Learning Manual
Day 1 Agenda

During webinars, all times listed below are in Central time.

Seminar Welcome................................................................. 9:30

Chapter 1: Introduction to QuickBooks

Break................................................................. 10 minutes

Chapter 2: Working With Lists

Chapter 3: Financial Statements

Chapter 4: Items

Lunch Break................................................................. 1 hour

Chapter 5: Customers & Sales-Part I

Chapter 6: Customers & Sales-Part II

Break................................................................. 10 minutes

Chapter 7: Customizing Forms

Chapter 8: Finding and Saving Time

Chapter 9: Sales Tax

Class Dismissed ................................................................. 5:00

Question & Answer Session (Optional)
Day 2 Agenda

During webinars, all times listed below are in Central time.

Seminar Welcome........................................................................................................ 9:30

Chapter 10: Vendors and Expenses

Chapter 11: Banking

Chapter 12: Special Topics

Break.................................................................................................................. 10 minutes

Chapter 13: Setting Up Payroll

Chapter 14: Time Tracking

Lunch Break ........................................................................................................ 1 hour

Chapter 15: Running Payroll

Chapter 16: Security & Multi-User

Chapter 17: Working With Reports

Chapter 18: Utilities

Break.................................................................................................................. 10 minutes

Chapter 19: Year-End Procedures

Chapter 20: Inventory

Class Dismissed..................................................................................................... 5:20

Question & Answer Session (Optional)
Chapter 1: Introduction to QuickBooks ................................................................. 1
   Introduction ........................................................................................................ 2
   Editions of QuickBooks .................................................................................... 3
   QuickBooks Online .......................................................................................... 3
   QuickBooks Pro ............................................................................................... 3
   QuickBooks Premier ......................................................................................... 5
   QuickBooks Enterprise Solutions ..................................................................... 6
   Industry-Specific QuickBooks ......................................................................... 7
   Create Company File ....................................................................................... 10
   Complete Your Setup ..................................................................................... 11
   Moving Around in QuickBooks ...................................................................... 12
   Preferences ....................................................................................................... 14
   Customize Home Page ................................................................................... 16

Chapter 2: Work With Lists .................................................................................. 17
   List Types ......................................................................................................... 18
   List Limits ......................................................................................................... 19
   Use Lists .......................................................................................................... 22
   Sort Lists ......................................................................................................... 25
   Print Lists ......................................................................................................... 26

Chapter 3: Financial Statements ........................................................................ 27
   Financial Statements ....................................................................................... 28
   Account Types ................................................................................................. 31
   Add Accounts/Subaccounts ........................................................................... 32
   Collapse Financial Statements ...................................................................... 35
   General Journal Entries .................................................................................. 35
   Your Financial Statements ............................................................................. 36
   Company Snapshot ......................................................................................... 37
   Insights Tab ..................................................................................................... 38

Chapter 4: Items .................................................................................................. 39
   Understanding Items ....................................................................................... 40
   Item Types ...................................................................................................... 42
   Add Items ....................................................................................................... 43
   Reports ............................................................................................................ 45
Chapter 10: Vendors & Expenses ................................................................. 95
  Vendors ........................................................................................................... 96
  Track Accounts Payable ................................................................................ 98
  Write Checks .................................................................................................... 103
  Using Credit Cards .......................................................................................... 107
  Credit Memos .................................................................................................. 107
  Reports .............................................................................................................. 109

Chapter 11: Banking ......................................................................................... 111
  Bank Feeds ....................................................................................................... 111
  Reconcile Bank Account .................................................................................. 117
  Void vs. Delete Checks .................................................................................... 119
  Reports .............................................................................................................. 120

Chapter 12: Special Topics ............................................................................ 121
  Bounced Checks .............................................................................................. 122
  Customer Deposits .......................................................................................... 123

Chapter 13: Setting Up Payroll ............................................................... 127
  Payroll Setup ................................................................................................... 128
  Preferences ........................................................................................................ 132
  Payroll Items .................................................................................................... 133
  Employees ......................................................................................................... 135

Chapter 14: Time Tracking .......................................................................... 139
  Set Up Time Tracking ....................................................................................... 140
  Enter Weekly Timesheet .................................................................................. 141
  Print Timesheets ............................................................................................... 142
  Invoice Time & Expenses ............................................................................... 143
  Productivity Reports ......................................................................................... 145

Chapter 15: Running Payroll ......................................................................... 147
  Create Paychecks ............................................................................................. 148
  Print Paychecks ............................................................................................... 151
  Print Pay Stubs ................................................................................................ 152
  Pay Liabilities & Taxes ..................................................................................... 153
  Tax Form 941 .................................................................................................... 154
  Reports .............................................................................................................. 155
Chapter 1

Introduction to QuickBooks®
Introduction
Welcome to Mastering QuickBooks. Using QuickBooks effectively for your business is the focus of this class.

Goals/Learning Objectives
1. Learn the features and capabilities of QuickBooks.
2. Learn the most common problems (and their fixes!) in each area of QuickBooks.
3. Discover the tricks and tips of QuickBooks to help you use QuickBooks to its fullest potential.

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®, 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.

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 2,000,000 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.
Editions of QuickBooks

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

Each edition includes basic features such as check writing, paying bills, entering sales and making deposits.

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.

QuickBooks Online

QuickBooks Online uses your web browser. QuickBooks online looks different than desktop editions of QuickBooks but has similar features. Also, since it is cloud-based software, it has several advantages over the desktop editions. Visit quickbooks.intuit.com for more information.

Advantages of QuickBooks Online

1. Anytime, anywhere access
2. All data stored online; no computer or backup issues
3. Always up to date; software updates applied automatically
4. Works flawlessly with smart phones and tablets

1 Subscription based. Go to quickbooks.intuit.com for current pricing and plans.
QuickBooks Pro
QuickBooks Pro includes the following features:

<table>
<thead>
<tr>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 3 Simultaneous Users</td>
</tr>
<tr>
<td>Time Tracking</td>
</tr>
<tr>
<td>Advanced Job Costing</td>
</tr>
<tr>
<td>Integration with Word, Excel®, &amp; Outlook</td>
</tr>
<tr>
<td>Inventory</td>
</tr>
<tr>
<td>Price Levels for Customers</td>
</tr>
<tr>
<td>Integration with Leading Business Software Applications</td>
</tr>
<tr>
<td>Create and Customize Professional-Looking Forms</td>
</tr>
<tr>
<td>Additional Customer Statement Options</td>
</tr>
<tr>
<td>Automatically Create a Budget</td>
</tr>
<tr>
<td>Vehicle Mileage Tracker</td>
</tr>
<tr>
<td>Loan Manager</td>
</tr>
<tr>
<td>Cash Flow Projector</td>
</tr>
<tr>
<td>Fixed Asset Tracker</td>
</tr>
<tr>
<td>Track Multiple Ship To Addresses</td>
</tr>
<tr>
<td>Multicurrency</td>
</tr>
</tbody>
</table>
QuickBooks Premier
QuickBooks Premier includes everything in QuickBooks Pro, plus:

<table>
<thead>
<tr>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 5 Simultaneous Users</td>
</tr>
<tr>
<td>Sales Orders/Back Orders</td>
</tr>
<tr>
<td>Inventory Assemblies</td>
</tr>
<tr>
<td>More Powerful Reports for Accountants</td>
</tr>
<tr>
<td>Export Report Templates</td>
</tr>
<tr>
<td>More Journal Entry Options</td>
</tr>
<tr>
<td>Create Forecasts</td>
</tr>
<tr>
<td>Business Planner Tool</td>
</tr>
<tr>
<td>Create Purchase Orders from Estimates and Sales Orders</td>
</tr>
<tr>
<td>Per Item Price Levels</td>
</tr>
<tr>
<td>Units of Measure-Simple</td>
</tr>
<tr>
<td>Improved Invoicing for Time and Expenses</td>
</tr>
</tbody>
</table>
QuickBooks Enterprise Solutions include everything in QuickBooks Premier, plus:

<table>
<thead>
<tr>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 30 Simultaneous Users</td>
</tr>
<tr>
<td>Improved Multi-user Performance</td>
</tr>
<tr>
<td>Enhanced Security</td>
</tr>
<tr>
<td>Expanded List Capacity</td>
</tr>
<tr>
<td>Advanced Inventory (additional fees may apply)</td>
</tr>
<tr>
<td>Combine Reports from Multiple Companies</td>
</tr>
<tr>
<td>Run Reports Faster</td>
</tr>
<tr>
<td>QuickBooks Statement Writer</td>
</tr>
<tr>
<td>Even More Journal Entry Options</td>
</tr>
<tr>
<td>Units of Measure-Advanced</td>
</tr>
<tr>
<td>Enhanced Custom Field Capability</td>
</tr>
<tr>
<td>Custom Advanced Reporting with ODBC</td>
</tr>
<tr>
<td>Enhanced Inventory Receiving</td>
</tr>
</tbody>
</table>
Industry-Specific QuickBooks
QuickBooks Premier and QuickBooks Enterprise Solutions are available in industry-specific editions, including: Contractors (Construction), Nonprofit Organizations, Manufacturers/Wholesalers, Retail, Professional Services, and Accounting Firms.

Contractor Edition
Contractor Edition includes everything in QuickBooks, plus:

- Contractor Specific Menu
- Job Costing Center
- Contractor Reports:
  - Job Status
  - Job Costs by Vendor
  - Costs-to-Complete
  - Unpaid Job Bills by Vendor
  - Expenses Not Assigned to Jobs
  - Certified Payroll - Box 1 Employee Info
- Change Orders
- Billing Rate Levels

Nonprofit Edition
Nonprofit Edition includes everything in QuickBooks, plus:

- Nonprofit Specific Home Page and Menu
- Nonprofit Reports:
  - Biggest Donors/Grants
  - Donors/Grants Report
  - Programs/Projects Report
  - Budget vs. Actual by Donors/Grants
  - Budget vs. Actual by Programs/Projects
  - Statement of Financial Position
  - Statement of Functional Expenses (Form 990 Report)
- Special Forms (Enter Pledges, Donations)
- Nonprofit Unified Chart of Accounts (UCOA)
Manufacturing & Wholesale Edition

Manufacturing & Wholesale Edition includes everything in QuickBooks, plus:

- Manufacturing/Wholesale Specific Menu
- Manufacturing/Wholesale Reports:
  - Inventory Reorder Report by Vendor
  - Sales by Customer Type
  - Sales Volume by Customer
  - Profitability by Product
- Special Forms (Quotes, Sales Order Worksheet)
- Customized Form Templates:
  - Customer Return Materials Authorization
  - Non-conforming Material Report
  - Damaged Goods Log
- Improved Bill of Materials and Sales Orders

Retail Edition

Retail Edition includes everything in QuickBooks, plus:

- Retail Specific Menu
- Retail Reports:
  - Profit & Loss Monthly Comparison
  - Balance Sheet Monthly Comparison
  - Gross Margin by Inventory Item
  - Customer Payment by Payment Item
  - Purchase Volume by Vendor
  - Vendor Returns
- Special Forms (Enter Daily Sales, Vendor Returns, Sales Order Worksheet)
- Customized Form Templates:
  - Customer Return Materials Authorization
  - Non-conforming Material Report
  - Damaged Goods Log
- Improved Bill of Materials and Sales Orders
Professional Services Edition

Professional Services Edition includes everything in QuickBooks, plus:

- Professional Service Specific Menu
- Professional Services Reports:
  - Project Cost Detail
  - Unbilled Expenses by Project
  - Expenses Not Assigned to Projects
  - Billed vs. Proposal by Project
  - Billed/Unbilled Hours Reports
  - Project Status
  - Open Balances by Customer/Project
  - A/R Aging Detail by Class
- Special Forms (Proposal & Estimates, Enter Bills & Expenses)
- Billing Rate Levels

Accountant Edition

Accountant Edition includes everything in all the editions of QuickBooks, plus:

- Accountant Specific Menu
- Accountant Reports: (Including)
  - Adjusted Trial Balance Report
  - Adjusting Journal Entry Report
  - Journal Entries Entered Today
- Advanced Accounting Tools:
  - Client Data Review
  - Export G/L Balances to Lacerte or ProSeries
  - Sample Company Files for Various Industries
- Design Professional Financial Statements
- Working Trial Balance
- Fixed Asset Manager
- Toggle Between QuickBooks Editions
- QuickBooks File Manager
- Multiple Instances of QuickBooks
Create Company File
QuickBooks makes it easy to get started. Just answer some basic questions about your business. For a more complete setup, we recommend the Advanced Setup under Other Options.

1. Select **File:New Company** from the menu.

2. Click the **Start Setup** button.
3. Enter appropriate information into the windows displayed by QuickBooks.
Complete Your Setup
After you create your company file, there are several tasks you may need to complete:

1. Complete and modify lists. This includes lists such as customers, vendors, items, employees.

2. Enter opening balances. Enter these opening balances as of one day BEFORE your start date. There is some guidance in the QuickBooks Help system.

3. Enter historical transactions. Enter all transactions from the start date to the current date. You must enter these transactions in a specific order. There is also some guidance for this in the QuickBooks Help system.

Start Working
1. When you finish creating your company file, QuickBooks opens the **QuickBooks Setup** window.

2. Click **Start Working** to begin using QuickBooks.
Moving Around in QuickBooks
You can access the features of QuickBooks using the home page, icon bar, centers, or menus.

Home Page
The Home page provides an easy way to access windows and shows the workflow of common business transactions.

Display the Home Page
1. Click My Shortcuts.
2. Click the Home icon.

Icon Bar
The Icon Bar appears at the top or to the left of the window. To use an icon, click with the mouse.

Display/Hide the Icon Bar
1. Select View: Top Icon Bar or Left Icon Bar from the menu.
Centers

Display Center
1. Click My Shortcuts.
2. Click the (List Name) icon.

Menus
All the features of QuickBooks are available via the menus. There are three types of menus available.
1. Drop-down menus at the top of the screen
2. Shortcut menu by clicking the right mouse button
3. Menus on the bottom of most lists
4. What You See on Screen
<table>
<thead>
<tr>
<th>Screen Object</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ribbon</td>
<td>Provides quick access to additional features and options for the current transaction.</td>
</tr>
<tr>
<td>Drop-down arrow</td>
<td>Allows you to choose from a list.</td>
</tr>
<tr>
<td></td>
<td>Records the entry and opens a new transaction window.</td>
</tr>
<tr>
<td></td>
<td>Records the entry and displays the prior transaction.</td>
</tr>
<tr>
<td>Save</td>
<td>Records the entry and leaves the window open.</td>
</tr>
<tr>
<td>Save &amp; Close</td>
<td>Records the entry and closes the window.</td>
</tr>
<tr>
<td>Save &amp; New</td>
<td>Records the entry and opens a new transaction window.</td>
</tr>
<tr>
<td>Clear</td>
<td>Erases information entered on a new form.</td>
</tr>
<tr>
<td>Revert</td>
<td>Erases changes entered while modifying a saved transaction.</td>
</tr>
<tr>
<td>Attach File</td>
<td>Allows you to attach a document to the current transaction.</td>
</tr>
</tbody>
</table>
Preferences
Customize how QuickBooks works by modifying your preferences.

Customize QuickBooks Preferences
1. Select **Edit:Preferences** from the menu.
Customize Home Page
You can customize the Home page to match the workflow of your business.

Customize Home Page
1. Select **Edit:Preferences** from the menu.
2. Select Desktop View.
3. Click the Company Preferences tab.

4. Enter appropriate information in the **Preferences** window.
5. Click **OK**.
Chapter 2

Work with Lists
List Types

Center-Based Lists

Open center-based lists from the appropriate QuickBooks Center. These lists include Customers & Jobs, Vendors, and Employees.

Menu-Based Lists

Menu-based lists are available via the Lists menu. These include the Item List, Chart of Accounts, Class List, and Payroll Item List. You can also open the Item List and Chart of Accounts from the Home page.
# List Limits

<table>
<thead>
<tr>
<th>Names Lists</th>
<th>Pro &amp; Premier</th>
<th>Enterprise Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers &amp; Jobs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vendors</td>
<td>14,500¹</td>
<td>Unlimited²</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Names List</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>List Name</th>
<th>Pro &amp; Premier</th>
<th>Enterprise Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items-including inventory items</td>
<td>14,500</td>
<td>Unlimited²</td>
</tr>
<tr>
<td>Sales reps</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Price levels</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Sales tax codes</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Job types</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Vendor types</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Customer types</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Payroll items</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Classes</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>A/R terms &amp; A/P terms (added together)</td>
<td>10,000</td>
<td>29,000</td>
</tr>
<tr>
<td>Payment methods</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Shipping methods</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Customer messages</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>To do’s</td>
<td>10,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Memorized transactions</td>
<td>14,500</td>
<td>50,000</td>
</tr>
<tr>
<td>Memorized reports</td>
<td>14,500</td>
<td>29,000</td>
</tr>
</tbody>
</table>

¹ In Pro/Premier, you can have a total of 14,500 names. Names include Customers, Vendors, Employees, and Other Names.

² 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.
Names Lists

1. **Customers & Jobs** - This list stores customers and the jobs performed for them. To invoice a company on account, they must be entered as a customer or job.

2. **Vendors** - This list stores the companies and individuals from whom you purchase goods or services. To track accounts payable from a company or issue a 1099 at the end of the year, a name must be entered as a vendor.

3. **Employees** - This list stores employees and their related payroll information. To pay an employee using payroll or issue a W-2 to an employee, he/she must be entered as an employee.

4. **Other Names** - This list stores the names of companies and individuals that do not need to appear on another names list.

Rules for Names Lists

1. **An individual list is limited to 14,500 names (unlimited in QuickBooks Enterprise Solutions).** The limit for the four names lists combined is also 14,500 names (unlimited in QuickBooks Enterprise Solutions).

2. **An individual name can only be included on one list.**

3. **Once entered on a list, the name cannot be moved to another list.** The only exception is the Other Names List. When Other Names are moved to another list, the move is permanent.

View List Totals

1. Press the **F2** key or hold down the **Control** key and press **1** on the keyboard.

```
FILE INFORMATION
Location C:\My Docs\E drive\2016\Products\L1\manual update jan2015
Live Class Name: Product Datasfiles\Day1\L101CH02.QBW

File Size  14532 K
Page Size   4096
Total Transactions   106
Total Targets       496
Total Links        57
Dictionary Entries  0
DB File Fragments  3
Schema version     107.6
Server Port       55363
Server IP      192.168.1.183
Server Name     QB_AMYC_25

Last run None
Last as of date None
Last payroll deleted None
Last inventory deleted None

Versions Used on File
V26.0D R3 12/13/2013
V25.0D R4 04/01/2015
V25.0D R3 01/19/2015

List Information
Total Accounts: 86
Total Names: 49
  Customers: 13
  Vendors: 25
  Employees: 8

Free Memory 147408 K
```
Moving Other Names

Move Individual Other Names to Another List

1. Display the list by selecting **Lists:Other Names List** from the menu.

2. Select the item to be moved from the list.
3. Click the **Other Names** button at the bottom of the list.
4. Select **Edit Other Name** from the menu.
5. Click the **Change Type** button.

6. Click the button next to the appropriate new name type.
7. Click **OK**.
8. Click **OK**.
Use Lists

Add Entry from List

1. Display the appropriate list.

2. For center-based lists, click the **New (List Name)** button. For menu-based lists, click the left-most button at the bottom of the list, then select **New** from the menu.

3. Enter appropriate information in the window, and click **OK**.

Add Entry from Form

1. Display the form and enter appropriate information.

2. Type the name of the new entry as it will appear in the list.

3. Press the **Tab** key.

4. Click the **Quick Add** button or **Set Up** button in the window.

5. Enter appropriate information in the window (if you selected **Set Up** in step 4).
Edit List Entry
1. Display the appropriate list.

<table>
<thead>
<tr>
<th>Item List</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>NAME</td>
<td>DESCRIPTION</td>
<td>TYPE</td>
<td>ACCOUNT</td>
<td>TOTAL QUANTITY ON HAND</td>
</tr>
<tr>
<td>Double Install</td>
<td>Install double doors (oak)</td>
<td>Service</td>
<td>Service Income</td>
<td>1,295.00</td>
</tr>
<tr>
<td>Garage Install</td>
<td>Install garage door</td>
<td>Service</td>
<td>Service Income</td>
<td>395.99</td>
</tr>
<tr>
<td>Garage Repair</td>
<td>Repair entire garage</td>
<td>Service</td>
<td>Service Income</td>
<td>599.00</td>
</tr>
<tr>
<td>Garage Service</td>
<td>Miscellaneous garage repairs.</td>
<td>Service</td>
<td>Service Income</td>
<td>50.00</td>
</tr>
<tr>
<td>Repairs-Door</td>
<td>Door service and repair as requested by</td>
<td>Service</td>
<td>Service Income</td>
<td>49.95</td>
</tr>
<tr>
<td>Repairs-Hinge</td>
<td>Hinges service and repair as requested</td>
<td>Service</td>
<td>Service Income</td>
<td>24.95</td>
</tr>
<tr>
<td>Repairs-Knob</td>
<td>Door knob service and repair as request</td>
<td>Service</td>
<td>Service Income</td>
<td>19.95</td>
</tr>
<tr>
<td>Repairs-Lock</td>
<td>Lock service and repair as requested by</td>
<td>Service</td>
<td>Service Income</td>
<td>29.95</td>
</tr>
<tr>
<td>Cedar Door</td>
<td>Natural Cedar Door</td>
<td>Inventory Part</td>
<td>Parts Sales</td>
<td>26</td>
</tr>
<tr>
<td>Garage Door</td>
<td>All-weather customer garage door.</td>
<td>Inventory Part</td>
<td>Materials</td>
<td>30</td>
</tr>
</tbody>
</table>

2. Select the entry in the list to edit.
3. For center-based lists, click the **Edit (List Name)** button.
   For menu-based lists, click the left-most button at the bottom of the list, then select **Edit (List Name)** from the menu.
4. Enter or change appropriate information.
5. Click **OK**.

Delete List Entry
1. Display the appropriate list.
2. Select the entry in the list to delete.
3. For center-based lists, select **Edit:Delete (List Name)** from the menu.
   For menu-based lists, click the left-most button at the bottom of the list, then select **Delete (List Name)** from the menu.
4. Click **OK**.

Make List Entry Inactive
1. Display the appropriate list.
2. Select the entry in the list to make inactive.
3. For center-based lists, click the **Edit (List Name)** button.
   For menu-based lists, click the left-most button at the bottom of the list, then select **Make (List Name) Inactive** from the menu.
4. For center-based lists, click the **(List Name) is inactive** box, then click **OK**.
Merge List Entry
Display the appropriate list.
5. Select the list entry to merge (the entry you no longer want to see).
6. For center-based lists, click the **Edit (List Name)** button.
   For menu-based lists, click the left-most button at the bottom of the list, then select **Edit (List Name)** from the menu.
7. Type another entry’s name as the new name (the name of the entry you want to keep).
8. Click **OK**.
9. Click **Yes** in the **Merge** window.

Hide or Show All Entries on List
1. Display the appropriate list.
2. For center-based lists, click the **View** drop-down arrow on the **(List Name)** tab, then select **All (List Name)**.
   For menu-based lists, click the **Include inactive** checkbox.
Sort Lists

Sort Using Column Headings
1. Display the appropriate list.

2. Click the appropriate column heading.

Restore List Order (after column sort)
1. Display the appropriate list.
2. Click the diamond at the top left of the list.

Sort a List Manually (available on most lists)
1. Display the appropriate list.
2. Click the diamond to the left of the entry and drag it up or down.

Sort Alphabetically (restores order after manual sort)
1. Display the appropriate list.
2. For center-based lists, select View: Re-sort List from the menu.
   For menu-based lists, click the left-most button at the bottom of the list, then select Re-sort List? from the menu.
3. Click OK in the Resort List? window.
Print Lists

Print a List

1. Select Reports:List:<List Name> from the menu.

2. Click the **Print** drop-down arrow and select **Report**.

Click **Print** in the **Print Reports** window.
Chapter 3

Financial Statements
Financial Statements

Chart of Accounts

The Chart of Accounts represents the “hub” of your accounting system. Every transaction you enter flows through to the Chart of Accounts. The end result of the accounting process is the financial statements. In QuickBooks, your Chart of Accounts is your financial statements. Each account in the Chart of Accounts becomes a line on either the Balance Sheet or the Profit & Loss Statement.

You use the Chart of Accounts to track the financial transactions of your company. For instance, a check for office supplies would not be categorized as Advertising Expense or Cleaning Expense. Instead, the check would be categorized as Office Supplies.
Balance Sheet

The Balance Sheet is the financial snapshot of your business. If someone took a photograph of your business right now, what would the financial picture look like? The Balance Sheet is comprised of assets, liabilities, and equity.

- **Assets**: Those items owned by your business including amounts owed to you by others. Assets include all your company owns such as cash, receivables, and inventory.
- **Liabilities**: What your business owes other people and companies. Liabilities include accounts payable, payroll taxes due, and loans.
- **Equity**: What the owners really own in the business. Equity accounts include common stock and retained earnings.
Profit & Loss Statement

This statement is the movie of your business. It measures activity over a specified time period. This financial statement includes income and expenses.

- **Income**: Income accounts track money that comes into your company for goods and services you produce for others. Examples include sales and service income.
- **Expenses**: Expense accounts track what your business spends for goods and services. Expense accounts include utilities and office supplies.
**Account Types**

The most important element when working with the Chart of Accounts is the **Account Type**. This must be correct or your financial statements will be wrong!

<table>
<thead>
<tr>
<th>Statement</th>
<th>Type</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td>Your bank accounts</td>
<td></td>
<td>Checking and Savings</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>Transactions with your customers</td>
<td></td>
<td>Accounts Receivable</td>
</tr>
<tr>
<td>Other Current Asset</td>
<td>Assets likely to be converted into cash within year</td>
<td></td>
<td>Inventory and Short-term Investments</td>
</tr>
<tr>
<td>Fixed Asset</td>
<td>Assets depreciated over a time period of greater than a year</td>
<td></td>
<td>Furniture &amp; Fixtures and Computer Equipment</td>
</tr>
<tr>
<td>Other Asset</td>
<td>Assets that do not belong in the other asset types</td>
<td></td>
<td>Long-term Investments</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>Transactions with your vendors</td>
<td></td>
<td>Accounts Payable</td>
</tr>
<tr>
<td>Credit Card</td>
<td>Company credit cards</td>
<td></td>
<td>American Express and VISA</td>
</tr>
<tr>
<td>Other Current Liability</td>
<td>Liabilities to be paid within year</td>
<td></td>
<td>Sales Taxes Payable and Payroll Taxes</td>
</tr>
<tr>
<td>Long Term Liability</td>
<td>Liabilities not to be paid within 1 year</td>
<td></td>
<td>Mortgage Payable and Long-term Bank Notes</td>
</tr>
<tr>
<td>Equity</td>
<td>Owners’ share of assets after liabilities paid</td>
<td></td>
<td>Retained Earnings and Common Stock</td>
</tr>
<tr>
<td><strong>Profit &amp; Loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>Various sources of your company's revenue</td>
<td></td>
<td>Service Income and Sales</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>Tracks the cost of product sold</td>
<td></td>
<td>Materials and Cost of Sales</td>
</tr>
<tr>
<td>Expense</td>
<td>Operating expenses other than Cost of Goods Sold</td>
<td></td>
<td>Office Supplies and Rent</td>
</tr>
<tr>
<td>Other Income</td>
<td>Non-operating income</td>
<td></td>
<td>Interest Income</td>
</tr>
<tr>
<td>Other Expense</td>
<td>Non-operating expense</td>
<td></td>
<td>Interest Expense</td>
</tr>
</tbody>
</table>
Add Accounts/Subaccounts

Add 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 the appropriate Account Type.
5. Click Continue.

6. Enter remaining information in the Add New Account window.
7. Click Save & Close.
Subaccounts
Subaccounts allow you to track your business in more detail by grouping accounts together in a logical fashion. Subaccounts are useful when you print financial statements because they group together related accounts and show a subtotal for the group. QuickBooks supports five account levels.

Add Subaccount
1. Click the Chart of Accounts icon on the Home page.
2. Click the Account button.
3. Select New from the menu.
4. Select the appropriate Account Type.
5. Click Continue.
6. Enter remaining information in the Add New Account window.
7. Click the box next to Subaccount of.
8. Click the Subaccount of drop-down arrow and select the appropriate account.
9. Click Save & Close.
Change Account to Subaccount
1. Click the **Chart of Accounts** icon on the **Home** page.

2. Move the cursor over the diamond to the left of the account that will become a subaccount.

3. Click and drag the account to move below the parent account.

4. Click and drag the account to move to the right.
Collapse Financial Statements
When printing financial statements with subaccounts, the collapse rows feature allows you to hide the subaccounts and only show the parent accounts. You can collapse different levels of subaccounts or all of the subaccounts.

Collase/Expand Financial Statements
1. Select Reports:Company & Financial from the menu.
2. Click the appropriate report.
3. Click the arrows to the left of the accounts to collapse individual accounts, or click the Collapse Rows button to collapse all the subaccounts.
4. Click the arrows to the left to expand the individual subaccounts, or click the Expand Rows button to expand all the subaccounts.

General Journal Entries
Occasionally, you may need to change the balances of your accounts in the chart of accounts. These entries are called general journal entries. When entering journal entries, the Debit total and Credit total must equal.
Make General Journal Entry

1. Select Company: Make General Journal Entries from the menu.

![Make General Journal Entries window]

2. Enter the information in the **Make General Journal Entries** window.
3. Click Save & Close.

Your Financial Statements

Review a Comparison Balance Sheet

Review a Profit & Loss Statement-By Month
2. Click the Columns drop-down arrow and select Month.

Review a Profit & Loss Statement-% of Income
2. Click the Customize Report button.
3. Click the % of Income box below Add subcolumns for.
4. Click OK.

Review a Profit & Loss Statement-Cash Basis
2. Click the Cash button next to Report Basis.

Company Snapshot

Review and Customize the Company Snapshot
1. Select Company:Company Snapshot from the menu.
2. Click Add Content.
3. Click the left or right arrow buttons to browse the available snapshot panels.
4. Click the **Add** button next to the desired panel.
5. Click **Done** to hide the available snapshot panels.
6. Click and drag a panel heading to reposition a panel.
7. Make additional selections as appropriate to customize individual panels.
8. Click a panel down arrow to view additional options, such as **Print** or **Print Preview**.
9. Click **X** on a panel to remove it from the **Company Snapshot** window.
10. Click **OK** (if prompted) to confirm the deletion.

**Insights Tab**

**Review and Customize the Insights Tab**

1. Click the **Insights** tab.

2. Click the gear icon to add or remove reports.
3. Select the report(s) to add.
4. Click **OK**.
5. Make the appropriate selections on each panel to customize the panel.
Chapter 4

Items
Understanding Items

Items are critical to maximizing the use of QuickBooks. Items perform these functions in QuickBooks.

1. Any line item on a purchase order, invoice, or estimate must be set up as an Item.
2. Items make it easier to fill out sales forms.
3. Items act as pointers for the financial statements. In other words, items handle the behind the scenes accounting for sales and purchases.
4. Items allow you to track quantities purchased and sold in addition to dollars purchased and sold.

Item List

![Item List Image]

Item on Invoice

![Item on Invoice Image]
How Much Detail

How much detail is necessary when setting up items? The rule of thumb is to set up as much detail as possible to get the full benefit of items. However, the limit is 14,500 items in a QuickBooks company file (unlimited in QuickBooks Enterprise Solutions). A good method is to set up individual items only if it will be used more than once. If an item will only be used once, a generic item might be more appropriate.

Service Item

![Service Item](image)

Item List-Service Item

![Item List](image)
**Item Types**

When adding an item, the key element is the Type. QuickBooks is very restrictive when allowing changes in the type. Therefore, it is critical they are set up correctly.

<table>
<thead>
<tr>
<th>Item Type</th>
<th>Description</th>
<th>Use If You-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>Services provided to or from others</td>
<td>Buy or sell services</td>
</tr>
<tr>
<td>Inventory Part</td>
<td>Inventory you purchase, track as inventory, and then sell</td>
<td>Track quantities, value, and number on order of inventory</td>
</tr>
<tr>
<td>Non-inventory Part</td>
<td>Materials or parts for which you do not track quantities</td>
<td>Do not track the quantity of inventory</td>
</tr>
<tr>
<td></td>
<td>Materials or parts you buy but do not sell</td>
<td>Purchase items that are not sold</td>
</tr>
<tr>
<td></td>
<td>Materials or parts you sell but do not buy</td>
<td>Sell items that are not purchased</td>
</tr>
<tr>
<td>Inventory Assembly</td>
<td>Inventory items you assemble from other inventory, non-inventory, inventory assembly, other charge, and service items and then sell</td>
<td>Assemble finished goods from components</td>
</tr>
<tr>
<td>Other Charge</td>
<td>Miscellaneous charges</td>
<td>Show freight, handling, or delivery charges on PO or invoice</td>
</tr>
<tr>
<td>Subtotal</td>
<td>Used to calculate subtotals</td>
<td>Show subtotal on invoice or PO</td>
</tr>
<tr>
<td>Group</td>
<td>Allows fast entry of a group of individual items</td>
<td>Often sell or buy the same group of items</td>
</tr>
<tr>
<td>Discount</td>
<td>Calculates an amount to be subtracted from a total or subtotal</td>
<td>Give or receive discounts off the sales price</td>
</tr>
<tr>
<td>Payment</td>
<td>Shows payment received on an invoice</td>
<td>Pay funds before preparing invoice</td>
</tr>
<tr>
<td>Sales Tax Item</td>
<td>Calculates a single sales tax</td>
<td>Charge customers for sales taxes</td>
</tr>
<tr>
<td>Sales Tax Group</td>
<td>Calculates two or more sales taxes grouped together on the same sale</td>
<td>Charge customers for a combination of sales tax rates as one line item on invoice</td>
</tr>
</tbody>
</table>
Add Items

Add Items
1. Click the **Items & Services** icon on the **Home** page.
2. Click the **Item** button.
3. Select **New** from the menu.
4. Select the appropriate item **Type**.
5. Enter remaining information in the **New Item** window.
6. Click **OK**.

**Inventory Part**

![Edit Item Window]

<table>
<thead>
<tr>
<th>TYPE</th>
<th>Use for goods you purchase, track as inventory, and retail.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item Name/Number</td>
<td>Subitem of</td>
</tr>
<tr>
<td>Door Knob</td>
<td></td>
</tr>
<tr>
<td>UNIT OF MEASURE</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>PURCHASE INFORMATION</td>
<td></td>
</tr>
<tr>
<td>Description on Purchase Transactions</td>
<td></td>
</tr>
<tr>
<td>Standard Door Knob</td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>35.95</td>
</tr>
<tr>
<td>COGS Account</td>
<td>Materials</td>
</tr>
<tr>
<td>Preferred Vendor</td>
<td>Sella Doors, Inc.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>SALES INFORMATION</td>
<td></td>
</tr>
<tr>
<td>Description on Sales Transactions</td>
<td></td>
</tr>
<tr>
<td>Deluxe Brass Door Knob</td>
<td></td>
</tr>
<tr>
<td>Sales Price</td>
<td>49.95</td>
</tr>
<tr>
<td>Tag Code</td>
<td>Tax</td>
</tr>
<tr>
<td>Income Account</td>
<td>Parts Sales</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>INVENTORY INFORMATION</td>
<td></td>
</tr>
<tr>
<td>Asset Account</td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td></td>
</tr>
<tr>
<td></td>
<td>151</td>
</tr>
</tbody>
</table>
Non-inventory Part

Service (Performed by Subcontractor)
Reports

Review the Sales by Item Summary
1. Select Reports:Sales:Sales by Item Summary from the menu.

Review a Purchases by Item Summary
1. Select Reports:Purchases:Purchases by Item Summary from the menu.
Review an Item Profitability Report

1. Select Reports: Jobs, Time & Mileage: Item Profitability from the menu.

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Act. Cost</th>
<th>Act. Revenue</th>
<th>($ Diff)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cedar Door (Natural Cedar Door)</td>
<td>8,099.71</td>
<td>14,496.70</td>
<td>5,796.99</td>
</tr>
<tr>
<td>Door Knob (Deluxe Brass Door Knob)</td>
<td>6,363.15</td>
<td>8,685.08</td>
<td>2,321.93</td>
</tr>
<tr>
<td>Glass Door (Deluxe, Customized Clear Glass Patio Door)</td>
<td>4,950.75</td>
<td>9,999.75</td>
<td>4,049.00</td>
</tr>
<tr>
<td>Lock (Lock with Kryptonite key)</td>
<td>928.45</td>
<td>2,108.45</td>
<td>1,180.00</td>
</tr>
<tr>
<td>Oak Door (Old-fashioned varnished oak door)</td>
<td>30,769.00</td>
<td>45,960.00</td>
<td>15,191.00</td>
</tr>
<tr>
<td>Regular Door (Regular wood doors)</td>
<td>749.25</td>
<td>1,099.75</td>
<td>350.50</td>
</tr>
<tr>
<td>Steel Locks (Regular dead bolt lock.)</td>
<td>149.25</td>
<td>239.25</td>
<td>90.00</td>
</tr>
<tr>
<td>Walnut Door (Natural varnish Walnut Door)</td>
<td>24,789.50</td>
<td>39,997.50</td>
<td>15,208.00</td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
<td>77,797.06</td>
<td>122,557.48</td>
<td>44,760.42</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Act. Cost</th>
<th>Act. Revenue</th>
<th>($ Diff)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bag Of Nails (Deluxe Container with 2 Heavy Duty Nails)</td>
<td>0.00</td>
<td>3,129.25</td>
<td>3,129.25</td>
</tr>
<tr>
<td>Bag of Washer (Heavy duty deluxe bag of washers [various siz...)</td>
<td>0.00</td>
<td>1,797.00</td>
<td>1,797.00</td>
</tr>
<tr>
<td>Bolts (1/4&quot; bolts)</td>
<td>0.00</td>
<td>6,683.50</td>
<td>6,683.50</td>
</tr>
<tr>
<td><strong>Total Parts</strong></td>
<td>0.00</td>
<td>11,619.75</td>
<td>11,619.75</td>
</tr>
</tbody>
</table>
Chapter 5

Customers & Sales-Part I
Customers and Jobs

The Customer Center stores information about your customers and the jobs you perform for them.
Should you use customers?
To invoice a customer, you must first add a customer to the Customers & Jobs list.

Add Customers
1. Click the Customer Center icon.
2. Click the Customers & Jobs tab in the Customer Center window.
3. Click the New Customer & Job drop-down arrow and select New Customer.
4. Enter appropriate information in the New Customer window.
5. Click OK.

Payment Settings
Additional Info

Should you use jobs?

QuickBooks uses jobs to track income and expense by project. For instance, a construction company that builds homes might build 20 homes during a year. It is critical that they know which houses are profitable and which are not. They should enter each house as a job.

Add Jobs

1. Click the **Customer Center** icon.
2. Click the Customers & Jobs tab in the Customer Center window.
3. Select the appropriate customer or job in the list.
4. Click the **New Customer & Job** drop-down arrow and select **Add Job**.

5. Enter appropriate information in the **New Job** window.
6. Click **OK**.
Recording Sales

There are 5 ways to record sales in QuickBooks.

Invoice

Use this method if a customer owes you money and will pay you later.

Sales Receipt

Use this method if your customer pays you at the time of the sale.

Statement Charge

Use this method to record “periodic” charges that you bill at the end of a given period.

Deposit

Use this method to record income on a deposit, when none of the previous methods are used.

Import from Other Program

There are 100s of compatible programs that work with QuickBooks. You record sales in the other program and send it to QuickBooks.
Method 1-Invoice

Steps for Method 1
1. Create Invoice
2. Receive Payment
3. Make Deposit

Create Invoice

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

Service Invoice
Product Invoice

E-mail Invoice

You can edit the e-mail template by selecting **Edit:Preferences:Send Forms** from the menu.
Print Invoices

1. Select File:Print Forms:Invoices from the menu.

2. Click OK.

3. Select the appropriate batch to print, and click Print in the Print Invoices window (if applicable).

4. Enter appropriate information in the Print Invoices window.

5. Click Print.

6. Click OK in the Print Invoices - Confirmation window.
Receive Payments

1. Click the **Receive Payments** icon on the **Home** page.

![Receive Payments Window]

2. Click the **Received From** drop-down arrow and select the appropriate customer or job.

3. Enter remaining information in the **Receive Payments** window.

4. Click Save & Close.

Partial Payment

![Partial Payment Window]
Make Deposits

1. Click the **Record Deposits** icon on the **Home** page.

2. Select the appropriate payment method(s) to view next to **View payment method type**.

3. Click the line items to deposit.

4. Click **OK**.

5. Enter any additional items for deposit in the **Make Deposits** window.

6. Click the **Print** button to print deposit slips and/or the deposit summary.

7. Click **Save & Close**.
Reports

Review an Open Invoices Report

1. Select Reports: Customers & Receivables: Open Invoices from the menu.

![Image of Open Invoices Report]

Review a Collections Report

1. Select Reports: Customers & Receivables: Collections Report from the menu.

![Image of Collections Report]
Income Tracker
The Income Tracker allows you to easily see your Accounts Receivable transactions in one place. Select from the available categories at the top of the window to see Unbilled, Unpaid, or Paid transactions.

Review the Income Tracker
1. Select Customers:Income Tracker from the menu.
2. Make the appropriate selections in the Income Tracker window.
Chapter 6

Customers & Sales - Part II
Method 2-Sales Receipts
Enter sales receipts when your customer pays you in full at the time of the sale.

Steps for Method 2
5. Create Sales Receipt
6. Make Deposit

Enter Sales Receipts
1. Click the Create Sales Receipts icon on the Home page.

2. Click the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Enter Sales Receipts window.
4. Click Save & Close.
Method 3 - Statement Charges

Statement charges let you charge customers for services right on their statement. Monthly billing statements are often used instead of printing and mailing numerous individual invoices.

Steps for Method 3

1. Create Statement Charge
2. Send Customer Statement
3. Receive Payment
4. Record Deposit

Enter Statement Charge

1. Click the **Statement Charges** icon on the **Home** page.

2. Click the **Customer:Job** drop-down arrow and select the appropriate customer or job.

3. Enter appropriate information in the **(Customer:Job Name) - Accounts Receivable** window.

4. Click **Record**.
Limitations of Statement Charges

Statement charges do have some limitations:

1. Can’t be used if sales tax is charged on an item
2. Terms (aging) do not work unless you print or email the statement. You should print the statement even if you don’t intend to send it.
3. Can’t apply discounts to statement charges
4. Can’t use group items
5. Can’t be used for invoicing from an estimate (progress invoicing) or invoicing against sales orders.
Method 4-Make Deposits
Use this method to record income on a deposit, when none of the previous methods are used.

Steps for Method 4 : Make Deposit

1. Click the Record Deposits icon on the Home page.
2. Click OK.

3. Enter any amounts to deposit in the Make Deposits window.
4. Click the Print button to print deposit slips and/or the deposit summary.
5. Click Save & Close.

Limitations of Lump-Sum Deposits
Making lump-sum deposits has some limitations:

1. You can’t use items
2. You can’t record sales tax
Method 5-Import from Other Program
With Method 5 another program designed for your industry determines how sales are imported into QuickBooks.

Visit the QuickBooks Desktop Marketplace for Apps
1. In your browser, visit desktop.apps.com.

Credit Memos
Use this form to issue a customer credit for a previously recorded sale. You can create a refund check as part of this process. You should create credit memos if you use methods 1, 2, or 3. You should not create credit memos if you use methods 4 or 5.

Enter Credit Memo/Apply to Invoice
1. Click the Refunds & Credits icon on the Home page.
2. Click the **Customer:Job** drop-down arrow and select the appropriate customer or job.

3. Enter remaining information in the **Create Credit Memos/Refunds** window.

4. Click the **Use Credit** to apply to invoice button.

5. Make appropriate selections in the **Apply Credit to Invoices** window.

6. Click **Done**.

7. Click Save & Close.

**Enter Credit Memo/Issue Refund Check**

1. Click the **Refunds & Credits** icon on the **Home** page.
2. Click the **Customer:Job** drop-down arrow and select the appropriate customer or job.

3. Enter remaining information in the **Create Credit Memos/Refunds** window.

4. Click the Use Credit to give refund button.

5. Make appropriate selections in the **Issue a Refund** window.

6. Click **OK**.

7. Click Save & Close.

**Customer Statements**

Use statements for two reasons:

1. To bill customers if you record sales using statement charges (Method 3)

2. To help remind customers of past due balances
Prepare Customer Statements

1. Click the **Statements** icon on the **Home** page.

![Create Statements Window]

2. Make appropriate selections below Select Statement Options, Select Customers, and Select Additional Options.

3. Click **Print** (or **E-Mail**).

**All Open Transactions Statement**

![Print Preview]

To:  
Audridge Windows  
Mary W. Audridge  
123 West Brooklyn Bridge  
New York, NY 10022

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
<th>Amount Due</th>
<th>Amount Enc.</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/03/2023</td>
<td>INV #25, Due 01/31/2023, Orig. Amount $21,972.50.</td>
<td>$21,972.50</td>
<td>10,973.50</td>
<td>10,973.50</td>
</tr>
<tr>
<td>01/03/2023</td>
<td>INV #26, Due 02/1/2023, Orig. Amount $3,625.00.</td>
<td>$3,625.00</td>
<td>4,498.50</td>
<td>44,988.50</td>
</tr>
<tr>
<td>01/28/2023</td>
<td>INV #30, Due 02/27/2023, Orig. Amount $7,874.50.</td>
<td>$7,874.50</td>
<td>52,473.00</td>
<td>52,473.00</td>
</tr>
</tbody>
</table>
### Activity Based Statement with Invoice Summary

**To:**
Auldridge Windows
Mary W Auldridge
123 West Brooklyn Bridge
New York, NY 10022

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
<th>Amount Due</th>
<th>Amount Enc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2022</td>
<td>Balance Forward</td>
<td>$52,473.00</td>
<td></td>
</tr>
<tr>
<td>01/01/2023</td>
<td>INV #24, Due 01/31/2023.</td>
<td>2,494.12</td>
<td>2,494.12</td>
</tr>
<tr>
<td>01/01/2023</td>
<td>INV #25, Due 01/31/2023.</td>
<td>21,972.50</td>
<td>24,466.62</td>
</tr>
<tr>
<td>01/01/2023</td>
<td>INV #26, Due 01/31/2023.</td>
<td>33,625.00</td>
<td>38,091.62</td>
</tr>
<tr>
<td>01/28/2023</td>
<td>INV #40, Due 02/27/2023.</td>
<td>7,874.50</td>
<td>65,966.12</td>
</tr>
<tr>
<td>02/07/2023</td>
<td>PMT #19992.</td>
<td>-2,494.12</td>
<td>63,472.00</td>
</tr>
<tr>
<td>02/22/2023</td>
<td>PMT #19999.</td>
<td>-10,000.00</td>
<td>51,472.00</td>
</tr>
</tbody>
</table>

### Activity Based Statement with Invoice Item Detail

**To:**
Auldridge Windows
Mary W Auldridge
123 West Brooklyn Bridge
New York, NY 10022

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
<th>Amount Due</th>
<th>Amount Enc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01/2023</td>
<td>INV #25, Due 01/31/2023. Orig. Amount $21,972.50.</td>
<td>10,973.50</td>
<td>10,973.50</td>
</tr>
<tr>
<td></td>
<td>-- Bag O'Nails, 100 @ $19.95 = 1,995.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Bells, 250 @ $19.95 = 4,997.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Knob Install, 100 @ $99.95 = 9,995.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Door Knob, 100 @ $49.95 = 4,995.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Tax: Out of State @ 0.0% = 0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>01/01/2023</td>
<td>INV #26, Due 01/31/2023. Orig. Amount $33,625.00.</td>
<td>33,625.00</td>
<td>44,598.50</td>
</tr>
<tr>
<td></td>
<td>-- Regular Door, 10 @ $75.00 = 750.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Lock Repair, 10 @ $50.00 = 500.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Double Install, 25 @ $1,295.00 = 32,375.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Tax: Out of State @ 0.0% = 0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>01/28/2023</td>
<td>INV #40, Due 02/27/2023. Orig. Amount $7,874.50.</td>
<td>7,874.50</td>
<td>52,473.00</td>
</tr>
<tr>
<td></td>
<td>-- Glass Install, 25 @ $395.00 = 7,375.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Door Knob, 10 @ $49.95 = 499.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-- Tax: Out of State @ 0.0% = 0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Reports

Review a Sales by Customer Summary (Collapsed)
1. Select Reports:Sales:Sales by Customer Summary from the menu.
2. Click the **Collapse Rows** button to show less detail.

Show % of Sales
1. Click the **Customize Report** button, click **% of Column**, and then click **OK**.
Show Cash Basis Report

1. At the top of the report, select **Cash** next to **Report Basis**.
Chapter 7

Customizing Forms
Create Form Design

You can create a professional-looking design and apply it to many of your QuickBooks forms. Select from existing professional design templates or create your own design. You can add your logo, and customize the fonts, colors, and grid styles.

QuickBooks makes it easy to apply your design to multiple forms at once for a consistent look across your different forms. (Additional fees may apply.)

2. Open a form to customize.
3. Click the Formatting tab.

4. Click the Customize Design button.
5. Make appropriate selections in the **QuickBooks Forms Customization** window.

6. Preview the new design and select which forms to apply the design to.

7. Click **Apply**.
Customize Form Data Layout
You can change the data layout of several forms in QuickBooks. You can customize invoices, credit memos, sales receipts, purchase orders, statements, estimates, and sales orders. You can specify which fields and columns to include, what they are called, and where they are placed on the printed form. QuickBooks also enables you to add text box, data fields, and other image files to the printed form.

Customize Form Layout
1. Open a form to customize.
2. Click the Formatting tab.
3. Click Customize Data Layout.
4. Select whether to include fields on screen by clicking the box below Screen. Select whether to print fields by clicking the box below Print.
5. Repeat step for each tab in the Additional Customization window.
6. Click the **Layout Designer** button to change the appearance of the printed form.
7. Make changes to the layout as appropriate.
8. Click **OK** in the **Layout Designer** window.
9. Click OK in the Additional Customization window.
Duplicate/Download Templates

You can duplicate a custom form to use it as a starting point for other forms. This makes it easier to create additional forms with the same “look and feel”.

Duplicate Custom Form (template)

1. Select **Lists:Templates** from the menu.
2. Select the template to be duplicated.
3. Click the **Templates** button and select **Duplicate**.
4. Select the form type to be created in the **Select Template Type** window.
5. Click **OK**.

![Template List](image)

Download Custom Templates

6. Select **Lists:Templates** from the menu.
7. Click the **Templates** button and select **Download Templates**.

8. Select the form to download from the **Intuit QuickBooks Community** website and click **Download**.
9. Save the form to your computer.
Chapter 8

Finding and Saving Time
QuickBooks Calendar

For each day, the QuickBooks calendar shows you what is due (bills, invoices, and to do’s) and what was entered. You can also add to do’s for future tasks. Customize Calendar settings with Calendar preferences.

Add a To Do

1. Click the QuickBooks Calendar icon on the Home page.
2. Click Add To Do.
3. Select the appropriate to do Type, Priority, and Due Date.
4. Enter the **Details** and an appropriate **Status**.

5. Click **OK**.

**Find**

What if you make a mistake on an invoice or a check? Can you retrieve the original transaction and make the necessary changes? Yes! QuickBooks lets you retrieve and change transactions using the methods discussed in this chapter.

**Previous/Next Buttons**

Use the Previous/Next buttons to locate recently entered transactions.

**Use Previous/Next Buttons**

1. Display the appropriate form.
2. Click the **Previous** or **Next** button until the original transaction is displayed.

**Find Button**

QuickBooks has a Find button on checks, invoices, bills, estimates, sales receipts, credit card charges, purchase orders, credit memos, and sales orders. Use the Find button to quickly locate transactions.
Use Find Button
1. Display the appropriate form.
2. Click the Find button on the toolbar at the top of the form.

3. Enter appropriate search information.
4. Click the Find button.

Simple Find
Use Simple Find
1. Select Edit:Find from the menu.
2. Click the Simple tab.
3. Enter appropriate search information.
4. Click the Find button.
5. Click on the appropriate transaction at the bottom of the Find window.
6. Click the Go To button.

Find Using Centers
Find Name On List
1. Click the (List Name) Center icon, then click the (List Name) tab.
2. Click the View drop-down arrow and select the appropriate option.
3. Select the appropriate name in the list to the left.
4. Make appropriate selections from the drop-down arrows.
Find Transactions
1. Click the (List Name) Center icon.
2. Click the **Transactions** tab.
3. Make appropriate selections from the drop-down arrows.

QuickBooks Search
QuickBooks Search helps you find list entries, transactions, and menu items. Not sure how to access a feature? Not sure which list a name is on? Use Search to find it quickly.

Set Search Preferences and Update Search Index
1. Select **Edit:Preferences** from the menu.
2. Select **Search**.
3. Click the Company Preferences tab.
Use QuickBooks Search
1. Select **Edit: Search** from the menu.
2. Click the **Update search information** link. (Optional)

3. Enter a term in the **Search** field.
4. Narrow your search by using the search filters provided.
5. Press **Enter** or click the magnifying glass button.

Memorizing Transactions
If you have transactions that occur often, you can save time by memorizing the transaction. This allows you to reuse the transaction whenever needed. QuickBooks lets you memorize checks, bills, invoices, and many other transactions.

**Memorize Recurring Transaction for Automatic Entry**
1. Enter the transaction to memorize.
2. Select Edit: Memorize (Form Name) from the menu.

![Memorize Transaction window](image)

3. Click the Automate Transaction option.
4. Enter remaining information in the **Memorize Transaction** window.
5. Click **OK**.

**Automatically Enter Memorized Transactions**
1. Start QuickBooks on the appropriate date.

![Enter Memorized Transactions window](image)

2. Select the transactions to automatically enter.
3. Click **Enter Checked Now** to enter transactions now, or **Enter All Later** to enter no transactions.
4. Click **OK** in the QuickBooks Information window.
Change Memorized Transaction Detail
1. Select Lists: Memorized Transaction List from the menu.
2. Double-click on the transaction you are changing.
3. Enter any changes in the transaction window.
4. Select Edit: Memorize (Form Name) from the menu.
5. Click the Replace button in the Replace Memorized Transaction window.
6. Press the ESC key.
7. Click No (to avoid recording the entry before its scheduled date).

Change Memorized Schedule Details
1. Select Lists: Memorized Transaction List from the menu.
2. Select the transaction to edit.
3. Click the Memorized Transaction button.
4. Select Edit Memorized Transaction from the menu.
5. Make appropriate changes in the Schedule Memorized Transaction window.
6. Click OK.

Delete Memorized Transaction
1. Click the Memorized Transaction button.
2. Select Delete Memorized Transaction from the menu.
3. Click OK to confirm the deletion.
Set Up Sales Taxes
Tracking sales taxes can be a challenge. For instance, some customers might be taxable while others are not. Also, you might have to tax customers at different rates depending upon where they are located. And finally, some of the things you sell might be taxable while others are not. QuickBooks can help you track and control sales taxes. There are five steps to setting up sales taxes in QuickBooks:

1. Set sales tax preferences
2. Set up sales tax items and groups
3. Set up sales tax codes
4. Assign a sales tax code to items
5. Assign a sales tax item and sales tax code to customers

1- Sales Tax Preferences

1. Click the Manage Sales Tax icon on the Home page.
2. Click the Sales Tax Preferences button.

3. Enter appropriate information in the Preferences window.
4. Click OK.
5. Click Close in the Manage Sales Tax window.
2-Sales Tax Items and Groups
Sales tax items identify the rate and the tax agency for which you collect sales taxes. There are two types of items for sales tax purposes:

- **Sales Tax Items** are used to calculate single taxes paid to a single tax agency.
- **Sales Tax Groups** are used to calculate two or more sales taxes grouped together and applied to the same sale.

Add Sales Tax Items and Groups
1. Click the Manage Sales Tax icon on the Home page.
2. Click the Sales Tax Preferences button.
3. Click the **Add sales tax item** button.
4. Select Sales Tax Item or Sales Tax Group as the Type.
5. Enter remaining information in the **New Item** window.
6. Click **OK**.
7. Click **OK** in the Preferences window.
8. Click **Close** in the Manage Sales Tax window.

View or edit existing sales tax items or groups by clicking View Sales Tax Items in the Manage Sales Tax window. Double-click to edit the appropriate item.

**Sales Tax Item**

![New Item Window](image-url)
Sales Tax Group

Some states require more detailed reporting of non-taxable sales. Sales tax codes are used to classify why a transaction is either taxable or non-taxable.

1. Click the Manage Sales Tax icon on the Home page.
2. Click Open Sales Tax Code List.
3. Click the Sales Tax Code button and select New from the menu.
4. Enter a code under Sales Tax Code.
5. Click the Taxable or Non-Taxable button as appropriate.
6. Click OK.
7. Click Close in the Manage Sales Tax window.
4-Assign Sales Tax Code to Item

Assign a sales tax code to indicate whether an item is taxable or non-taxable. Sales tax codes can be assigned to service, inventory part, non-inventory part, other charge, and discount items.

**Assign Sales Tax Code to Item**

1. Click the **Items & Services** icon on the **Home** page.
2. Click to select the appropriate item.
3. Click the **Item** button.
4. Select **Edit Item** from the menu.

5. Click the **Tax Code** drop-down arrow and select the appropriate sales tax code.
6. Click **OK**.
5-Assigned Sales Tax Item and Code to Customer

Assign a sales tax code to indicate whether a customer is taxable or non-taxable. Assign a sales tax item to indicate the customer's tax rate. Non-taxable customers are not charged sales tax even if they are purchasing a taxable item.

Assign Sales Tax Item and Code to Customer

1. Click the **Customer Center** icon.
2. Click the Customers & Jobs tab in the Customer Center window.
3. Click to select the appropriate customer.
4. Click the **Edit Customer** button.
5. Click the Sales Tax Settings tab.

![Edit Customer Window]

6. Click the **Tax Code** drop-down arrow and select the appropriate sales tax code.
7. Click the **Tax Item** drop-down arrow and select the appropriate sales tax item.
8. Click **OK**.
Invoice Sales Taxes

Non-taxable Sale
Pay Sales Taxes

Review a Sales Tax Revenue Summary Report
1. Click the Manage Sales Tax icon on the Home page.
2. Click Sales Tax Revenue Summary.

![Sales Tax Revenue Summary](image)

Review a Sales Tax Liability Report
Click the Manage Sales Tax icon on the Home page.
1. Click Sales Tax Liability.

![Sales Tax Liability](image)
Adjust Sales Taxes
1. Click the **Manage Sales Tax** icon on the **Home** page.
2. Click Adjust Sales Tax Due.

![Sales Tax Adjustment window]

3. Enter an appropriate adjustment in the **Sales Tax Adjustment** window.
4. Click **OK**.
5. Click **Close** in the **Manage Sales Tax** window.
Pay Sales Taxes
1. Click the **Manage Sales Tax** icon on the **Home** page.
2. Click the **Pay Sales Tax** button.

![Pay Sales Tax window]

3. Click the individual items to select for payment.
4. Enter remaining information in the **Pay Sales Tax** window.
5. Click **OK**.
6. Click **Close** in the **Manage Sales Tax** window.
Chapter 10

Vendors & Expenses
Companies or individuals you purchase goods or services from are called vendors. If you need to send a 1099 to a company or individual, they must be set up as a vendor in the Vendor Center.
Add Vendors
1. Click the Vendor Center icon.
2. Click the Vendors tab in the Vendor Center window.
3. Click the New Vendor button.
4. Select New Vendor.
5. Enter appropriate information in the New Vendor window.
6. Click OK.

Address Info

Payment Settings
Track Accounts Payable

There are two ways to enter and pay bills. The method you use depends on if you track accounts payable for a transaction.

Tracking accounts payable means that you enter the bill before paying the vendor. If you track accounts payable, you always know how much you owe vendors for bills.

**Steps if you use accounts payable: Enter Bill ➔ Pay Bill ➔ Print Check**

If you do not use accounts payable, you directly write the check to the vendor. In other words, you do not enter the bill before paying the vendor. With this method, QuickBooks will not know how much you owe vendors for bills.

**Steps if you DON’T use accounts payable: Write Check ➔ Print Check**

**Enter Bill**

1. Click the **Enter Bills** icon on the **Home** page.

2. Click the **Vendor** drop-down arrow and select the appropriate vendor.

3. Enter remaining information in the **Enter Bills** window.

4. Click Save & Close.
Review Bill Tracker

1. Select **Vendors:Bill Tracker** from the menu.
Turn On/Off Automatic Discounts/Credits

1. Select Edit:Preferences from the menu.
2. Select Bills.
3. Click the Company Preferences tab.
4. Click the Automatically use credits box.
5. Click the Automatically use discounts box.
6. Click the Default Discount Account drop-down arrow and select the appropriate account.
7. Click OK.
Pay Bills

1. Click the **Pay Bills** icon on the **Home** page.

2. Click the individual bills to select for payment.

3. Enter remaining information in the **Pay Bills** window.

4. Click **Pay Selected Bills**.

5. Click **Print Checks** or **Done** in the Payment Summary window.
Print Checks

1. Click the **Print Checks** icon on the **Home** page.

   ![Select Checks to Print](image)

   - **Bank Account**: Checking
   - **First Check Number**: 1004
   
   Select Checks to print, then click OK.
   
   There are 6 Checks to print for $33,523.95.
   
<table>
<thead>
<tr>
<th>DATE</th>
<th>PAYEE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/01/2020</td>
<td>Dallas Bell</td>
<td>225.00</td>
</tr>
<tr>
<td>04/01/2023</td>
<td>Auldridge Windows</td>
<td>49.95</td>
</tr>
<tr>
<td>04/01/2023</td>
<td>King &amp; King</td>
<td>3,250.00</td>
</tr>
<tr>
<td>04/01/2023</td>
<td>Sella Doors, Inc.</td>
<td>14,999.00</td>
</tr>
<tr>
<td>04/01/2023</td>
<td>Smith &amp; Smith  - v</td>
<td>1,000.00</td>
</tr>
<tr>
<td>04/01/2023</td>
<td>SpendaLot, Inc.</td>
<td>14,000.00</td>
</tr>
</tbody>
</table>

2. Click the individual checks to select for printing.

3. Click **OK**.

   ![Print Checks](image)

   - **Printer name**: Xerox WorkCentre 7225 (9C 53 4E 94 3E F7)
   - **Printer type**: Page-oriented (Single sheets)
   - **CHECK STYLE**: Voucher
   - **Number of copies**: 1
   - **Signature**

4. Click the button next to the appropriate **Check Style** in the **Print Checks** window.

5. Click **Print**.

6. Click OK in the Print Checks - Confirmation window.
Write Checks
If you don’t use accounts payable, you write checks directly to vendors.

Write Check
1. Click the **Write Checks** icon on the **Home** page.
2. Click the **Pay to the Order of** drop-down arrow and select the payee.
3. For checks to be printed later, click the **Print Later** box.
   For hand-written checks, make sure the **Print Later** box is NOT checked.
4. Enter remaining information in the **Write Checks** window.
5. Click Save & Close.

Check To Be Printed Later

![Image of Write Checks window](image)

Print Checks
Print the checks following the steps you learned earlier.
**Hand-written Check**

![Image of a hand-written check]

**Debit Card Transactions**

Many businesses use debit cards as a convenient form of payment. How do you enter debit card transactions? Use the same Write Checks form, but enter “DEBIT” as the check no. The money is taken out of your bank account without altering the check number sequence. These debit card transactions also appear during the bank reconciliation.

![Image of a debit card transaction in a software interface]
Using Credit Cards

Add Credit Card 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 Credit Card as the Account Type.
5. Click Continue.

6. Enter remaining information in the **Add New Account** window.
7. Click Save & Close.
Enter Credit Card Charges

1. Click the Enter Credit Card Charges icon on the Home page.

2. Click the Credit Card drop-down arrow and select the appropriate credit card.

3. Enter remaining information in the Enter Credit Card Charges window.

4. Click Save & Close.
Credit Memos

Enter Credit Memo

1. Click the Enter Bills icon on the Home page.

2. Click the Credit button at the top of the window.

3. Enter remaining information in the Enter Bills window.

4. Click Save & Close.

Apply Credit Memo

1. Click the Pay Bills icon on the Home page.

2. Click the appropriate bills to select for payment.

3. Click the bill to specify the credit application.

4. Click the Set Credits button.
5. Select the appropriate credits and amounts to apply in the **Discount and Credits** window.

6. Click **Done**.

7. Enter remaining information in the **Pay Bills** window.

8. Click Pay Selected Bills.

9. Click Print Checks or Done in the Payment Summary window.
## Reports

### Review Expense by Vendor Summary

1. Select Reports:Company & Financial:Expenses by Vendor Summary from the menu.

![Expenses by Vendor Summary](image)

### Review Unpaid Bills Report

1. Select Reports:Vendors & Payables:Unpaid Bills Detail from the menu.

![Unpaid Bills Detail](image)
Review a Vendor Balance Detail Report

1. Select Reports: Vendors & Payables: Vendor Balance Detail from the menu.

Review an Accounts Payable Aging Summary

1. Select Reports: Vendors & Payables: A/P Aging Summary from the menu
Chapter 11

Banking
Bank Feeds
Use Bank Feeds to electronically manage bank accounts directly from QuickBooks. There are several steps to using Bank Feeds successfully:

1. Set up bank feeds
2. Enter online transactions, payments, and messages using the Bank Feeds Center
3. Send transactions in QuickBooks
4. Match or add downloaded transactions into QuickBooks

Set Up

Get Started with Bank Feeds

5. Contact your financial institution to obtain Login and Password information.
6. Select Banking:Bank Feeds:Set Up Bank Feed for an Account from the menu.
7. Complete the remaining on-screen instructions.
Online Payments
Fees may apply for online payments or online bill payments. Contact your financial institution for more information.

Write Check for Online Payment
1. Click **Banking:Write Checks** from the menu.

2. Click the **Pay to the Order of** drop-down arrow and select the payee.
3. Enter the remaining information in the **Write Checks** window.
4. Select the box next to **Pay Online**.
5. Click **Save & Close**.

Online Bill Payment
Send and Download Transactions
Use the Bank Feeds Center to send transactions to your bank and download transactions into QuickBooks. Set Rule preferences to help QuickBooks “learn” as you go.

Set Rule Preferences
1. Select **Edit:Preferences** from the menu.
2. Select **Checking**.
3. Click the Company Preferences tab.
Send Transactions
1. Click Banking:Bank Feeds:Bank Feeds Center from the menu.

2. Click Send Items.
3. Enter a PIN (if prompted).
4. Click OK.
5. Click to Print or Close the Online Transmission Summary.
**Match Or Add Transactions**

**Match or Add Downloaded Transactions to QuickBooks**

1. Click Banking:Bank Feeds:Bank Feeds Center from the menu.
2. Select the account you want to work with.
3. Click Transaction List.

4. For each transaction, click the Action drop-down arrow and make the appropriate selection.

**Review Rules**

1. Click **Rules**.
2. To add a rule, click the **Manage Rules** drop-down arrow and select **Add New**. Then enter the appropriate information, and click **Save**.
3. To edit a rule, double-click the rule, make your changes, and click **Save**.
Reconcile Bank Account

In QuickBooks, you reconcile bank accounts to make sure your records agree with the bank’s records. This helps you locate errors in QuickBooks and errors in the bank’s records.

**Reconcile Account**

1. Click the **Reconcile** icon on the **Home** page.

2. Click the **Account** drop-down arrow and select the appropriate bank account.

3. Enter appropriate information in the **Begin Reconciliation** window.

4. Click **Continue**.

5. Select the items that cleared the bank, then click **Reconcile Now**.

6. Select the type of reconciliation report in the **Select Reconciliation Report** window.

7. Click **Print**.
Locate Discrepancies

QuickBooks provides an easy way to locate and fix bank account reconciliation discrepancies. You can undo the last reconciliation or restart the reconciliation of a selected account. You can run a Discrepancy Report as well as previous reconciliation reports. QuickBooks Pro only lets you print a copy of the last reconciliation report.

Locate Discrepancies

1. Click the **Reconcile** icon on the **Home** page and select the appropriate account.
2. Click Locate Discrepancies.

Reconciliation Detail Report
**Void vs. Delete Checks**
Void a check if you used the check number, but the check will never be cashed. Delete a check if the check was never used in the real world.

**Delete a Check**
1. Display the appropriate check in the **Write Checks** window.
2. Select Edit:Delete Check or Edit:Delete Bill Pmt-Check from the menu.
3. Click **OK** in the **Delete Transaction** window.
4. Click Save & Close.

**Void a Check**
1. Display the appropriate check in the **Write Checks** window.
2. Select Edit:Void Check or Edit:Void Bill Pmt-Check from the menu.
3. Click **Yes** to void the check and enter adjusting journal entries.*
   
   *QuickBooks automatically records journal entries so the check is voided in the current period, and prior accounting periods are not affected. This only applies to checks written using expense accounts.*
Reports

Review a Missing Checks Report

1. Select Reports: Banking: Missing Checks from the menu.
2. Click the **Specify Account** drop-down arrow and select the bank account.
3. Click **OK**.
Chapter 12

Special Topics
Bounced Checks

If someone writes you a bad check, you can easily handle the bounced check using the built-in feature in QuickBooks.

Record Bounced Check

1. Click the Receive Payments icon on the Home page.
2. Click the Previous arrow to find the bad check.
3. On the Main tab, click Record Bounced Check.

- Enter the fee your bank charged you.
- Enter the date of the bank fee.
- Click the Expense Account drop-down arrow and select the appropriate expense account for the bank fee.
- If you want to charge your customer a fee for bouncing the check, enter a Customer Fee.
- Click Next.

When you click Record Bounced Check, here's what will happen in QuickBooks:

1. Following invoices will be marked unpaid:
   - Invoice 2
   - Seattle School
   - Unpaid
   - 2,021.25

2. These fees will be deducted from your bank account:
   - Checking
   - Check 566
   - 2,021.25
   - 25.00

3. This invoice will be created for the fee you want to charge your customer:
   - Invoice
   - Seattle School
   - 35.00

Click Finish.
Prepare Customer Statements
1. Click the **Statements** icon on the **Home** page.
2. Make appropriate selections below **Select Statement Options**.
3. Select the applicable customers below **Select Customers**.
4. Click **Print** (or **E-Mail**).

**Customer Deposits**

There are several ways to handle customer deposits. Real World Training recommends the method shown here 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. To enter customer deposits, follow these steps:

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
Receive Customer Payment/Deposit

1. Click the **Receive Payments** icon on the **Home** page.
2. Click the **Received From** drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the **Receive Payments** window.

4. Select Leave the credit to be used later.
5. Click **Save & Close**.
6. Click **OK** in the **Payment Credit** window.
Invoice Customer and Apply Credits

1. Click the **Create Invoices** icon on the **Home** page.
2. Click the **Customer:Job** drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the **Create Invoices** window.
4. Click the **Apply Credits** button.
5. Click **Yes** in the **Apply Credits** window.

![Invoice Customer and Apply Credits](image)

6. Make appropriate selections in the **Apply Credits** window.
7. Click **Done**.
8. Click Save & Close.
Use the steps to customize forms you learn later to add the Payments/Credits field to your invoice. You can also change the title of Payments/Credits to “Down Payment.”
Chapter 13

Setting Up Payroll
Payroll Setup

Perform these three steps to set up payroll from scratch:

1. Select Payroll Service
2. Payroll Setup Interview
3. Create Payroll Schedules (optional)

1- Select Payroll Service

Basic Payroll

A Basic Payroll subscription is for companies who pay their employees directly, but have an accountant file tax forms. With this service you set up payroll, enter employee time, process paychecks, and make tax deposits. The service gives you up to date federal and state tax tables. This allows QuickBooks to calculate taxes automatically. Basic Payroll requires a subscription, a unique EIN, Internet access to download tax table updates, and a current version of QuickBooks*. Checks are sold separately. Terms, conditions, features, pricing and service options are subject to change.

Enhanced Payroll

Enhanced Payroll offers all the features of Basic Payroll, plus additional features that make running payroll faster and easier. You can print federal and state tax forms directly from QuickBooks. There is also a built-in method for tracking, reporting, and calculating workers compensation. A service called E-pay lets you electronically pay federal and selected state taxes. And, you can do net-to-gross calculations easily when preparing paychecks. Enhanced Payroll requires a subscription, a unique EIN, Internet access to download tax table updates, and a current version of QuickBooks*.
**Assisted Payroll**

With an Assisted Payroll subscription, all you need to do is enter hours for your employees and Intuit does the rest of the work for you.

After you enter employee hours into QuickBooks, the data is sent to Intuit via the Internet. Intuit creates paychecks and calculates and files payroll taxes for you. You can either print the paychecks or use the direct deposit service. Each quarter, Intuit sends you a copy of the filed federal and state payroll tax forms. At the end of the year, Intuit prints and mails you the W-2’s. To use Assisted Payroll, you must have an internet connection, a unique employer id number, state withholding and unemployment tax id numbers, and a current version of QuickBooks*.

**Direct Deposit**

With the Direct Deposit option, you enter bank account information for each employee. Then, you enter paychecks in the normal fashion. Finally, you send the paycheck information to Intuit. The funds are directly deposited in each employee’s bank account.

* Intuit’s payroll services are compatible with the latest version(s) of QuickBooks. However, supported versions are subject to change.
2-Payroll Setup Interview
QuickBooks has a Payroll Setup Interview that walks you through the process of setting up your payroll. If you have not started using QuickBooks payroll, it is recommended that you use the Interview.

Start QuickBooks Payroll Setup
1. Select Employees:Payroll Setup from the menu.

2. Select the appropriate option.
3. Click the Continue button.
4. Enter appropriate information into the windows displayed by QuickBooks.
3-Create Payroll Schedules
Payroll schedules define when you should run payroll so that you can pay employees on their payday. QuickBooks gives you the option of using Payroll Schedules.

Create Payroll Schedule
1. Click the Payroll Center icon.
2. On the Pay Employees tab, click the Payroll Schedule button.
3. Select New from the menu.

![Payroll Schedule Window]

4. Enter appropriate information into the window.
5. Click OK.

![Assign Payroll Schedule Window]

6. Click Yes to assign employees with the same pay frequency to the payroll schedule (if prompted).
7. Click OK in the QuickBooks Desktop Information window.
Preferences

Set Payroll Preferences

1. Select **Edit: Preferences** from the menu.
2. Select Payroll & Employees.
3. Click the Company Preferences tab.

4. Change appropriate information in the **Preferences** window.
5. Click the **Employee Defaults** button.

6. Click **OK**.
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. When you add an item, you can use EZ Setup or Custom Setup. Real World Training recommends EZ Setup.

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

Add Payroll Items
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.

![Add New payroll item window]

4. Enter remaining information in the Add New payroll item windows.
5. Click Finish.

Edit Payroll Items
1. Select Employees:Manage Payroll Items:View/Edit Payroll Item List from the menu.
2. Select a payroll item to edit.
3. Click the Payroll Item button.
4. Select Edit Payroll Item from the menu.

![Edit payroll item window]

5. Enter remaining information in the Edit payroll item windows.
6. Click Finish.
Employees

Add Employees

1. Click Employees.

2. Click the **New Employee** button.

3. Enter appropriate information in the **New Employee** window.

4. Click **OK**.

Personal Information
Address and Contact Information

Employment Information
Payroll and Compensation Information

Federal Taxes
State Taxes

![State Taxes](image1)

Sick & Vacation Information

![Sick & Vacation Information](image2)
Chapter 14

Time Tracking
Set Up Time Tracking

Benefits of Time Tracking in QuickBooks
QuickBooks lets you track the time an employee, subcontractor, or owner spends on each job. Once you enter the time, you can use the information in several ways.

- Invoice the customer for actual time worked on jobs
- Print reports showing the time spent on jobs
- Use the information to prepare employee paychecks

Set Time Tracking Preferences
Turn on Time Tracking and set the first day of your work week by setting time tracking preferences. If you have QuickBooks Premier or Enterprise Solutions, you can also activate invoicing from a list of time and expenses.

Set Time Tracking Preferences
1. Select **Edit:Preferences** from the menu.
2. Select Time & Expenses.
3. Click the Company Preferences tab.
4. Change appropriate information in the **Preferences** window.
5. Click **OK**.
Enter Weekly Timesheet

QuickBooks lets you track the time employees or subcontractors spend on each job. The time can be used to pay employees, pay subcontractors, and invoice customers.

Enter Time on Timesheet

1. Click the Enter Time icon on the Home page and select Use Weekly Timesheet from the drop-down arrow.
2. Click the Name drop-down arrow and select the appropriate employee.
3. Enter remaining information in the Weekly Timesheet window.
4. Click Save & Close.
5. Weekly Timesheet (Subcontractor)
Print Timesheets
Print timesheets for your records or for review and approval.

Print Timesheets
1. Click the Enter Time icon on the Home page and select Use Weekly Timesheet from the drop-down arrow.
2. Click the Print drop-down arrow and select Print.
3. Enter appropriate Dates in the Select Timesheets to Print window.
4. Click on the individual timesheets to select for printing.
5. Click OK.
6. Click Print.

<table>
<thead>
<tr>
<th>Customer Job</th>
<th>Service Item</th>
<th>Payroll Item</th>
<th>Notes</th>
<th>Class</th>
<th>M</th>
<th>Tu</th>
<th>W</th>
<th>Th</th>
<th>F</th>
<th>Sa</th>
<th>Su</th>
<th>Total</th>
<th>Bill</th>
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<tr>
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<td>Hourly Rate</td>
<td>The success of</td>
<td>Dallas</td>
<td>8.00</td>
<td>8.00</td>
<td></td>
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<td>Overtime Rate</td>
<td></td>
<td>Dallas</td>
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<td>2.00</td>
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<td></td>
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<td></td>
</tr>
<tr>
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<td>Repair Hinges</td>
<td>Hourly Rate</td>
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<td>Dallas</td>
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<tr>
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<td>Repair Hinges</td>
<td>Hourly Rate</td>
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<td>12.00</td>
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<tr>
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<td>Lock Install</td>
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</tr>
<tr>
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</tbody>
</table>
Invoice Time & Expenses
QuickBooks Premier makes it easier to invoice for time and expenses by setting a preference.

Set Time Preferences
1. Select **Edit:Preferences** from the menu.
2. Select Time & Expenses.
3. Click the Company Preferences tab.
4. Click the box next to Create invoices from a list of time and expenses.

Invoice for Time
1. Click the **Invoices** icon on the **Home** page.
2. Click Invoice for Time & Expenses from the list.
3. Click the appropriate customer or job from the list.
4. Check the box next to Let me select specific billables for this Customer:Job.
5. Click Create Invoice.
6. Select the time to bill in the **Choose Billable Time and Costs** window.

![Choose Billable Time and Costs Window]

7. Click **Options** to make additional decisions about the time to be invoiced and click **OK**.

![Options for Transferring Billable Time]

8. Click **OK**.

![Create Invoice Window]
9. Enter remaining information in the **Create Invoices** window.
10. Click Save & Close.

**Productivity Reports**

**Review a Time by Name Report**

1. Select Reports: Jobs, Time & Mileage: Time by Name from the menu.
2. Click the **Customize Report** button.
3. Click the boxes next to Billed, Unbilled, and Not Billable below **Add subcolumns for**.
4. Click **OK**.

![Image of Time by Name Report]

**Review a Time by Job Detail Report**

1. Select Reports: Jobs, Time & Mileage: Time by Job Detail from the menu.

![Image of Time by Job Detail Report]
Review a Job Profitability Detail Report

1. Select Reports:Jobs, Time & Mileage:Job Profitability Detail from the menu.
2. Click the **Customer:Job** drop-down arrow, select the appropriate customer or job, and click **OK**.

*Only income shows after invoicing. Costs show after paying employees as you learn in the next chapter.*
Chapter 15

Running Payroll
Create Paychecks

1. Click the **Pay Employees** icon on the **Home** page. Or click the **Payroll Center** icon on the Home page.

2. If using payroll schedules, select the appropriate payroll schedule for payment. Then click **Start Scheduled Payroll**.

3. If not using payroll schedules, click **Unscheduled Payroll**. Then select the employees to pay in the **Enter Payroll Information** window.

4. Enter and review hours in the **Enter Payroll Information** window.

5. Click Continue.
6. Review information in the **Review and Create Paychecks** window.

7. To make a change, click the employee’s name.

8. Click **Save & Close** to save changes.

9. Click the **Create Paychecks** button.
10. Select whether to Print Paychecks and/or Print Pay Stubs in the Confirmation and Next Steps window.

11. Click **Close**.
Print Paychecks
You can print a paycheck while reviewing it in the Paycheck window. This method works well if you are printing only one or two checks. If you are printing several paychecks at once, you can click the Print:Print Paychecks button in the Payroll Center or select File:Print Forms:Paychecks from the menu.

Print Paychecks
1. Create paychecks as usual.

2. Click Print Paychecks in the Confirmation and Next Steps window.

3. Click Print.
Print Pay Stubs

Print pay stubs from the **Confirmation and Next Steps** window, or click the **Print:Print/Email Paystubs** button in the Payroll Center, or select **File:Print Forms:Pay Stubs** from the menu.

1. Create paychecks as usual.

2. Click Print Pay Stubs in the Confirmation and Next Steps window.

3. Select pay stubs to print, click **Print**, and click **Print** again.
Pay Liabilities & Taxes

When you create paychecks, QuickBooks calculates taxes for you and calculates due dates based on your payment schedules. You enter the payment schedule for each liability when you add a payroll liability item. QuickBooks shows the due dates for the payments and warns you when your liability payments are overdue.

1. Click the Pay Liabilities icon on the Home page.

2. In the Pay Taxes & Other Liabilities section of the window, select the tax or liability to pay in the list.

3. Click the View/Pay button.
4. Enter expenses and/or penalties in the Liability Payment window (if applicable).
5. Click Save & Close.
6. Click Close in the Payment Summary window.

**Tax Form 941**
1. Click the Process Payroll Forms icon on the Home page.
2. Select Quarterly Form 941/Schedule B in the Select Payroll Form window.
3. Click Create Form.
4. Enter the appropriate filing period below Select Filing Period.
5. Click OK.

6. Answer all questions in the Interview for your Form 941/Schedule B, and click Next until finished.
7. Click the Check for errors button.
8. After any errors are corrected, click Print forms.
9. Make appropriate selections in the Printing window.
10. Click Print.
11. Click Save & Close.
Reports

Review a Payroll Summary

1. Select Reports: Employees & Payroll: Payroll Summary from the menu.
2. Click the **Customize Report** button.
3. Click the boxes next to **Hours** and **Rate** below **Add subcolumns for**.
4. Click **OK**.

![Payroll Summary Report](image)
Review a Job Profitability Detail

1. Select Reports:Jobs, Time & Mileage:Job Profitability Detail from the menu.
2. Click the **Customer:Job** drop-down arrow and select the appropriate customer or job.
3. Click **OK**.
Chapter 16

Security & Multi-User
Multi-User QuickBooks

To use QuickBooks in multi-user mode, you must install a licensed copy of QuickBooks on each networked computer. The company file should be located on a shared resource (like a server or a hard disk that can be accessed by all users).

![Intuit QuickBooks Installer](image)

**Custom and Network Options**

- I'll be using QuickBooks on this computer.
- I'll be using QuickBooks on this computer, AND I'll be storing our company file here so it can be shared over our network.
- I will NOT be using QuickBooks on this computer. I will be storing our company file here so it can be shared over our network. (A license is not required for this option.)

![Administrator](image)

**Administrator**

The first step is to designate one user as the *QuickBooks Administrator*. This one person has unlimited access to all of QuickBooks. The *Administrator* is the only person who can:

- Add new users
- Change a user's access privileges
- Import and export data*
- Change company info and preferences*
- Set and change the closing date and password*
- Create portable company files*

*An External Accountant user can also perform these tasks.
Assign an Administrator


   ![Change user password and access dialog]

   - Enter the administrator’s name as the **Administrator’s Name**.
   - Enter the administrator’s password as the **Administrator’s Password**.
   - Enter the administrator’s password as the **Confirm Password**.
   - Select a Challenge Question and enter a Challenge Answer.
   - Click **Next**, and then click **Finish**.
   - Click **Close**.

2. Enter the administrator’s name as the **Administrator’s Name**.
3. Enter the administrator’s password as the **Administrator’s Password**.
4. Enter the administrator’s password as the **Confirm Password**.
5. Select a Challenge Question and enter a Challenge Answer.
6. Click **Next**, and then click **Finish**.
7. Click **Close**.
Users

The *QuickBooks Administrator* can add users to the company file and assign user security levels. You can set up your accountant as an External Accountant user. An External Accountant user can access all areas of QuickBooks, but can't view sensitive customer information, such as credit card numbers.

**Add a New User (Pro and Premier)**

1. Select **Company: Set Up Users** and **Passwords: Set Up Users** from the menu.
2. Enter the administrator password (if prompted) and click **OK**.
3. Click the **Add User** button.
4. Enter the new user's name as the **User Name**.
5. Enter the new user's password as the **Password**.
6. Enter the new user's password as the **Confirm Password**.
7. Check the box if you want to add this user to your license.
8. Click the **Next** button.
9. In the first screen, select the user's access level: **Selected areas of QuickBooks**, **All areas of QuickBooks**, or **External Accountant**.
10. Select the appropriate level of access in the following windows.
11. Click **Finish** in the last window.
12. Click **Close**.

**Add a New User (Enterprise Solutions)**

1. Select **Company: Users: Set Up Users** and **Roles** from the menu.
2. If prompted, enter the appropriate **Password** and click **OK**.
3. Click **New**.
4. Enter the user's name as the **User Name**.
5. Enter the user's password as the **Password** (optional).
6. Enter the user's password as the **Confirm Password**.
7. Select a role from the list of **Available Roles and click Add**.
8. Repeat Step 7 to assign additional roles.
9. Click **OK**.
10. Click **Close**.
Using in Multi-user Mode

QuickBooks works in two modes: Single-user and Multi-user. Multiple users can access the company file in Multi-user mode. In Single-user mode, only one user can access the company file at a time.

Certain actions are permitted only in Single-user mode. These actions include:

- Some types of changes to lists (such as deleting, merging, and sorting)
- Change company preferences
- Create or work with accountant's copies
- Condense or rebuild data
- Import or export data
- Create portable company files
- Adjust inventory

Switch to Multi-user Mode

1. Select File: Switch to Multi-user Mode from the menu.
2. Click OK.

Open QuickBooks as a New User

1. Select File: Open or Restore Company from the menu.
2. Select Open a company file (.QBW).
3. Click Next.
4. Select the name of the appropriate company file.
5. Click Open.
6. Enter the User Name and the Password.
7. Click OK.
Audit Trail

An important part of accounting is tracking which transactions have been added, changed, or deleted during a time period…and by whom. QuickBooks provides this information through the Audit Trail report.

Review an Audit Trail Report

Select Reports: Accountant & Taxes: Audit Trail from the menu.

Audit Trail w/Change

Audit Trail w/Deletion
Chapter 17

Working With Reports
Report Center

The Report Center helps locate and run reports that show the information you need.

Open Report Center

1. In My Shortcuts on the left icon bar, click Reports.

2. Click the appropriate report group to the left.

3. To open a report, click the Run icon below the report preview.
Columns

Modify Report Columns

1. Run the appropriate report.
2. Click the **Customize Report** button.
3. Change appropriate information in the **Modify Report** window.
4. Click **OK**.
Sorting

Sort Report
1. Run the appropriate report.
2. Click the **Customize Report** button.

3. Click the drop-down arrow next to **Sort by** to select the sort field.
4. Click the appropriate button next to **Sort in**.
5. Click **OK**.

![Modify Report: Customer Phone List](image)

![Customer Phone List](image)
Column Width & Order

Change Column Width

1. Run the appropriate report.
2. Click and drag the divider between column headings to the left or right.

Change Column Order

1. Run the appropriate report.
2. Click and drag the column title over the diamond between column headings.
Header/Footer

Change Header/Footer

1. Run the appropriate report.
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

Change Fonts & Numbers

1. Run the appropriate report.
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 **Customize Report** window.
10. Click **OK**.
Change Filter Reports

1. Run the appropriate report.
2. Click the **Customize Report** button.
3. Click the **Filters** tab.

4. Change appropriate information in the **Modify Report** window.
5. Click **OK**.
Report Preferences
Report preferences allow you to customize and format reports for your business needs.

Set Report Preferences
1. Click the Edit menu and select Preferences.
2. Click Reports & Graphs in the list to the left.
3. Click the Company Preferences tab.
4. Click Format.
5. Change the Header/Footer or Fonts & Numbers on reports.
Memorizing

Memorize a Report
1. Run the appropriate report.
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. Click the Report Center icon.
2. Click the Memorized tab at the top of the window.
3. Click the appropriate report group to the left.
4. Select the appropriate report.

5. Click Run.
Report Groups
QuickBooks lets you display/print multiple reports at one time. To do so, create a Memorized Report Group. Once a group is added, you can click and drag memorized reports to make them part of a group. Reports can also be added to a report group when you memorize the report.

Add a Memorized Report Group
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
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 reports as appropriate.

4. Click Display or Print.
Working with Microsoft® Excel®
QuickBooks lets you create custom reports in Excel without having to re-enter the data.

Export a Report to Excel
1. Run the appropriate report.
2. Click the Excel button.
3. Select whether to create a new worksheet or update an existing worksheet from the menu.
4. Click the Advanced button to modify the transfer options.
5. Click the Export button.
6. QuickBooks automatically runs Excel and displays the report.
Update Report Data
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**.

   ![Update Report dialog]

   **Choose company file**

   ![Company file path]

   **Please select the date range for which you would like to update this report**

   ![Date range selection]

   **Note:** QuickBooks must close Excel to update the report. When the update is complete, QuickBooks restarts Excel for you. If your company file is big, this may take a few minutes.

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-Considerations

If you make changes to your exported report, Excel only keeps certain changes:

- Renamed report titles
- Font formatting in row and column headers
- Resized columns
- Renamed column and row headers
- Inserted rows and columns with information entered
- Formulas (the updated report must contain the row associated with the formula)
- Inserted text

Any of the following changes you make to your exported report will have to be updated manually when the report is updated:

- Font formatting in non-header cells
- Formatting other than changes to Font
- Moved data cells
Formula Errors

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.
Chapter 18

Utilities
**Backup Data Files**

You should make regular backups of your QuickBooks company files and keep these backups off-site. This ensures you will always have a recent copy of your critical accounting records should a data loss occur.

QuickBooks makes this easy with options for setting the reminder frequency for backups, verifying data integrity, and scheduling backups at set intervals. You can also use Intuit’s online backup service (additional fees apply).

**There are four ways to back up your company file in QuickBooks:**

1. Backup online
2. Manual backup
3. Automatic backup
4. Scheduled backup
Back Up Company Data File

1. Select File:Back Up Company:Create Local Backup from the menu.
2. Click the Options button.
3. Set the backup location and other options and click OK.
4. Click Next.
5. Select when to back up.
6. Click Next.
7. If creating a manual backup, click Save.
   If creating an automatic or scheduled backup, set options and create a schedule.
8. Click Finish.
**Restore Data Files**

Restoring data files means recreating a company data file from a backup copy. You may do this for several reasons.

- The company file on your hard drive is damaged.
- The computer's hard drive is damaged.
- You wish to review your company data as it stood at an earlier date.

**Restore a Company Data File**

1. Select File: Open or Restore Company from the menu.

2. Select Restore a backup copy.

3. Click **Next**.

4. Select Local backup or Online backup.

5. Click **Next**.

6. Select the backup file being restored in the **Open** window.

7. Click **Open**.

8. Click **Next**.

9. Select an appropriate **Restore To** location.

10. Click **Save**.

11. Enter the **User Name:** and **Password:** in the **QuickBooks Login** window (if file is password protected).

12. Click OK in the QuickBooks Information window.
Updating QuickBooks

Versions
A new version of QuickBooks is released approximately every year. A new version adds new features and improvements. Intuit charges a fee for the purchase of a new version. Contact Intuit for current prices.

After the new version is installed, QuickBooks asks you whether your data file should be updated to the new version. By typing “YES”, QuickBooks automatically updates your file to the new version. Once the file is updated, you can no longer open the data file in the previous version.

Maintenance Releases
Intuit occasionally creates maintenance releases for an existing version of QuickBooks. A maintenance release usually corrects problems in QuickBooks not discovered until after distribution of a new version. Also, Intuit might add features that were not available at the time the version was distributed. Intuit does not charge a fee for maintenance releases.

To determine the current version and release of QuickBooks, display the Product Information window.

Display the Product Information Window
Press the F2 key or hold down the Ctrl key and press 1 on the keyboard.

<table>
<thead>
<tr>
<th>Product Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Information</td>
<td>X</td>
</tr>
<tr>
<td>Location</td>
<td>C:Users\Public\Documents\Intuit\QuickBooks\Sample Company Files\QuickBooks 2019\Day 2 - Chapters 7 to 12 - 2023.dbw</td>
</tr>
<tr>
<td>File Size</td>
<td>164E8 k</td>
</tr>
<tr>
<td>Page Size</td>
<td>4990</td>
</tr>
<tr>
<td>Total Transactions</td>
<td>173</td>
</tr>
<tr>
<td>Total Targets</td>
<td>830</td>
</tr>
<tr>
<td>Total Links</td>
<td>54</td>
</tr>
<tr>
<td>Dictionary Entries</td>
<td>0</td>
</tr>
<tr>
<td>DB File Fragments</td>
<td>2</td>
</tr>
<tr>
<td>Schema version</td>
<td>125.5</td>
</tr>
<tr>
<td>Server Port</td>
<td>0</td>
</tr>
<tr>
<td>Server IP</td>
<td>192.168.1.120</td>
</tr>
<tr>
<td>Server Name</td>
<td>GB_data_engine_29</td>
</tr>
<tr>
<td># of Users Logged In</td>
<td>1</td>
</tr>
<tr>
<td>Current Cache Size</td>
<td>513</td>
</tr>
<tr>
<td>Max Cache Size</td>
<td>1024</td>
</tr>
</tbody>
</table>

Getting Maintenance Releases
You should download the current maintenance release for your QuickBooks version. The update must be installed on every computer that will run QuickBooks in a multi-user system. Updates can be shared with other users in a multi-user environment.
There are three ways to get the latest maintenance release.

1. Get updates automatically, via the *QuickBooks Update Service*. By turning on the Automatic Update feature in the Update QuickBooks window, QuickBooks will automatically download a new maintenance release when available.

2. Check for and download updates using the *QuickBooks Update Service* when you want. You should check for updates once a month to keep QuickBooks current.

3. Manually download and install the latest maintenance release from the QuickBooks website.

**Turn On/Off Automatic Update**

1. Select Help: Update QuickBooks Desktop from the menu.
2. Click the **Options** tab.
3. Click the **Yes** or **No** button next to **Automatic Update**.
4. Click to select the appropriate updates in the **Update QuickBooks** window.
5. Click **Save**, then **Close**.

**Check For and Download Updates**

1. Select Help: Update QuickBooks Desktop from the menu.
2. Click the **Update Now** tab.
3. Click the **Get Updates** button.
4. Click the **Yes** button when exiting QuickBooks (if prompted).
Chapter 19

Year-End Procedures
Year-End Steps
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 3 steps to complete in QuickBooks at year-end. Consult your accounting professional regarding all year-end procedures your company must complete.

1. Set a closing date and password to restrict users from a prior period.
2. Provide your accountant with your QuickBooks financial information using a method such as the Accountant’s Copy.
3. Incorporate changes from accountant.

Set a Closing Date
This 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.

5. Select Company: Set Closing Date from the menu.

6. Click Set Date/Password.

7. Enter a Closing Date.
8. Enter the password as the **Closing Date Password**.
9. Enter the password as the **Confirm Password**.
10. Click **OK**.

**Restrict User Access to Prior Period**
2. Enter the **Password** in the **QuickBooks Login** window.
3. Click **OK**.
4. Select the appropriate user.
5. Click the **Edit User** button.
6. Click the **Next** button until you see the **Changing or Deleting Transactions** window.

   ![Changing or Deleting Transactions](image)

7. Select if the user can change or delete transactions prior to the closing date.
8. Click **Finish**.
9. Click **Close**.
No Access to Prior Transactions

The Accountant's Copy is an efficient way to work with accountants that use QuickBooks. With this process, a special copy of your data file can be given to your accountant to enter adjustments. Meanwhile, you can continue to work on your original data file. When the adjustments are complete, the changes are imported into your original data file.

There are restrictions on you and your accountant while an Accountant’s Copy exists. For a list of restrictions, search for “Accountant’s Copy” in the QuickBooks Help system.

A Dividing Date is used to ensure changes you make in the current period don't conflict with changes your accountant is making in a prior period.
Create Accountant’s Copy
2. Click **Next**.

![Screenshot of Create Accountant’s Copy](image)

3. Select a Dividing Date for the Accountant’s Copy.
4. Click **Next**.
5. Click **OK**.
**Incorporate Accountant’s Changes**

If you use the Accountant’s Copy, you can import your accountant’s changes into your QuickBooks data file.

If you are not using the Accountant’s Copy, there are several ways your accountant’s changes can be incorporated into QuickBooks. For example, your accountant might send you a list of year-end journal entries and ask you to enter them into QuickBooks. Or, your accountant might travel to your office to enter year-end journal entries.

Consult with your accountant to determine the most efficient way of entering their changes in QuickBooks.

**Import Accountant’s Changes**

Chapter 20

Inventory
Manage Inventory

QuickBooks helps you manage your inventory with essential inventory activities and reports. QuickBooks Enterprise Solutions Advanced Inventory allows you to accurately track the quantity and value of inventory items held in multiple locations. You can also transfer inventory from one location to another. Additional fees apply. Learn more at www.qbes.com/inventory.

The Inventory Center stores information about all of the Inventory and Inventory Assemblies in your company file.

Purchase Orders

Review Inventory Stock Status by Item Report

1. Select Reports: Inventory: Inventory Stock Status by Item from the menu.
Enter Purchase Order

1. Click the **Purchase Orders** icon on the **Home** page.

2. Click the **Vendor** drop-down arrow and select the appropriate vendor.

3. Enter remaining information in the **Create Purchase Orders** window.

4. Click **Save & Close**.
Receive Items with Bill

1. Click the Receive Inventory icon on the Home page and select Receive Inventory with Bill from the drop-down arrow.

2. Click the Vendor drop-down arrow and select the Vendor.

3. Click Yes in the Open PO’s Exist window.

4. Click the purchase order(s) being received against in the Open Purchase Orders window.

5. Click OK.


7. Click Save & Close.
Pay Bill

1. Click the **Pay Bills** icon on the **Home** page.

![Pay Bills window]

2. Click the individual bills to select for payment.

3. Enter remaining information in the **Pay Bills** window.

4. Click **Pay Selected Bills**.

5. Click **Print Checks** or **Done** in the Payment Summary window.
Adjust Inventory
For a business with inventory, the quantity on-hand is critical information. When you purchase inventory, you add to the on-hand quantity. Invoicing a customer reduces the quantity. If the actual quantity differs from the quantity in QuickBooks, you need to adjust the inventory.

Review a Physical Inventory Worksheet
1. Select Reports:Inventory:Physical Inventory Worksheet from the menu.

Adjust Inventory
1. Click Inventory Activities on the Home page.
2. Click Adjust Quantity/Value on Hand.

3. Click the Adjustment Type drop-down arrow and select the appropriate Adjustment Type.
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.
Inventory Reports

Review an Open Purchase Orders Detail Report

1. Select Reports: Purchases: Open Purchase Orders Detail from the menu.

<table>
<thead>
<tr>
<th>Inventory</th>
<th>Qty</th>
<th>Rcv’d</th>
<th>Amount</th>
<th>Open Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Door Knob (Standard Door Knob)</td>
<td>50</td>
<td>0</td>
<td>1,797.50</td>
<td>1,797.50</td>
</tr>
<tr>
<td>Total Door Knob (Standard Door Knob)</td>
<td>50</td>
<td>0</td>
<td>1,797.50</td>
<td>1,797.50</td>
</tr>
<tr>
<td>Hinges (Hinges you buy for doors)</td>
<td>25</td>
<td>0</td>
<td>375.00</td>
<td>375.00</td>
</tr>
<tr>
<td>Total Hinges (Hinges you buy for doors)</td>
<td>25</td>
<td>0</td>
<td>375.00</td>
<td>375.00</td>
</tr>
<tr>
<td>Total Inventory</td>
<td>75</td>
<td>0</td>
<td>2,172.50</td>
<td>2,172.50</td>
</tr>
</tbody>
</table>

Review an Inventory Valuation Summary

1. Select Reports: Inventory: Inventory Valuation Summary from the menu.

<table>
<thead>
<tr>
<th>Inventory</th>
<th>On Hand</th>
<th>Avg Cost</th>
<th>Asset Value</th>
<th>% of Total Asset</th>
<th>Sales Price</th>
<th>Retail Value</th>
<th>% of Total Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cedar Door (Natural Cedar Door)</td>
<td>24</td>
<td>299.99</td>
<td>7,199.75</td>
<td>5.3%</td>
<td>439.95</td>
<td>11,998.00</td>
<td>4.8%</td>
</tr>
<tr>
<td>Door Knob (Standard Door Knob)</td>
<td>104</td>
<td>35.95</td>
<td>3,738.80</td>
<td>2.7%</td>
<td>49.95</td>
<td>5,194.80</td>
<td>2.1%</td>
</tr>
<tr>
<td>Garage Door (All-weather customer garage door)</td>
<td>60</td>
<td>749.95</td>
<td>44,867.00</td>
<td>32.9%</td>
<td>1,099.95</td>
<td>95,997.00</td>
<td>38.2%</td>
</tr>
<tr>
<td>Glass Door (Glass Patio Door)</td>
<td>110</td>
<td>199.95</td>
<td>21,984.50</td>
<td>16.1%</td>
<td>395.99</td>
<td>43,583.90</td>
<td>17.3%</td>
</tr>
<tr>
<td>Hinges (Hinges you buy for doors)</td>
<td>50</td>
<td>15.00</td>
<td>750.00</td>
<td>0.5%</td>
<td>25.00</td>
<td>1,250.00</td>
<td>0.5%</td>
</tr>
<tr>
<td>Lock (Lock with Kryptonite key)</td>
<td>9</td>
<td>299.99</td>
<td>2,699.55</td>
<td>0.2%</td>
<td>69.95</td>
<td>629.55</td>
<td>0.3%</td>
</tr>
<tr>
<td>Oak Door (Old-fashioned varnished oak door)</td>
<td>10</td>
<td>749.00</td>
<td>7,490.00</td>
<td>5.5%</td>
<td>999.00</td>
<td>9,990.00</td>
<td>4.0%</td>
</tr>
<tr>
<td>Patio Locks (Locks for installation on patio doors)</td>
<td>100</td>
<td>60.00</td>
<td>6,000.00</td>
<td>3.7%</td>
<td>99.95</td>
<td>9,995.00</td>
<td>4.0%</td>
</tr>
<tr>
<td>Regular Door (Regular wood door)</td>
<td>45</td>
<td>49.95</td>
<td>2,247.75</td>
<td>1.0%</td>
<td>69.95</td>
<td>1,447.75</td>
<td>1.1%</td>
</tr>
<tr>
<td>Steel Locks (Regular dead bolt lock)</td>
<td>360</td>
<td>9.95</td>
<td>3,582.00</td>
<td>2.6%</td>
<td>15.95</td>
<td>5,742.00</td>
<td>2.3%</td>
</tr>
<tr>
<td>Walnut Door (Natural varnish Walnut Door)</td>
<td>80</td>
<td>495.99</td>
<td>39,679.20</td>
<td>29.0%</td>
<td>799.95</td>
<td>63,996.00</td>
<td>25.4%</td>
</tr>
<tr>
<td>Total Inventory</td>
<td>952</td>
<td>136,348.56</td>
<td>100.0%</td>
<td>251,499.80</td>
<td>100.0%</td>
<td>251,499.80</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
# Keyboard Shortcuts

<table>
<thead>
<tr>
<th>Keyboard Strokes</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ctrl + 1</td>
<td>Displays important information about QuickBooks</td>
</tr>
<tr>
<td>Ctrl + F</td>
<td>Find transaction</td>
</tr>
<tr>
<td>Ctrl + H</td>
<td>History of A/R or A/P transaction</td>
</tr>
<tr>
<td>Ctrl + M</td>
<td>Memorize transaction</td>
</tr>
<tr>
<td>Ctrl + O</td>
<td>Copy transaction in a register</td>
</tr>
<tr>
<td>Ctrl + Q</td>
<td>QuickReport of list item</td>
</tr>
<tr>
<td>Ctrl + R</td>
<td>Use register</td>
</tr>
<tr>
<td>Ctrl + U</td>
<td>Use item on a list</td>
</tr>
<tr>
<td>Ctrl + V</td>
<td>Paste transaction in register</td>
</tr>
<tr>
<td>Tab</td>
<td>Moves to the next field</td>
</tr>
<tr>
<td>Shift + Tab</td>
<td>Moves to the prior field</td>
</tr>
<tr>
<td>Ctrl + Tab</td>
<td>Toggles between open windows in QuickBooks</td>
</tr>
<tr>
<td>Esc</td>
<td>Cancels transaction or closes window</td>
</tr>
<tr>
<td>Ctrl + Z</td>
<td>Undoes changes made to field</td>
</tr>
<tr>
<td>Up Arrow</td>
<td>Moves to line above in detail area</td>
</tr>
<tr>
<td>Down Arrow</td>
<td>Moves to line below in detail area</td>
</tr>
<tr>
<td>+</td>
<td>Increase form number or increase date</td>
</tr>
<tr>
<td>-</td>
<td>Decrease form number or decrease date</td>
</tr>
<tr>
<td>R</td>
<td>Changes date to end of year</td>
</tr>
<tr>
<td>Y</td>
<td>Changes date to beginning of year</td>
</tr>
<tr>
<td>M</td>
<td>Changes date to beginning of month</td>
</tr>
<tr>
<td>H</td>
<td>Changes date to end of month</td>
</tr>
<tr>
<td>T</td>
<td>Changes date to today's date</td>
</tr>
<tr>
<td>Space Bar</td>
<td>Use to mark or unmark boxes with check marks</td>
</tr>
<tr>
<td>Ctrl + Up Arrow</td>
<td>Scrolls through individual entries on a list while in a form</td>
</tr>
<tr>
<td>Alt + Down Arrow</td>
<td>Displays the list on a form</td>
</tr>
<tr>
<td>Diamond</td>
<td>Use the diamond on lists to move the item to another position or to make subaccounts, sub-items, or jobs</td>
</tr>
</tbody>
</table>