



Data Migration Checklist Cash Basis Users





Table of Contents

| | |
|--|-----------|
| Step 1: Pre-Migration | 03 |
| Pre-Migration Checks | 04 |
| <hr/> | |
| Step 2: Start Migration | 07 |
| Getting started with transferring your data to QuickBooks Online | 08 |
| <hr/> | |
| Step 3: Post Migration | 09 |
| DataSwitcher Post Migration Data Check | 10 |
| Verify your Data | 11 |
| GST Adjustment Option 1: Fewer than 20 Invoices | 13 |
| GST Adjustment Option 2: More than 20 Invoices | 19 |

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.

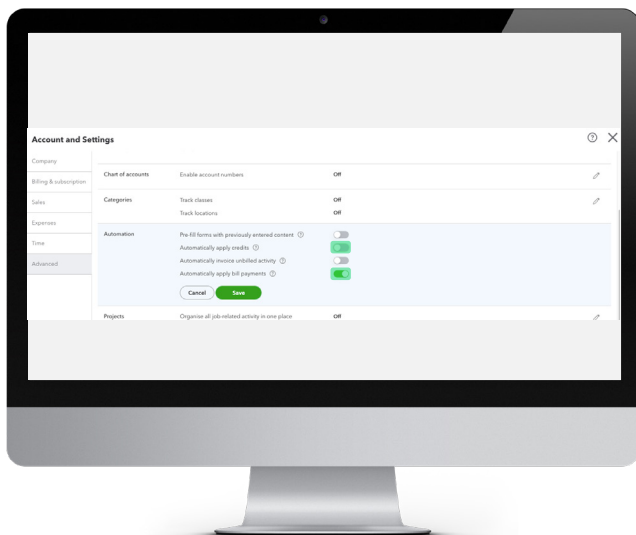
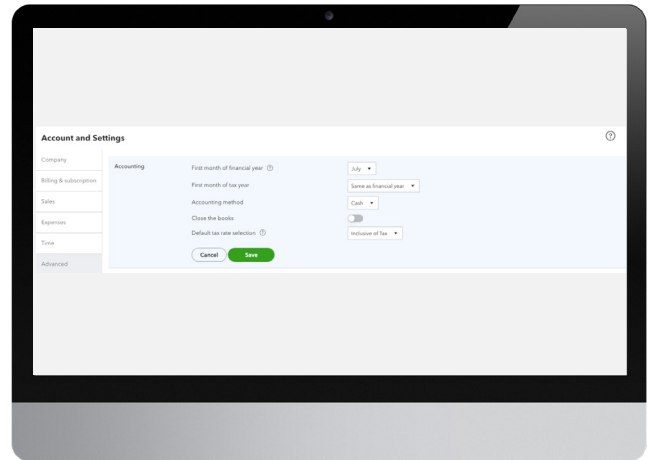
You will need these reports to validate closing/open balances in both Xero and QBO and ensure there are no discrepancies or errors before commencing GST post-conversion.


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 
- 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

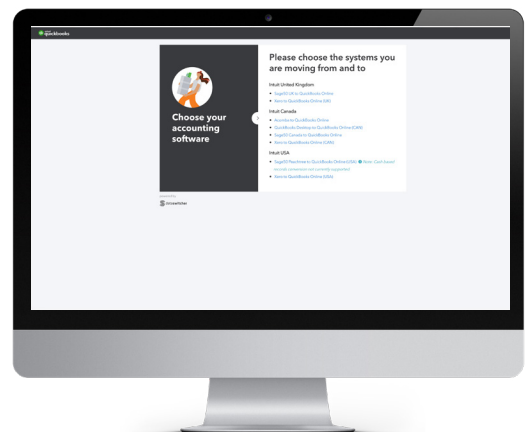


STEP 2

Get started with transferring your data to QuickBooks Online

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

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



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.

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. To avoid discrepancies you will have the opportunity to check the balance of 5-10 customers and suppliers to ensure account balances are lined up correctly. 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 GST Settings

It's important that QuickBooks Online is set up with the correct ABN and lodging frequency before you and your client start using it. You can skip this step if your business isn't registered for GST. Please follow the steps below to make sure GST has been set up correctly.

- Go to GST
- Select the Settings dropdown
- Select Tax settings
- Check the Accounting method is correct and change the Lodging frequency if required
- Select **Save**.

4 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](#).

Note: QuickBooks brings over the main types for chart of accounts, but not the specific types (subtypes) if those exist in your previous accounting system. You're free to change the nominal code types after converting to something that suits you better.

5 GST Account Adjustment for Quickbooks GST Lodgement

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 categorised as GST. As a result, we need to reallocate the balance in the GST Account for the current lodgement period to the GST Liability Account for reporting purposes. This requires you to adjust the GST line on all transactions allocated through Spend and Receive money, as well as GST on your open invoices and bills.

We offer two options to Correct GST in your Quickbooks File. The option you chose depends on the volume of transactions you have within your file.



Option 1

For smaller businesses with a low volume of transactions of fewer than 20 Sales Invoices and fewer than 20 Expenses and Bills.



Option 2

For those with higher volume of transactions of more than 20 Sales invoices and more than 20 Expenses and Bills.

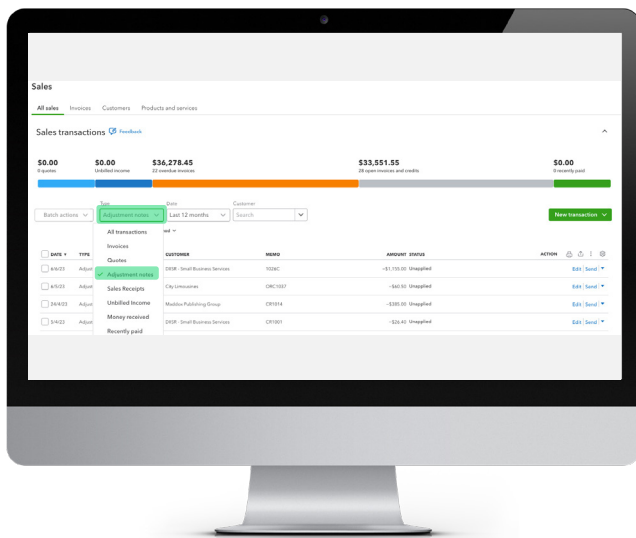
[Skip to option 2](#)



Option 1: Fewer than 20 invoices:

Make note of the following in Xero before making any adjustments to invoices or adjustment notes in Quickbooks Online.

- 1 Total GST on Sales for the current tax period in Xero
- 2 Open Credit Notes in Xero match open Sales Adjustments in Quickbooks
- 3 Open Sales Invoices in Xero match Open Sales Invoices in Xero.

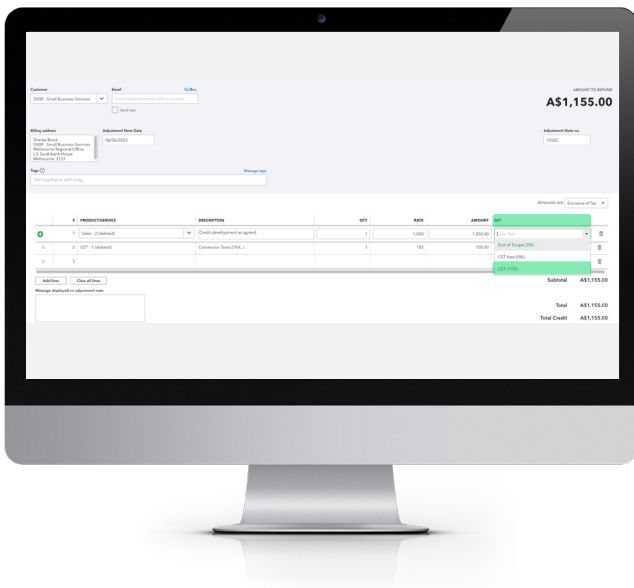
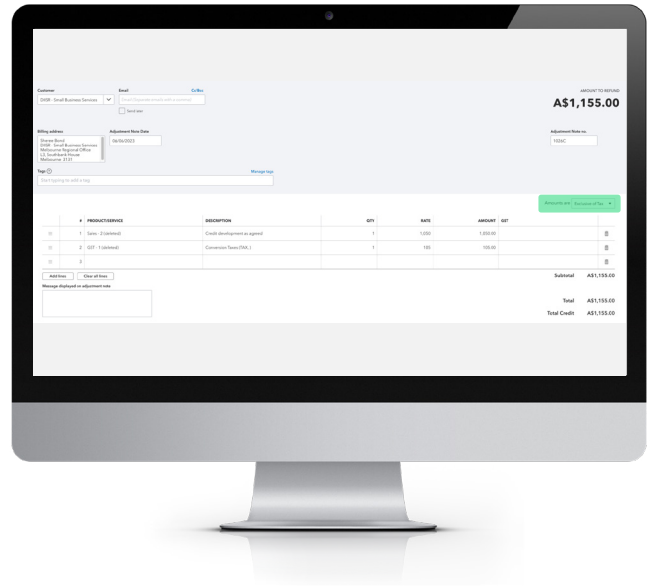


Quickbooks Online correct GST on Adjustment Notes:

- 1 Go to Sales > All Sales
- 2 Filter by Adjustment Notes
- 3 Under **Actions**, select **Edit** to edit the Adjustment note.

Note: You will notice that the Adjustment Note has two lines. One is the Sales line item and the second is the GST with a description of Conversion Taxes (Tax,). This line needs to be deleted.

- 4 Change the tax setting for the Adjustment from Amounts Are Out of Scope to **Exclusive of Tax**.

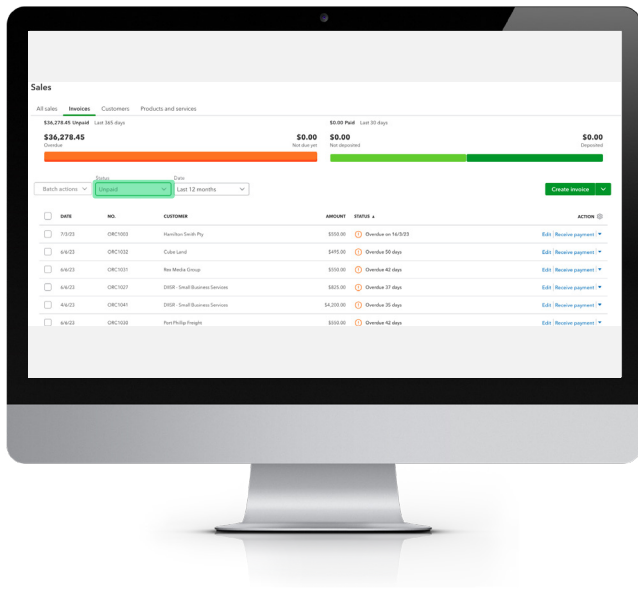
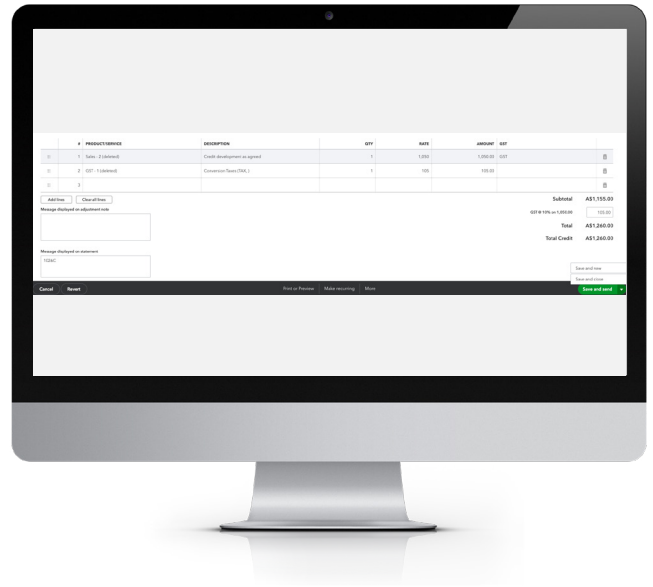


- 5 You will notice a GST Column appear in the Adjustment note. In the row that shows the sales line, select the correct tax code from the drop-down.

6 Next, Delete the Tax line item on the Adjustment to correct the Total Credit amount

7 Save and Close.

You will continue to do this for each Unapplied Adjustment Note.



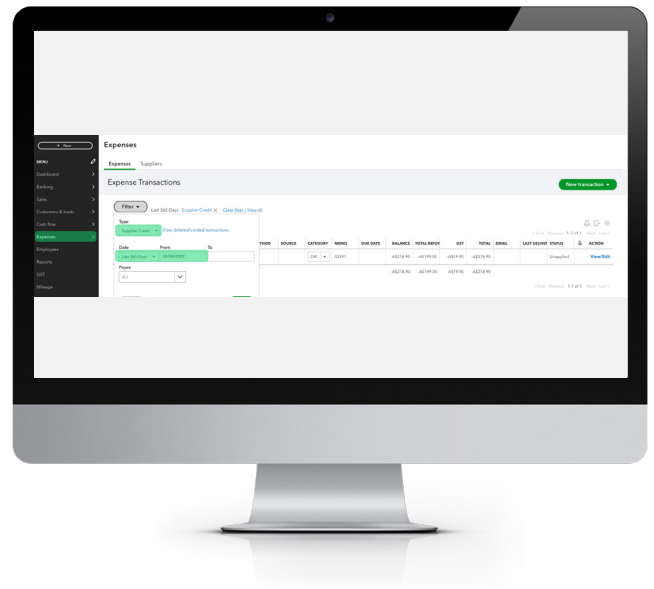
Quickbooks Online correct GST on Sales Invoices:

- 1 Next, you go to Sales > Invoices and filter by Unpaid Status
- 2 You will follow steps 3-7 above under Correcting GST on Adjustment Notes
- 3 Next, Filter invoices that have been paid in the current lodgement period and correct the GST on all invoices that have been paid in the current lodgement period.

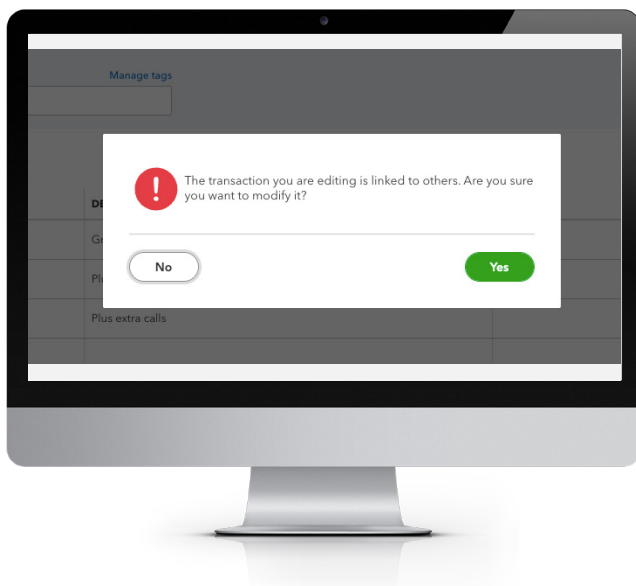
Correct GST on Bills, Expenses and Supplier Credits

Now that we have corrected GST on Sales Invoices and Sales Adjustment Notes, it's time to correct the GST on Bills, Expenses and Adjustments.

- 1 Go to Expenses
- 2 Filter Expenses by Supplier Credit from the first day of the current lodgement period (ie, if your last BAS lodgement was 31 March, then filter from 1 April to date of migration).



- 3 Under the Actions column, select Edit to open up the Supplier Credit
- 4 Change the tax setting so Amounts are Exclusive of GST
- 5 Select the GST on Purchases from the dropdown in the Service/Product Line on the Supplier Credit
- 6 Delete the GST (Conversion Tax) Line from the Supplier Credit
- 7 Save and close, then repeat the above steps for each Supplier Credit
- 8 **Next, repeat steps 2-7 for Expenses, then again for Bills.**



- 9 Where there is a payment applied against a Bill that falls within the current lodgement period, you will get a message pop-up notifying you that the transaction is linked to others. Are you sure you want to modify it? Select Yes.

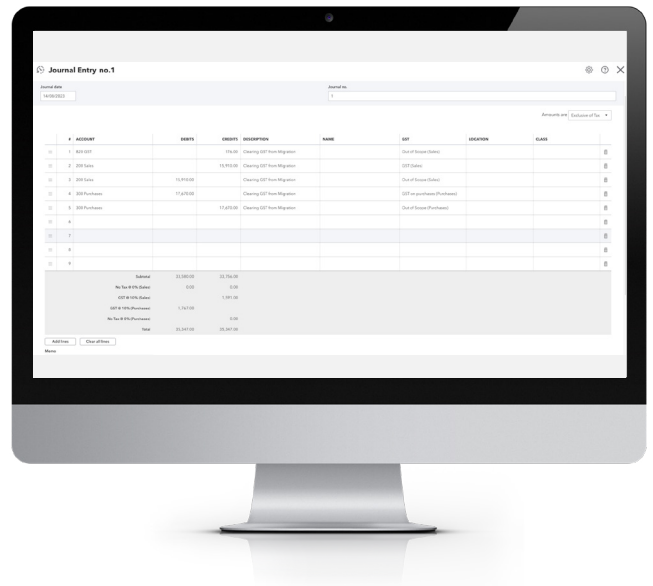
Once you have completed these GST adjustments for both Sales and Expenses/Bills, check the GST Liability amount for the current period in QBO matches your Xero balance.

- ① Select GST
- ② Select Prepare BAS or IAS
- ③ Select the Start date of your lodgement period and the End Date and Select Continue
- ④ You will see your Total Sales and Total Purchase Amounts for this period in currently in Quickbooks
- ⑤ Check the total against your Xero reports
- ⑥ If there is a difference, review the transactions without GST Report and run this on a cash basis. This will tell you which transactions still need to be amended
- ⑦ Where the difference is due to Cash Coded transactions that are not linked to a Bill or Invoice, we can create a manual journal to amend the difference, so the GST is correctly recognised in QBO.



8 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.

- 8.1 Click **+New > Journal Entry** to create a new journal entry
- 8.2 Change the journal date to the **opening balance date**, and "tick" **Is Adjusting Journal Entry?**
- 8.3 Select Amounts are **Exclusive of Tax**
- 8.4 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 |

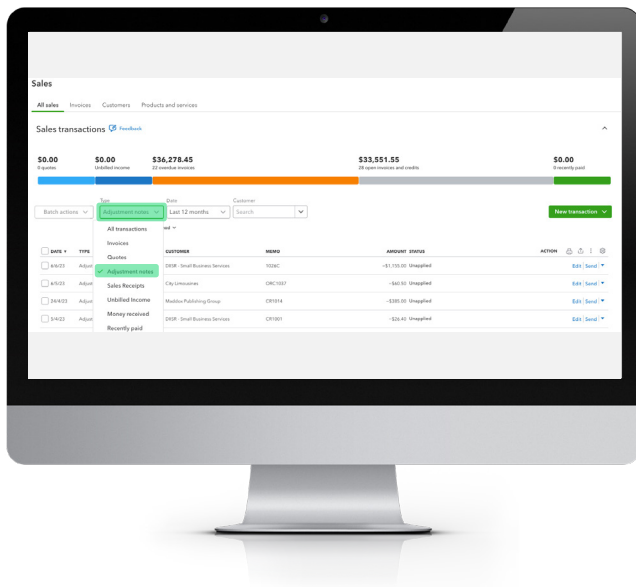
8.5 Check the GST in QBO once you have posted this journal. If the reports match, then your migration has been completed, and you are ready to start using QBO.



Option 2: More than 20 invoices:

Before you start ensure you have checked the following of the following in Xero before making any adjustments to invoices or adjustment notes in Quickbooks Online.

- 1 Total GST on Sales for the current tax period in Xero
- 2 Total GST on Purchases for the current tax period in Xero
- 3 Open Credit Notes in Xero match open Sales Adjustments in Quickbooks
- 4 Open Sales Invoices in Xero match Open Sales Invoices in Quickbooks Online.



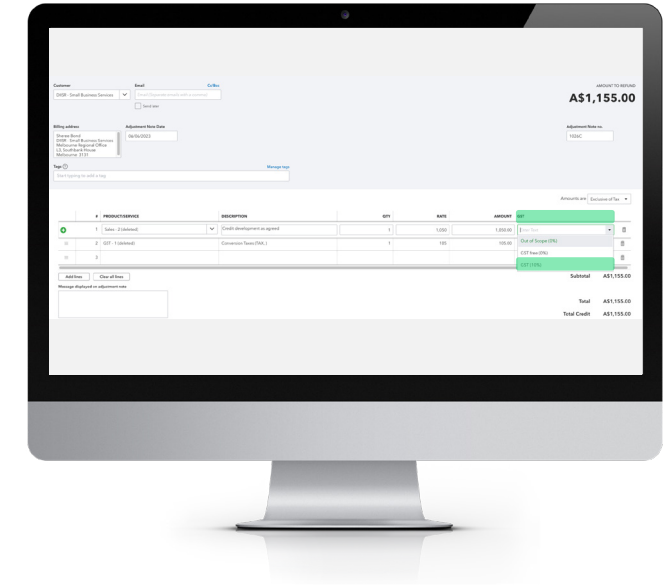
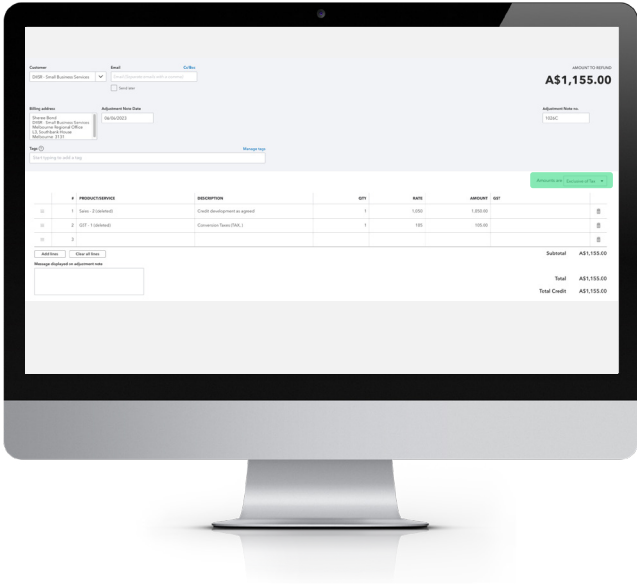
Correct GST on Adjustment Notes:

- 4 Go to Sales > All Sales
- 5 Filter by Adjustment Notes.

- 6 Under Actions, select Edit to edit the Adjustment note

Note: You will notice that the Adjustment Note has two lines. One is the Sales line item and the second is the GST with a description of Conversion Taxes (Tax,). This line needs to be deleted.

- 7 Change the tax setting for the Adjustment from Amounts Are Out of Scope to Exclusive of Tax.



- 8 You will notice a GST Column appear in the Adjustment Note. In the row that shows the sales line, select the correct tax code from the drop-down.

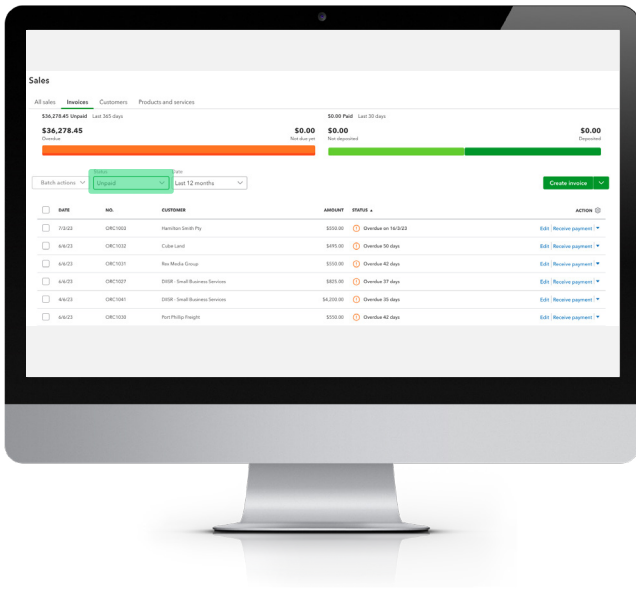
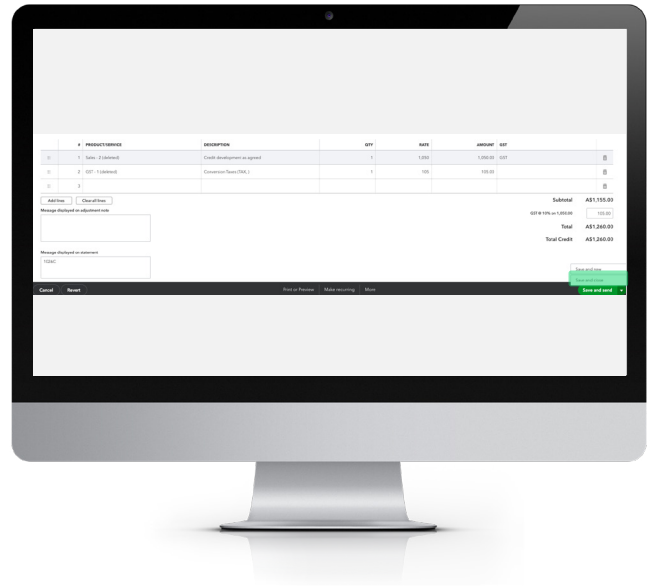
You will notice the tax amount appears in the GST field, adjusting the Total Credit amount.

9 Next, Delete the Tax line item on the Adjustment to correct the Total Credit amount

10 Save and Close.

You will continue to do this for each Unapplied Adjustment Note.

Now that we have corrected the GST on Adjustment Notes, it's time to correct our Open Invoices.

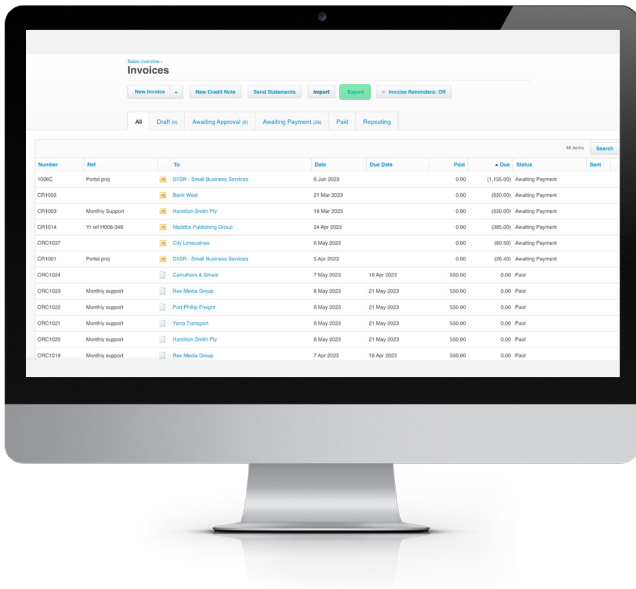
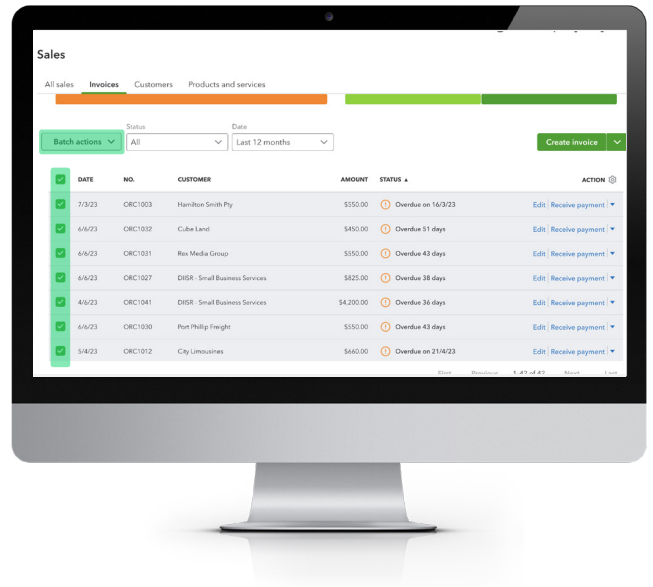


Correct GST on Open Invoices

You will need to delete all open invoices and import this list from Xero. To do this, follow the below steps:

1 Go to Sales > Invoices and filter by Unpaid.

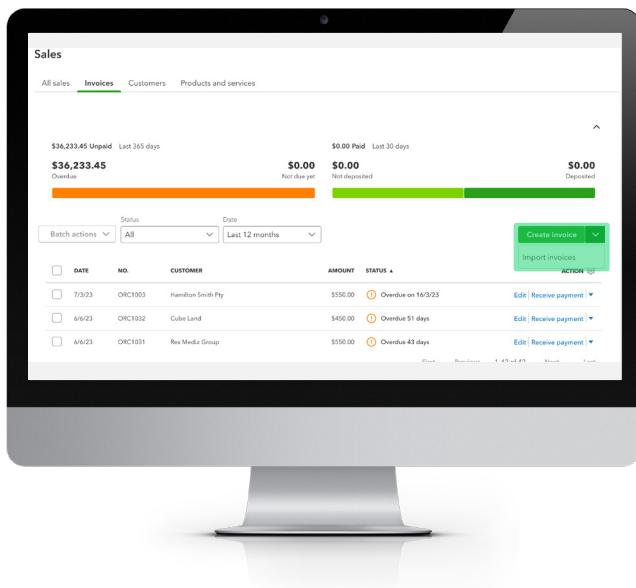
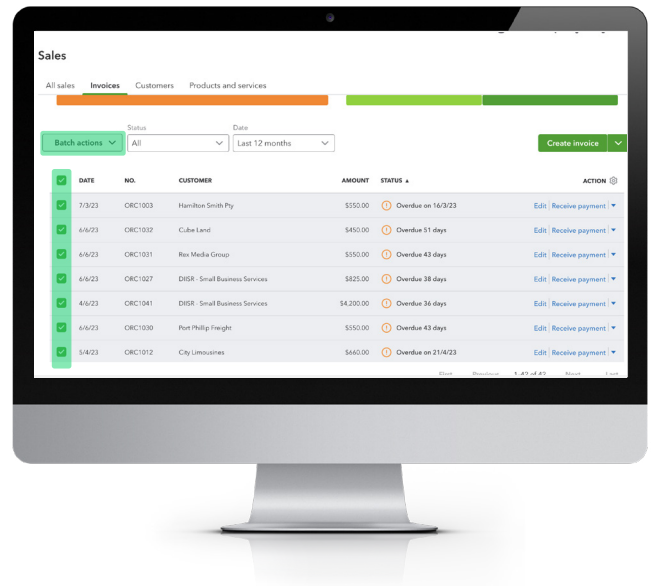
- 2 Select the check box on the right column to select all invoices, then select Batch Actions and select Delete from the drop-down.



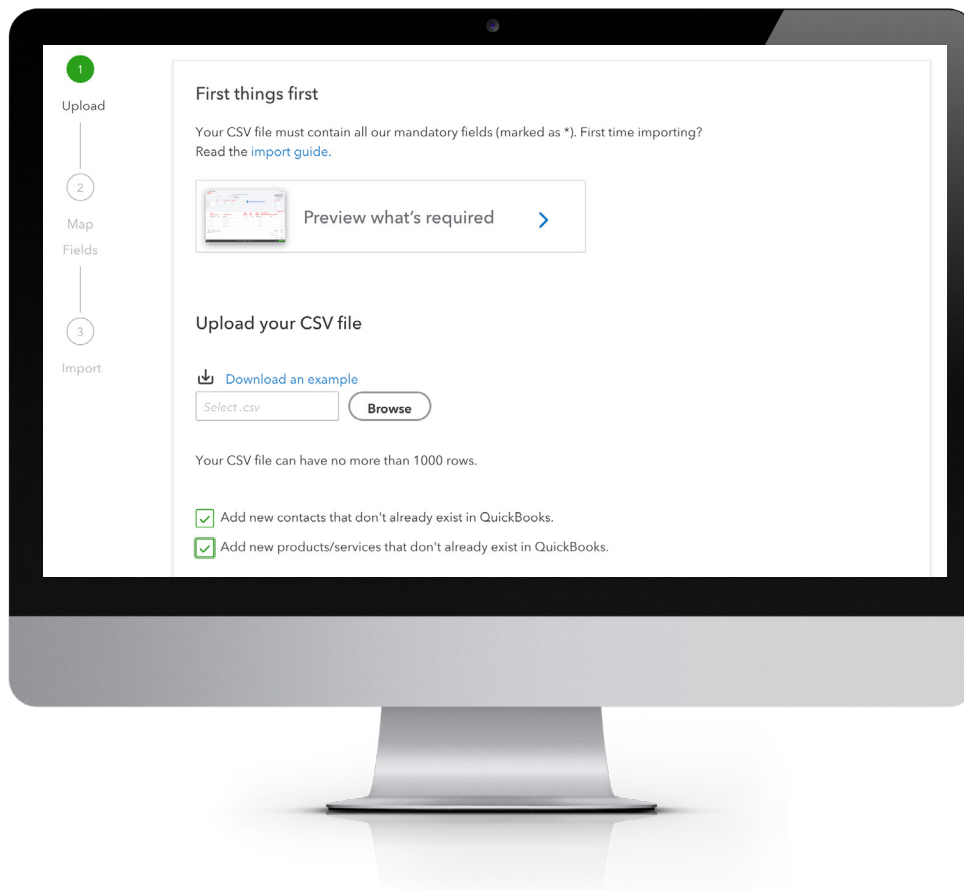
- 3 Go to your Invoices in Xero and select Awaiting Payments
- 4 Export your invoices out of Xero to Excel/CSV file.

- 5 Open the exported Excel/CSV file to review. To simplify the import, delete any columns that are not relevant (Any column that pertains to an address)
- 6 Delete any Credit Notes, as these will have already been adjusted in the steps above
- 7 Check that the status of all the invoices in the Excel/CSV file are all Awaiting Payment.

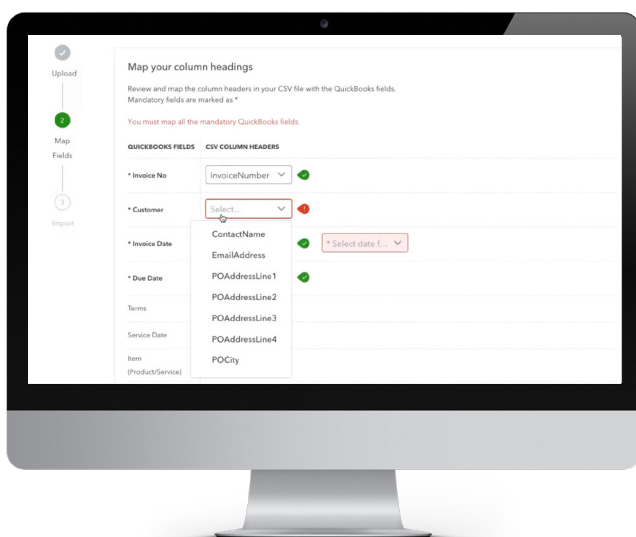
Now that you are ready to import your invoices, you can use the Import Wizard in Quickbooks Online.



- 8 In Quickbooks Online, go to Sales > Invoices and select the drop-down next to Create Invoices then select Import Invoices.



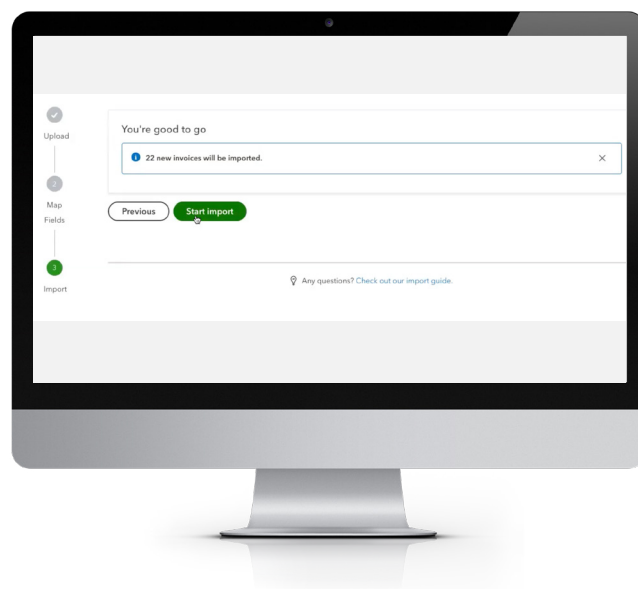
- 9 Select Browse to choose the Excel/CSV you would like to import and check the following boxes:
- a Add new contacts that don't already exist in Quickbooks
 - b Add new products/services that don't already exist in Quickbooks
- And Select Next.



- 10 Next you will Map your column headings.

Note: Item Amount should be mapped to Line Amount with a Tax Code of Exclusive of GST.

- 11 Next, you will map your tax codes, and select Next
- 12 Now, you're ready to import, Select Start Import then select OK once completed.

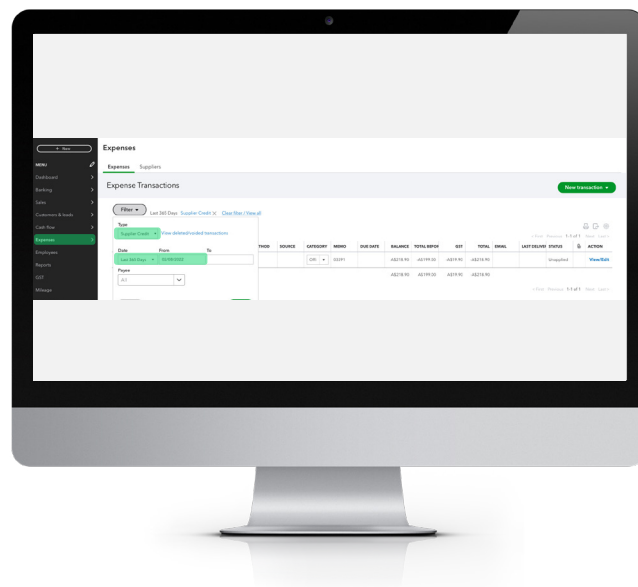


- 13 Once the import is completed, next you will need to reapply partial payments to open invoices, per Xero. Review your partially paid invoices in Xero, then go to All Sales in Quickbooks Online. Click on Edit Unapplied Payment
- 14 This will open your Receive Payments where you will see outstanding invoices for that customer, with credit notes at the bottom. Select both the invoice and Credit note you would like to apply against each other and Save
- 15 Repeat until you have applied all Partial Payments.

Correct GST on Open Bills

Now that you have corrected the GST on Invoices, it is time to correct GST on Bills

- 1 Go to Expenses
- 2 Filter Expenses by Bills and Open Bills



- 3 Under the Actions column, select Edit to open up the Supplier Credit
- 4 Change the tax setting, so Amounts are Exclusive of GST
- 5 Select the GST on Purchases from the dropdown under GST on expense line item of the bill
- 6 Delete the GST (Conversion Tax) Line from the Bill
- 7 Save, and repeat steps 1- 6 for each Bill/Supplier Credit and Expense.

Check GST in Quickbooks

Once you have completed these GST adjustments for both Sales and Expenses/Bills, check the GST Liability amount for the current period in QBO matches your Xero balance.

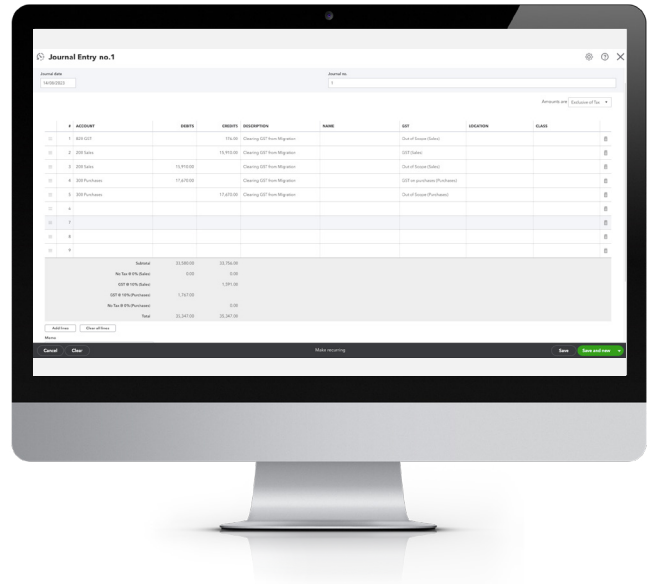
- 1 Select GST
- 2 Select Prepare BAS or IAS
- 3 Select the Start date of your lodgement period and the End Date and Select Continue
- 4 You will see your Total Sales and Total Purchase Amounts for this period in currently in Quickbooks
- 5 Check the total against your Xero reports.
- 6 If there is a difference, review the transactions without GST Report and run this on a cash basis. This will tell you which transactions still need to be amended
- 7 Where the difference is due to Cash Coded transactions which are not linked to a Bill or Invoice, we can create a manual journal to amend the difference, so the GST is correctly recognised in QBO.

| | QBO | Xero | Variance | Exclusive of Tax |
|---|-------------|-------------|-----------------------------|------------------|
| Total sales (G1) | \$10,203.00 | \$27,704.00 | \$17,501.00 | \$15,910.00 |
| GST collected on sales (1A) | \$927.00 | \$2,518.00 | \$1,591.00 | |
| Total purchases | \$0.00 | | \$0.00 | |
| GST paid on purchases (1B) | \$91.00 | \$1,858.00 | \$1,767.00 | |
| Your payment amount | \$836.00 | \$660.00 | -\$176.00 | |
| GST Adjusting Journal on QBO GST Exclusive | | | | |
| Account | Debit | Credit | Description | GST |
| GST (from DS) | \$176.00 | | Clearing GST from Migration | Out of Scope |
| Sales | | \$15,910.00 | Clearing GST from Migration | GST on Sales |
| Sales | \$15,910.00 | | Clearing GST from Migration | Out of Scope |
| General Expenses or Purchases | \$17,670.00 | | Clearing GST from Migration | GST on Expenses |
| General Expenses or Purchases | | \$17,670.00 | Clearing GST from Migration | Out of Scope |
| Last step of the post migration checklist: Post this journal only after editing all open invoices and bills | | | | |

In a spreadsheet, reconcile your GST on Sales and GST on Purchases in a spreadsheet to compare the difference. This will help you calculate, the adjusting journal that needs to be created.

8 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.

- 8.1 Click **+New > Journal Entry** to create a new journal entry
- 8.2 Change the journal date to the **opening balance date**, and "tick" **Is Adjusting Journal Entry?**
- 8.3 Select Amounts are **Exclusive of Tax**
- 8.4 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 |

8.5 Check the GST in QBO once you have posted this journal. If the reports match, then your migration has been completed, and you are ready to start using QBO.

