**.
- 3) Enter the next available paycheck number in the **Print Paycheck** window.
- 4) Click **OK**.
- 5) Select the **Check Style** in the **Print Checks** window.
- 6) Click **Print**.
- 7) Click **OK** in the **Print Checks - Confirmation** window.
- 8) Click **Save & Close**.

PAYCHECK SUMMARY

EARNINGS	2,083.33	PAY PERIOD	01/17/2013 - 01/31/2013
ADDITIONS	0.00	HOURS WORKED	0:00
TAXES	-487.38		
DEDUCTIONS	-95.00		

Buttons: Save & Close, Revert

(2) Void New Check



Void Original Check Number

- 1) Click the **Write Checks** icon on the **Home** page.
- 2) Enter the employee's name as the **Pay to the Order of**.
- 3) Select **Edit:Void Check** from the menu.
- 4) Enter the original paycheck number as the **No.**
- 5) Enter remaining information in the **Write Checks** window.
- 6) Click **Save & Close**.

Expenses

ACCOUNT	AMOUNT	MEMO	CUSTOMER J.	BILL	CLASS
Voided Checks	0.00				

Buttons: Save & Close, Save & New, Clear

QuickBooks requires an account on voided checks. Create and use an Asset account called *Voided Checks*. This creates a register of all voided checks.

Track Employee Loans

Employee loans can be a tricky area in QuickBooks payroll. This example assumes that the loan is not taxable. An effective way to handle this follows.

(1) Set Up Employee Loans Account



Set Up Employee Loans Account

- 1) Click the **Chart of Accounts** icon on the **Home** page.
- 2) Click the **Account** button.
- 3) Select **New** from the menu.
- 4) Click the **Other Account Types** drop-down list and select **Other Current Asset**.
- 5) Click **Continue**.
- 6) Enter **Employee Loans** as the **Account Name**.
- 7) Click **Save & Close**.

(2) Write Check to Employee

If the loan is paid on a paycheck, add an *Addition* payroll item. This item should not be taxable. If the loan is paid on a regular check, use the *Employee Loans* account.



Write Check to Employee

- 1) Click the **Write Checks** icon on the **Home** page.
- 2) Click the **Pay to the Order of** drop-down list and select the employee name.
- 3) Click the **Account** drop-down list and select **Employee Loans**.
- 4) Enter remaining information in the **Write Checks** window.
- 5) Click **Save & Close**.

(3) Add Employee Loan Repayment Payroll Item

If the loan is repaid via paychecks, add a *Deduction* payroll item. This item should not be taxable.



Add Employee Loan Repayment Payroll Item

- 1) Select **Lists:Payroll Item List** from the menu.
- 2) Click the **Payroll Item** button.
- 3) Select **New** from the menu.
- 4) Select **Custom Payroll Item Setup**.
- 5) Click **Next**.
- 6) Select **Deduction** as the **Payroll item type**.
- 7) Click **Next**.
- 8) Enter a name for the new payroll item.
- 9) Click **Next**.
- 10) Select the **Employee Loans** asset account as the **Liability account**.
- 11) Make additional selections in remaining windows.
- 12) Click **Finish**.

(4) Edit Employee Setup

Add the relevant information to the employee setup for the repayment of the loan.



Edit Employee Setup to Include Employee Loan Repayment

- 1) Click the **Employees** icon.
- 2) Select the employee in the list to edit.
- 3) Click the **Edit Employee** button.
- 4) Click the **Change tabs** drop-down list and select **Payroll and Compensation Info**.
- 5) Add the **Employee Loan Repayment** payroll item, amount, and limit below **Additions, Deductions and Company Contributions**.
- 6) Enter appropriate information in the **Edit Employee** window.
- 7) Click **OK**.

Balances/Limits

You can determine an employee's loan balance by running a *QuickReport* from the Employee Loans account register.



Determine Employee's Loan Balance

- 1) Click the **Chart of Accounts** icon on the **Home** page.
- 2) Double-click on the **Employee Loans** account.
- 3) Click on any entry for the selected employee.
- 4) Click the **QuickReport** button.

You must decide how to treat the *Employee Loan Repayment* limit. Make this decision when setting up the *Payroll Item* deduction. You can click the *This is an annual limit* box to tell QuickBooks this is an Annual Limit. If you DO click the box, the amount paid toward the limit is reset to zero at the beginning of each year. That means you have to edit the employee record each year, and change the employee limit to reflect their unpaid balance.

If you do NOT click the box, QuickBooks continues deducting the repayments until the limit is reached.

What if an employee receives a second loan during the same year? One approach is to create separate payroll items for the repayment of each loan. A more efficient approach is to change the *Limit* to the sum of the first and second loan.

Company & Employee Expenses

What if a payroll liability payment includes amounts deducted from paychecks plus amounts not deducted from paychecks? Consider an insurance plan in which an employee's premium is paid by the company. However, the cost for dependents is paid by the employee through payroll deductions. There are two ways to handle this situation.

- 1) Add the company-paid portion to the payroll liability check
- 2) Link the payroll deduction item to an expense account. Then, record the employee and the company-paid portions on a regular bill or check.

Method 1-Pay as a Liability Check



Pay Payroll Liabilities and Taxes

- 1) Click the **Pay Liabilities** icon on the **Home** page.
- 2) Select **Create Custom Payments** at the bottom of the window.
- 3) Enter appropriate dates in the **Select Date Range For Liabilities** window.
- 4) Click **OK**.
- 5) Click on the individual payroll items to pay.
- 6) Click the button indicating you will review the liability check.
- 7) Enter remaining information in the **Pay Liabilities** window.
- 8) Click the **Create** button.
- 9) Enter company-paid expenses on the **Expenses** tab in the **Liability Check** window.
- 10) Click the **Recalculate** button.
- 11) Click **Save & Close**.
- 12) Click **Yes** to confirm the change.

Liability Check - Checking

BANK ACCOUNT: Checking ENDING BALANCE: 79,881.06

PAY TO THE ORDER OF: Dental Insurers, Inc. NO. TO PRINT: DATE: 01/31/2013 \$ 240.00

Two hundred forty and 00/100* DOLLARS

ADDRESS: Dental Insurers, Inc.
Whitey Teeth
938 Clean Road
Lewisville, TX 75083

PERIOD: 01/31/2013 - 01/31/2013

MEMO: REG-3399

Expenses		Payroll Liabilities	
ACCOUNT	AMOUNT	MEMO	CUSTOMER/JOB
Insurance.Dental Insurance	160.00		

Buttons: Save & Close, Revert

Method 2-Pay with Bill/Check

This method records the deduction on the paycheck as a credit to an expense account. Then, the bill or check includes the full amount of the payment as an expense. Therefore, the resulting net expense will equal the gross expense less the employee-paid payroll deductions.



Pay Liability with Bill or Check

- 1) Select **Lists:Payroll Item List** from the menu.
- 2) Click the **Payroll Item** button.
- 3) Select **New** from the menu.
- 4) Select **Custom Payroll Item Setup**.
- 5) Click **Next**.
- 6) Select **Deduction** as the **Payroll item type**.
- 7) Click **Next**.
- 8) Enter an appropriate name for the deduction.
- 9) Click **Next**.
- 10) Enter an appropriate expense account as the **Liability account**.
- 11) Enter remaining information in the **Add new payroll item** windows.
- 12) Click **Finish**.

Payroll Item Linked to Expense

Enter Bill/Check for Full Amount Owed

ACCOUNT	AMOUNT	MEMO	CUSTOMER-JOB	BILLABLE?	CLASS
Insurance:Dental Insurance	240.00				

W-2s and W-3



Print W-2s and W-3

- 1) Click the **Process Payroll Forms** icon on the **Home** page.
- 2) Select **Annual Form W-2/W-3 - Wage and Tax Statement/Transmittal** from the list.
- 3) Click **File Form**.
- 4) Make the appropriate selections in the **Select Payroll Form** window.
- 5) Click **OK**.
- 6) Select the employee forms to review.
- 7) Click **Review/Edit**.
- 8) Click the **Next** button until the interview is complete.
- 9) Click the **Check for errors** button.
- 10) After all errors are corrected, click **Print forms** to print W-2 and W-3 forms.
- 11) Click **Print**.
- 12) Click **Close Window**.
- 13) Click **Save & Close**.

Process W-2s

Employee	SSN	Reviewed?	Printed?
<input checked="" type="checkbox"/> Auldrige, Mary R	449-29-4444	No	No
<input checked="" type="checkbox"/> Crabtree, Thelma I	355-26-8544	No	No
<input checked="" type="checkbox"/> Smith, Pete J	123 45 6789	No	No

Employee W-2

Payroll Tax Form

1. Interview 2. Form W-2 3. Form W-3 4. Printing Instructions

Tax Form for EIN: 75-1234567

Employees with last names A through Z
3 of 3 employees selected

Step 2: Form W-2 Worksheet 2012

Displaying: AULDRIDGE, MARY B | Employee 1 of 3

Employer's Name(s) as Shown on Forms: KELSEY AULDRIDGE DBA BUILDEM, INC

Federal ID Number: 75-1234567

a Employee's SSN 449-29-4444

b Employer's ID number ... 75-1234567

c Employer's name, address, and ZIP code
KELSEY AULDRIDGE DBA BUILDEM, INC
123 LBJ FREEWAY, #100
DALLAS State TX
75248

d Control number

1 Wages, tips, other compensation 3,200.00

2 Federal income tax withheld 612.00

3 Social security wages 3,200.00

4 Social security tax withheld 134.40

5 Medicare wages and tips 3,200.00

6 Medicare tax withheld 46.40

7 Social security tips

8 Allocated tips

9

10 Dependent care benefits

11 Nonqualified plans

12 Box 12 instrs.

View details about this form

Select Employees... <<< Previous Next >>>

Save and Close Save as PDF... Print for Your Records... Check for Errors Submit Form...

☒ Automatically create an archive when I e-file or print

Manually Adjust W-2s & W-3



Adjust & Print W-2s and W-3

- 1) Click the **Process Payroll Forms** icon on the **Home** page.
- 2) Select **Annual Form W-2/W-3 - Wage and Tax Statement/Transmittal** from the list.
- 3) Make the appropriate selections in the **Select Payroll Form** window.
- 4) Click **OK**.
- 5) Click on individual employees to select for W-2 purposes.
- 6) Click the **Review/Edit** button to review the forms.
- 7) Click **Next** twice to get to **Step 2: Form W-2 Worksheet**.
- 8) To enter information in empty fields, click on the field.
To edit existing information, right-click on the amount and select **Override** from the menu.
- 9) Enter appropriate information in the **Payroll Tax Form** windows.
- 10) Click **Next** until all forms are reviewed.
- 11) Click **Print forms** to print the appropriate form.
- 12) Click **Close Window** after printing all forms.
- 13) Click **Save & Close**.

Employee W-2

Payroll Tax Form

1. Interview 2. Form W-2 3. Form W-3 4. Printing Instructions

Tax Form for EIN: 75-1234567 Employees with last names A through Z
3 of 3 employees selected

Step 2: Form W-2 Worksheet 2012

Displaying: CRABTREE, THELMA I Employee 2 of 3

Employer's Name(s) as Shown on Forms <u>KELSEY AULDRIDGE DBA BUILDEM, INC</u>		Federal ID Number <u>75-1234567</u>
a Employee's SSN <u>355-26-8544</u>	1 Wages, tips, other compensation <u>1,064.00</u>	2 Federal income tax withheld <u>66.00</u>
b Employer's ID number ... <u>75-1234567</u>	3 Social security wages <u>1,120.00</u>	4 Social security tax withheld <u>47.04</u>
c Employer's name, address, and ZIP code <u>KELSEY AULDRIDGE DBA BUILDEM, INC</u> <u>123 LBJ FREEWAY, #100</u> <u>DALLAS</u> State <u>TX</u> <u>75248</u>	5 Medicare wages and tips <u>1,120.00</u>	6 Medicare tax withheld <u>16.24</u>
d Control number	7 Social security tips	8 Allocated tips
e Employee's name First <u>THELMA</u> MI <u>I</u> Suffix Last <u>CRABTREE</u>	9	10 Dependent care benefits
	11 Nonqualified plans <u>200.00</u>	12 Box 12 instrs. a <u>D</u> <u>56.00</u> b c d
	13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>	

View details about this form Select Employees... <<< Previous Next >>>

Save and Close Save as PDF... Print for Your Records... Check for Errors Submit Form...

☒ Automatically create an archive when I file or print

Workers Compensation

The QuickBooks Enhanced Payroll service includes a Workers Compensation Setup wizard that walks you through the process of setting up workers compensation. If you have not started using QuickBooks workers compensation, you should use the wizard.

Set Up Workers Compensation



Set Up Workers Compensation

- 1) Select **Employees:Workers Compensation:Set Up Workers Comp** from the menu.
- 2) Click **Yes** to turn on the Workers Compensation feature (if prompted).
- 3) Enter appropriate information in the **Workers Compensation Setup** windows.
- 4) Click **Finish** when complete.

Workers Compensation Setup-Start

Workers Compensation Setup

Welcome to the Workers Compensation Setup Wizard

You will need the following information to complete the setup:

- The name of your workers compensation insurance carrier
- Your policy number (optional)
- Your job classification codes and rates
- Your experience modification factor (if applicable) What's this?

If you don't have this information available, contact your workers compensation insurance carrier and request this information before continuing.

Can I start using this feature in the middle of my insurance coverage period?

Click Next to continue.

Back Next Leave

Workers Compensation Setup-Finish

Workers Compensation Setup

Completing the Workers Compensation Setup Wizard

You have successfully completed the Workers Compensation Setup wizard.

Setup information

Experience Modification Factor: 95.0%, effective as of 01/01/2007
 Workers Comp payroll item: Workers Compensation
 Overtime Premium: Excluded from Workers Comp calculation

Employee default job codes:
 8742 - Mary B Auldridge
 5553 - Pete J Smith
 5645 - Thelma I Crabtree

☒ Display the workers compensation overview when I click Finish

To close the wizard, click Finish.

Back Next Finish

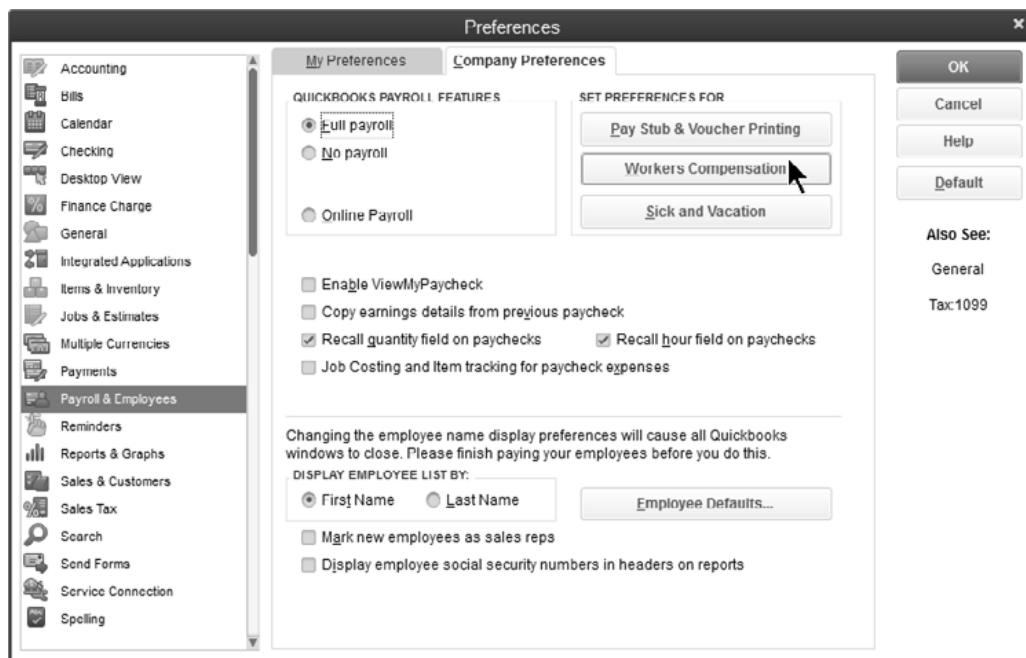
Workers Compensation Preferences



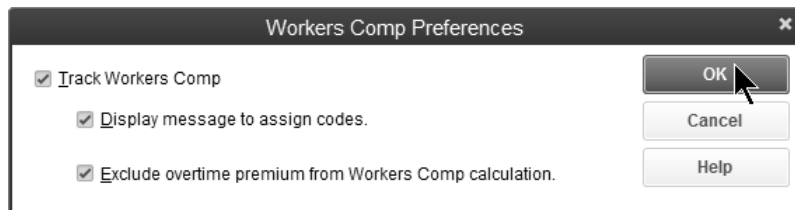
Workers Compensation Preferences

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Payroll & Employees** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click the **Workers Compensation** button below **Set preferences for**.
- 5) Make appropriate selections in the **Workers Comp Preferences** window.
- 6) Click **OK**.
- 7) Click **OK** in the **Preferences** window.

Preferences



Workers Comp Preferences



Set Up Workers Compensation Codes



Set Up Workers Comp Codes

- 1) Select **List:Workers Comp List** from the menu.
- 2) Click the **Workers Comp Code** button.
- 3) Select **New** from the menu.
- 4) Enter appropriate information in the **New Workers Compensation Code** window.
- 5) Click **OK**.

Workers Comp Code List

Workers Comp Code List			
Experience Modification Factor		95.0%	Start Date 01/01/2007
NAME	DESCRIPTION	RATE	EFFECTIVE DATE
5553	Roofing	17.55	01/01/2007
5645	Carpentry	10.81	01/01/2007
8742	Salesperson-Outside	1.22	01/01/2007
8810	Clerical	1.00	01/01/2007
Exempt		0.00	09/21/2005
<div> Workers Comp Code Experience Modification Reports <input type="checkbox"/> Include inactive </div>			

New Workers Compensation Code

New Workers Compensation Code	
Code	5646 <input type="checkbox"/> Code is inactive
Description	Light Carpentry
Rate	8.00
Enter rate per \$100.00 of gross wages. Example: enter 2.10 for two-dollars-ten-cents.	
Start using rate on	01/31/2013
<div> <div>OK</div> <div>Cancel</div> <div>Next</div> </div>	

Use Workers Compensation Codes



Use Workers Comp Codes

- 1) Start paying employees in the normal fashion.
- 2) To enter or change Workers Compensation Codes, click the employee's name in the **Review and Create Paychecks** window.
- 3) Enter workers comp codes in the **WC Code** column.
- 4) Enter remaining information in the **Review Or Change Paycheck** window.
- 5) Click **OK**.
- 6) Click the **Create Paychecks** button.
- 7) Click **Close**.

Review and Create Paychecks

Review and Create Paychecks

1 Enter Payroll Information → 2 Review & Create Paychecks → 3 Print & Distribute Paychecks

How do I pay my employees?

PAYROLL INFORMATION

PAYROLL SCHEDULE: Semi-Monthly Regular PAY PERIOD ENDS: 01/31/2013 BANK ACCOUNT: Checking

NUMBER OF PAYCHECKS: 3 CHECK DATE: 01/31/2013 BANK ACCOUNT BALANCE: 18,503.36

PAYCHECK OPTIONS

☒ Print paychecks from QuickBooks ☐ Assign check numbers to handwritten checks Explain Printing Options

First Check Number: 27 Printing Preferences

Open Paycheck Detail...

Employee	Gross Pay	Taxes	Deductions	Net Pay	Employer Taxes	Contributions	Total Hours	Direct Debit
Mary B Auldridge	2,000.00	-460.00	0.00	1,540.00	165.00	23.18		
Pete J Smith	1,458.33	-297.57	-20.00	1,140.76	159.69	243.14		
Thelma J Crabtree	1,020.00	-138.03	-20.00	861.97	111.69	100.65	98.00	
	4,478.33	-895.60	-40.00	3,542.73	436.38	366.97	98.00	

< Back Finish Later Create Paychecks

Enter WC Codes

Review Paycheck

Pete J Smith PAY PERIOD: 01/16/2013 - 01/31/2013

☒ Use Direct Deposit

Earnings

ITEM NAME	RATE	HOURS	WC CODE	CUSTOMER JOB
Salary	1,458.33		5553	
TOTALS	1,458.33	0:00 hrs		

Other Payroll Items

ITEM NAME	RATE	QUANTITY
Dental Insurance	-20.00	
TOTALS		

Company Summary

ITEM NAME	AMOUNT	YTD
Social Security Company	90.42	90.42
Medicare Company	21.15	21.15
Federal Unemployment Comp...	8.75	8.75
TX - Unemployment Comp...	39.37	39.37

Employee Summary

ITEM NAME	AMOUNT	YTD
Salary	1,458.33	1,458.33
Dental Insurance	-20.00	-20.00
Federal Withholding	-186.00	-186.00
Social Security Employee	-90.42	-90.42
Medicare Employee	-21.15	-21.15
Check Amount	1,140.76	

OK Cancel Help

☐ Lock Net Pay ☒ Unlock Net Pay ☐ Enter net/Calculate gross

Net to Gross Calculation

Subscribers of QuickBooks Enhanced Payroll can easily create “net” bonus checks using the Net to Gross calculation feature. You enter the net check amount and let QuickBooks calculate the correct gross check amount.



Net to Gross

- 1) Click the **Pay Employees** icon on the **Home** page.
- 2) Click the **Unscheduled Payroll** button.
- 3) Click in the check mark column next to the appropriate employee's name.
- 4) Click **Continue**.
- 5) Click the employee's name in the **Review and Create Paychecks** window.
- 6) Enter the **Item Name** under **Earnings**.
- 7) Click the **Enter net/Calculate gross** box.
- 8) Enter the **Check Amount**.
- 9) Press **Tab** to see the gross amount in the **Rate** field.
- 10) Click **Save & Close**.
- 11) Click the **Create Paychecks** button.

Preview Paycheck

Pete J Smith PAY PERIOD 12/17/2012 - 12/31/2012

☐ Use Direct Deposit

Earnings

ITEM NAME	RATE	HOURS	WC CODE	CUSTOMER/JOB
Bonus	1,245.37		5553	
TOTALS 0.00 0:00 hrs				

SICK AVAILABLE 1:40
VACATION AVAIL. 14:00
SICK ACCRUED 1:40
VAC. ACCRUED 2:00
☐ Do not accrue sickVac

Other Payroll Items

ITEM NAME	RATE	QUANTITY
Dental Insurance	-20.00	

Employee Summary How are these items calculated?

ITEM NAME	AMOUNT	YTD
Bonus	1,245.37	1,245.37
Dental Insurance	-20.00	-20.00
Federal Withholding	-155.00	-155.00
Social Security Employee	-52.31	-52.31
Medicare Employee	-10.06	-10.06
CheckAmount:	1,000.00	

Company Summary How are these items calculated?

ITEM NAME	AMOUNT	YTD
Social Security Company	77.21	77.21
Medicare Company	18.06	18.06
Federal Unemployment	7.47	7.47
TX - Unemployment Comp...	33.62	33.62

Save & Previous Save & Next **Save & Close** Cancel Help ☒ Enter net/Calculate gross

Time Reports by Billed Status

Follow these steps to see the billing status on the time reports.



Display Billing Status on Time Reports

- 1) Display the appropriate time report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Billed**, **Unbilled**, and **Not Billable** boxes below **Add subcolumns for**.
- 4) Click **OK**.

Modify Report: Time by Name Window

Time by Name Report With Billed Status

Buildem, Inc.				
Time by Name				
January 2012				
	Billed	Unbilled	Not Billable	Jan 12
Pete J Smith				
Cecil's Lawn & Garden	0:00	12:00	5:00	17:00
Dallas Hardware and Tools	0:00	16:00	0:00	16:00
Total Pete J Smith	0:00	28:00	5:00	33:00
TOTAL	0:00	28:00	5:00	33:00

Summarize Payroll Data in Excel®

QuickBooks allows you to send payroll data to Excel in powerful preformatted *Pivot Tables*.



Send Payroll Data to Excel

- 1) Select **Reports:Employees & Payroll:Summarize Payroll Data in Excel** from the menu.
- 2) Click **Enable Macros** in the **Security Warning** window (if asked).
- 3) Select appropriate dates in the **QuickBooks Payroll Workbook** window.
- 4) Click the **Get QuickBooks Data** button.

You can use the drop down arrows ▼ to change which views of your data you want. Select the worksheet tabs at the bottom of the Excel window to view the different reports. Click the Get QuickBooks Data button to update Excel with current payroll information.

The following reports are available:

- 1) Employee Journal by Check
- 2) Employee YTD Summary
- 3) Employee YTD Recap
- 4) Hours
- 5) Rates & Hours Worked
- 6) State Wage Listing
- 7) Compensation & Deferred Compensation by Tax Tracking Type
- 8) Quarterly Employee Summary
- 9) 943 Worksheet
- 10) Federal Form 8846-Social Security & Medicare Credit Worksheet
- 11) Effective Rates by Item & Employee

Employee Journal

SSN	Employee	Date	Num	Period Start	Period End	Compensation	Federal Tax	Social Security
123-45-6789	Pete J Smith	1/31/2012	1003	1/16/2012	1/31/2012	1,458.32	-187.00	-61.25
Pete J Smith Total						1,458.32	-187.00	-61.25
355-26-8544	Thelma I Crabtree	1/31/2012	1004	1/16/2012	1/31/2012	1,120.00	-66.00	-47.04
Thelma I Crabtree Total						1,120.00	-66.00	-47.04
449-29-4444	Mary D Auldridge	1/31/2012	1002	1/16/2012	1/31/2012	3,200.00	-612.00	-134.40
Mary D Auldridge Total						3,200.00	-612.00	-134.40
Total/Net						5,778.32	-865.00	-242.69

Chapter 10- Reports

*Mastering QuickBooks
Level 2*

Budgets & Forecasts

QuickBooks makes it easy to enter your budgets and financial forecasts. QuickBooks can create a budget based on last year's actual numbers. QuickBooks Premier and Enterprise Solutions also have a forecast tool. Once entered, you can compare your actual results against your budget and forecast.



Set Up Budget/Forecast

- 1) Select **Company:Planning & Budgeting:Set Up Budgets** or **Company:Planning & Budgeting:Set Up Forecast** from the menu.
- 2) Click the **Create New Budget** or **Create New Forecast** button.
- 3) Specify the year and type for the new budget/forecast.
- 4) Continue making appropriate selections in the **Create New Budget** or **Create New Forecast** windows.
- 5) Click **Finish** in the last window.
- 6) Enter or modify budget/forecast amounts as appropriate for each account.
- 7) Click **Save**.
- 8) Click **OK** when the last account's budget/forecast is entered.

Select Budget Year and Type

Create New Budget

Set Up Budgets Window

Set Up Budgets

Budget
FY2016 - Profit & Loss by Account

Create New Budget

ACCOUNT	ANNUAL TOT...	JAN16	FEB16	MAR16	APR16	MAY16	JUN16	JUL16	AUG16	SEP16	OCT16	NOV16	DEC16
Sales	132,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00	11,000.00
Parts Sales													
Service Income													
Freight Income													
Uncategorized Inc...													
Construction Labor													
Cost of Sales													
Materials													
Advertising	2,850.00	100.00	125.00	150.00	175.00	200.00	225.00	250.00	275.00	300.00	325.00	350.00	375.00
Automobile Expen...													
Bank Service Char...													
Building Supplies													
Cleaning													
Contributions													
Depreciation Expe...													

Copy Across Adjust Row Amounts Clear Save OK Cancel Help

Set Up Forecast Window

Set Up Forecast

Forecast
FY2015 - Profit & Loss Forecast by Account

Create New Forecast

ACCOUNT	ANNUAL TOTAL	JAN15	FEB15	MAR15	APR15	MAY15	JUN15	JUL15	AUG15	SEP15	OCT15	NOV15	DEC15
Sales	240,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Parts Sales	360,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Service Income	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Freight Income	144,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Uncategorized Income													
Construction Labor	360,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Cost of Sales	960,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00
Materials	960,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00
Advertising	2,400.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Automobile Expense	600.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Bank Service Charges	300.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Building Supplies	600.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Cleaning	900.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Contributions	1,200.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Depreciation Expense	3,000.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00
Dues and Subscriptions	996.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00	83.00

Copy Across Adjust Row Amounts Clear Save OK Cancel Help



Review a Budget/Forecast Overview

- 1) Select **Reports:Budgets & Forecasts:Budget Overview** or **Forecast Overview** from the menu.
- 2) Make appropriate selections in the **Budget Report** or **Forecast Report** windows.
- 3) Click **Finish** in the last window.

Profit & Loss Budget Overview				
Customize Report Share Template Memorize Print E-mail Excel Hide Header Collapse Refresh				
Dates	This Fiscal Year	From	01/01/2015	To 12/31/2015 Columns Month
04/01/15 Buildem, Inc. Profit & Loss Budget Overview January through December 2015				
Accrual Basis				
	Jan 15	Feb 15	Mar 15	
▼ Ordinary Income/Expense				
▼ Income				
Sales	27,500.00	27,500.00	27,500.00	
Parts Sales	38,000.00	38,000.00	38,000.00	
Service Income	4,070.00	4,070.00	4,070.00	
Freight Income	1,000.00	1,000.00	1,000.00	
Total Income	70,570.00	70,570.00	70,570.00	
▼ Cost of Goods Sold				
Construction Labor	30,000.00	30,000.00	30,000.00	
Cost of Sales	8,000.00	8,000.00	8,000.00	
Materials	8,000.00	8,000.00	8,000.00	
Total COGS	46,000.00	46,000.00	46,000.00	
Gross Profit	24,570.00	24,570.00	24,570.00	
▼ Expense				
Advertising	200.00	200.00	200.00	



Review a Profit & Loss Budget Performance Report

- 1) Select **Reports:Budgets & Forecasts:Profit & Loss Budget Performance** from the menu.
- 2) Make appropriate selections in the **Budget Report** windows.
- 3) Click **Finish** in the last window.

Profit & Loss Budget Performance						
Customize Report Share Template Memorize Print E-mail Excel Hide Header Expand Refresh						
Dates	Last Month	From	03/01/2015	To	03/31/2015	Columns Total only
04/01/15 Buildem, Inc. Profit & Loss Budget Performance March 2015						
Accrual Basis						
	Mar 15	Budget	Jan - Mar 15	YTD Budget	Annual Budget	
▼ Ordinary Income/Expense						
▼ Income						
Sales	9,698.70	27,500.00	9,762.70	82,500.00	330,000.00	
Parts Sales	11,739.65	38,000.00	66,063.14	114,000.00	456,000.00	
Service Income	30,102.95	4,070.00	106,667.73	12,210.00	48,840.00	
Freight Income	223.57	1,000.00	3,461.56	3,000.00	12,000.00	
Total Income	60,764.87	70,570.00	185,955.13	211,710.00	846,840.00	
▼ Cost of Goods Sold						
Construction Labor	10,500.00	30,000.00	65,500.00	90,000.00	360,000.00	
Cost of Sales	1,450.00	8,000.00	8,992.58	24,000.00	96,000.00	
Materials	5,097.63	8,000.00	37,146.28	24,000.00	96,000.00	
Total COGS	17,047.63	46,000.00	111,638.86	138,000.00	552,000.00	
Gross Profit	43,717.24	24,570.00	74,316.27	73,710.00	294,840.00	

Types of Reports

Reports in QuickBooks can be classified into three types.

- 1) **Transaction Summary Report**-summarizes and subtotals data
- 2) **Transaction Detail Report**-shows every transaction that makes up a subtotal
- 3) **List Report**-presents information stored on a list

To get more detail about an amount on a report, QuickBooks offers a powerful feature called QuickZoom®.



QuickZoom on Reports/Graphs

- 1) Display the appropriate report/graph from the **Reports** menu.
- 2) Move the cursor directly over the appropriate item (cursor changes to a magnifying glass).
- 3) Double-click.

Sales by Customer Summary	
Customize Report	Share Template
Memorize	Print
E-mail	Excel
Hide Header	Collapse
Refresh	
Dates	This Month-to-date
From	04/01/2015
To	04/01/2015
Columns	Total only
Buildem, Inc.	
Sales by Customer Summary	
April 1, 2015	
04/01/15	
Accrual Basis	
Chicago Hotel Builders	
Lake Michigan	1,515.93
Total Chicago Hotel Builders	1,515.93
Overnight, Inc.	
Dallas Motor Inn	2,997.70
Total Overnight, Inc.	2,997.70
Rio Grande Homes	
Jackson Residence	10,597.99
Total Rio Grande Homes	10,597.99
Smith Hardware	23.85
TOTAL	15,135.47

QuickZoom produces different results on different types of reports.

- 1) On Transaction Summary Reports, it produces a transaction report showing the detail supporting the amount
- 2) On Transaction Detail Reports, it displays the transaction
- 3) On List Reports, it displays the edit window for the list entry

Custom Reports

You can modify any of the hundreds of reports available in QuickBooks. In addition, two custom reports are available that provide different levels of detail. These are excellent starting points for creating new reports.



Open Custom Summary Report

- 1) Select **Reports:Custom Reports:Summary** from the menu.

Modify Report Window

Custom Summary Report

	Commercial-Private	Residential-Builder	Residential-Homeowner	TOTAL
Ordinary Income/Expense				
Income				
Construction Income	1,453.90	0.00	0.00	1,453.90
Parts Sales	3,059.73	9,999.00	19.90	13,078.63
Freight Income	0.00	598.99	3.95	602.94
Total Income	4,513.63	10,597.99	23.85	15,135.47
Cost of Goods Sold				
Materials	817.16	4,130.41	0.00	4,947.57
Total COGS	817.16	4,130.41	0.00	4,947.57
Gross Profit	3,696.47	6,467.58	23.85	10,187.90
Net Ordinary Income	3,696.47	6,467.58	23.85	10,187.90
Net Income	3,696.47	6,467.58	23.85	10,187.90



Open Custom Transaction Detail Report

- 1) Select **Reports:Custom Reports:Transaction Detail** from the menu.

Modify Report Window

Custom Transaction Detail Report

Type	Date	Num	Name	Memo	Account	Amount	Balance
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Accounts Receiva...	3,245.01	3,245.01
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Parts Sales	(199.00)	3,045.21
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Inventory	(143.80)	2,901.41
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Materials	143.80	3,045.21
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Construction Income	(300.00)	2,745.21
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Parts Sales	(1,998.00)	747.21
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Inventory	(182.31)	564.90
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Materials	182.31	747.21
Invoice	04/01/2015	24	Overnight, Inc.:Dal...	Dallas Motor...	Construction Income	(499.90)	247.31
Invoice	04/01/2015	24	State Of Texas	Dallas Motor...	Sales Tax Payable	(247.31)	0.00
Invoice	04/01/2015	25	Smith Hardware		Accounts Receiva...	25.82	25.82
Invoice	04/01/2015	25	Smith Hardware		Parts Sales	(10.00)	5.02
Invoice	04/01/2015	25	State Of Texas		Sales Tax Payable	(1.97)	3.95
Invoice	04/01/2015	25	Smith Hardware		Freight Income	(3.95)	0.00

Modify Reports

Filters

Filters let you change what is included on the report. Filters can be applied individually or in combination.



Filter Report

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Filters** tab.
- 4) Change appropriate information in the **Modify Report** window.
- 5) Click **OK**.

The screenshot shows the 'Modify Report: Custom Transaction Detail Report' window with the 'Filters' tab selected. The window is divided into several sections:

- CHOOSE FILTER:** A list of filters on the left includes Account, Amount, Date, Item, and Memo. The 'Account' filter is selected, showing options for 'All accounts receivable' and 'Include split detail?' (with radio buttons for No, Yes, and For detail accounts matching).
- CURRENT FILTER CHOICES:** A table showing the current filter settings:

FILTER	SET TO
Account	All accounts receivable
Amount	>=2,000.00
TransactionType	Invoice
Paid Status	Open
- ACCOUNT FILTER:** A text box with instructions: 'Choose the types of accounts or a specific account from the drop-down list. Indicate whether or not you want split detail to appear in the report (Balance Sheet accounts only).' and a 'Tell me more...' button.
- Buttons:** 'Remove Selected Filter', 'Revert', 'OK', 'Cancel', and 'Help' are located at the bottom.

Troubleshoot Filters

To better understand filters, or if a filter doesn't work, try the following:

- 1) An explanation of the filter appears in the bottom left corner of the **Modify Report:Filters** window.
- 2) For further explanation of a filter, choose the filter, and then click the **Tell me more** button on the bottom left of the **Modify Report:Filters** window.
- 3) On Transaction Detail reports, add the desired filter as a column (on the **Modify Report:Display** window). If no information appears in the column, then applying the filter will not work.
- 4) Apply the same filter to a more detailed report.

Display

The display tab allows you to change:

- 1) Report Date Range
- 2) Report Basis
- 3) Columns
- 4) Column Sort Order



Modify Report Display

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Change appropriate information in the **Modify Report** window.
- 4) Click **OK**.



Sort Report

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Sort by** drop-down list and select the appropriate sort field.
- 4) Click the appropriate **Sort In** button.
- 5) Click **OK**.

Modify Report: Custom Transaction Detail Report

Display Filters Header/Footer Fonts & Numbers

REPORT DATE RANGE

Dates: All (dropdown) All dates in your company file

From: [calendar icon] To: [calendar icon]

REPORT BASIS

☒ Accrual ☐ Cash This setting determines how this report calculates income and expenses.

COLUMNS

Name State
Name Zip
☒ Name Contact
☒ Name Phone #
Name Fax #
Name E-Mail

Total by: Customer type (dropdown)

Sort by: Amount (dropdown)

Sort in: ☒ Ascending order ☐ Descending order

Put a check mark next to each column that you want to appear in the report.

Advanced... Revert

OK Cancel Help

Header/Footer

The Header/Footer tab allows you to add or change:

- 1) Report Title
- 2) Date Prepared Format
- 3) Extra Footer Line
- 4) Page Layout
- 5) Time Prepared
- 6) Report Basis



Change Header/Footer

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Header/Footer** tab.
- 4) Change appropriate information in the **Modify Report** window.
- 5) Click **OK**.

Fonts & Numbers

The Fonts & Numbers tab allows you to do the following:

- 1) Change font size and color for various report elements
- 2) Change how QuickBooks displays negative numbers
- 3) Divide all numbers by 1000
- 4) Show amounts without cents
This option is not always desirable because it removes the cents from each row and totals without rounding. This can cause a report to not “foot” correctly.
- 5) Exclude zero amounts from report (on transaction summary reports only)
*When the **Advanced** button on the **Modify Report:Display** window is set to display all rows, this option displays blank spaces instead of zero amounts.*



Change Fonts

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Fonts & Numbers** tab.
- 4) Select the appropriate report element in the **Change Font For** list.
- 5) Click the **Change Font** button.
- 6) Enter appropriate information in the window.
- 7) Click **OK**.
- 8) Select whether to change all related fonts.
- 9) Enter remaining information in the **Modify Report** window.
- 10) Click **OK**.

Column Width & Order



Change Column Width

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click and drag the divider between column headings to the left or right.



Change Column Order (Transaction Detail & List Reports Only)

- 1) Display the appropriate report from the **Reports** menu.
- 2) Place the cursor over the column heading you want to move. A hand appears.
- 3) Click and drag the column title until the red arrow is positioned where you want the column.
- 4) Release the mouse button.

Custom Transaction Detail Report

Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh

Dates All From To Total By Customer type Sort By Amount

Bulldem, Inc.

04/01/15

Open Invoices over \$2000

Accrual Basis

All Transactions

Type	Date	Num	Name Contact	Name Phone #	Account	Amount
Commercial-Government						
Invoice	03/22/2015		Fred Ellis	214-555-4155	Accounts Receiva...	31,406.49
Invoice	03/27/2015	22	Pat West	456-555-1833	Accounts Receiva...	15,727.50
Invoice	03/05/2015	10	Pat West	456-555-1033	Accounts Receiva...	3,447.32
Invoice	03/25/2015	20	Eddie Sinclair	214-555-4747	Accounts Receiva...	3,374.69
Invoice	03/21/2015	16	Reggie Gibbs	245-555-5488	Accounts Receiva...	3,178.00
Total Commercial-Government						57,134.00
Commercial-Private						
Invoice	04/01/2015	24	Josephine Patranella	214-555-8765	Accounts Receiva...	3,245.01
Total Commercial-Private						3,245.01

Memorize and Manage Reports

Memorizing Reports

Memorizing a report saves the current settings for the report, but not the report data. When memorizing a report, pay attention to the *Dates* memorized with the report. When using a relative date, such as “Last Month”, the report date will change based on when you run the report. When using a “Custom” date, the report date does not change based on when you run the report.



Memorize a Report

- 1) Display the appropriate report from the **Reports** menu.
- 2) Make appropriate changes to the report.
- 3) Click the **Memorize** button.
- 4) Enter the report name in the **Memorize Report** window.
- 5) Click **OK**.



Run a Memorized Report

- 1) Select **Reports:Memorized Reports:Memorized Report List** from the menu.
- 2) Select the appropriate report in the **Memorized Report List** window.
- 3) Click the **Display** button.

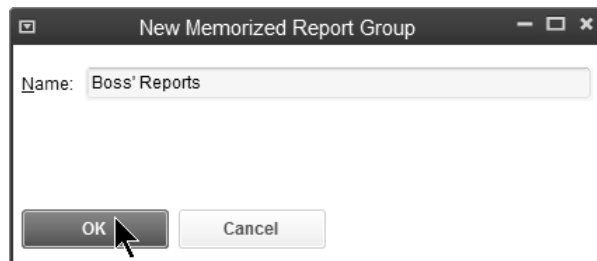
Report Groups

QuickBooks lets you display/print multiple reports at one time. To do so, set up a *Memorized Report Group*. Once a group is added, you can click and drag memorized reports to make them part of a group.



Add a Memorized Report Group

- 1) Select **Reports:Memorized Reports:Memorized Report List** from the menu.
- 2) Click the **Memorized Report** button.
- 3) Select **New Group** from the menu.
- 4) Enter the **Name** in the **New Memorized Report Group** window.
- 5) Click **OK**.





Add Memorized Report to Group

- 1) Select **Reports:Memorized Reports:Memorized Report List** from the menu.
- 2) Move the cursor over the diamond to the left of the report that will become part of the group.
- 3) Click and drag the report below the appropriate **Group**.
- 4) Click and drag the report to the right.



Display/Print a Memorized Report Group

- 1) Select **Reports:Process Multiple Reports** from the menu.
- 2) Select the reports to display/print in the **Process Multiple Reports** window.
- 3) Change the **From** and **To** dates of the report as appropriate.
- 4) Click **Display** or **Print**.



Report Shortcuts

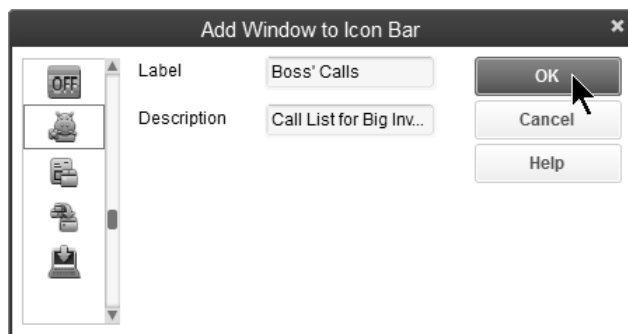
You can create a button on the **Icon Bar** for reports you access often.



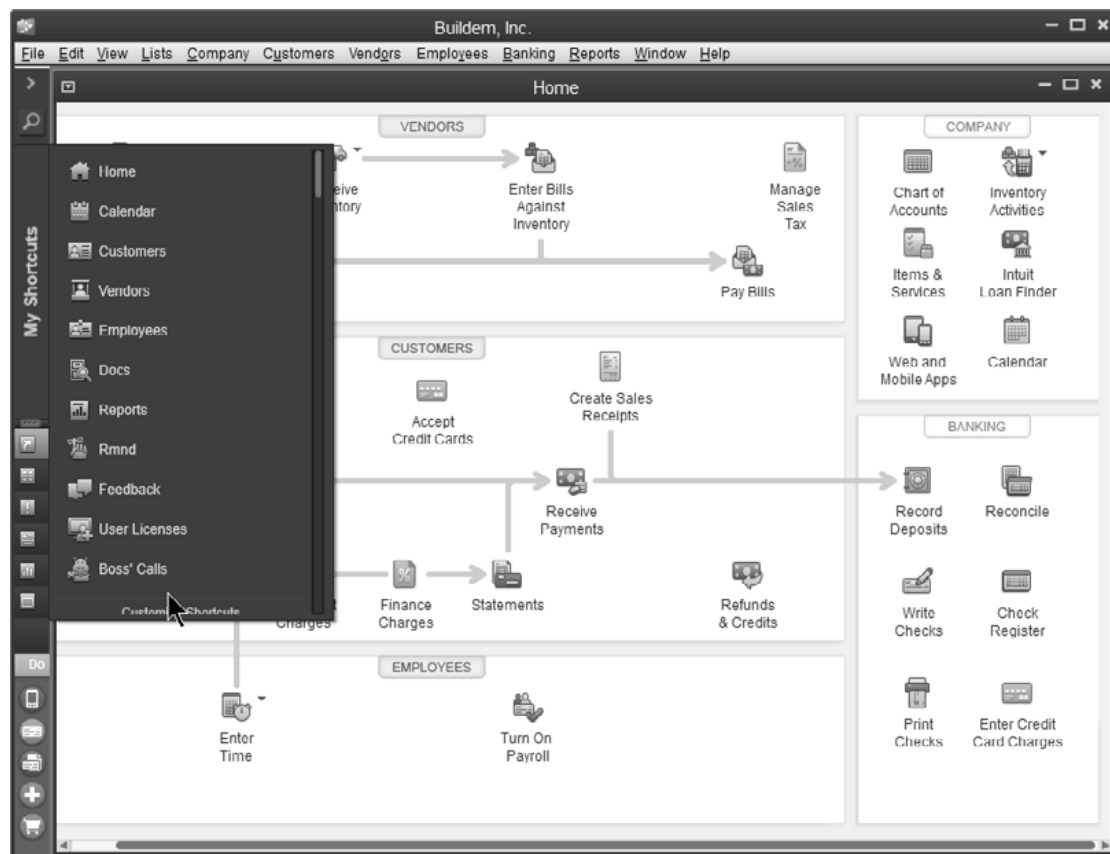
Add Report to Icon Bar

- 1) Display the report to be added to the **Icon Bar** from the **Reports** menu.
- 2) Select **View:Add (Report Name) to Icon Bar...** from the menu.
- 3) Enter appropriate information in the **Add Window to Icon Bar** window.
- 4) Click **OK**.

Add Report to Icon Bar



Report Added to Icon Bar



Chapter 11- Reports- Expert

*Mastering QuickBooks
Level 2*

Report Considerations

Reports will not provide needed information unless you enter transactions with the following considerations.

Customers & Receivables Reports

- Only transactions that affect Accounts Receivable (invoices, statement charges, customer payments, and credit memos) appear on these reports. This is not true for the **Unbilled Costs by Job**, **Transaction List by Customer**, and **List** reports.

Sales Reports

- Must use **Invoice**, **Sales Receipt**, **Credit Memo**, or **Statement Charge**. Other transactions will not appear on these reports.
- All **invoices** appear on these reports, including non-sales invoices used for deposits or other tricky transactions.
- **Rep** field must appear on the sales form for the **Sales by Rep** reports to work correctly.

Jobs & Time

- Must use **Items** on all job related transactions (including payroll) or detail report will display amount as “**No item**”.
- **Item Profitability** report only works when a customer is specified on the purchase form. This is not necessary for inventory items because cost information is recorded at the time of invoicing.
- **Profit & Loss by Job** only displays information if the **Customer:Job** field was used. Therefore the **Profit & Loss by Job** total will not match the **Profit & Loss Standard** report.

Vendors & Payables

- Only transactions that affect Accounts Payable (bills, credits, or bill payments) appear on these reports. This is not true for the **Transaction List by Vendor**, **Sales Tax Liability**, **Sales Tax Revenue Summary**, and **List** reports.
- All **invoices** and **sales receipts** affect the **Sales Tax Liability** and **Sales Tax Revenue Summary** reports. This includes invoices used to handle special situations.

Purchase Reports

- Only transactions using **items** will appear on these reports.

Employees & Payroll

- Only transactions using **payroll items** will appear on transaction based reports. List reports are based on information you enter on lists.

Special Fields

QuickBooks has numerous fields available to track additional information and improve report customization. However, before using a field, confirm that the field is available and can be used on the desired reports.

Class

Use class tracking to track divisions or profit centers of your company. Classes can be linked to specific transactions. However, class tracking does not work for balance sheet transactions. Also, classes cannot be linked to list entries.



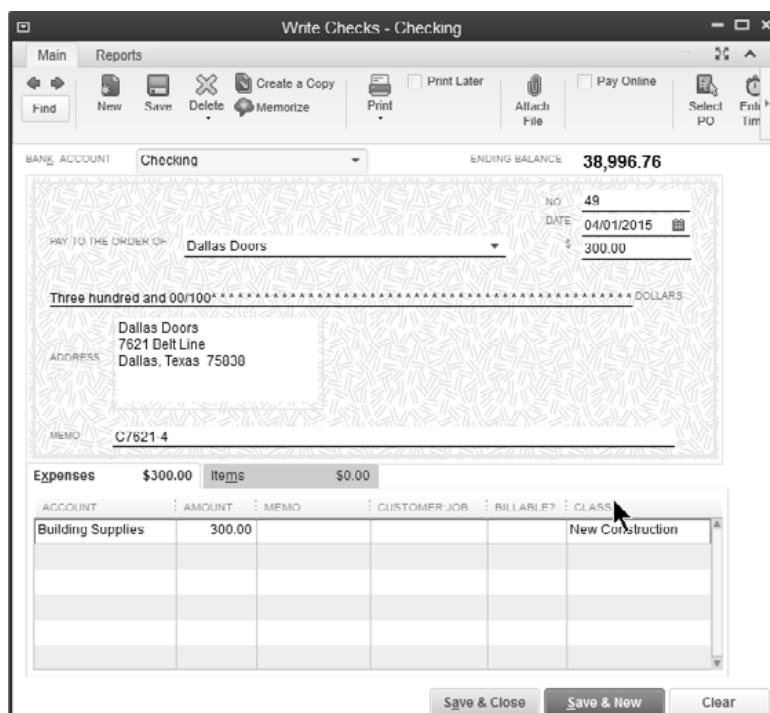
Open the Class List

- 1) Select **Lists:Class List** from the menu.

Class List



Classes-Use



Customer Type

Use customer types to categorize your customers into meaningful groups. This is useful for tracking customer or job related expenses and income. Mailing labels can be selected by Customer Type.



Open the Customer Type List

- 1) Select **Lists:Customer & Vendor Profile Lists:Customer Type List** from the menu.

Customer Type List

Customer Type-Assign

Customer Type-On Report

Customer	Main Phone	Customer Type
Chicago Hotel Builders	312-555-1251	Commercial
Chicago Hotel Builders:Lake Michigan	312-555-0621	Commercial
Fort Worth Homes	817-555-8989	Commercial
Fort Worth Homes:Lake Worth Homes	817-555-8989	Commercial
Jupiter Homes	214-555-4155	Commercial
Jupiter Homes:Fannin Residence	214-555-4155	Commercial
Jupiter Homes:Rucker Residence	214-555-4155	Commercial
Overnight, Inc.	214-555-1111	Commercial
Overnight, Inc.:Dallas Motor Inn	214-555-8765	Commercial
Rio Grande Homes	214-555-7777	Commercial
Rio Grande Homes:Jackson Residence	214-555-7777	Commercial
Rio Grande Homes:Valley Savings Deve...	214-555-7777	Commercial
Baker, Chris	972-357-3333	From advertisement
Dallas Hardware and Tools	214-555-4747	From advertisement

Job Type

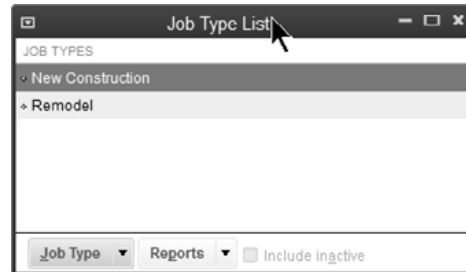
Job types are similar to customer types. Use job types to group your customer's jobs into meaningful categories. This is useful for job related expenses and income.



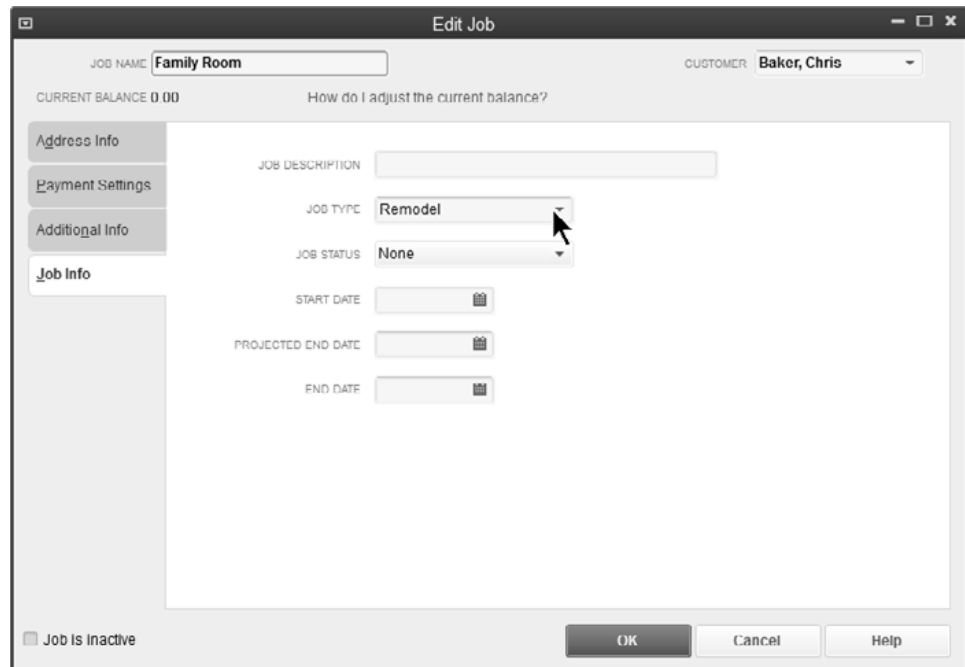
Open the Job Type List

- 1) Select **Lists:Customer & Vendor Profile Lists:Job Type List** from the menu.

Job Type List



Job Type-Assign



Report Filtered By Job Type

A/R Aging Summary

Customize Report Share Template Memorize Print E-mail Excel Hide Header Expand Refresh

Dates Today 04/01/2015 Interval (days) 30 Through (days past due) 90 Sort By Default

Bulldem, Inc.
A/R Aging Summary
 As of April 1, 2015

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Chicago Hotel Builders	1,515.93	0.00	0.00	0.00	0.00	1,515.93
Fort Worth Homes	0.00	11,003.68	25,832.71	0.00	0.00	36,836.39
Jupiter Homes	0.00	32,770.20	0.00	0.00	0.00	32,770.20
TOTAL	1,515.93	43,773.96	25,832.71	0.00	0.00	71,122.60

Customer Custom Field

Use custom customer fields to track additional information about customers. Custom field data entry is manual. This can result in inconsistent data entry and inconsistent results on reports.



Define Customer Custom Fields

- 1) Click the **Customers** icon.
- 2) Click the **Customers & Jobs** tab.
- 3) Click the **Edit Customer** button.
- 4) Click the **Additional Info** tab.
- 5) Click the **Define Fields** button.
- 6) Enter appropriate information in the **Define Fields** window.
- 7) Click **OK**.
- 8) Click **OK**.

Custom Customer Field-Define & Assign

Custom Customer Field-On Report

Customer	Main Phone	Birthday
Chicago Hotel Builders	312-555-1251	10/15
Dallas Hardware and Tools	214-555-4747	10/30
Fort Worth Homes	817-555-0909	10/01
Home & Hardware Stop	605-555-8499	10/02
Lake Michigan Development	778-555-7887	10/09
Myers & Associates	214-555-9281	10/19
Orlando Homes	456-555-1833	10/26
Overnight, Inc.	214-555-1111	10/11
Smith Hardware	214-555-1366	10/17
Sun Valley Builders	245-555-5488	10/25

Vendor Type

Use vendor types to categorize vendors into meaningful groups. Mailing labels can be selected by vendor type.



Open the Vendor Type List

- 1) Select **Lists:Customer & Vendor Profile Lists:Vendor Type List** from the menu.

Vendor Type List

Vendor Type List

VENDOR TYPES

- Administrative
- Consultant
- Equipment
- Materials
- Subcontractors
- Supplies
- Tax agency

Vendor Type Reports Include inactive

Vendor Type-Assign

Edit Vendor

VENDOR NAME: American Express

CURRENT BALANCE 0.00 How do I adjust the current balance?

Address Info

Payment Settings

Sales Tax Settings

Account Settings

Additional Info

VENDOR TYPE: Administrative

CUSTOM FIELDS

DISCOUNT AVAILABLE

LIABILITY CERT. EXPIRES: None

SPOUSE'S NAME

Define Fields

☐ Vendor is inactive

OK Cancel Help

Vendor Type-On Report

Vendor Phone List

Customize Report Share Template Memorize Print E-mail Excel Hide Header Refresh Sort By Default

04/01/15

Buildem, Inc.
Vendor Phone List
April 1, 2015

Vendor	Main Phone	Vendor Type
Dallas Doors	214-555-1212	Materials
Door Knob Corporation	214-555-2451	Materials
Hinges Corporation	781-555-2152	Materials
Locks, Inc.	512-555-9575	Materials
Sella Doors, Inc.	214-555-8462	Materials
Sliding Doors, Inc.	214-555-8751	Materials
Supply-A-Lot, Inc.	214-555-9845	Materials
Walnut, Inc.	488-555-0024	Materials

Vendor Custom Field

Use custom vendor fields to track additional information about vendors. Custom field data entry is manual. This can result in inconsistent data entry and inconsistent results on reports.



Define Vendor Custom Fields

- 1) Click the **Vendors** icon.
- 2) Click the **Vendors** tab.
- 3) Click the **Edit Vendor** button.
- 4) Click the **Additional Info** tab.
- 5) Click the **Define Fields** button.
- 6) Enter appropriate information in the **Define Fields** window.
- 7) Click **OK**.
- 8) Click **OK**.

Custom Vendor Field-Define & Assign

Edit Vendor

VENDOR NAME: Dave's Landscaping

CURRENT BALANCE: 0.00

How do I adjust the current balance?

Additional Info

VENDOR TYPE: Subcontractors

CUSTOM FIELDS

DISCOUNT AVAILABLE: []

LIABILITY CERT. EXPIRES: 4/2016

ACCEPTS CREDIT CARDS: Yes

Define Fields

☐ Vendor is inactive

OK Cancel Help

Custom Vendor Field-On Report

Vendor Phone List

Buildem, Inc.

April 1, 2015

Vendor	Main Phone	Liability Cert. Expires
Dave's Landscaping	972-233-1388	4/2015
Mekanix, Otto	214-291-8900	4/2015

Item Custom Field

Use custom item fields to track additional information about items and services. Custom field data entry is manual. This can result in inconsistent data entry and inconsistent results on reports.



Define Item Custom Fields

- 1) Click the **Items & Services** icon on the **Home** page.
- 2) Click the **Item** button and select **Edit Item** from the menu.
- 3) Click the **Custom Fields** button.
- 4) Click the **Define Fields** button.
- 5) Enter appropriate information in the **Define Custom Fields for Items** window.
- 6) Click **OK**.
- 7) Click **OK** in the **Custom Fields** window.
- 8) Click **OK** in the **Edit Item** window.

Custom Fields in Enterprise Solutions

QuickBooks Enterprise Solutions offers advanced custom fields capabilities. You can format fields for specific types of data such as numbers, dates, phone numbers, or multiple choice lists.

Label	Use for:			What kind of data?	Required on:	
	Cust	Vend	Empl		Trans	List
Service Person	✓			User's multi-choice list...	✓	✓
Credit Rating	✓			Any text		
Pager #	✓			Any text		
Birthday	✓			Any text		

Work with Microsoft® Excel®

QuickBooks lets you create custom reports in Excel without having to re-enter the data. This feature requires Excel 2000, 2002, 2003, 2007, or 2010.



Export a Report to Excel

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Excel** button.
- 3) From the menu, select whether to send the report to a new or existing spreadsheet.
- 4) Click the **Advanced** button to modify the transfer options.
- 5) Click **OK**.
- 6) Click **Export**.
- 7) QuickBooks automatically runs Excel and displays the report.

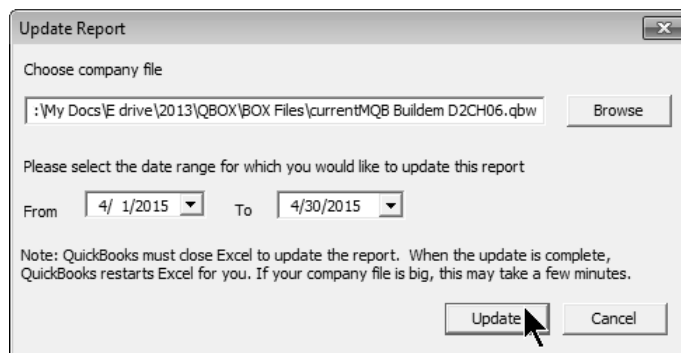
Export Report-Update Report

QuickBooks makes it easy to update report data in Excel if the QuickBooks data changes after export. The first time you do this, your QuickBooks Company File must be open.



Update Report in Excel

- 1) Save the report in Excel.
- 2) Click the **QuickBooks** tab and select **Update Report**.
- 3) Click **Browse** to select the location of your company file (if necessary).
- 4) Click the drop-down arrows to change the date range for the report (if necessary).
- 5) Click **Update**.



Export Report-Best Practices

If you make changes to your exported report, Excel only keeps certain changes:

- 1) Renamed report titles
- 2) Font formatting in row and column headers
- 3) Resized columns
- 4) Renamed column and row headers
- 5) Inserted rows and columns with information entered
- 6) Formulas (the updated report must contain the row associated with the formula)
- 7) Inserted text

Any of the following changes you make to your exported report will have to be updated manually when the report is updated:

- 1) Font formatting in non-header cells
- 2) Formatting other than changes to Font
- 3) Moved data cells
- 4) Renamed date columns
- 5) Inserted rows or columns that are left empty
- 6) Sorted columns

If you entered a formula in your Excel report and you receive an error when you update the report, you have two choices:

- 1) Close the workbook without saving to retain the report before the update.
- 2) Save the report on Sheet1 to keep the updated report without the formula.

Updated Report-Formula Error

	A	B	C	D	E	F	G	H	I	J	K
10						Freight Income	223.57				
11						Total Income	90,813.52				
12						Cost of Goods Sold					
13						Construction Labor	10,500.00				
14						Cost of Sales	1,450.00				
15						Materials	11,947.55				
16						Total COGS	23,897.55				
17						Gross Profit	66,915.97				
18						Expense					
19						Legal Fees	600.00				
20						Advertising	3,625.00				
21						Automobile Expense					
22						Fuel Expense	64.95				
23						Car Repairs	427.50				
24						Total Automobile Expense	492.45				

Auto Filter-Audit Trail

	A	B	F	G	H	I	J	K	L	M	N
1			Last modified by	State	Date	Name	Memo	Account	Split	Debit	Credit
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20			david (Admin)	Prior	12/31/2015	King & King	Advertising Budget	Accounts Payable	Advertising		3,250.00
21						King & King		Advertising	Accounts Payable	3,250.00	
22											
23			david	Prior	03/15/2007	King & King	Advertising Budget	Accounts Payable	Advertising		3,250.00

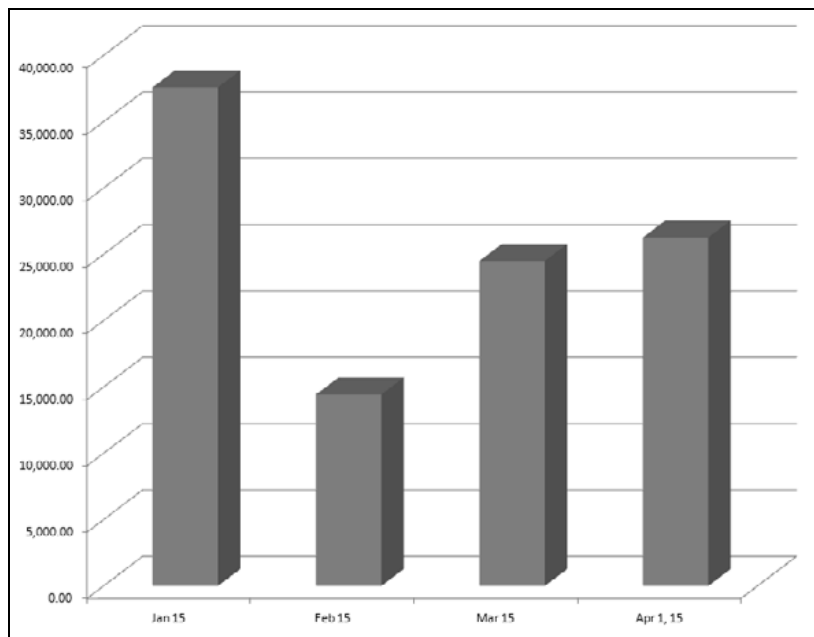
Using Excel® to Graph

QuickBooks graphs are limited to those available from the **Reports** menu. However, Excel allows you to graph numeric data from any report.



Graph Data in Excel

- 1) Display the appropriate report from the **Reports** menu.
- 2) Click the **Export** button.
- 3) From the menu select whether to send the report to a new or existing spreadsheet.
- 4) Click the **Export** button.
- 5) QuickBooks automatically runs Excel and displays the report.
- 6) In Excel highlight the data you want to graph.
- 7) Click the **Insert** tab in Excel.
- 8) Select a graph type from the **Charts** group.



Combine Reports in Excel®

QuickBooks Enterprise Solutions lets you combine financial statements from multiple company files. You do this in a few easy steps.

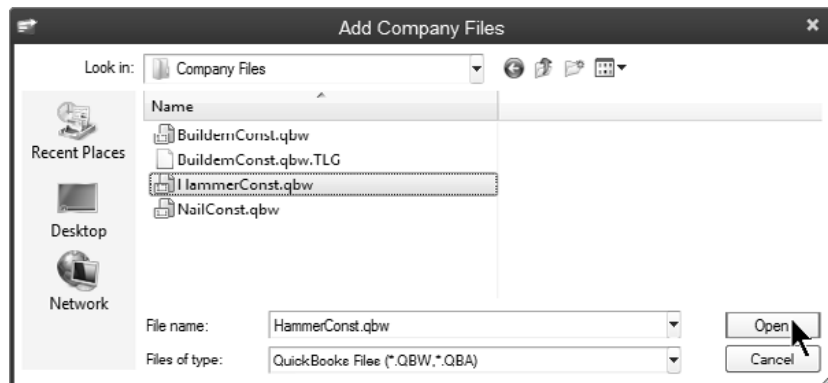
There are seven reports that you can combine from different company files: Balance Sheet Standard, Balance Sheet Summary, Profit & Loss Standard, Statement of Cash Flows, Trial Balance, Profit & Loss by Class, and Sales by Customer Summary.



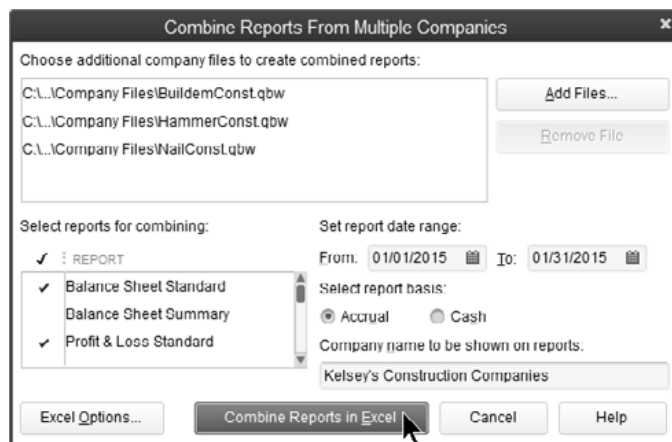
Combine Reports from Multiple Companies

- 1) Select **Reports:Combine Reports from Multiple Companies** from the menu.
- 2) Click **Add Files** to combine financial statements for additional company files.
- 3) Click **Open**.
- 4) Repeat steps 2 and 3 until all appropriate company files are included.
- 5) Select appropriate reports to combine below **Select reports for combining**.
- 6) Enter remaining information in the **Combine Reports from Multiple Companies** window.
- 7) Click the **Combine Reports in Excel** button.
- 8) QuickBooks Enterprise Solutions automatically runs Excel and displays the combined report.

Add Company Files



Combine Reports From Multiple Companies



Combined Report in Microsoft Excel

Book1 - Microsoft Excel

Home Insert Page Layout Formulas Data Review View Add-Ins Acrobat QuickBooks

A1 Kelsey's Construction Companies

1	Kelsey's Construction Companies												8:34 AM
2	Combined Balance Sheet												04/01/2015
3	As of January 31, 2015												Accrual Basis
4						Buildem Const	Hammer Construction	Nail Construction					TOTAL
46					Federal Unemployment	51.97	27.43	41.26					120.66
47					Texas Unemployment	175.41	92.56	139.28					407.25
48					Dental Insurance Payable	60.00	20.00	40.00					120.00
49					Medical Ins. Payable	100.00	100.00	100.00					300.00
50					Total Payroll Liabilities	387.38	400.35	925.56					1,713.29
51					Sales Tax Payable	339.61	257.19	339.61					936.41
52					Total Other Current Liabilities	11,355.11	28,108.93	11,893.29					51,357.33
53					Total Current Liabilities	62,010.14	59,566.57	40,340.32					170,725.03
54					Long Term Liabilities								
55					Loan Payable	25,488.00	0.00	0.00					25,488.00
56					Total Long Term Liabilities	25,488.00	0.00	0.00					25,488.00
57					Total Liabilities	88,298.14	59,566.57	48,348.32					196,213.03
58					Equity								
59					Retained Earnings	66,358.12	84,628.02	86,353.39					237,339.53
60					Net Income	20,212.43	6,169.66	1,291.95					27,674.04

Balance Sheet Standard Profit & Loss Standard Statement of Income

Ready 100%

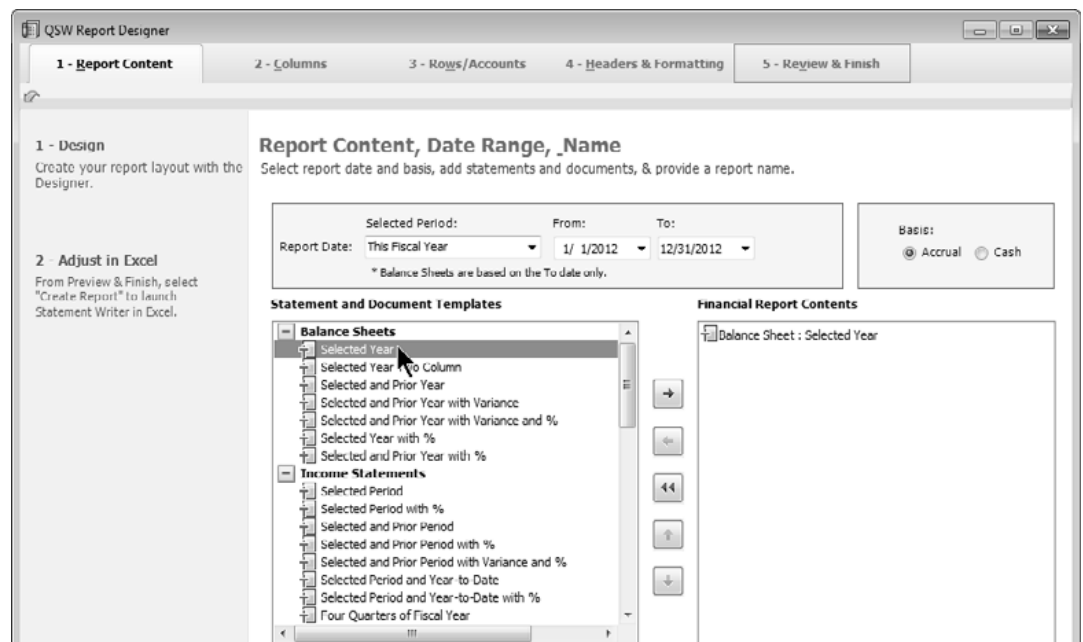
QuickBooks Statement Writer

The QuickBooks Statement Writer, available in Premier Accountant and Enterprise Solutions editions*, helps you create custom, professional statements. Because it works directly with QuickBooks data, you can customize a statement without having to reformat the statement each time it is produced. Create multiple statements and supporting documents, including cover letters, engagement letters, disclosures, and more.



QuickBooks Statement Writer

- 1) Select **Reports:QuickBooks Statement Writer** from the menu.
- 2) Choose **Create New Report**.
- 3) Select or enter an appropriate **Report Date** range.
- 4) Select **Cash** or **Accrual** as the **Basis**.
- 5) Below **Statement and Document Templates**, select the desired statement, template or related document, and click the right arrow to add it to your selection. Repeat this step for each desired report.
- 6) Enter an appropriate **Report Name**.
- 7) Click **OK**.
- 8) Use the **Document Actions** pane to further customize your reports.
- 9) To save the report template, select **Statement Writer:Save Report** below **Document Actions**.
- 10) To generate a **PDF** version of the report, select **Statement Writer:Save As:PDF**.
- 11) To review or customize the report later, open **QuickBooks Statement Writer** and select **Open Existing Report**.



*QuickBooks Statement Writer included with QuickBooks Enterprise Solutions. Sold separately for QuickBooks Premier: Accountant Edition. 30 day free trial included with Accountant Edition. Requires Excel and Word 2003 or 2007 (sold separately).

Chapter 12- File Utilities

Mastering QuickBooks
Level 2

Scheduled Backups

QuickBooks lets you schedule an unattended backup. Run the *Backup Wizard* to create the backup schedule.



Schedule Backups

- 1) Select **File:Backup Company:Create Local Backup** from the menu.
- 2) Select **Local backup**.
- 3) Click **Next**.
- 4) Select **Only schedule future backups**.
- 5) Click **Next**.
- 6) Click **New** to create a backup schedule.
- 7) Select when to back up.
- 8) Click **OK**.
- 9) Enter your **Username** and **Password** if necessary, and click **OK**.
- 10) Click **Finish**.

Condense Data

QuickBooks stores all transactions in your company file. After time passes, you may not need details of the transactions in your company data file. The Condense Data feature lets you delete the transactions you no longer need. Once the detail is deleted, you can delete list entries that are no longer in use. You also have the option to condense uncleared bank and credit card transactions, transactions marked to be printed or to be sent, and transactions containing unbilled costs.

This consists of the following:

- Create a backup copy of your file in case you need summarized detail
- Delete transactions that are no longer needed for your current records
- Add monthly transactions that summarize the deleted transactions
- Delete list items you no longer need (optional)

Certain entries are not condensed during this process. These include:

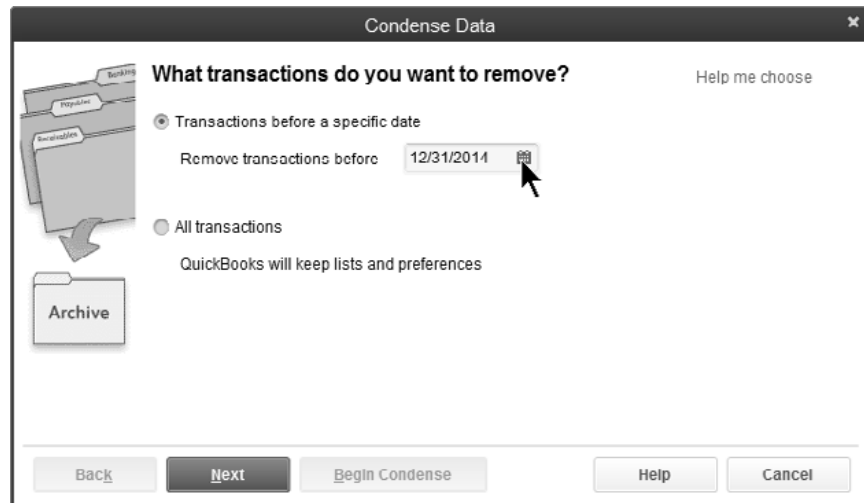
- 1) Transactions that have an open balance
- 2) Transactions linked to other transactions that can't be closed
- 3) Payroll transactions in the current year
- 4) Transactions considered "open", including all credits, payments, and journal entries that are not applied to the respective invoices
- 5) Transactions containing Unbilled costs (can be overridden)
- 6) Uncleared/unreconciled bank and credit card transactions (can be overridden)
- 7) Transactions marked To be printed or To be sent (can be overridden)



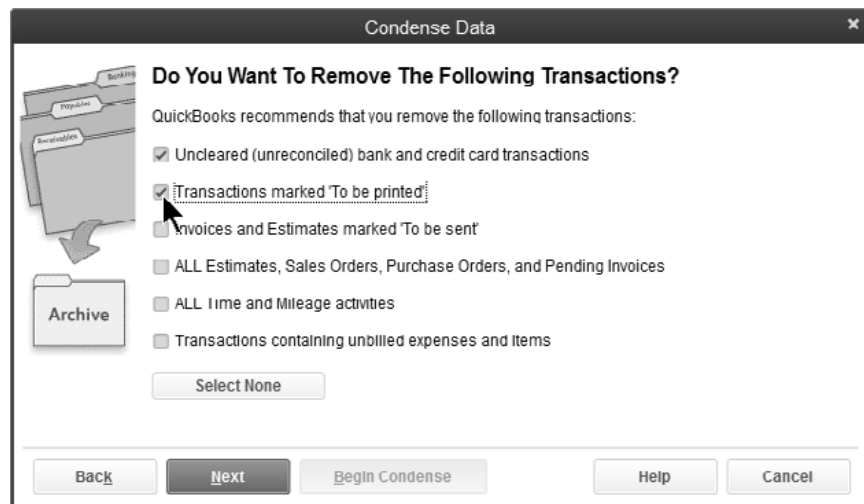
Condense Company Data File

- 1) Select **File:Utilities:Condense Data** from the menu.
- 2) Click **Yes** in the **Budget Data May Be Affected** window (if applicable).
- 3) Click the **Remove transactions as of a specific date** button.
- 4) Enter appropriate information in the **Condense Data** windows.
- 5) Click the **Begin Condense** button.
- 6) Click **OK** in the **QuickBooks Information** window.
- 7) Complete the backup of the company file.
- 8) Click **OK** in the final **QuickBooks Information** window.

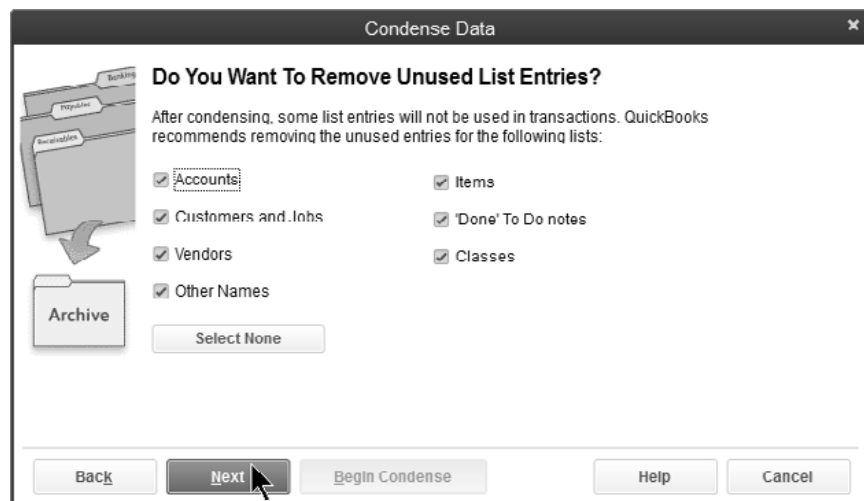
Choose a Condense Option



Select Additional Criteria for Removing Transactions



Select Unused List Items To Remove



Improve Performance

As the size of your data file increases, QuickBooks becomes slower and slower. There are some techniques that you can use to improve the performance of QuickBooks.

Within QuickBooks

- 1) Turn *off* these preferences in QuickBooks:
 - a) Auto recall last transaction
 - b) Refresh reports automatically
 - c) Warnings about duplicate estimates, purchase orders, checks, invoices, and sales orders as well as transaction date warnings (these warnings can be important)
- 2) For multi-user systems, perform processor intensive tasks in *Single-user Mode*, such as:
 - a) Running long reports
 - b) Pay employees, payroll liabilities, or sales taxes
 - c) Reconcile accounts
 - d) Change inventory prices
 - e) Adjust the value or quantity of inventory
- 3) For multi-user systems, place the data file on the most powerful computer available
- 4) Set up “hosting” of multi-user access on the same computer as the data file
- 5) Perform regular company file backups

Within Windows

- 1) Turn off all unnecessary programs that run in the background when Windows starts. These programs reduce the amount of memory available for other programs such as QuickBooks.
- 2) Quit other programs before starting QuickBooks
- 3) Check your hard drive space and virtual memory. Also, check your hard drive by running utilities such as ScanDisk and Defrag.
- 4) Add more RAM to your computer

Upgrade to QuickBooks Enterprise Solutions

If the above recommendations do not improve the performance of your level of QuickBooks, consider upgrading to QuickBooks Enterprise Solutions. Enterprise Solutions is intended for companies that are outgrowing other QuickBooks editions. Enterprise Solutions allows up to 30 concurrent users, removes names list limits, and improves the performance of entering transactions and running reports in a larger file. For more information about Enterprise Solutions, visit the QuickBooks website at quickbooks.intuit.com.

Corrupt Data Files

There are several reasons why a QuickBooks file might become damaged. These include:

- Your computer experienced a power fluctuation
- Your hard drive is damaged
- You experienced network interference while working in a multi-user environment
- Your computer is infected with a virus

If you suspect your file is damaged, here are a few techniques to try:

1) Restart Computer

Restarting the computer commonly solves many unusual computer problems.

2) Current Version

If you have multiple versions of QuickBooks installed on your computer, make sure the most current version and maintenance release is being used.

3) Problems with Program

There could be a problem with the QuickBooks program rather than your file. Try opening the file on another computer. Or, try opening a QuickBooks sample file from your computer. If there is a problem with the QuickBooks program, re-install the program from the CD-ROM.

4) Verify & Rebuild Data

Try the *Verify Data* and *Rebuild Data* functions. These are explained in the next section.

5) Memorized Transaction Problem

If there is a problem opening the data file, change the system date to one year ago and re-open the file. If this works, this indicates that a damaged memorized transaction is set to enter automatically. Delete the memorized transaction. Change the system date back to the current date. Open the data file and re-create the memorized transaction.

6) Problem Updating QuickBooks

If there is a problem updating to a new version of QuickBooks, run the *Verify Data* and *Rebuild Data* features in the *earlier* version of the software. A data file problem can keep the data file from converting to a new version. Running *Verify Data* and *Rebuild Data* in the earlier version may fix the damage.

7) Restore from Backup

Restore from the most recent backup that is not damaged. However, this means you will lose the work since the backup was made.

8) Intuit Data Recovery Service

As a last resort, use the *Intuit Data Recovery Service*. This service may be able to fix the file. Service fees apply. Check the QuickBooks website or QuickBooks help system for more information.

Verify/Rebuild Data Files

Use *Verify Data* and *Rebuild Data* when your data file is damaged. The Verify Data feature often detects the damage in the data file. The Rebuild Data feature often fixes the damage. Intuit recommends that you rebuild data only when directed to do so by Intuit Technical Support. This is because Rebuilding Data could create additional problems in the data file.

Verify & Rebuild Data



Verify Data File

- 1) Select **File:Utilities:Verify Data** from the menu.
- 2) Click **OK** in the **Verify Data** window.
- 3) Click **OK** in the **QuickBooks Information** window.



Rebuild Data File

- 1) Select **File:Utilities:Rebuild Data** from the menu.
- 2) Click **OK** in the **Rebuild Data** window.
- 3) Click **OK** in the **QuickBooks Information** window.
- 4) Complete the backup of the company file, then click **OK**.
- 5) Click **OK** in the **QuickBooks Information** window.

Results of Verify/Rebuild Data



View Results of Verify/Rebuild Data

- 1) Press **F2** to display the **Product Information** window.
- 2) Press **F3** to display the **Tech Help** window.
- 3) Click the **Open File** tab.
- 4) Select **QBWIN.LOG** below **Select a file to open**.
- 5) Click the **Open File** button.
- 6) Scroll to the end of the document.

```

QBWin.log - Notepad
File Edit Format View Help
verify.c (14047) : CHECKPOINT: 7920: Wed Apr 01 10:01:38 Testing for duplicate IDs
verify.c (14137) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Duplicate ID test completed
verify.c (665) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Beginning Transaction Verify/Rebuild

verify.c (14741) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Check for inventory targets on targets with
verify.c (14778) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 COMPLETED check for inventory targets on ta
verify.c (741) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Ending Transaction Verify/Rebuild

verify.c (829) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Beginning Verify/Rebuild OnlineBanking Aliase
verify.c (842) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Ending Verify/Rebuild OnlineBanking Aliases.

prefuser.c (24687) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Permissions Analysis Starting...
prefuser.c (24723) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 Permissions Analysis Finished.
DHPortFile.cpp (387) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 DHCanRunColumnOrderCheck: flag value is
verify.c (14335) : CHECKPOINT: 7920: Wed Apr 01 10:01:41 column order check skipped in VerifyRebuild
verify.c (931) : CHECKPOINT: 7920: Wed Apr 01 10:01:41
===== * END REBUILD LOG * =====

verify.c (1170) : CHECKPOINT: 7920: Wed Apr 01 10:01:43 Rebuild completed: RB 04/01/2015
formwin.c (2559) : CHECKPOINT: 7920: Wed Apr 01 10:01:44 Creating form: formID=7000, itID=10
  
```

Visit Our Website
www.quickbookstraining.com

Chapter 13- Importing & Exporting

Mastering QuickBooks
Level 2

Between QuickBooks Files

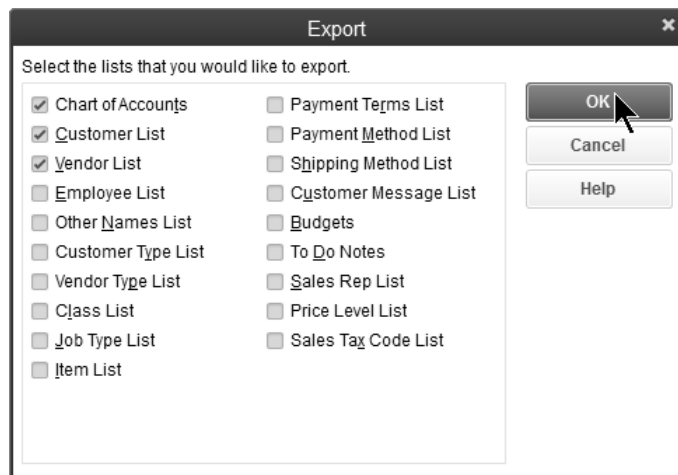
QuickBooks allows you to transfer lists and templates between QuickBooks files. You can also export memorized reports from QuickBooks Premier and Enterprise Solutions. However, you cannot export transactions out of QuickBooks, unless you use a data-transfer utility which you can find at marketplace.intuit.com.

Lists



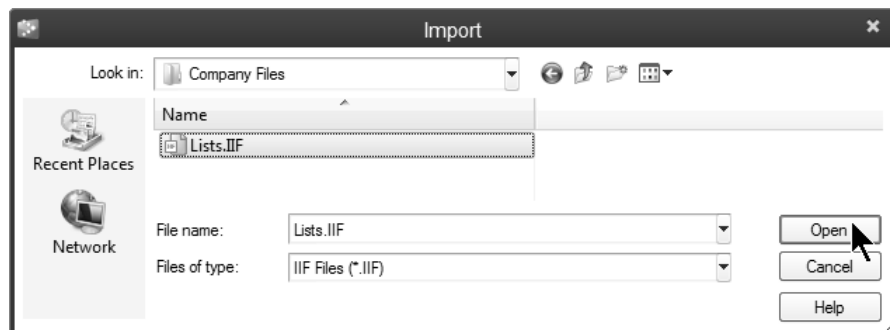
Export Lists

- 1) Select **File:Utilities:Export:Lists to IIF Files** from the menu.
- 2) Click the appropriate boxes to select lists to export.
- 3) Click **OK**.
- 4) Enter the **File name:** and location in the **Export** window.
- 5) Click **Save**.
- 6) Click **OK** in the **QuickBooks Information** window.



Import Lists

- 1) Open the company importing the list.
- 2) Select **File:Utilities:Import:IIF Files** from the menu.
- 3) Select the appropriate file to import in the **Import** window.
- 4) Click **Open**.
- 5) Click **OK** in the **QuickBooks Information** window.



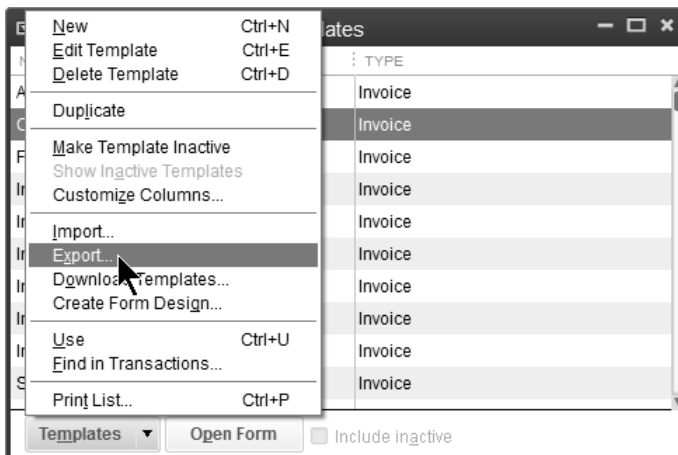
Templates

There is a different process for exporting and importing templates (customized forms).



Export Template

- 1) Select **Lists:Templates** from the menu.
- 2) Click to select the template for export.
- 3) Click the **Templates** button.
- 4) Select **Export** from the menu.
- 5) Enter the **File name** and location in the **Specify Filename for Export** window.
- 6) Click **Save**.



Import Template

- 1) Open the company importing the template.
- 2) Select **Lists:Templates** from the menu.
- 3) Click the **Templates** button.
- 4) Select **Import** from the menu.
- 5) Select the template file to import in the **Select File to Import** window.
- 6) Click **Open**.
- 7) Click the **Manage Templates** button in the **Basic Customization** window.
- 8) Enter the form's name as the **Template Name**.
- 9) Click **OK**.
- 10) Click **OK**.

Memorized Reports and Report Groups

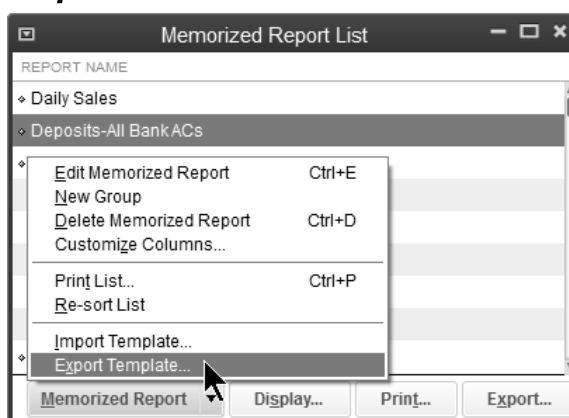
Report templates (memorized reports) and report groups can be exported using QuickBooks Premier and Enterprise Solutions. These reports and group templates can then be imported into QuickBooks Pro, Premier, or Enterprise Solutions.



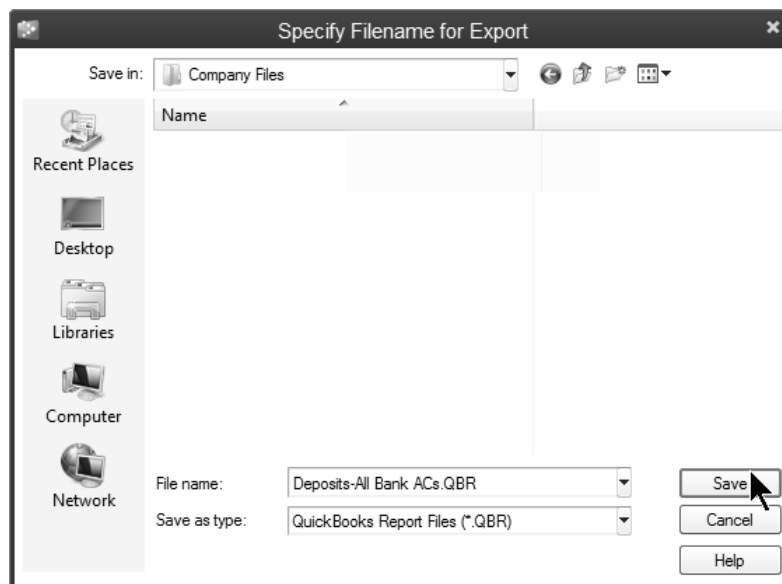
Export Report Template or Group

- 1) Select **Reports:Memorized Reports:Memorized Report List** from the menu.
- 2) Click the memorized report or report group to export.
- 3) Click the **Memorized Report** button.
- 4) Select **Export Template** from the menu.
- 5) Enter the **File name** and location of the report template or group.
- 6) Click **Save**.

Export Report Template



Specify Filename for Export

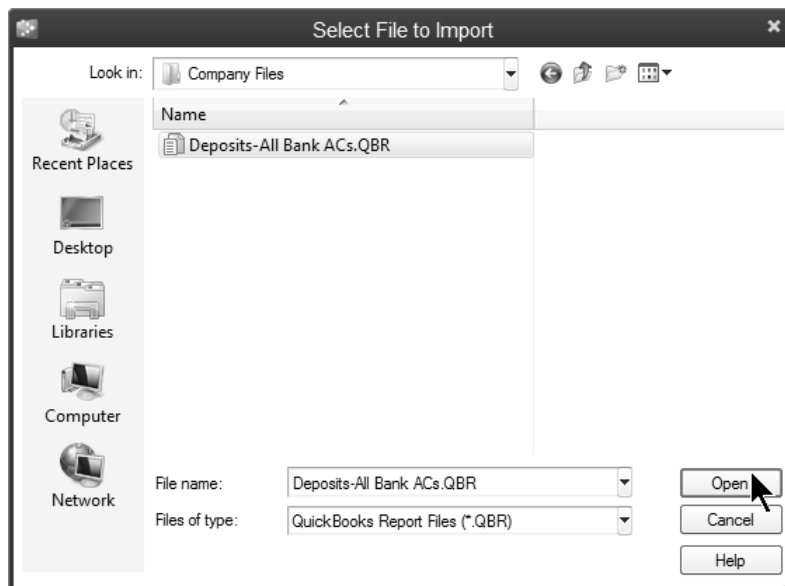




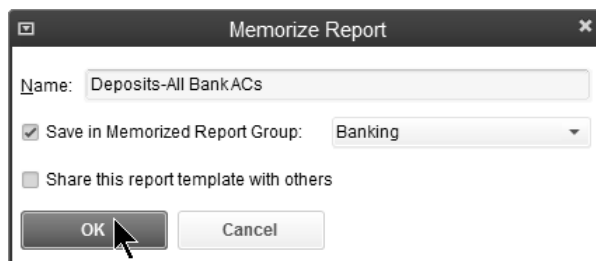
Import Report Template or Group

- 1) Open the company importing the report template or group.
- 2) Select **Reports:Memorized Reports:Memorized Report List** from the menu.
- 3) Click the **Memorized Report** button.
- 4) Select **Import Template** from the menu.
- 5) Select the report template or group file to import in the **Select File to Import** window.
- 6) Click **Open**.
- 7) Enter the report template or group name as the **Name**.
- 8) Click **OK**.

Import Report Template



Name Memorized Report



QuickBooks and Other Programs

Export Lists to Other Programs

QuickBooks can export lists from QuickBooks to other programs. To export a list, follow the instructions shown in the last section. You cannot select which fields to export, specify the sort order, or filter the list information during the export process. However, the export file can be opened in a spreadsheet program and modified to meet the requirements of the other software program.

Export Transactions to Other Programs

QuickBooks cannot export transactions. An alternative is to create a transaction report and print/save it as a tab-delimited file, or export the report as a comma separated values (.CSV) file. However, important internal transaction information cannot be added to QuickBooks reports. Therefore, the tab-delimited file or CSV file cannot be imported back into QuickBooks without modification. You can also export a list of transactions from the Transaction Tab of the Centers. First display the transactions you want. Then click the Excel drop-down list and select Export Transactions.

Import Lists/Transactions from Other Programs

QuickBooks can import lists and transactions from other programs not on the list of integrated applications, if the data is formatted correctly. If you are converting from another accounting system, it may be possible to import lists and transactions from the other system. To do so, the other program must allow you to export a tab or comma-delimited text file.

There are 4 options for importing lists or transactions:

- 1) Create an IIF file from scratch
- 2) Reformat an existing file to IIF format
- 3) Write a computer program to reformat data to IIF format
- 4) Use a data transfer utility*

For the first two options, it is suggested that a spreadsheet program be used to create/reformat the data to IIF format. There are two considerations.

First, creating IIF files can be extremely difficult and complex. It is recommended only for users with programming experience.

Second, unless you are importing a very large file (more than 200 transactions), it is likely more efficient to enter the data directly into QuickBooks.

*You can also use a data-transfer utility to automatically transfer transactions. To find these solutions, visit marketplace.intuit.com and type "IIF" or "data transfer utility" in the search field.

To build the IIF file using another program, follow these instructions:



Import Lists or Transactions from Another Program

- 1) In the other program, export the list or transactions to a tab or comma-delimited file.
- 2) Open the file in a spreadsheet program.
- 3) Insert a column to the left so that the first column is blank.
- 4) Insert a row at the top so that the first row is blank.
- 5) Enter the **List Type** in cell **A1**.
- 6) Fill in the remaining cells of the first column using the **List Type** from **Step 5**.
- 7) Add the column headings to the first row.
*These headings can be found in **QuickBooks Help**. Look in **QuickBooks Help** for **importing data:IIF file format**. Select the help topic titled **Reference Guide to Import files**. Click the appropriate **List Type** in the **QuickBooks Help** window.*
- 8) Verify that the column headings match the information in the columns.
The spreadsheet columns might require modification.
- 9) Save the spreadsheet as a tab or comma-delimited file, with the .iif extension.
- 10) In QuickBooks, open the company importing the file.
- 11) Select **File:Utilities:Import:IIF Files** from the menu.
- 12) Select the appropriate file to import in the **Import** window.
- 13) Click **Open**.
- 14) Click **OK** in the **QuickBooks Information** window.

	A	B	C	D	E	F	G	H	I	J	K
19	!TRNS	TRNSID	TRNSTYPE	DATE	ACCNT	NAME	CLASS	AMOUNT	DOCNUM	MEMO	CLEAR
20	!SPL	SPLID	TRNSTYPE	DATE	ACCNT	NAME	CLASS	AMOUNT	DOCNUM	MEMO	CLEAR
21	!ENDTRNS										
22	TRNS		INVOICE	1-Apr	Accounts	Customer		220.89	1		N
23	SPL		INVOICE	1-Apr	Construction:	Labor		-55		Framing l	N
24	SPL		INVOICE	1-Apr	Construction:	Materials		-120		Exterior w	N
25	SPL		INVOICE	1-Apr	Construction:	Materials		-30		Standard	N
26	SPL		INVOICE	1-Apr	Sales Tax	Sales Tax Vendor		-15.89	1		N
27	ENDTRNS										

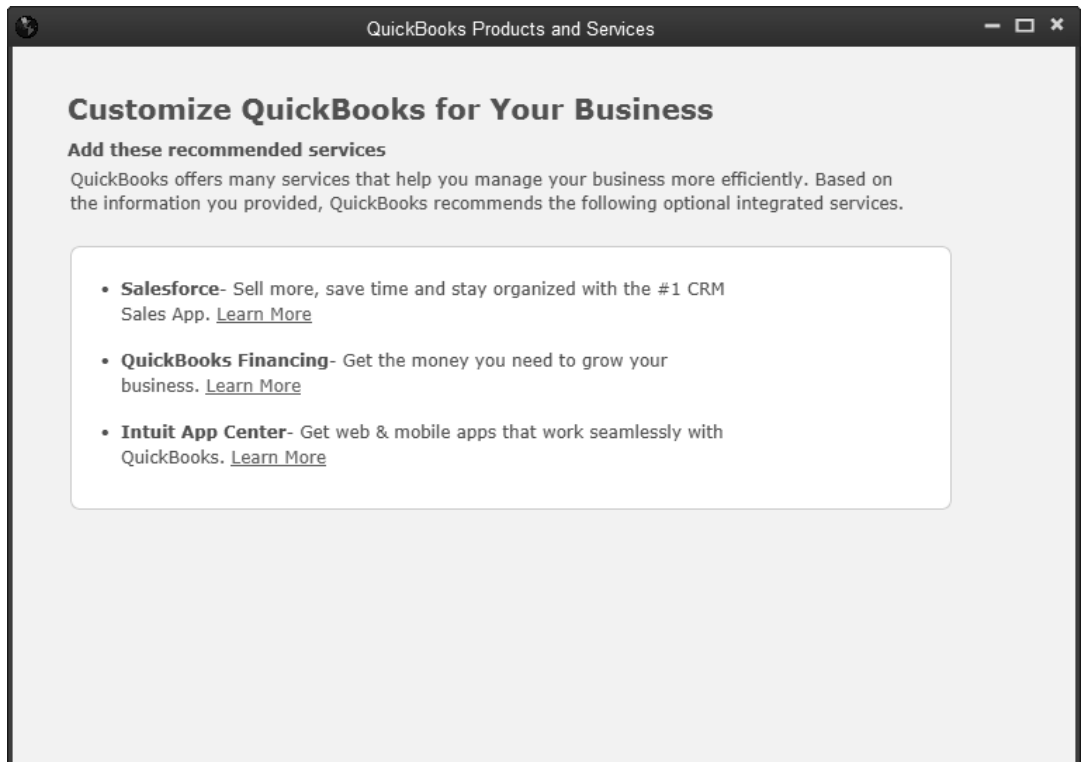
QuickBooks & Integrated Applications

QuickBooks can integrate other programs' data with QuickBooks data*. To find an integrated application for your industry, follow these steps.



Find Integrated Applications

- 1) Click **Help:Add QuickBooks Services**



* Additional fees apply. Terms, conditions, pricing, features and service offerings subject to change. Internet access may be required.

QuickBooks and Excel®

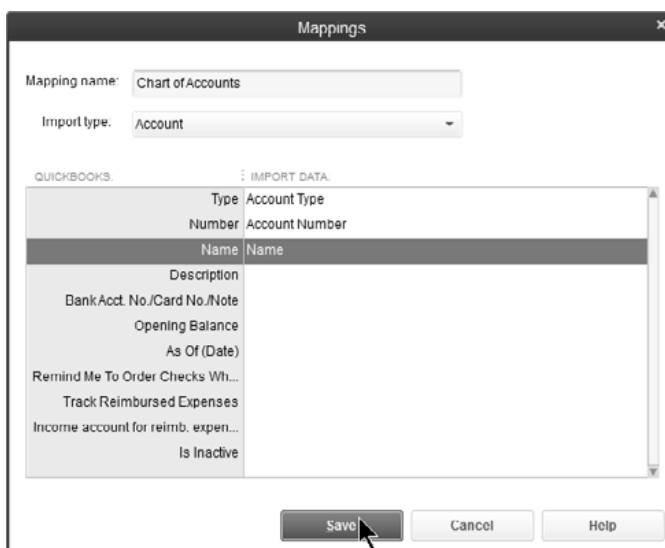
You can import selected lists from Excel into QuickBooks. Those lists include Accounts, Vendors, Customers, and Items.



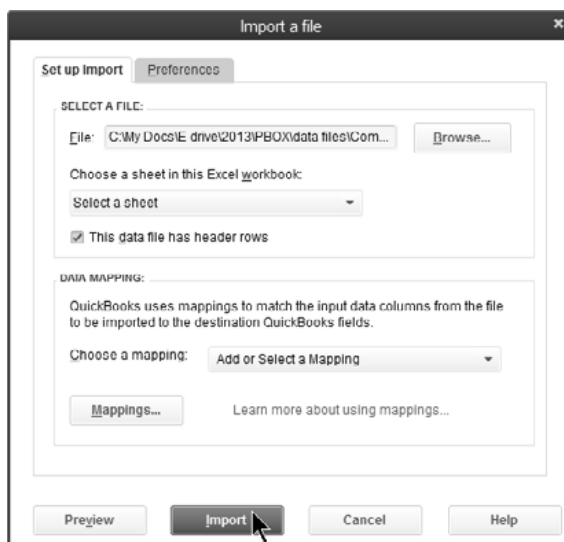
Import Lists from Excel

- 1) Select **File:Utilities:Import:Excel Files** from the menu.
- 2) Enter the name of the import file in the **Import a file** window.
- 3) Click the **Browse** button to change the file name or import file location.
- 4) Click **Open**.
- 5) Add or select a data mapping (if necessary).
- 6) Click **Import**.
- 7) Click **OK** in the **QuickBooks Information** window.

Map Excel List Data



Import a File



Add/Edit Multiple List Entries



Add/Edit Multiple List Entries

- 1) Select **Lists:Add/Edit Multiple List Entries** from the menu.
- 2) Click the **Lists** drop-down list and select **Customers**.
- 3) Click **Customize Columns**.
- 4) Add, remove, or reorder columns so the QuickBooks columns match the Excel columns.
- 5) Click **OK**.
- 6) Copy the records to be imported from the Excel document.
- 7) Paste the records to be imported into the **Add/Edit Multiple List Entries** window.
- 8) Clean up, add or edit data as necessary.
- 9) Click **Save Changes**.

Add/Edit Multiple List Entries

1 Select a list. 2 Customize columns to display. 3 Paste from Excel or type to add to or modify your list.

List: Customers View: Active Customers Find: Customize Columns

Currently Editing:

NAME	COMPANY NAME	MR./MS./...	FIRST NAME	LAST NAME	E-MAIL	BILL TO
Frank Auleta	Frank Auleta	Mr.	Frank	Auleta	Frank Auleta	04 Myw
Bahn's Music Shop	Bahn's Music Shop	Mr.	Eric	Bahn	Bahn's Music Shop	4 John
Mike Balak	Mike Balak	Mr.	Mike	Balak	Mike Balak	63 Gas
Lucy Deard	Lucy Deard	Ms.	Lucy	Deard	Lucy Deard	1505 D
Carr's Pie Shop	Carr's Pie Shop	Mr.	Steve	Carr	Carr's Pie Shop	100 Rh
Steve Cook	Steve Cook	Mr.	Steve	Cook	Steve Cook	480 Na
Dave Duncan	Dave Duncan	Mr.	Dave	Duncan	Dave Duncan	325 O't
Lynn Evans	Lynn Evans	Mrs.	Lynn	Evans	Lynn Evans	5501 L
Fair Designs	Fair Designs	Mr.	Scott	Fair	Fair Designs	1001 V
Jennifer Fisher	Jennifer Fisher	Ms.	Jennifer	Fisher	Jennifer Fisher	1021 B
Kirby Freeman	Kirby Freeman	Mr.	Kirby	Freeman	Kirby Freeman	501 En
Gordon Johnson	Gordon Johnson	Mr.	Gordon	Johnson	Gordon Johnson	1310 K
Brad Lamb	Brad Lamb	Mr.	Brad	Lamb	Brad Lamb	102 Str
Larsen's Pet Shop	Larsen's Pet Shop	Mr.	Jeff	Larsen	Larsen's Pet Shop	205 Da

Save Changes Close Help

Chapter 14- Working with Accountants

Mastering QuickBooks
Level 2

Journal Entries

Make Journal Entry



Make Journal Entry

- 1) Select **Company:Make General Journal Entries** from the menu.
- 2) Enter appropriate information in the **Make General Journal Entries** window.
- 3) Click **Save & Close**.

Below are some special considerations before making journal entries.

- 1) You must specify a name for entries to accounts receivable, accounts payable, and sales tax payable accounts. This way, QuickBooks can assign the entry to the proper name in the subledger.
- 2) You can only use one accounts receivable or accounts payable line per journal entry. Make multiple journal entries if you need to adjust multiple accounts receivable, accounts payable, or sales tax payable accounts.
- 3) Journal entries to accounts payable or accounts receivable will affect the sub-ledgers but still need to be applied.
- 4) Journal entries can affect 1099s, but they can also create unexpected results.
- 5) Journal entries to accounts receivable will affect customer statements printed for customers.
- 6) Journal entries made to any payroll tax liability accounts will not affect the liabilities shown in the built-in payroll system and payroll reports.

Reversing Journal Entry

It's easy to reverse a journal entry in QuickBooks Premier and Enterprise Solutions.



Reverse Journal Entry

- 1) Display the journal entry to be reversed.
- 2) Click the **Reverse** button.
- 3) Check the accuracy of the reversing entry **Date**.
- 4) Click **Save & Close**.

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Accrued Expenses	12,368.55		Reverse of GJE 7 -- Accrue expenses at mont...		
Cost of Sales		1,450.00			
Advertising		225.00			
Bank Service Charges		12.50			
Building Supplies		98.22			
Totals	12,368.55	12,368.55			

Year-End Procedures

You can keep as many years of data in QuickBooks as you wish. However, there are certain procedures you should follow at year-end. In this chapter, you learn six steps to complete in QuickBooks at year-end.

- 1) Consult the QuickBooks Year-End Guide and an accountant to build a complete list of tasks you need to perform at year-end
- 2) Set a closing date and password to restrict users from a prior period
- 3) Provide your accountant with your QuickBooks financial information using a method such as the *Accountant's Copy*
- 4) Incorporate changes from accountant
- 5) Clean up company data files to delete a prior period's detail transactions
- 6) The automatic year-end transfer of net income (loss) to retained earnings

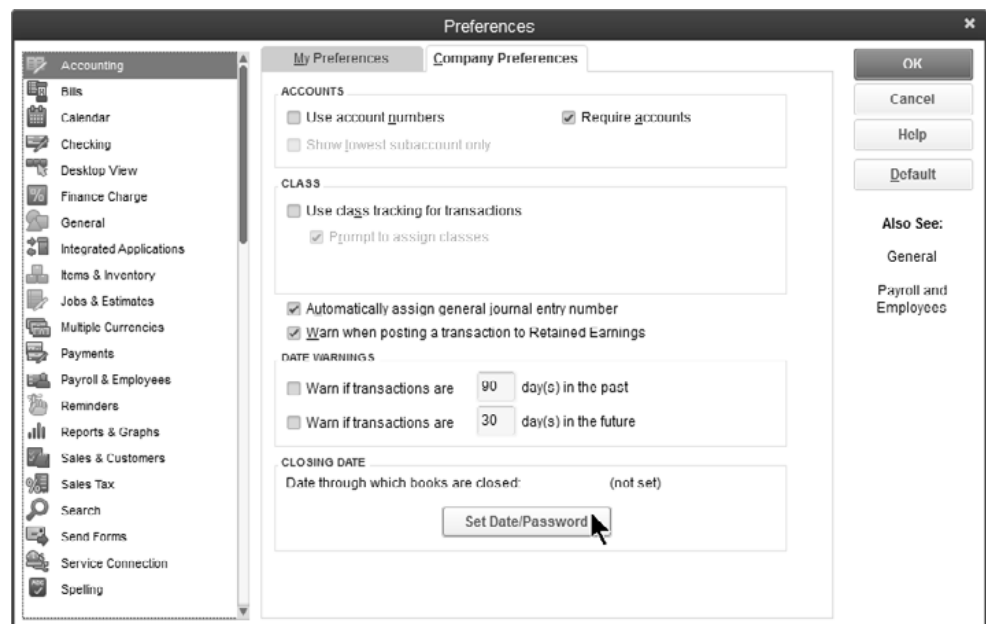
Set a Closing Date

The second year-end procedure involves restricting user access to prior accounting periods and setting a closing date and password. To make a change to a prior period, a user must have access and must know the closing date password.



Set a Closing Date & Password

- 1) Select **Company:Set Closing Date** from the menu.
- 2) Click the **Set Date/Password** button.
- 3) Enter the **Closing Date** in the **Set Closing Date and Password** window.
- 4) Enter the password as the **Closing Date Password**:
- 5) Enter the password as the **Confirm Password**:
- 6) Click **OK**.
- 7) Click **OK**.



Accountant-Client Scenarios

At least once a year, your accountant probably reviews your file. What is the best way for your accountant to work on your file? In this section, you learn common real world scenarios.

(1) Accountant Travels to Your Office

With this scenario, you do not transfer data or files back and forth. The disadvantage is this can result in lots of travel time. Plus, the accountant's time on your computer might mean unproductive time for you.

(2) Accountant's Copy Sent/Changes Received

You send an accountant's copy of the data file to your accountant. The accountant makes the adjustments and returns the adjustments to you. With this option, both the accountant and the client can work on the data file at the same time. You learn more about the Accountant's Copy process on **Page 200**. These are the steps involved:

- 1) Client creates an accountant's copy and specifies an appropriate *Dividing Date*
- 2) Accountant opens the accountant's copy
- 3) Accountant makes adjustments to the accountant's copy. Meanwhile, the client continues to work with the original file.
- 4) Accountant creates export file of adjustments
- 5) Client imports adjustments into the original file

(3) Data File Sent/Data File Received Back

You send a copy of the data file. The accountant makes changes directly to the data file and sends the data file to you. In order to make this effective, you and your accountant must have the same version and release of QuickBooks. The following is a summary of the steps involved:

- 1) You create a portable company file
- 2) You send the accountant the portable company file
- 3) Accountant opens the portable company file and saves it to their hard drive
- 4) Accountant makes necessary adjustments to the data file. Because this is not the accountant's copy, the accountant is not restricted to journal entries.
- 5) When complete, the accountant creates an updated portable company file
- 6) Accountant sends you the portable company file
- 7) You open the portable company file and save it to your hard drive. If you save the file using the original filename and location, you will overwrite your existing file.

You will not be able to continue making entries in your data file while the accountant is reviewing your file. *Accountant changes cannot be merged into your existing file.*

(4) Data File Sent/Report of AJE's Received

In this scenario, you send a portable company file to your accountant. Your accountant makes the appropriate changes and entries. Then, your accountant prepares a report of changes which is sent back, so you can enter the changes into the original data file. One possible problem with this method is that you are responsible for entering the adjustments. However, you can continue working on your data file while the accountant determines any necessary adjustments. The following is a summary of the steps involved with this method:

- 1) You close the period for which your accountant is making adjustments by setting the closing date and password.
- 2) You create a portable company file.
- 3) You send the accountant the portable company file.
- 4) Your accountant opens the portable company file and saves it to their hard drive. To open the file, the accountant will need to have the same (or higher) version and release of QuickBooks.
- 5) The accountant makes the adjustments as needed to the data file. Because this is not the accountant's copy, the accountant is not restricted to journal entries. It is suggested that the accountant make only general journal entries for the adjustments. This way, he/she can easily generate a report of the adjustments for you.
- 6) The accountant prints a journal report of adjustments for the client. For the accountant to create this report, the accountant should complete the following steps:



Create Journal Report

- 1) Select **Reports:Accountant & Taxes:Journal** from the menu.
- 2) Enter appropriate **Dates** to include on the report.
- 3) Click the **Customize Report** button and click the **Filters** tab.
- 4) Click **Transaction Type** in the list of **Filters** to the left.
- 5) Click the **Transaction Type** drop-down list and select **Journal**.
- 6) Click **Entered/Modified** in the list of **Filters** to the left, then enter appropriate dates to the right.
- 7) Click **OK**.

Also, the accountant could enter their initials in the Entry No. or Memo fields on their adjustments and add an appropriate filter to include only *their* journal entries.

- 7) The accountant sends the report to you.
- 8) You enter the adjustments into the data file.

Accountant's Copy-Step by Step

The *Accountant's Copy* is an easy way to work with accountants that use QuickBooks. The full Accountant's Copy process involves five steps. See Scenario (2) on **Page 198** for an overview. There are some client and accountant restrictions during the Accountant's Copy.

What You Can Do

<p>While your accountant is working with the Accountant's Copy, you can continue to work in the current period (after the dividing date). To prevent your work from conflicting with your accountant's work, there are limitations to what you can do after creating an Accountant's Copy.</p>	
<p>■ Transactions:</p> <ul style="list-style-type: none"> You can work only on transactions dated after the dividing date. 	<p>■ Lists (other than Chart of Accounts):</p> <ul style="list-style-type: none"> You can edit, sort, and make list items inactive. You cannot delete or merge list items.
<p>■ Accounts:</p> <ul style="list-style-type: none"> You can add a new account, but you cannot add a new subaccount to an existing account. Existing accounts: You cannot edit, merge, or make an existing account inactive. New accounts: You can edit an account or make any account inactive that you created while your accountant has the Accountant's Copy. 	<p>■ Reconciling:</p> <ul style="list-style-type: none"> You can reconcile your accounts while your accountant has an Accountant's Copy. All reconciliations that include transactions in the current period (after the dividing date) are saved and will not be undone. To prevent conflicts with your accountant's changes, reconciliations that include transactions dated on or before the dividing date will be undone when you import your accountant's changes. If your accountant has reconciled or undone a reconciliation for any period, any reconciliations you did will be undone when you import your accountant's changes.

What Accountant Can Do

As an accountant working in an Accountant's Copy, you can work on transactions dated on or before the dividing date. Your client continues to work in the company file on transactions dated after the dividing date. To prevent your work from conflicting with your client's work, there are limitations to what you can do in an Accountant's Copy.

Note: If the restrictions on using an Accountant's Copy won't accommodate your situation, you can convert it to a regular company file. If you do this, your client will not be able to automatically import your changes. He or she will have to enter your changes manually in the company file.

How do I know what I can do?

An Accountant's Copy prevents you from making any changes that may conflict with your client's work. Some fields may be disabled in an Accountant's Copy. In other areas, you may see fields with a highlighted background.

- **Highlighted background.** Information you enter in fields with a highlighted background **will** be included in changes you send back to your client.
- **Without highlighted background.** For fields without the highlighted background, you can change the information in the field if it helps you with your work, but that information **will not** be included in the changes you send back to your client.

Sent back to client?

Rate	<input type="text" value="0.00"/>	← No
Tax Code	Tax <input type="button" value="v"/>	← Yes

Transaction restrictions in Accountant's Copy

In an Accountant's Copy, you can add, edit, void, and delete most transactions. However, you can't add, edit, void, or delete the following transactions:

- Payroll
- Nonposting transactions (such as estimates, sales orders)
- Transfer of funds between accounts
- Build assemblies
- Sales tax payments

You can add or delete, but not edit or void:

- Bill payments by credit card

You can add, delete, and edit, but not void:

- Payments received

Reconciliation restrictions in Accountant's Copy

You can reconcile any period that ends before the dividing date, and your changes will be sent back to your client. Also, if you change the reconcile status of a transaction in the register, the change will go back to your client.

You can also reconcile periods ending after the dividing date if it helps you with your work, but those changes won't be sent back to your client. You can unreconcile any period.

List restrictions in Accountant's Copy

Note: The chart of accounts has no restrictions. You can work with the chart of accounts as you would in a regular QuickBooks file.

Generally, you can only view lists in an Accountant's Copy, but there are exceptions. You can edit and delete list items, and make any list items you create **in the Accountant's Copy** inactive. For lists with items dated before the Accountant's Copy was created, you can **only view** the lists. You can edit the following lists:

- Item lists
- Vendor lists

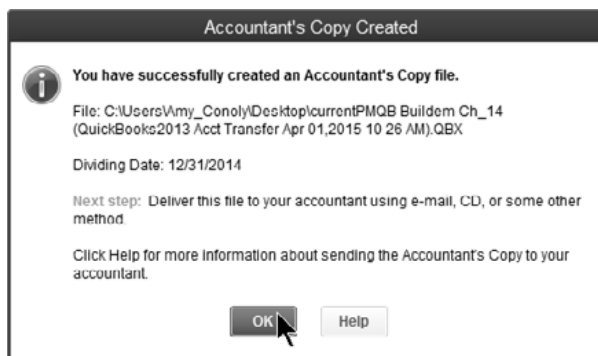
Also, you can add items to the following lists:

- Class list
- Customer list
- Vendor list
- Employee list
- Item list
- Fixed asset item
- Sales tax code list (you can't edit or inactivate items on this list)
- Other names lists



Step 1-Create Accountant's Copy (Client)

- 1) Select **File:Send Company File:Accountant's Copy:Save File** from the menu.
- 2) Click **Next**.
- 3) Enter the **Dividing Date**.
- 4) Click **Next**.
- 5) Click **OK** in the **Close All Windows** window.
- 6) Change the **Save in** location and **File name** if necessary.
- 7) Click **Save**.
- 8) Click **OK** in the **Accountant's Copy Created** window.
- 9) Deliver the Accountant's Copy to your accountant by email, CD, or other method.



Step 2-Open Accountant's Copy (Accountant)

- 1) Save the Accountant's Copy file you received from your client to your computer.
- 2) From the menu select **File:Send Company File:Accountant's Copy:Open & Convert Transfer File** from the menu.
- 3) Click **Next**.
- 4) Click **Next**.
- 5) Select the Accountant's Copy file in the **Open Accountant's Copy Transfer File** window.
- 6) Click **Open**.
- 7) Change the **Save in** location and the **File name** in the **Save As Accountant's Copy** window.
- 8) Click **Save**.
- 9) Click **OK**.



Step 3-Make Adjustments (Accountant)

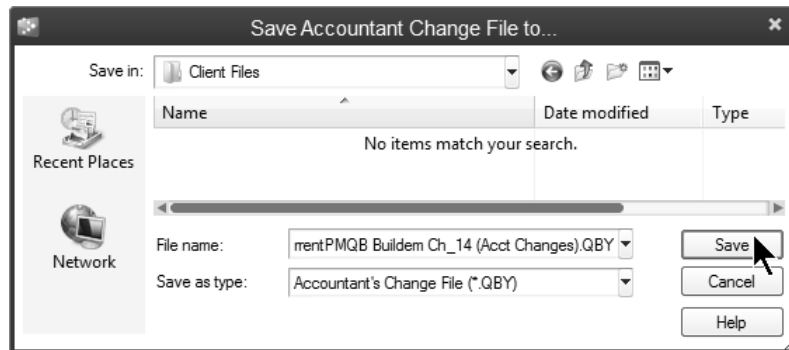
- 1) Select **Company:Make General Journal Entries** from the menu.
- 2) Enter adjustments in the **Make General Journal Entries** window.
- 3) Click **Save & Close**.





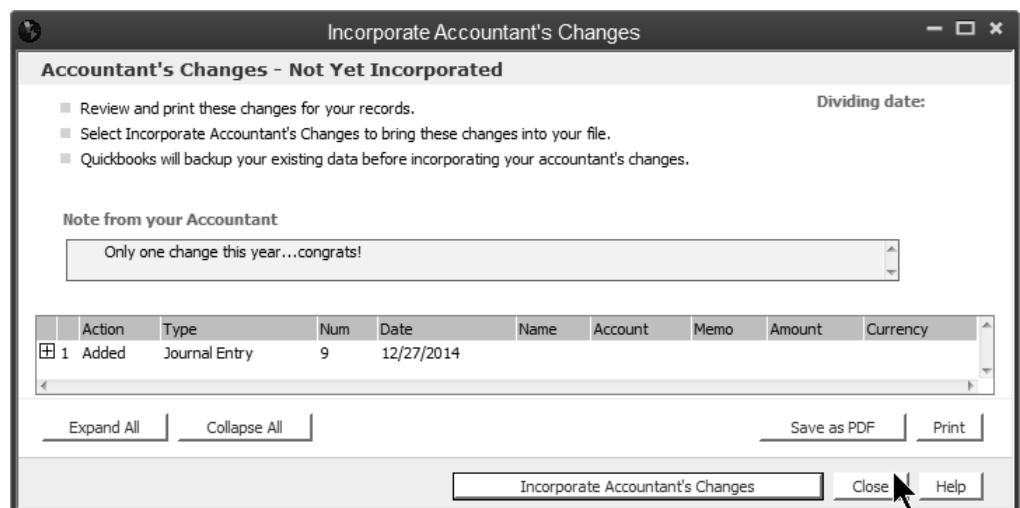
Step 4-Export Changes from Accountant's Copy (Accountant)

- 1) Select **File:Send Company File:Accountant's Copy:View/Export Changes for Client**.
- 2) (Optional) Enter a **Note for your client**.
- 3) Click **Create Change File**.
- 4) Select the **Save in** location and change the **File name** if necessary.
- 5) Click **Save**.
- 6) Click **OK**.
- 7) Deliver the Change File to your client by email, CD, or other method.



Step 5-Import Accountant's Changes (Client)

- 1) Select **File:Send Company File:Accountant's Copy:Import Accountant's Changes from File** from the menu.
- 2) Select the appropriate file in the **Import Accountant's Changes** window.
- 3) Click **Open**.
- 4) Click **Incorporate Accountant's Changes**.
- 5) Click **OK** to close all the windows.
- 6) Click **OK** to create a backup of the data file.
- 7) Click **Save**.
- 8) Click **OK** in the **QuickBooks Information** window.
- 9) Click **Close**.



Condense Data

QuickBooks allows you to delete unnecessary detail from past years through a process called *Condense Data*. It is suggested that you choose a condense date that keeps at least one year of detail in your data file.

This is not a required task at year-end. However, there are some benefits. For instance, once the detail is deleted, QuickBooks lets you delete list items that are no longer in use.

What Does Condensing Company Data Do?

- Creates a *Backup* copy of your file before transactions are deleted
- Deletes transactions no longer needed for your current records
- Adds monthly transactions that summarize the deleted transactions

The backup file name contains the date you clean up data, your company name, and the label "Archive Copy". This file coexists with your regular file and should not be used for entering daily transactions.

What Transactions are Not Deleted?

Various transactions are not deleted during this process. These include:

- 1) Transactions that have an open balance
- 2) Transactions linked to other transactions that can't be closed
- 3) Payroll transactions dated in the current year
- 4) Transactions considered "open", including all credits, payments, and journal entries that are not applied to the respective invoices
- 5) Transactions containing *Unbilled* costs (can be overridden)
- 6) Uncleared/unreconciled bank and credit card transactions (can be overridden)
- 7) Transactions marked *To be printed* or *To be sent* (can be overridden)

Condense Data

Complete the following steps to *Condense Data*.



Clean Up a Company Data File

- 1) Select **File:Utilities:Condense Data** from the menu.
- 2) Click **Yes** in the **Budget Data May Be Affected** window (if applicable).
- 3) Click the **All transactions** button.
- 4) Click the **Next** button.
- 5) Click **Yes** in the **Condense Data** window.
- 6) Click the **Begin Condense** button.

Year-End Closing Entry

Most accounting software programs make an entry at year-end to transfer the current year's net income (loss) to the equity accounts. QuickBooks automatically transfers the current year's net income (loss) to Retained Earnings. This can be called a *virtual entry* because QuickBooks makes the entry for report purposes only.

Buildem, Inc. Balance Sheet All Transactions			
	Dec 31, 13	Dec 31, 14	Dec 31, 15
Total Current Liabilities	53,106.88	31,147.00	31,147.00
▼ Long Term Liabilities			
Building Loan	112,000.00	112,000.00	112,000.00
Vehicle Loan	28,577.00	28,577.00	28,577.00
Total Long Term Liabilities	140,577.00	140,577.00	140,577.00
Total Liabilities	193,683.88	171,724.00	171,724.00
▼ Equity			
Capital Stock	5,000.00	5,000.00	5,000.00
Additional Paid In Capital	20,000.00	20,000.00	20,000.00
Retained Earnings	0.00	28,392.45	109,750.83
Net Income	<u>20,392.45</u>	<u>01,350.30</u>	<u>51,921.90</u>
Total Equity	53,392.45	134,750.83	186,672.81
TOTAL LIABILITIES & EQUITY	<u>247,076.33</u>	<u>306,474.83</u>	<u>358,396.81</u>

Closing Entries

QuickBooks makes the transfer of net income (loss) to Retained Earnings *for report purposes only*. There are no actual entries made to the Retained Earnings account. Also, Retained Earnings does not have an account register like other Balance Sheet accounts. Changes to a prior period will change the Retained Earnings balance. However, it is difficult to find these changes.

Retained Earnings-A Better Way

In this section, you learn a better way of handling Retained Earnings. There are two benefits to this method:

- 1) You use Retained Earnings like any other QuickBooks account. This means you can see year-end closing entries in the account register.
- 2) It will be easier to find changes made to prior year's balances.

Remember that QuickBooks does not make the actual journal entry at year-end. With this method, you make the journal entry that QuickBooks does not make. This method includes the following steps:

- 1) Change the name of the account titled *Retained Earnings* to *Prior Period Adjustments*. Later, only changes made to the prior year will be shown in this account.
- 2) Add a new Equity account titled *Retained Earnings* to the chart of accounts.
- 3) As of the *Start Date* of the company, make a journal entry to transfer the balance in the "*Prior Period Adjustments*" account to the new "*Retained Earnings*" account. The amounts for the journal entry can be found by running a Balance Sheet as of the Start Date.
- 4) As of the first day of each new fiscal year, make a journal entry to transfer the last year's net income from *Prior Period Adjustments* to *Retained Earnings*. In other words, you are making the journal entry that QuickBooks does not make! The amount of the entry can be found by running a Balance Sheet as of the first day of the next year.

(1) Change Account Name

(2) Create New “Retained Earnings” Account

Add New Account

Account Type: Equity

Account Name: Retained Earnings

☐ Subaccount of:

OPTIONAL

Description: User Created Retained Earnings A/C

Note:

Tax Line Mapping: <Unassigned> How do I choose the right tax line?

Enter Opening Balance... Should I enter an opening balance?

Save & Close Save & New Cancel

(3) Journal Entry as of Start Date

Make General Journal Entries

Main Reports

Find New Save Delete Create a Copy Memorize Reverse Print Attach File

DATE: 01/01/2014 ENTRY NO:

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Prior Period Adjustments	28,392.45		Transfer 2013 Net Income to Retained Earnings		
Retained Earnings		28,392.45	Transfer 2013 Net Income to Retained Earnings		
Totals	28,392.45	28,392.45			

Save & Close Save & New Clear

Balance Sheet After Entry

Balance Sheet

Customize Report Share Template Memorize Print E-mail Excol Hide Header Collapse Refresh

Dates: Custom As of: 01/01/2014 Columns: Total only Sort By: Default

12/31/14
Accrual Basis

Buildem, Inc.
Balance Sheet
As of January 1, 2014

	Jan 1, 14
Building Loan	112,000.00
Vehicle Loan	28,577.00
Total Long Term Liabilities	140,577.00
Total Liabilities	193,683.88
Equity	
Capital Stock	5,000.00
Additional Paid In Capital	20,000.00
Retained Earnings	28,392.45
Total Equity	53,392.45
TOTAL LIABILITIES & EQUITY	247,076.33

(4) Annual Journal Entry

Make General Journal Entries

DATE: 01/01/2015 ENTRY NO.:

ACCOUNT	DEBIT	CREDIT	MEMO	NAME	BILLABLE?
Prior Period Adjustments	81,358.38		Transfer 2014 Net Income to Retained Earnings		
Retained Earnings		81,358.38	Transfer 2014 Net Income to Retained Earnings		
Totals	81,358.38	81,358.38			

Buttons: Save & Close, Save & New, Clear

Balance Sheet After Journal Entry

Buildem, Inc.
Balance Sheet
As of January 1, 2015

	Jan 1, 15
Liabilities	
Building Loan	112,000.00
Vehicle Loan	28,577.00
Total Long Term Liabilities	140,577.00
Total Liabilities	171,724.00
Equity	
Capital Stock	5,000.00
Additional Paid In Capital	20,000.00
Retained Earnings	109,750.83
Total Equity	134,750.83
TOTAL LIABILITIES & EQUITY	306,474.83

Retained Earnings Account Register

Now, the balance in Retained Earnings acts like any other balance sheet account. You can double-click on the account to see the transactions. Transactions now appear on reports such as the General Ledger.

Retained Earnings

DATE	NUMBER	PAYEE	INCREASE	DECREASE	BALANCE
	TYPE	ACCOUNT	MEMO		
01/01/2014			28,392.45		28,392.45
GFNJRN Prior Period Adjustr Transfer 2013 Net In					
01/01/2015			81,358.38		109,750.83
GENJRN Prior Period Adjustr Transfer 2014 Net In					
02/28/2...	Number	Payee	Increase	Decrease	
	Account				
ENDING BALANCE					109,750.83

Buttons: Splits, 1-line, Sort by, Record, Restore

Find Prior Year Changes

The method shown in the last section allows you to see changes to prior year's balances. The changes appear in the Prior Period Adjustments account. This section focuses on finding prior period changes.

Closing Date Exception Report

QuickBooks Premier and Enterprise Solutions provide a "*Closing Date Exception Report*" which lists changes made to transactions dated before the closing date. This report works even if the *Audit Trail* feature is not enabled. The Closing Date Exception Report does not show deleted transactions.



Display Closing Date Exception Report

- 1) Select **Reports:Accountant & Taxes:Closing Date Exception Report** from the menu.

Finding Changed Transactions

To see the changes made to the prior year's balances, follow these steps:

- 1) Run a Balance Sheet as of the current date. If a balance appears in the Prior Period Adjustments account, this is the amount of prior year's changes.
- 2) To find the changes, run an Audit Trail report. Modify the report so that it shows transactions entered or changed with a transaction date in the prior period. Also, modify the report to show transactions entered since you made the annual retained earnings adjustment. QuickBooks Premier and Enterprise Solutions users should run the *Closing Date Exception Report*.
- 3) Make necessary adjustments to correct the prior year's balances.

The suggested method does not find changes that were not specific changes to transactions. For instance, changing the Income Account for an Item would not appear on the *Audit Trail* or *Closing Date Exception Report*.

(1) Current Balance Sheet

Balance Sheet	
Customize Report	Share Template
Memorize	Print
E-mail	Excel
Hide Header	Collapse
Refresh	
Dates	This Fiscal Year-to-date
As of	03/31/2015
Columns	Total only
Sort By	Default
Buildem, Inc.	
Balance Sheet	
As of March 31, 2015	
03/31/15	Mar 31, 15
Accrual Basis	
Total Long Term Liabilities	140,577.00
Total Liabilities	171,724.00
Equity	
Capital Stock	5,000.00
Additional Paid In Capital	20,000.00
Retained Earnings	109,750.83
Prior Period Adjustments	10,500.00
Net Income	38,940.19
Total Equity	184,191.02
TOTAL LIABILITIES & EQUITY	355,915.02

(2) Audit Trail Report



Identify Prior Year's Changes

- 1) Select **Reports:Accountant & Taxes: Audit Trail** from the menu.
- 2) Click the **Customize Report** button.
- 3) Enter a date before the Start Date of the data file as the **From** below **Report Date Range**.
- 4) Enter the last day of the prior year as the **To**.
- 5) Enter the date of the last Retained Earnings adjustment as the **From** below **Days Entered/Last Modified**.
- 6) Enter the current date as the **To**.
- 7) Click **OK**.

Modify Report Window

Audit Trail Report Showing Changes

Buildem, Inc. Audit Trail							
Entered/Last Modified February 10 through March 31, 2015							
Num	Entered/Last Modified	Last modified by	State	Date	Name	Account	Amount
Transactions entered or modified by admin							
Check 129							
129	03/31/2015 11:23:55	admin			Deleted		0.00
129	12/31/2014 09:52:49	admin		02/28/2014	Spendalot, Inc.	Manhattan Bank	-10,500.00
					Spendalot, Inc.	Equipment Rental	10,500.00

What's Included on a Cash Basis Balance Sheet?

Accounts Receivable

For Accounts Receivable, the following transactions are included on a cash basis balance sheet:

- 1) Using an item linked to a balance sheet account on an invoice. A cash basis balance sheet will include the following entry:

(dr) Accounts Receivable	XXX	
(cr) Balance Sheet Account		XXX

Create Invoices

Main Formatting Send/Ship Reports

Find **New** **Save** **Delete** **Create a Copy** **Memorize** **Mark As Pending** **Print** **Email**

☐ Print Later ☐ Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER JOB Fannin Reside... ▾
TEMPLATE Intuit Service... ▾

Invoice

Date
03/21/2015 📅

Invoice #
17

Bill To
Jupiter Homes
4822 Neptune Road
Dallas, TX 75111

P.O. No. _____ Terms
Net 30 ▾

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Customer Deposit		Your deposit	5,000.00	5,000.00	Non

ONLINE PAY Off ▾

Customer Message
Thank you for your business. ▾

Dallas County ▾ (8.25%) 0.00

Total 5,000.00

PAYMENTS APPLIED 0.00

BALANCE DUE 5,000.00

MEMO

CUSTOMER TAX CODE Tax ▾

Save & Close **Save & New** Revert

- 2) Selling inventory on an invoice. A cash basis balance sheet will include the following entry:

(dr) Accounts Receivable	XXX	
(cr) Inventory		XXX

Create Invoices

Main Formatting Send/Shipment Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email ☐ Print Later ☐ Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER JOB Lake Michigan ... TEMPLATE Intuit Service...

Invoice

Date: 03/27/2015 Bill To: Lake Michigan Developme
677 Lakefront
Green Bay, WI 54883

Invoice #: 21

P.O. No.: 15 Terms: Net 30

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Cedar Door	10	Natural Cedar Door	499.95	4,999.50	Non

ONLINE PAY: Off Out of State (0.0%) Total: 4,999.50

Customer Message: Thank you for your business PAYMENTS APPLIED: 0.00

BALANCE DUE: 4,999.50

MEMO CUSTOMER TAX CODE: Non Save & Close Save & New Revert

- | | | |
|-------------------------------------|-----|-----|
| (dr) Bank Account/Undeposited Funds | XXX | |
| (cr) Accounts Receivable | | XXX |

Receive Payments

Main Reports Payments

Find New Delete Print Attach File Look up Customer/Invoice Auto Apply Payment Discounts And Credits Add Credit Card Processing

Customer Payment

RECEIVED FROM: Columbia Managem... CUSTOMER BALANCE: 0.00

AMOUNT: 2,621.25 DATE: 03/30/2015

PMT. METHOD: Check CHECK #: 2621.25

Where does this payment go?

✓	DATE	NUMBER	ORIG.AMT.	AMT. DUE	PAYMENT
There are no unpaid invoices for this customer					
Totals			0.00	0.00	0.00

OVERPAYMENT

WHEN FINISHED:

☒ LEAVE THE CREDIT TO BE USED LATER

☐ REFUND THE AMOUNT TO THE CUSTOMER

[VIEW CUSTOMER CONTACT INFORMATION](#)

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE: 0.00

APPLIED: 0.00

DISCOUNT AND CREDITS APPLIED: 0.00

MEMO: ☐ Process payment when saving

Save & Close Save & New Revert

For Accounts Payable, the following transactions are included on a cash basis balance sheet:

1) Using an item linked to a balance sheet account on a bill

A/R Reports Do Not Match Balance Sheet

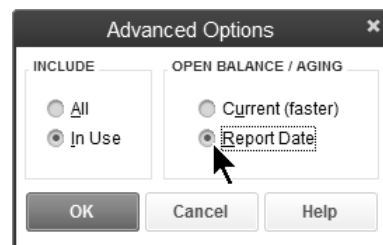
What if Accounts Receivable on the Balance Sheet does not match Accounts Receivable reports like the *Open Invoices* report? There are three reasons why this might occur.

- 1) The reports are run at different times (easy to distinguish with the Time Prepared header option).
- 2) The Balance Sheet is run on a cash basis (easy to distinguish with the Report Basis header option).
- 3) The A/R report is aging based on the wrong date. This is usually caused by reports run using a date in the past.



Change Date Used for A/R Aging Option

- 1) Run the appropriate report from the **Reports** menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Advanced** button.
- 4) Click the **Report Date** button below **Open Balance/Aging** in the **Advanced Options** window.
- 5) Click **OK**.
- 6) Click **OK**.



General Ledger for a Few Accounts

You may need to print the general ledger report for only a few accounts. If you filter for just these accounts, the report still prints the other accounts with zero balances! Use the following advanced display feature to solve the problem.



Prepare General Ledger for a Few Accounts

- 1) Select **Reports:Accountant & Taxes:General Ledger** from the menu.
- 2) Click the **Customize Report** button.
- 3) Click the **Filters** tab.
- 4) Click **Account** in the list of filters to the left.
- 5) Click the **Account** drop-down list and select **Multiple accounts**.
- 6) Choose the appropriate accounts from the list.
- 7) Click **OK**.
- 8) Click the **Display** tab.
- 9) Click the **Advanced** button.
- 10) Click the **In Use** button below **Include** in the **Advanced Options** window.
- 11) Click **OK**.
- 12) Click **OK**.

Transaction Journal

QuickBooks makes the journal entries when you enter checks, invoices, or other transactions. To see the journal entry made by QuickBooks, display the original transaction and run the *Transaction Journal* report.



Review the Transaction Journal

- 1) Display the original transaction.
- 2) Select **Reports:Transaction Journal** from the menu, or press **Ctrl+Y**.

Buildem, Inc.
Transaction Journal
All Transactions

04/01/15

Type	Date	Num	Name	Memo	Item	Item Description	Account	Sales Price	Amount
Invoice	03/30/2015	23	Myers & Associates				Accounts Receivable		100.67
			Myers & Associates	Repair-H...	Hinges service an...		Service Income	24.95	(24.95)
			State Of Texas	Dallas C...	Sales Tax Rate in ...		Sales Tax Payable	8.25%	(5.77)
			Myers & Associates	Bag Of ...	Full bag of 2" nails.		Parts Sales	69.95	(69.95)
									0.00
TOTAL									0.00

Entry Journal

To generate a report listing transactions entered during a specific period, regardless of the transaction dates, follow these steps:



Generate an Entry Journal Report

- 1) Select **Reports:Custom Reports:Transaction Detail** from the menu.
- 2) Click the **Filters** tab.
- 3) Click **Entered/Modified** from the list of filters to the left.
- 4) Enter the dates for which you want to see transactions entered or modified.
- 5) Click **OK**.

Modify Report: Custom Transaction Detail Report

Display | **Filters** | Header/Footer | Fonts & Numbers

CHOOSE FILTER

FILTER
Detail Level
Due Date
Entered/Modified
Estimate Active
FOB

Entered/Modified

From: 04/01/2015 To: 04/01/2015

CURRENT FILTER CHOICES

FILTER	SET TO
Entered/Modified	Today

Remove Selected Filter

ENTERED/MODIFIED FILTER

Choose a date range for the date of the last change to a transaction from the drop-down list.

Tell me more...

Revert

OK Cancel Help

Appendix- Multicurrency

*Mastering QuickBooks
Level 2*

Set Up Multiple Currencies

To use multiple currencies in your company file you must do the following:

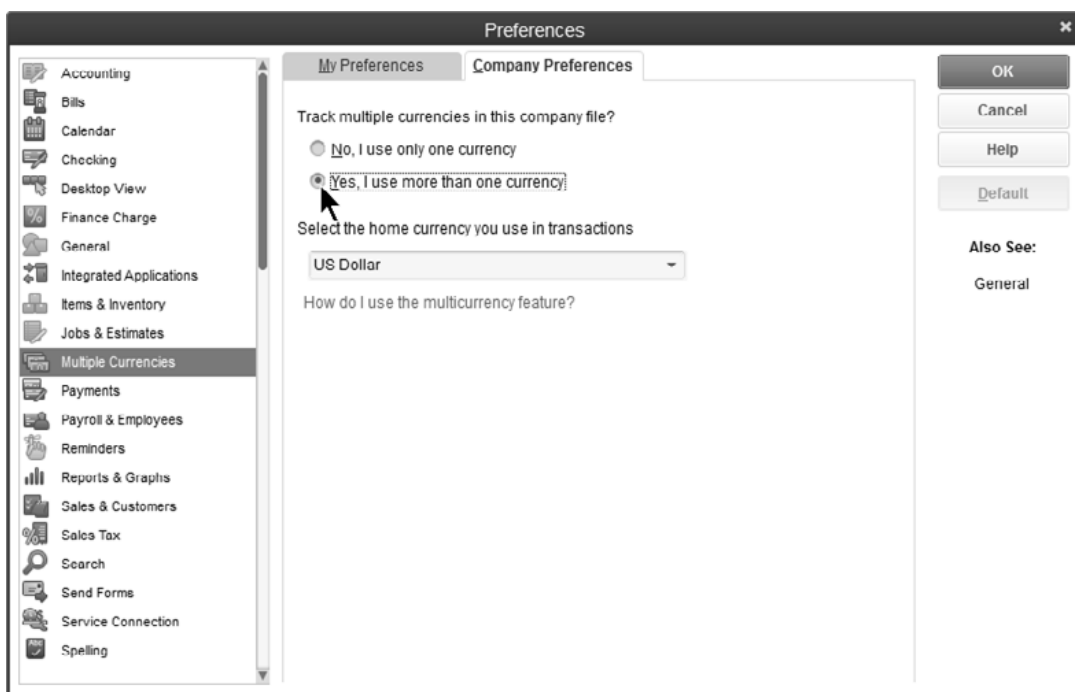
- 1) Turn on the multiple currencies preference
- 2) Activate the foreign currency (or currencies) for your transactions
- 3) Download the latest exchange rates or enter the exchange rates manually
- 4) Assign a foreign currency to each foreign customer

Turn on Multiple Currencies



Enable Multiple Currencies

- 1) Select **Edit:Preferences** from the menu.
- 2) Click the **Multiple Currencies** icon in the list to the left.
- 3) Click the **Company Preferences** tab.
- 4) Click **Yes, I use more than one currency**.
- 5) Click **Yes**.
- 6) Select your **Home currency**.
- 7) Click **OK**.

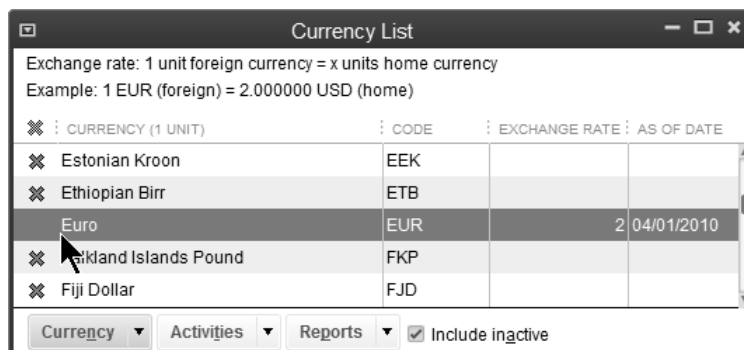


Activate Foreign Currencies



Activate Currencies

- 1) Select **Lists:Currency List** from the menu.
- 2) Check the box to **Include inactive**.
- 3) Click to remove the **X** from the currency you want to use.
- 4) Uncheck **Include inactive** to show only the active currencies.

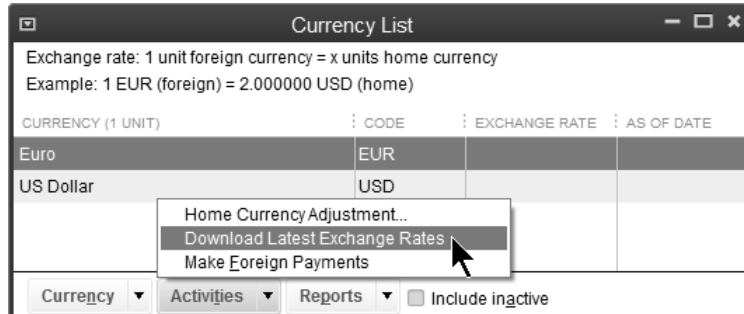


Download Exchange Rates



Download Current Exchange Rates

- 1) Select **Lists:Currency List** from the menu.
- 2) Select the currency you want to update exchange rates for.
- 3) Click **Activities:Download Latest Exchange Rates** from the menu.



Assign Foreign Currency to Customer



Assign Currency

- 1) Click the **Customers** icon.
- 2) Edit a customer or add a new customer.
- 3) Click the **Currency** drop-down list and select the customer's payment currency.
- 4) Click **OK**.

New Customer

CUSTOMER NAME: **Big Ben Homes**

OPENING BALANCE: AS OF: 04/01/2015 How do I determine the opening balance? CURRENCY: **Euro**

Address Info

COMPANY NAME:

FULL NAME: Mr./Ms./... First M.I. Last

JOB TITLE:

Main Phone: Main Email:

Work Phone: CC Email:

Mobile: Website:

Fax: Other 1:

ADDRESS DETAILS

INVOICE/BILL TO: SHIP TO:

☐ Default shipping address

☐ Customer is inactive

OK **Cancel** **Help**

Foreign A/R Account

When assigning a foreign currency to a customer, QuickBooks automatically creates an accounts receivable account for that currency.

Chart of Accounts

NAME	TYPE	CURRENCY	BALANCE TOTAL	ATTACH
Checking	Bank	USD	29,754.53	
Money Market Account	Bank	USD	4,500.00	
Petty Cash	Bank	USD	0.00	
Accounts Receivable	Accounts Receivable	USD	283,768.73	
Accounts Receivable - EUR	Accounts Receivable	EUR	0.00	
Finished Goods Inventory	Other Current Asset	USD	9,749.75	
Inventory	Other Current Asset	USD	134,419.49	
Raw Materials Inventory	Other Current Asset	USD	0.00	

Account Activities Reports Attach ☐ Include inactive

Foreign Price Level



Foreign Price Level

- 1) Click **Lists:Price Level List**.
- 2) Click **Price Level:New**.
- 3) Click **Price Level Type** drop-down list and select **Per Item**.
- 4) Select the **Currency** you want to use for the price level.
- 5) Assign a foreign price for each Item as appropriate.
- 6) Click **OK**.

New Foreign Price Level

New Price Level

Price Level Name: Euro Price ☐ Price Level is inactive

Price Level Type: Per Item Use this type of price level to set custom prices for individual items when setting up prices for different customers or jobs.

Currency: Euro

ITEM	COST (USD)	STANDARD PRICE (USD)	CUSTOM PRICE (EUR)
Lock	29.95	148.00	100.00
Oak Door	749.00	1,000.00	1,000.00
Patio Locks	50.00	99.95	
Regular Door	49.95	69.95	
Steel Locks	9.95	15.95	
Walnut Door	495.99	799.95	

☒ Mark All

Adjust price of marked items to be: 0.0% lower than its standard price

Round up to nearest: no rounding

How do I print a report?

Assign Price Level to Customer

Edit Customer

CUSTOMER NAME: Big Ben Homes

CURRENT BALANCE: EUR 0.00 How do I adjust the current balance?

CURRENCY: Euro

Address Info: ACCOUNT NO. CREDIT LIMIT: EUR

Payment Settings: PAYMENT TERMS PRICE LEVEL: Euro Price

Sales Tax Settings: PREFERRED DELIVERY METHOD: None ADD ONLINE PAYMENT LINK TO INVOICES

Additional Info: PREFERRED PAYMENT METHOD

Job Info: CREDIT CARD INFORMATION

CREDIT CARD NO. EXP. DATE NAME ON CARD ADDRESS ZIP / POSTAL CODE Can I save the Card Security Code?

☐ Customer is inactive

Multiple Currency Transactions

Invoice Customer

Create Invoices - Accounts Receivable - EUR

Main Formatting Send/Ship Reports

Find New Save Delete Create a Copy Memorize Mark As Pending Print Email Print Later Email Later Attach File Add Time/Costs Apply Credits Receive Payments

CUSTOMER:JOB Big Ben ... EUR ACCOUNT Accounts R... TEMPLATE Intuit Service...

Invoice

Date 04/01/2015 Bill To

Invoice # 1

P.O. No. Terms

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT
Lock		Lock with Kryptonite key	100.00	100.00

EXCHANGE RATE 1 EUR = 1.5 USD

ONLINE PAY Off

Customer Message

MEMO

USD 150.00

Total EUR 100.00

PAYMENTS APPLIED EUR 0.00

BALANCE DUE EUR 100.00

USD 150.00

Save & Close Save & New Clear

Receive Payment

Receive Payments

Main Reports Payments

Find New Delete Print Attach File Look up Customer/Invoice Un-Apply Payment Discounts And Credits Add Credit Card Processing

Customer Payment

RECEIVED FROM: **Big Ben Homes** CUSTOMER BALANCE: EUR **100.00** A/R ACCOUNT: **Accounts Receivable...**

AMOUNT: EUR **100.00** DATE: **04/01/2015** EXCHANGE RATE 1 EUR = **1.5** USD

PMT. METHOD: **Checking** REFERENCE #: **Checking** DEPOSIT TO: **Checking**

CARD NO. **Checking** EXP. DATE: **Checking**

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
04/01/2015	1	100.00	100.00	100.00
Totals EUR		100.00	100.00	100.00

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE	EUR	100.00
APPLIED	EUR	100.00
DISCOUNT AND CREDITS APPLIED	EUR	0.00
AMOUNT RECEIVED	USD	150.00

MEMO: **Process credit card when saving** Save & Close Save & New Clear

Profit & Loss Statement after Customer Payment

Profit & Loss

Customize Report Share Template Memorize Print E-mail Excel Hide Header Collapse Refresh

Dates: This Month-to-date From: 04/01/2015 To: 04/01/2015 Columns: Total only

Buildem, Inc.
Profit & Loss
April 1, 2015

04/01/15
Accrual Basis

Total Income	150.00
Cost of Goods Sold	
Materials	29.95
Total COGS	29.95
Gross Profit	120.05
Net Ordinary Income	120.05
Other Income/Expense	
Other Expense	
Exchange Gain or Loss	(50.00)
Total Other Expense	(50.00)
Net Other Income	50.00
Net Income	170.05

Record Deposit

Make Deposits

Previous

Next

Save

Print

Payments

History

Attach

Deposit To

Checking

Date

04/01/2015

Memo

Deposit

Currency

Euro

EXCHANGE RATE 1 EUR = 2

USD

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK N...	PMT METIL	AMOUNT (EUR)
Big Ben Homes	Undeposited Funds				100.00

Deposit Subtotal

EUR

100.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to

Cash back memo

Cash back amount

EUR

Deposit Total

EUR

100.00

USD

200.00

[Learn about making foreign payments](#)

Save & Close

Save & New

Revert

Home Currency Adjustment

A **Home Currency Adjustment** adjusts your financial statements to reflect the amount of realized gain/loss you would have if your customers paid remaining balances at the current exchange rate. Perform a Home Currency Adjustment when you prepare your financial statements.



Home Currency Adjustment

- 1) Click **Lists:Currency List**.
- 2) Click **Activities:Home Currency Adjustment**.
- 3) Click the **Currency** drop-down list and select the currency to adjust.
- 4) Click **Calculate Adjustment**.
- 5) Select the customers you want to adjust.
- 6) Click **Save & Close**.

Calculate Adjustment

Home Currency Adjustment

Enter adjustment information and then click the Calculate Adjustment button to view open balances. When and how should I use a home currency adjustment?

Date: 04/30/2015 Currency: Euro Exchange Rate 1 EUR = 2 USD Calculate Adjustment

✓ TYPE	NAME	FOREIGN BALANCE (EUR)	BALANCE (USD)	ADJ. BALANCE (USD)	EXCHANGE GAIN/LOSS (USD)
Total USD					

Clear All Memo Save & Close Save & New Help

Home Currency Adjustment

Home Currency Adjustment

Enter adjustment information and then click the Calculate Adjustment button to view open balances. When and how should I use a home currency adjustment?

Date: 04/30/2015 Currency: Euro Exchange Rate 1 EUR = 2 USD Calculate Adjustment

✓ TYPE	NAME	FOREIGN BALANCE (EUR)	BALANCE (USD)	ADJ. BALANCE (USD)	EXCHANGE GAIN/LOSS (USD)
✓ Customer	Croissant Investments	1,000.00	1,500.00	2,000.00	500.00
✓ Customer	Munich Mansions	2,000.00	3,000.00	4,000.00	1,000.00
✓ Customer	Piazza Custom Designs	2,500.00	3,750.00	5,000.00	1,250.00
Total USD 2,750.00					

Clear All Memo Save & Close Save & New Help

Balance Sheet after Adjustment

Balance Sheet	
Customize Report	Share Template
Memorize	Print
E-mail	Excel
Hide Header	Collapse
Refresh	
Dates	Custom
As of	04/30/2015
Columns	Total only
Sort By	Default
Buildem, Inc.	
Balance Sheet	
As of April 30, 2015	
04/01/15	
Accrual Basis	
ASSETS	
Current Assets	
Checking/Savings	
Checking	29,954.53
Money Market Account	4,500.00
Total Checking/Savings	34,454.53
Accounts Receivable	
Accounts Receivable	283,768.73
Accounts Receivable - EUR	11,000.00
Total Accounts Receivable	294,768.73

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