



Data Migration Checklist Accrual Based Users

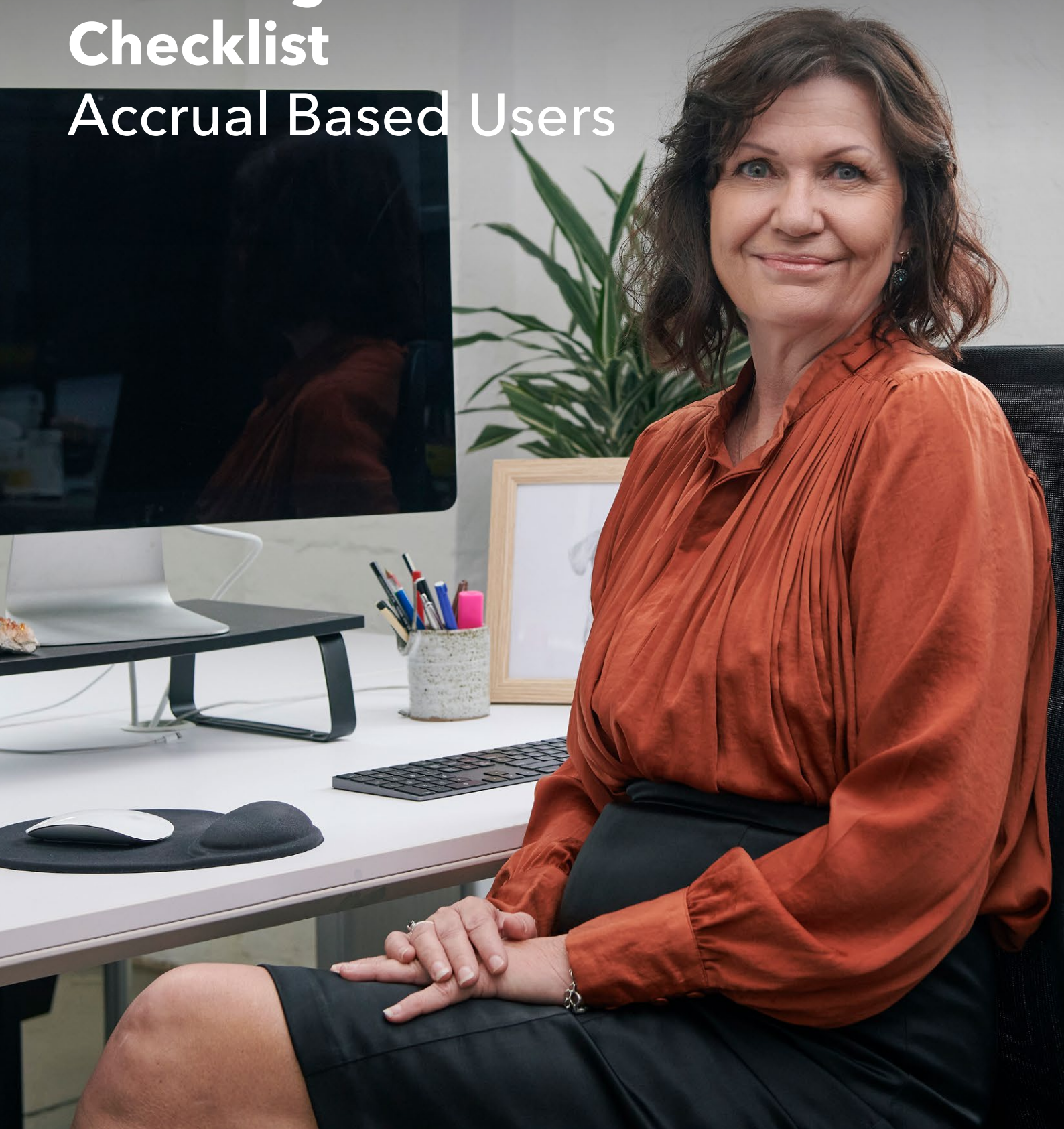




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Step 1

Pre-Migration



STEP 1

Pre-Migration Checks

The following steps are required prior to uploading your file for transfer:

- 1** Reconcile all your bank and/or credit card accounts to the most recent statement possible. After reconciling, make a note of the balances on your bank account. You'll need this when preparing the post-transfer reconciliation in your QuickBooks Online company file.
- 2** File your quarterly sales tax return for the remaining lodging period.

***Note:** If you have an existing QuickBooks Online company file that you have used in any way, you will need to cancel your subscription and create a new account. Data cannot be migrated into a QuickBooks Online company file that has existing data contained within it.

**If you use Cash-based accounting, it is advised you wait to migrate until directly after close (and reconciliation) of a sales tax period. Otherwise, you may have a considerable amount of post-transfer work in QuickBooks Online, such as dealing with partially complete invoices.

To file your quarterly **Sales Tax** return in Xero:

- ① Select **Reports** from the **Accounting** menu
- ② Select the **Tax Return** option
- ③ Select **View** under **Looking to see GST Transactions for your own date range?**
- ④ Select the data range. The date range is the start of the quarter until the current date (that is, transfer date)
- ⑤ Select **Display**
- ⑥ Export the report to a PDF.

After the transfer, this information will be used to generate a full report. This is done by adding the amounts in the boxes together in the old and new software.





- ③ Export GST Reports at the date of migration:
 - a) Lodged Activity Statements
 - b) GST Transaction List
 - c) GST Reconciliation Report
- ④ Generate both Accrual and Cash Reports from both Xero and QBO. Reports include:
 - d) Trial Balance
 - e) Profit and Loss
 - f) Balance Sheet
 - g) Outstanding Supplier and Customer Balances
 - i) Accounts Receivable Detail Report
 - ii) Accounts Payables Detail Report.

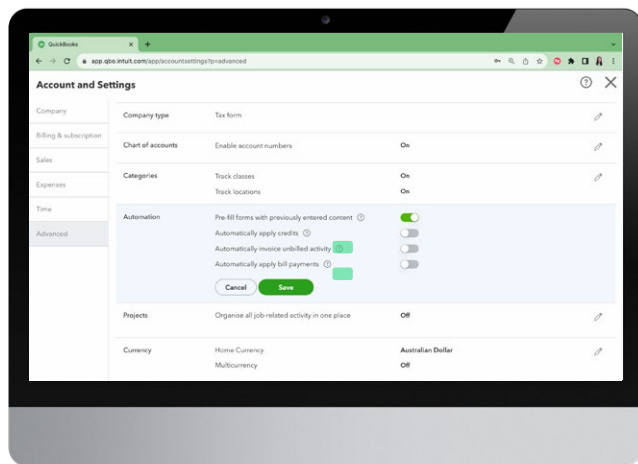
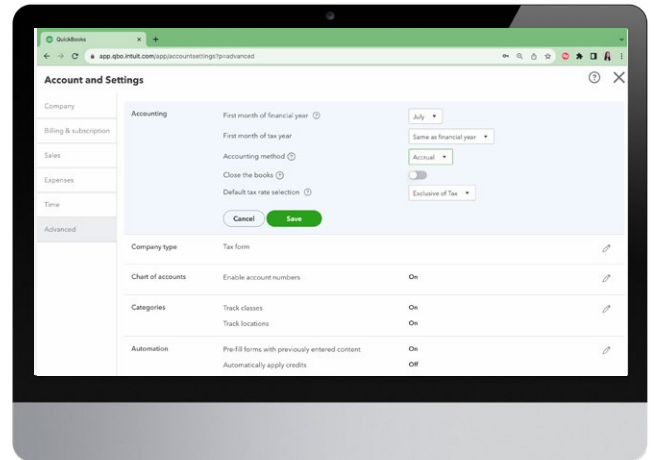
You will need these reports to validate closing/open balances in both Xero and QBO and ensure there are no discrepancies or errors before commencing GST post-conversion.


5 Generate and Export Aged Receivables/Payables Detail Reports with Outstanding GST.

It is important to be aware of any invoices that have both GST and non-GST items, as well as any irregular GST percentages. You will need this information for the post-migration tasks.

6 In your Quickbooks Online subscription, you will need to check your file settings and ensure you have enabled the correct file settings that will ensure that your migration is completed successfully. You will need to verify your [accounting method](#) and automation settings.

- 1 Go to Settings  and select Account and settings
- 2 Go to Advanced Tab
- 3 In the Accounting section, select Edit  icon
- 4 Select the first month of the financial year and first month of tax year
- 5 Select the Accounting method (either Cash or Accrual).



- 6 Go to the Automation section, select Edit  icon
- 7 Turn **off** the Automatically apply for credits and Automatically apply bill payments
- 8 Then **Save**
- 9 If you use Tracking Categories and Locations, you can turn these on in Advanced settings as shown above and save.

Step 2

Start Migration

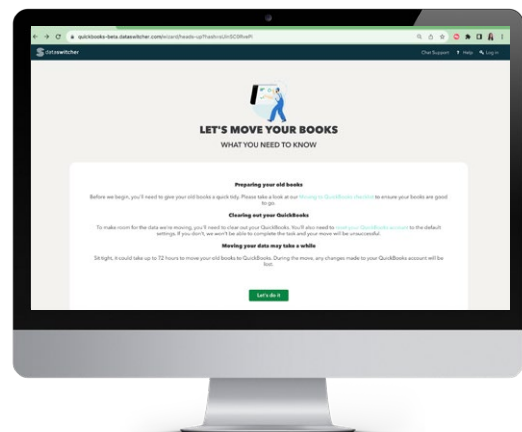


STEP 2

Get started with transferring your data to QuickBooks Online

Visit the [Datasyncer migration wizard](#) to get started.

Refer to the following guide on [Transferring your Data to Quickbooks Online for further details of the limitations of Datasyncer](#).



Step 3

Post Migration



STEP 3

Dataswitcher Post Migration Data Check

Now that your data has moved into QuickBooks Online, it's time to review your QuickBooks Online account. We have created a review checklist below to get you started using QuickBooks Online for your business. Here we go over what you need to do before you start making changes to your data or entering new transactions.

Note: Because not every business is registered for GST, the steps to clean up your GST might not apply to you. Skip these steps if your business isn't registered.

Verify your data

⚠ Review your data in QBO before you approve your move. If you do not approve your move within 72 hours, it will automatically be approved.


This is an important step. You must verify the data conversion to ensure consistency with your old accounting system. These are the three areas to check.

1 Configure your Quickbooks Online Settings and Accounting Method

The first thing you need to do is check your file settings and ensure you have enabled the correct file settings, which will ensure that your migration is completed successfully.

First, you will need to verify your [accounting method](#). (see step 6 of Pre-Conversion Tasks above).

Next, let's set up your QuickBooks Online account properly so, you can start reaping the rewards straight away.

- 1 Go to Settings  and select **Account** and **Settings**
- 2 Select each tab from the left menu and update information
- 3 Select **Done** when you've finished.

Note: It's important to select the correct first month of the financial year under Advanced settings. For details, visit [How do I set my advanced account settings](#).

2 Account balances

Compare the balances between your prior accounting system and your new QuickBooks Online subscription by comparing the below reports across the two systems. Ensure your reports are being viewed on an accruals basis.

- Trial Balance
- General Ledger
- Balance Sheet
- Profit and Loss report (income statement)
- Accounts Payable ageing summary
- Accounts Receivable ageing summary
- Outstanding supplier and customer balances.

The outstanding balances of suppliers and customers in your old software should line up with the new balances in your QuickBooks Online account. You can check this at random for around 5-10 customers and suppliers to make sure there are no discrepancies. Also, check the historical [account payable](#) (A/P) and [account receivable](#) (A/R) on some random dates.

Note: There might be some discrepancies due to adjustment notes. In some accounting systems, you can specify a due date for an adjustment note, which isn't available in QuickBooks Online. This might cause amounts to appear in the wrong column.

3 Bank Reconciliation

After the data conversion, all bank accounts are unreconciled. You'll need to reconcile them before you start using QuickBooks Online. For each bank account, follow these steps:

Before you start:

- Last statement ending date: Make sure your bank statement starts the day after your last reconciliation.
- Beginning balance: Make sure the beginning balance in QuickBooks matches the one on your bank statement. This is the account balance at the beginning of the time period you're reconciling. Here's what to do [if they don't match](#).

- 1 Go to Bookkeeping and select Reconcile ([Take me there](#))
- 2 From the Account ▼ dropdown menu, select the account you want to reconcile
- 3 Enter the Ending balance and Ending date as shown in your exported reports or previous accounting system
- 4 When you're ready, select Start reconciling
- 5 Select All transactions for reconciliation.

Select **Finish** now, follow the steps (if any), then select **Done**.

If you need further help with reconciliation or have a unique situation, please visit [Reconcile an account in QuickBooks Online](#).

4 GST Adjustment for Accrual Based Accounting

Quickbooks uses a Control Account called GST Liability for all GST transactions.

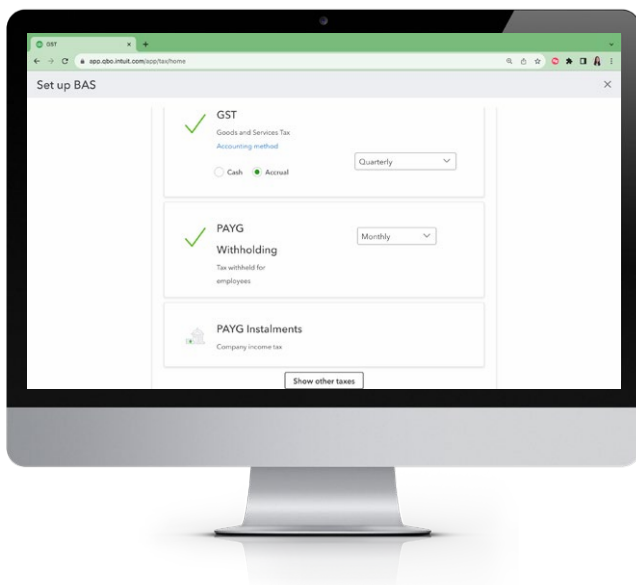
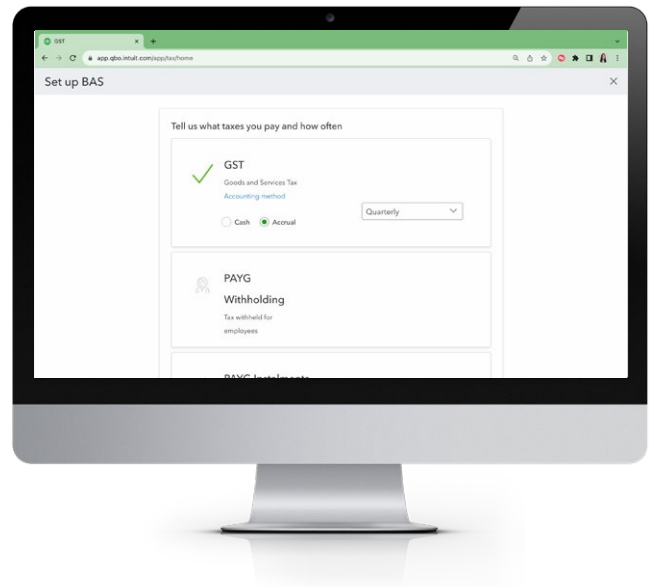
By default, Data Switcher will create and allocate any GST on transactions to the account called GST. As a result, we need to reallocate the balance in the GST Account to the GST Liability Account for reporting purposes.

To do this, follow the below steps:

1 Lastly, once you have calculated the difference between your QBO and Xero, and calculated the journal needed to balance the difference. You will post the necessary adjusting entry.

1.1 Select **GST** from the left navigation panel and select **Get Started**.

1.2 In the GST section, select the **accounting method** and **BAS lodgement frequency** (monthly, quarterly or annually) that applies to your business.



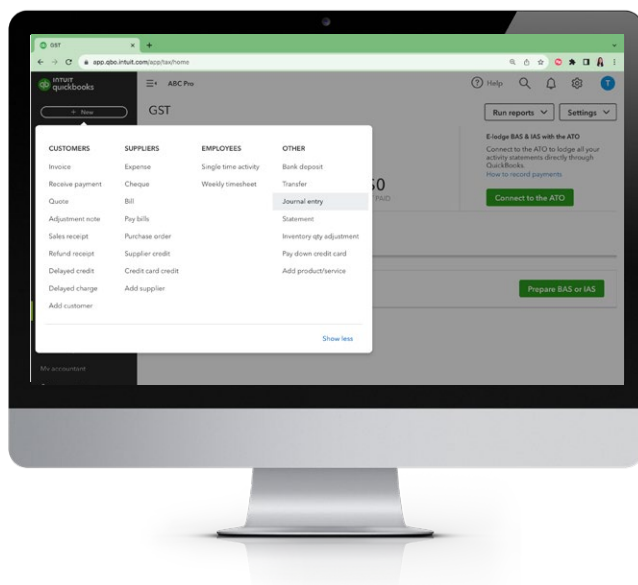
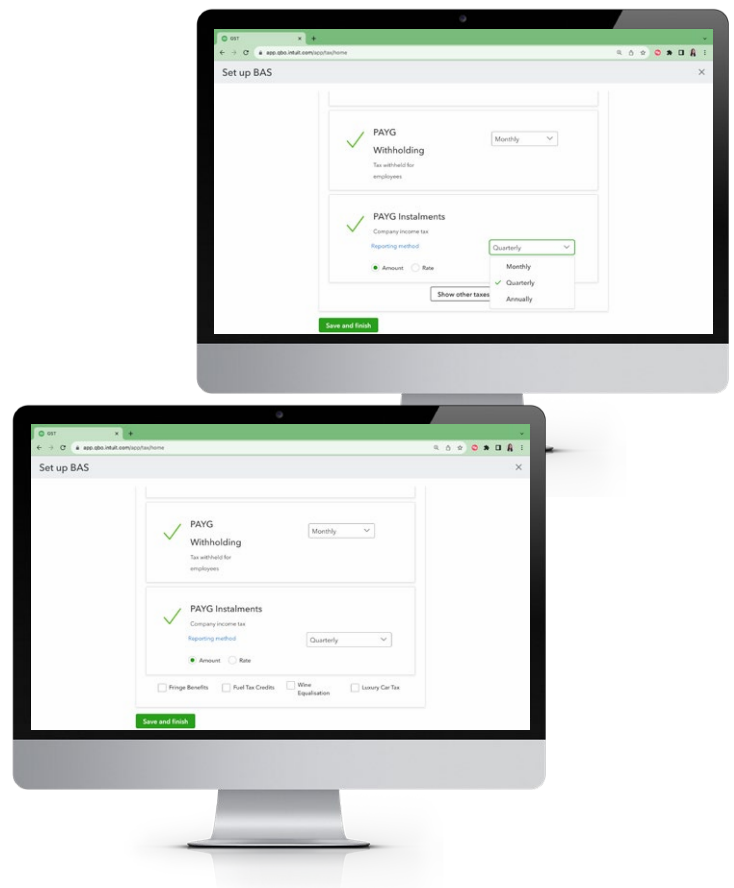
1.3 If your business is obligated to report Pay-as-you-go Withholding, select the PAYG Withholding box to "tick" it, then select your reporting frequency (monthly, quarterly).

1.4 If your business is obliged to report PAYG Instalments, select the PAYG Instalments box to “tick” it, then select your reporting method (instalment amount or instalment rate method) and reporting frequency (monthly, quarterly, annually).

1.5 If you report any of the following taxes, select Other Taxes and tick the ones that apply to your business:

- a) Fringe Benefit Tax
- b) Fuel Tax Credit
- c) Wine Equalisation Tax
- d) Luxury Car Tax

1.6 Select **Save and Finish**



- 2 Check that the balance of the GST account matches the balance in Xero.
- 3 Review your GST Report for **total sales** and **total expenses**.
- 4 Click +New > Journal Entry to create a new journal entry.
- 5 Change the journal date to the **opening balance date**, and “tick” **Is Adjusting Journal Entry?**
- 6 Select Amounts are **Exclusive of Tax**.

7 You will create the following journal entry:

Account	Debit	Credit	Description	GST
****GST	\$XX		Clearing GST from Migration	Out of scope
****Sales		\$XX	Clearing GST from Migration	GST on Sales
****Sales	\$XX		Clearing GST from Migration	Out of scope
****General Expenses	\$XX		Clearing GST from Migration	GST on Sales
****General Expenses		\$XX	Clearing GST from Migration	Out of scope

** Sales amount will be your Total Sales to date from Xero Reports

*** Expenses amount will be total Expenses to date from Xero Reports

**** GST is the balance currently sitting in this account. Journal will be a credit if we have a debit balance

It is important to note that this journal should have no impact on the Balance Sheet or Profit and Loss statements, they are simply movement journals that cancel each other out.

See the below screenshot for an example

