



QuickBooks
Desktop Intermediate
Training for
Magnifi Financial
11/14/24

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QuickBooks Desktop Foundations

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About Your Trainer

Certified QuickBooks ProAdvisor Natalie Remund



Natalie is a certified QuickBooks expert who can guide you through the maze of efficiently running a business. Natalie has been providing QuickBooks training to a variety of businesses for over 5 years. Natalie earned her Bachelor's degree from South Dakota State University in Brookings, SD.

The Multi Business Solutions team will help you master QuickBooks and ensure your financial information is accurate and timely; better yet they will arm you with critical knowledge of how to use the data to improve company performance.

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QuickBooks® Desktop Foundations

Important Information About the Structure of this Training.

Today's course is intended as the foundation for using QuickBooks® as a bookkeeping, business management and cash flow building tool. The material provides a critical basis for establishing bookkeeping best practices and ensuring accurate financial information.

Please ask questions throughout the presentation.

Your Instructor is also available for one-on-one consultations.

In addition to what you will learn today these manuals are for use as a
post-class reference guide.

***We are happy you are here today and look forward
to helping you master QuickBooks!***

QuickBooks® Desktop Foundations

The most important reason to advance our knowledge of QuickBooks® and basic bookkeeping principles, whether you are a business owner or employee, is to improve business performance.

While we identify specific learning objectives at the beginning of each section,

3 Overall Objectives include:

1. Introduction to basic features in QuickBooks and how they apply to best practice bookkeeping principles.
2. How to effectively and efficiently use QuickBooks to manage daily bookkeeping tasks and develop an understanding of how the data is entered, processed and reviewed.
3. How to customize QuickBooks to meet the specific needs of a business.

Why we teach Cash Flow with QuickBooks®:

Business owners typically identify Cash Flow as their number one area of concern. QuickBooks Accounting Software, when utilized correctly, allows users to run Cash Flow projections and develop a Cash Flow management strategy to prevent shortfalls. This training will help participants develop a strong knowledge base of how to use QuickBooks reports to manage a business and build cash flow.

The foundation of business success is in the daily use of accurate, real-time financial data.

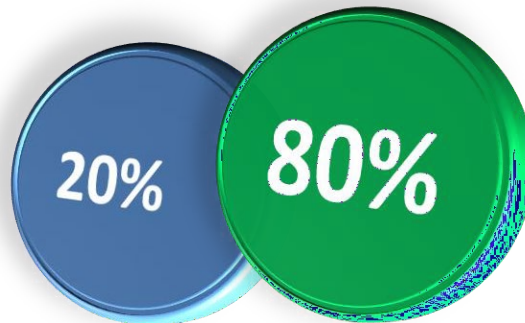
What we measure, we manage; what we manage, we improve.

QuickBooks® QuickBooks Desktop Foundations

*It is important to focus on the areas of our business that contribute most to profitability.
QuickBooks helps us easily identify areas of focus if we know where to look.*

The 80/20 rule, or the ‘Pareto Principle’, is a powerful concept that consistently rings true.

In most cases, 20% of our customers generate 80% of our net profit. At the same time, 20% of the goods or services we sell contribute 80% of our revenue, etc. You get the idea.



The most important value good bookkeeping brings to a business is an understanding of where to focus.

By generating daily reports that uncover the best customers, jobs, services, or products, you will soon see how you can refocus your internal efforts on doing highly valuable work.

Accurate real-time data with one click reports, is an enormous benefit of using QuickBooks® the ‘right-way’.

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QuickBooks Desktop Foundations

SECTION 4

ACCOUNTS RECEIVABLE

- Objectives
- Sales and Customer Preferences
- Customer Center
- Sales Receipts
- Invoices
- Receive Payments
- Bank Deposits
- Credit Memos
- Apply Credits
- Refunds
- Income Tracker
- Sales and A/R Reports
- Statements
- Practice Test

Section 4 Objectives

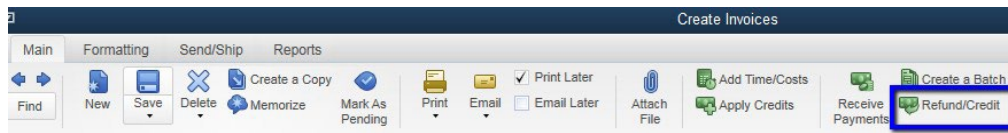
Upon completion of section 4 each participant will become familiar with the following objectives:

- How to use credit memos and apply credits.
- How to issue refunds to customers.
- How to use the Income Tracker to manage Accounts Receivable.
- How to create Sales and Accounts Receivable related reports.

Credit Memos

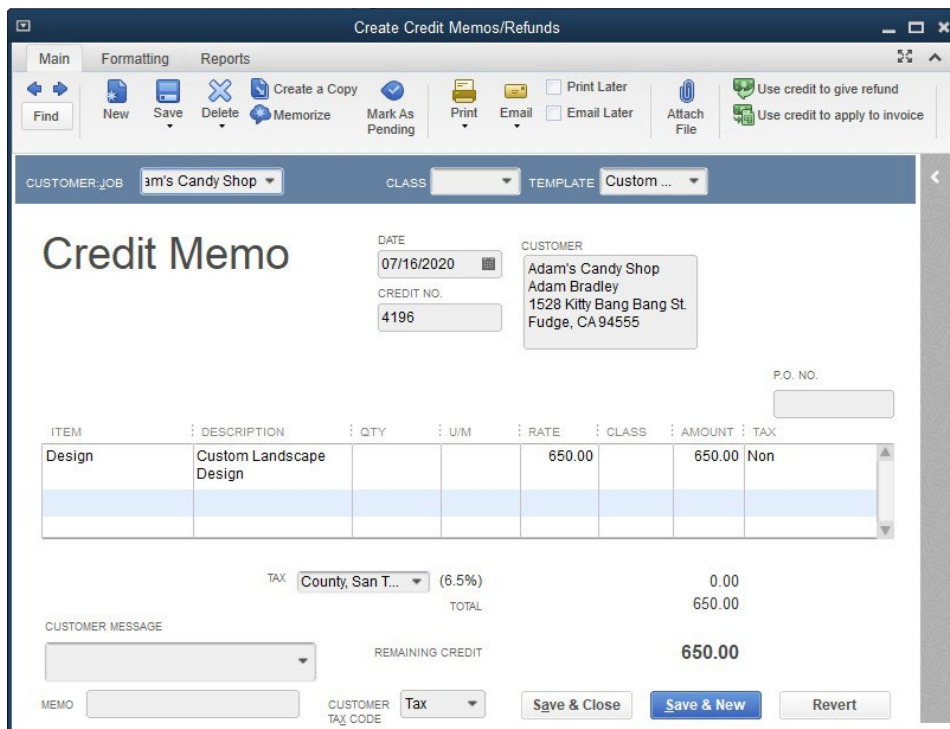
Credit Memos are used to clear out uncollectible invoices, to clean up odd transactions in Accounts Receivable or to refund a customer.

Click **Refunds & Credits** from the **Home Page** or open the outstanding **Invoice** and click **Refund/Credit** in the Ribbon bar.



This will populate a credit memo based on the original invoice. You will need to adjust the credit memo to reflect the actual credit amount. Verify that the date of the credit memo is in the current period.

Click **Save & Close**.


 A screenshot of the 'Create Credit Memos/Refunds' window in QuickBooks. The window title is 'Create Credit Memos/Refunds'. The ribbon includes 'Main', 'Formatting', and 'Reports' tabs. The 'Main' tab is active, showing buttons for 'Find', 'New', 'Save', 'Delete', 'Create a Copy', 'Memorize', 'Mark As Pending', 'Print', 'Email', 'Email Later', 'Attach File', 'Use credit to give refund', and 'Use credit to apply to invoice'. Below the ribbon, the 'CUSTOMER_JOB' is set to 'am's Candy Shop' and the 'TEMPLATE' is 'Custom...'. The main area is titled 'Credit Memo' and contains the following fields:

- DATE:** 07/16/2020
- CREDIT NO.:** 4196
- CUSTOMER:** Adam's Candy Shop, Adam Bradley, 1528 Kitty Bang Bang St, Fudge, CA 94555
- P.O. NO.:** (empty field)

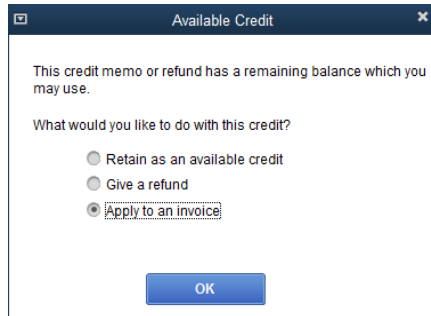
 A table with the following columns: ITEM, DESCRIPTION, QTY, U/M, RATE, CLASS, AMOUNT, TAX.

ITEM	DESCRIPTION	QTY	U/M	RATE	CLASS	AMOUNT	TAX
Design	Custom Landscape Design			650.00		650.00	Non

 Below the table, the 'TAX' is set to 'County, San T...' with a rate of '(6.5%)'. The 'TOTAL' is 650.00. The 'REMAINING CREDIT' is 650.00. At the bottom, there is a 'CUSTOMER MESSAGE' field, a 'MEMO' field, a 'CUSTOMER TAX CODE' dropdown set to 'Tax', and three buttons: 'Save & Close', 'Save & New', and 'Revert'.

Credit Memos

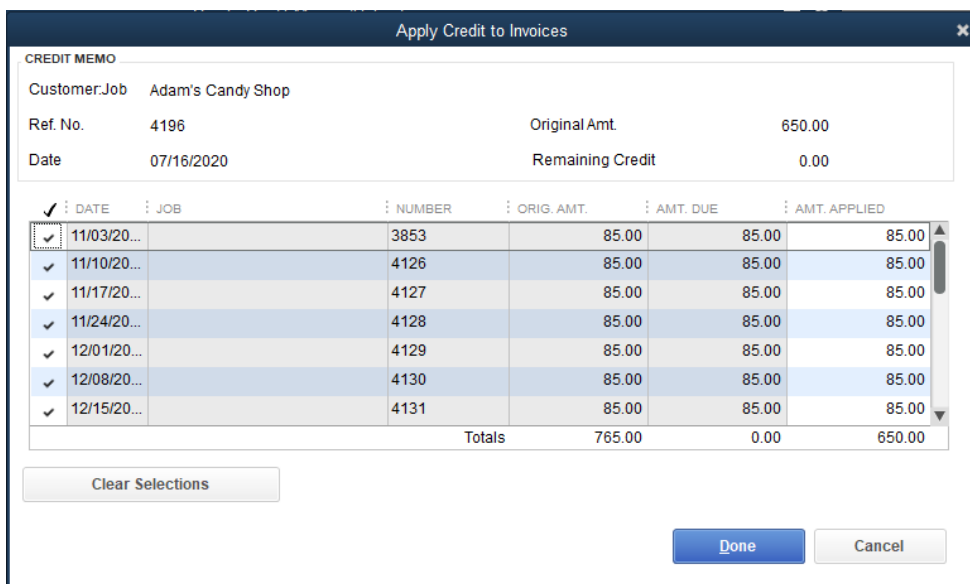
The **Available Credit** window will appear with the options to **Retain as an available credit**, **Give a refund** or **Apply to an invoice**. **Note:** Do not ignore these options. We will apply the credit to an invoice.



The **Apply Credit to Invoices** window will appear. This window gives you the option to select the invoice you wish to apply the credit memo.

Verify the selection and click **Done**.

Once the credit memo is applied to the invoice, the invoice will show as paid and no longer appears on **Accounts Receivable Aging** reports.



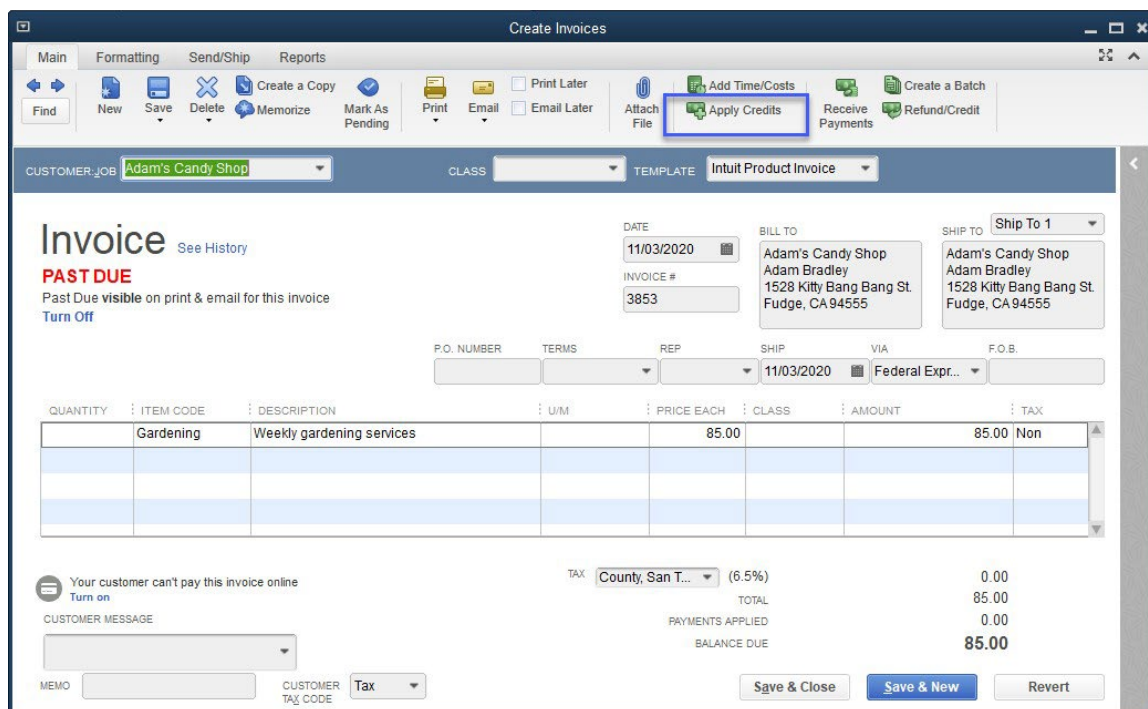
Apply Credits

Some credits remain open for customers who will require additional services rendered or products ordered in the future. Maybe we received a payment on account before the invoice was created?

Apply an existing credit to a new invoice.

Click **Create Invoices** from the **Home Page** and apply existing credits when prompted or open an existing invoice and click **Apply Credits** in the **Ribbon Bar**.

Select the **Customer: Job** and enter required information. Click **Save & Close**.



The screenshot shows the 'Create Invoices' window in QuickBooks. The ribbon bar at the top includes 'Main', 'Formatting', 'Send/Ship', and 'Reports'. The 'Apply Credits' button is highlighted with a blue box. Below the ribbon, the 'CUSTOMER_JOB' is set to 'Adam's Candy Shop' and the 'TEMPLATE' is 'Intuit Product Invoice'. The invoice details include a date of 11/03/2020, invoice number 3853, and a 'PAST DUE' status. The bill-to and ship-to addresses are for Adam Bradley at 1528 Kitty Bang Bang St, Fudge, CA 94555. The shipping method is 'Federal Expr...'. The invoice table contains one line item: 'Gardening' with a description of 'Weekly gardening services', a price of 85.00, and a tax of 85.00. The summary section shows a total of 85.00 and a balance due of 85.00. The 'Apply Credits' button is highlighted with a blue box.

QUANTITY	ITEM CODE	DESCRIPTION	U/M	PRICE EACH	CLASS	AMOUNT	TAX
	Gardening	Weekly gardening services		85.00		85.00	Non

Apply Credits

Verify that the credit is selected in the **Apply Credits** window.

Click **Done** -> **Save & Close**.

Apply Credits ✕

INVOICE

Customer:Job	Adam's Candy Shop		
Number	3853	Amount Due	85.00
Date	11/03/2020	Discount Used	0.00
Original Amt.	85.00	Credits Used	85.00
		Balance Due	0.00

Credits

AVAILABLE CREDITS

	DATE	CRE...	CUSTOMER:JOB	CREDIT A...	AMT. TO ...	CREDIT BALA...
<input checked="" type="checkbox"/>	07/16/2...	4196	Adam's Candy Shop	650.00	85.00	565.00
Totals				650.00	85.00	565.00

Of all the credits issued to this customer, only unused credits applicable to this specific invoice are displayed above. Clear

PREVIOUSLY APPLIED CREDITS

	DATE	CRE...	CUSTOMER:JOB	CREDIT A...	AMT. TO ...	CREDIT BALA...
Totals				0.00	0.00	0.00

Done
Cancel
Help

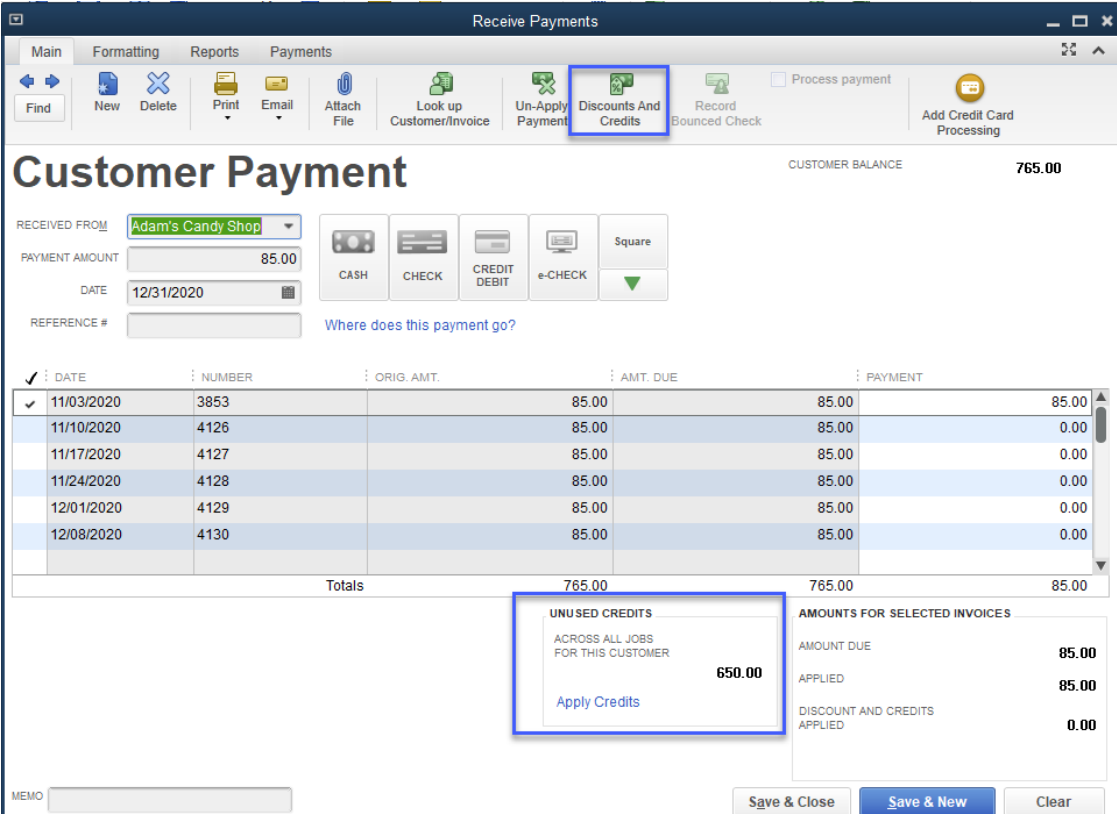
Apply Credits

Applying existing credits to open invoices can be accomplished by receiving a zero payment and applying the existing credit. Discounts can be given to customers in the receive payment window.

Click **Receive Payments** from the **Home Page**.

Select a **Customer: Job**.

Click **Apply Credits** in the unused credits window to apply credits across all jobs for a customer or click **Discounts and Credits** to add a discount or apply an existing credit.



Customer Payment CUSTOMER BALANCE **765.00**

RECEIVED FROM: **Adam's Candy Shop**

PAYMENT AMOUNT: **85.00**

DATE: **12/31/2020**

REFERENCE #:

Where does this payment go?

✓	DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT	
✓	11/03/2020	3853		85.00	85.00	85.00
	11/10/2020	4126		85.00	85.00	0.00
	11/17/2020	4127		85.00	85.00	0.00
	11/24/2020	4128		85.00	85.00	0.00
	12/01/2020	4129		85.00	85.00	0.00
	12/08/2020	4130		85.00	85.00	0.00
Totals				765.00	765.00	85.00

UNUSED CREDITS

ACROSS ALL JOBS FOR THIS CUSTOMER

650.00

[Apply Credits](#)

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE **85.00**

APPLIED **85.00**

DISCOUNT AND CREDITS APPLIED **0.00**

MEMO:

Issue Refunds

In rare instances it is necessary to refund a customer. Determine whether the credit is from a prior payment received or a credit memo created.

Issue a Refund from a Payment.

Locate and open the payment. Notice the Overpayment window reflects a credit of \$75.00 for this payment.

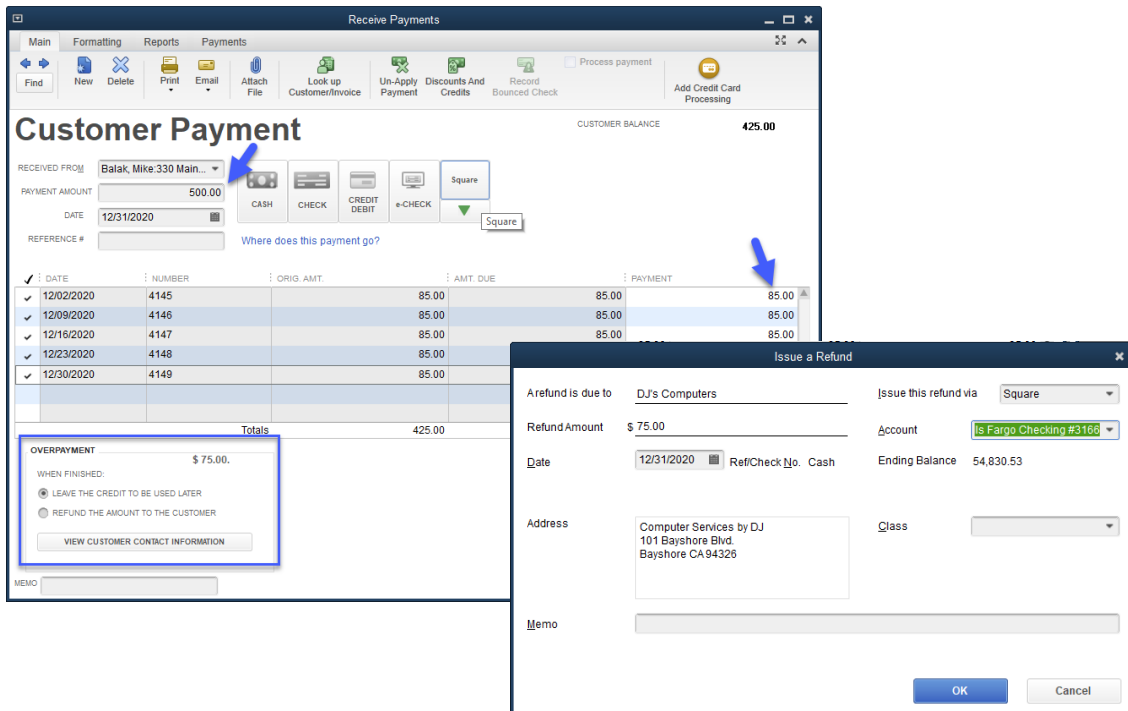
Select **Refund the Amount to the Customer**.

Click **Save & Close**.

The **Issue a Refund** window will appear.

Enter or Verify the information in the window.

Click **OK**.



The screenshot shows the 'Receive Payments' window in QuickBooks Desktop. The 'Customer Payment' window is open for 'Balak, Mike.330 Main...'. The payment amount is \$500.00, dated 12/31/2020. The customer balance is \$425.00. A table of payments is shown with columns for DATE, NUMBER, ORIG. AMT., AMT. DUE, and PAYMENT. The total amount due is \$425.00. An 'OVERPAYMENT' window is visible, showing a credit of \$75.00. The 'Issue a Refund' dialog box is open, showing the refund amount of \$75.00, the date 12/31/2020, and the account 'Fargo Checking #3168'. The address is 'Computer Services by DJ, 101 Bayshore Blvd, Bayshore CA 94326'.

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
12/02/2020	4145		85.00	85.00
12/09/2020	4146		85.00	85.00
12/16/2020	4147		85.00	85.00
12/23/2020	4148		85.00	85.00
12/30/2020	4149		85.00	85.00
Totals			425.00	

OVERPAYMENT
 WHEN FINISHED: \$ 75.00.
 LEAVE THE CREDIT TO BE USED LATER
 REFUND THE AMOUNT TO THE CUSTOMER
 VIEW CUSTOMER CONTACT INFORMATION

Issue a Refund
 A refund is due to: DJ's Computers
 Issue this refund via: Square
 Refund Amount: \$ 75.00
 Account: Fargo Checking #3168
 Date: 12/31/2020
 Ref/Check No.: Cash
 Ending Balance: 54,830.53
 Address: Computer Services by DJ, 101 Bayshore Blvd, Bayshore CA 94326
 Memo:
 OK Cancel

Issue Refunds

Issue a refund from a Credit Memo.

Locate and open the credit memo.

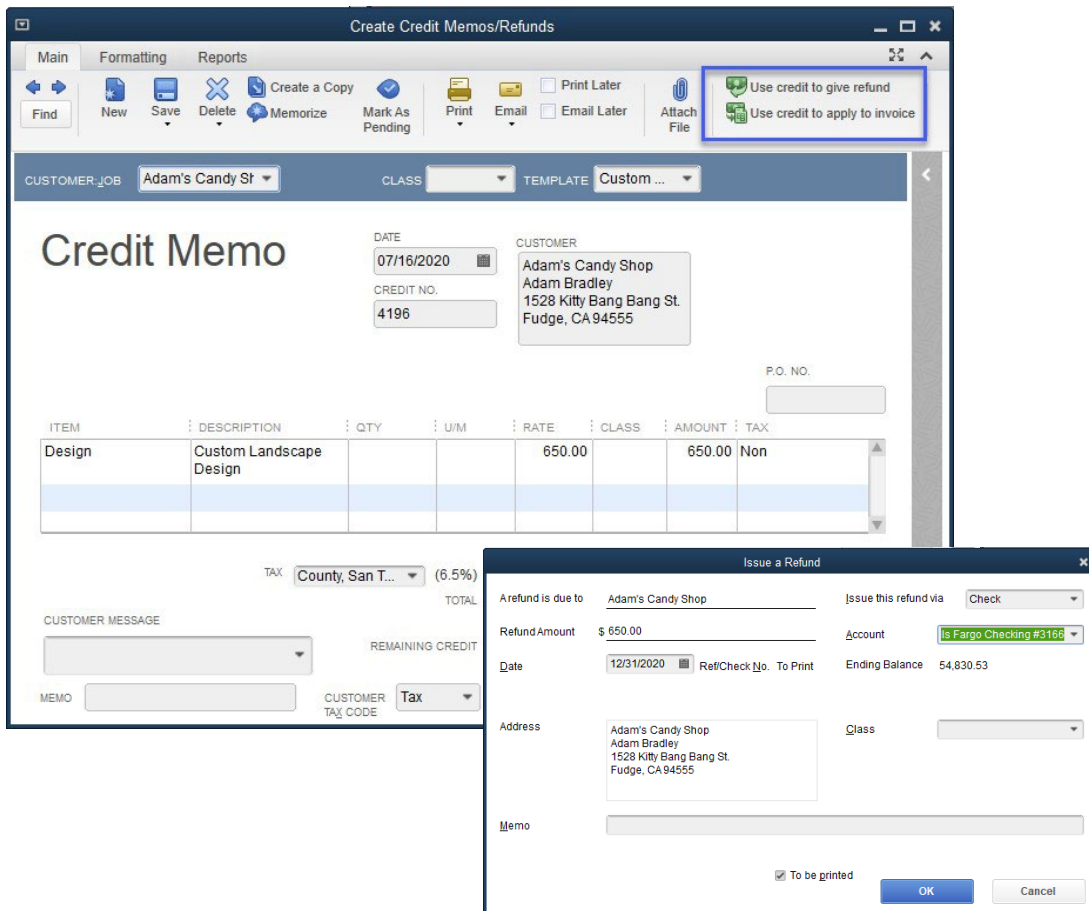
Click **Use Credit to Give Refund**.

The **Issue a Refund** window will appear.

Enter or Verify the information in the window.

Click **OK** to return to the Credit Memo.

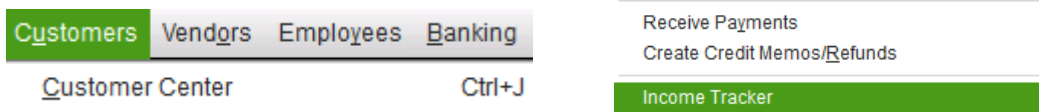
Click **Save & Close**.



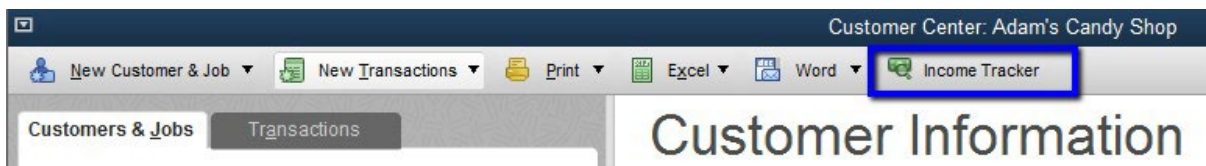
The screenshot displays the QuickBooks Desktop interface. The main window is titled "Create Credit Memos/Refunds" and shows a "Credit Memo" for "Adam's Candy Shop" with a date of 07/16/2020 and a credit number of 4196. The item list includes "Design" with a rate of 650.00 and an amount of 650.00. The tax is set to "County, San T..." at 6.5%. The "Issue a Refund" dialog box is open, showing the refund amount of \$650.00, the date of 12/31/2020, and the account "Is Fargo Checking #3168". The dialog box also includes fields for the customer's address and a memo, and a checkbox for "To be printed".

Income Tracker

The **Income Tracker** is a great way to manage Accounts Receivable. It allows you to track all Estimates, Sales Orders, Time & Expense, Open Invoices and Overdue Invoices. To access the **Income Tracker** from the **Menu Bar**, click **Customers -> Income Tracker**.



The **Income Tracker** can also be accessed from the **Ribbon Bar** in the **Customer Center**.



Click a **Colored Block** or **Column Heading** to sort information. Use the **Filter** feature to select and display specific information. Use the **Action** options to print or email forms. Click the **Gear Icon** to add **Unbilled Display Settings**.

The screenshot shows the 'Income Tracker' window. At the top, there are summary boxes for UNBILLED, UNPAID, and PAID. Below that is a table of transactions with columns for CUSTOMER, TYPE, NUMBER, DATE, DUE DATE, AMOUNT, OPEN BALANCE, LAST SENT DATE, STATUS, and ACTION. A gear icon in the top right corner is highlighted with a blue arrow, and a blue arrow points to the 'ACTION' column header.

CUSTOMER	TYPE	NUMBER	DATE	DUE DATE	AMOUNT	OPEN BALANCE	LAST SENT DATE	STATUS	ACTION
DJ's Co...	Unappli...		12/31/2...		500.00	-75.00		Paid	Select
Balak...	Invoice	4149	12/30/2...	1/29/2021	85.00	85.00		Open	
Adam's...	Invoice	4133	12/29/2...	1/29/2021	85.00	85.00		Overdue	
Balak...	Invoice	4141	12/29/2...	1/28/2021	85.00	85.00		Open	
DJ's Co...	Invoice	4163	12/29/2...	2/27/2021	85.00	85.00		Open	
Russell...	Invoice	4170	12/29/2...	1/28/2021	85.00	85.00		Open	
Stinson...	Invoice	4182	12/28/2...	1/12/2021	70.00	70.00		Open	
Lee, La...	Payment	1227	12/27/2...		1,800.00	0.00		Paid	
Jasmin...	Invoice	4156	12/26/2...	2/24/2021	190.00	190.00		Open	
Jim's F...	Invoice	4176	12/26/2...	1/25/2021	145.00	145.00		Open	
Balak...	Invoice	4148	12/23/2...	1/22/2021	85.00	85.00		Open	
Chekni...	Payment	2222	12/23/2...		15,875...	0.00		Paid	
Adam's...	Invoice	4132	12/22/2...	12/22/2...	85.00	85.00		Overdue	

Sales and (A/R) Reports

Now that we have mastered the Accounts Receivable section of this training, we are ready to memorize reports that support the **80/20 rule** and help us manage our Accounts Receivable. Click **Reports** in the **Menu Bar**. Click **Sales**.

Sales by Customer Summary – Informs us of the top 20% of our customers that bring in 80% of our revenue. Click **Customize Report** to edit the following:

- Show Columns - Total Only.
- Sort By - Total.
- Sort In - Descending Order.

Sales by Item Summary – Provides a historical glimpse of the best-selling products and services for a period. This report includes QTY, Amount, % of Sales, Avg Price, COGS and more. Click **Reports** in the **Menu Bar**. Click **Customers & Receivables**.

A/R Aging Detail – Informs us of the outstanding balances for our customers and whether they are current or past due. Remember, the number of days it takes to collect a payment has a direct affect on cash flow and, the older the invoices are, the more costly the collection process becomes.

Open Invoice Report – This is a great report to maintain open invoices, outstanding credits and payments that have not been applied to invoices.

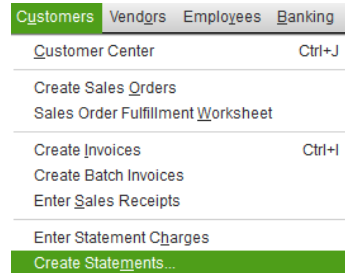
Note: Click the **Memorize** button in the **Ribbon Bar** for each report and save them in your memorized report group in the **Memorized Report List**.

Statements

Statements are typically sent to customers with outstanding invoices. This process should be part of your Accounts Receivable/Collections Policy.

Click **Customers** in the **Menu Bar**.

Click **Create Statements**.



The **Select Statement Options** focus on the dates related to the history you wish to display on the statement. The **Select Customers** section provides the options to preview, print or email a statement for one customer, multiple customers or all customers.

SELECT STATEMENT OPTIONS

Statement Date: 12/31/2020

Statement Period From: 12/01/2020 To: 12/31/2020

Statement Period From

All open transactions as of Statement Date

Include only transactions over 30 days past due date

SELECT CUSTOMERS

All Customers

Multiple Customers

One Customer

Customers of Type

Preferred Send Method

View Selected Customers...

Preview Print E-mail

Create Statements

SELECT ADDITIONAL OPTIONS

Template: Intuit Standard Statement (Customize)

Create One Statement: Per Customer

Show invoice item details on statements

Print statements by billing address zip code

Print due date on transactions

Do not create statements:

with a zero balance

with a balance less than 0.00

with no account activity

for inactive customers

Assess Finance Charges...

Close Help

Select Additional Options allows us the ability to customize the statement template.

Select display options to filter criteria.

Statements

Payment Reminders

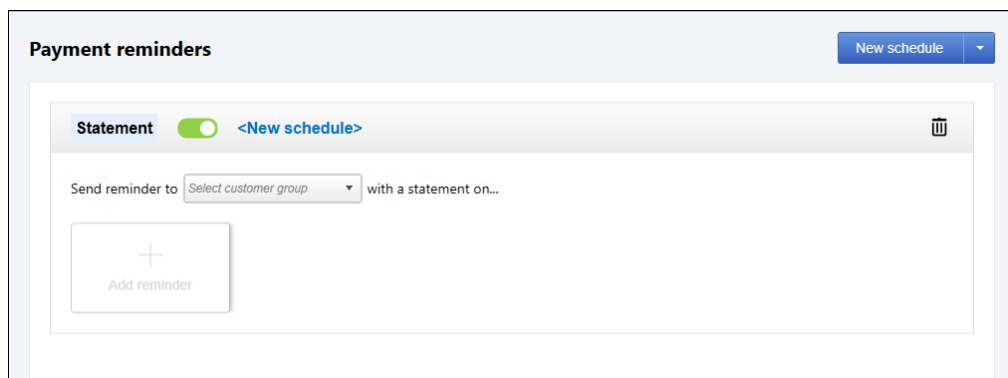
A new 2021 feature provides the ability to schedule and send statements to specific customers. You can access this feature from the Create Statements window and clicking the **Go to payment reminders**.

Automate sending statements and get paid faster

Sending statements manually can be exhausting. With payment reminders, you can schedule, review, and send statements to your customers, effortlessly.

[Go to payment reminders](#)

Create a new reminder schedule and auto-send statements to a pre-defined customer list.

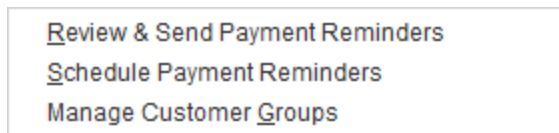


Statements

Customer Groups

A new 2021 feature provides you the ability to create groups of customers and create schedules to automatically send statements.

Click **Customers (Menu Bar) -> Payment Reminders -> Manage Customer Groups**.



Click **Create customer group**.



Group your customers and maximize your efficiency

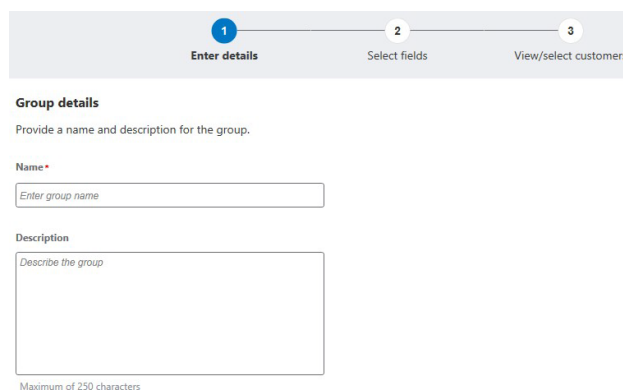
Manage your tasks efficiently by creating customer groups based on customer type, state, and more.

Create customer group

Income Tracker

Follow the 3-step process:

1. Enter details to create a new group
2. Select Fields
3. View and Select Customers.



The screenshot shows a progress bar with three steps: 1. Enter details (highlighted), 2. Select fields, and 3. View/select customers. Below the progress bar, the 'Group details' section is visible, including a 'Name' field with the placeholder 'Enter group name' and a 'Description' field with the placeholder 'Describe the group'. A note at the bottom indicates 'Maximum of 250 characters'.



QuickBooks Desktop Foundations

SECTION 5

ACCOUNTS PAYABLE

- Objectives
- Vendor Preferences
- Vendor Center
- Write Check
- Enter Bills
- Pay Bills
- Vendor Credits
- Apply Vendor Credits
- Print Checks
- Bill Tracker
- Receipt Management
- A/P Reports
- Practice Test

Section 5 Objectives

Upon completion of section 5 each participant will become familiar with the following objectives:

- How to create and apply Vendor Credits.
- How to use Bill Tracker to manage Accounts Payable.
- Receipt Management
- How to view and save Accounts Payable related reports.

Vendor Credits

On occasion we will receive a credit from a vendor for returned merchandise or due to an error in billing. Tracking and applying vendor credits or discounts can impact your cash flow in a positive way.

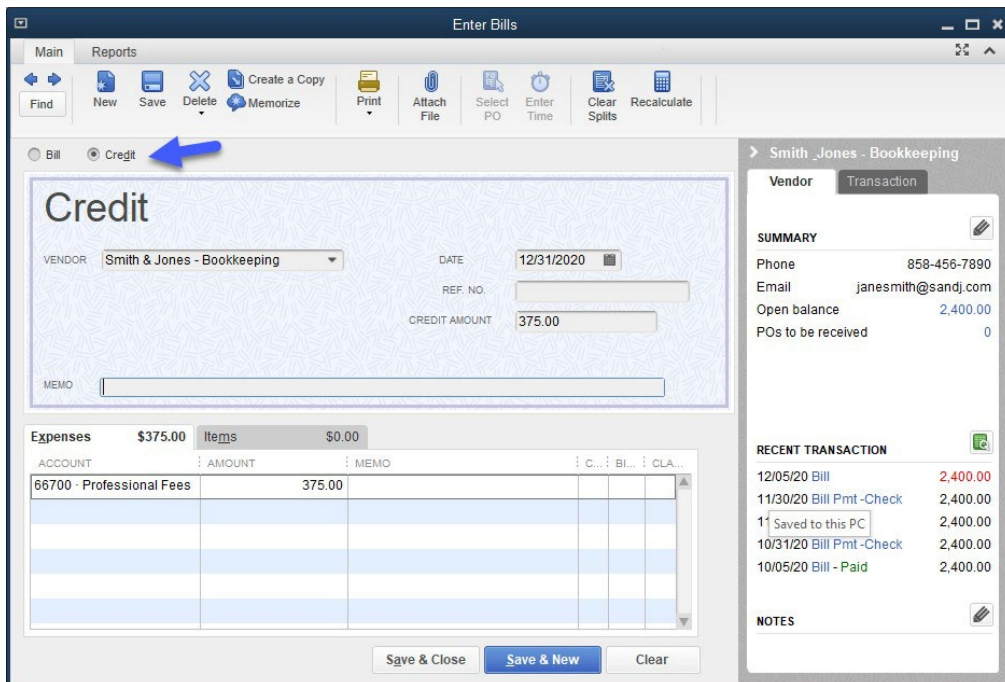
Click **Enter Bills** from the **Home Page** just like you would when entering a bill.

Select **Credit**.

Enter the following information:

Vendor Name, Date, Ref No, Credit Amount and Account.

Click **Save & Close**.



The screenshot shows the 'Enter Bills' window in QuickBooks. The 'Credit' radio button is selected and highlighted with a blue arrow. The form contains the following information:

- VENDOR:** Smith & Jones - Bookkeeping
- DATE:** 12/31/2020
- REF. NO.:** (empty field)
- CREDIT AMOUNT:** 375.00
- MEMO:** (empty field)

Below the form is a table for 'Expenses' with a total of \$375.00 and 'Items' with a total of \$0.00.

ACCOUNT	AMOUNT	MEMO	C...	BI...	CLA...
66700 - Professional Fees	375.00				

At the bottom of the window are buttons for 'Save & Close', 'Save & New', and 'Clear'. On the right side, there is a summary panel for 'Smith_Jones - Bookkeeping' with a 'SUMMARY' section showing contact information and a 'RECENT TRANSACTION' list.

SUMMARY

- Phone: 858-456-7890
- Email: janesmith@sandj.com
- Open balance: 2,400.00
- POs to be received: 0

RECENT TRANSACTION

- 12/05/20 Bill: 2,400.00
- 11/30/20 Bill Pmt - Check: 2,400.00
- 1 Saved to this PC: 2,400.00
- 10/31/20 Bill Pmt - Check: 2,400.00
- 10/05/20 Bill - Paid: 2,400.00

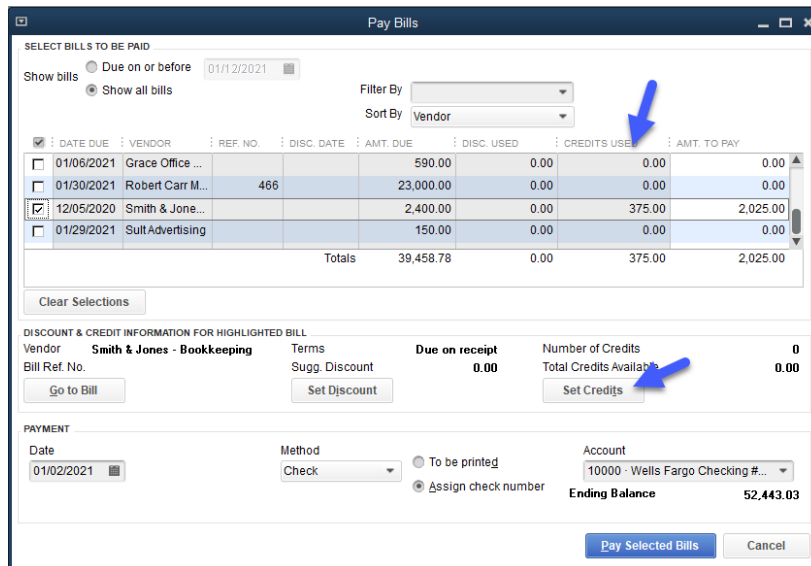
NOTES

Apply Vendor Credits

Tracking and applying vendor credits has a positive impact on cash flow.

Click **Pay Bills** from the **Home Page**. Select the **Vendor** with outstanding credits.

Select the **vendor** to auto apply the credit (depending on preference settings) or select the vendor -> click **Set Credits** button.



SELECT BILLS TO BE PAID

Show bills Due on or before 01/12/2021 Show all bills

Filter By

Sort By Vendor

<input checked="" type="checkbox"/>	DATE DUE	VENDOR	REF. NO.	DISC. DATE	AMT. DUE	DISC. USED	CREDITS USED	AMT. TO PAY
<input type="checkbox"/>	01/06/2021	Grace Office ...			590.00	0.00	0.00	0.00
<input type="checkbox"/>	01/30/2021	Robert Carr M...	466		23,000.00	0.00	0.00	0.00
<input checked="" type="checkbox"/>	12/05/2020	Smith & Jone...			2,400.00	0.00	375.00	2,025.00
<input type="checkbox"/>	01/29/2021	Sult Advertising			150.00	0.00	0.00	0.00
Totals					39,458.78	0.00	375.00	2,025.00

Clear Selections

DISCOUNT & CREDIT INFORMATION FOR HIGHLIGHTED BILL

Vendor **Smith & Jones - Bookkeeping** Terms **Due on receipt** Number of Credits **0**

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

Go to Bill Set Discount Set Credits

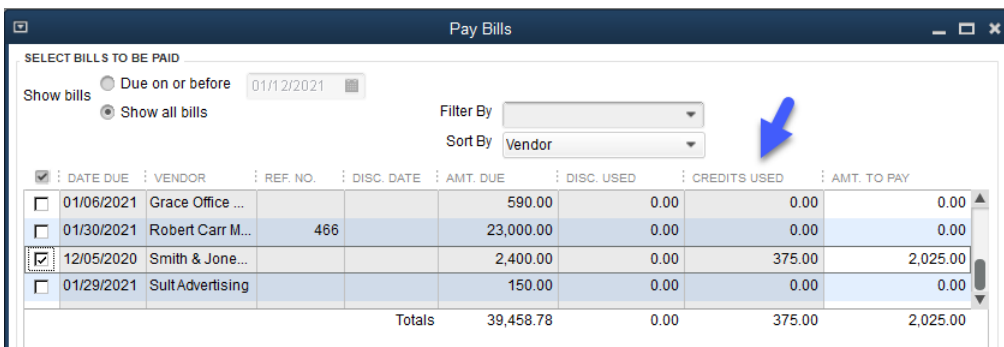
PAYMENT

Date 01/02/2021 Method Check To be printed Assign check number Account 10000 - Wells Fargo Checking #... Ending Balance 52,443.03

Pay Selected Bills Cancel

Verify selected credit and **Credits Used** in the **Discounts and Credits** window.

Click **Done** and complete the Pay Selected Bills process.



SELECT BILLS TO BE PAID

Show bills Due on or before 01/12/2021 Show all bills

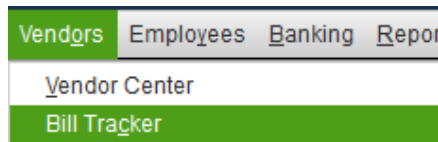
Filter By

Sort By Vendor

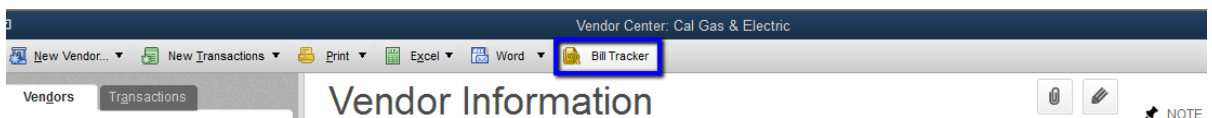
<input checked="" type="checkbox"/>	DATE DUE	VENDOR	REF. NO.	DISC. DATE	AMT. DUE	DISC. USED	CREDITS USED	AMT. TO PAY
<input type="checkbox"/>	01/06/2021	Grace Office ...			590.00	0.00	0.00	0.00
<input type="checkbox"/>	01/30/2021	Robert Carr M...	466		23,000.00	0.00	0.00	0.00
<input checked="" type="checkbox"/>	12/05/2020	Smith & Jone...			2,400.00	0.00	375.00	2,025.00
<input type="checkbox"/>	01/29/2021	Sult Advertising			150.00	0.00	0.00	0.00
Totals					39,458.78	0.00	375.00	2,025.00

Bill Tracker

The **Bill Tracker** is a great way to manage Accounts Payable. Track all Purchase Orders, Open and Overdue Bills. To Access the **Bill Tracker** from the **Menu Bar**, click **Vendors -> Bill Tracker**.



The **Bill Tracker** can also be accessed from the **Ribbon Bar** in the **Vendor Center**.



Click a **Colored Block** or **Column Heading** to sort information. Use the **Filter** feature to select and display specific information. Use the **Action** options to perform a task.

UNBILLED		UNPAID		PAID	
0.00 0 PURCHASE ORDERS		38,833.78 17 OPEN BILLS		14,413.78 8 OVERDUE	
				1,663.75 5 PAID IN LAST 30 DAYS	

VENDOR	TYPE	NUMBER	DATE	DUE DATE	STATUS	AMOUNT	OPEN BALANCE	ACTION
<input type="checkbox"/> Smith & Jones - Book...	Bill		12/5/2020	12/5/2020	Overdue	2,400.00	2400.00	Pay Bill
<input type="checkbox"/> Cal Telephone	Bill		11/10/2020	12/10/2020	Overdue	120.00	120.00	
<input type="checkbox"/> Farmer's Insurance	Bill		12/1/2020	12/11/2020	Overdue	147.00	147.00	
<input type="checkbox"/> Chris Markley	Bill	2231	12/1/2020	12/11/2020	Overdue	1,260.00	1260.00	
<input type="checkbox"/> Conner Garden Supplies	Bill	21535	12/7/2020	12/17/2020	Overdue	7,300.00	7300.00	
<input type="checkbox"/> Conner Garden Supplies	Bill	998	12/7/2020	12/17/2020	Overdue	2,400.00	2400.00	
<input type="checkbox"/> Golden Hardware & S...	Bill		12/15/2020	12/25/2020	Overdue	456.78	456.78	
<input type="checkbox"/> Farmer's Insurance	Bill		11/30/2020	12/30/2020	Overdue	330.00	330.00	

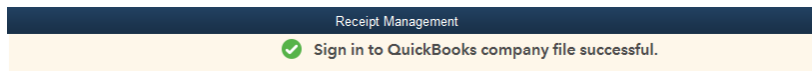
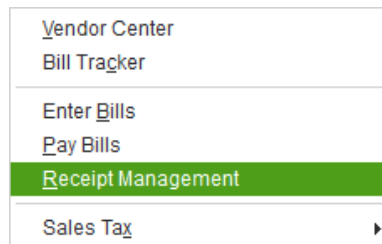
Showing 1 - 22 of 22

Receipt Management

Receipt Management is a new feature for 2021 that allows you to upload and manage receipts. You can now browse or snap and upload your receipts (jpeg, jpg, pdf or png format) and review them before adding to your register.

You will need an Intuit account to setup and use this feature. The same account you setup when you installed your QuickBooks Desktop version and created your company file.


Click **Vendors from the Menu Bar -> Receipt Management**. Enter your account **login name or email**. Click **Continue**.



To open the company file, you need to set up an Intuit account
Intuit account provides


- ✓ Access to Payroll, Payments , Time tracking and more
- ✓ Better control and protection of data

Tell us who you are, we'll help you set up an Intuit account:



You're the accountant and

- ✓ Have signed in using admin credentials
- ✓ Manage this company file's financial account on admin's behalf



You're the admin and

- ✓ Manage this company and its financial actions.
- ✓ Manage all Intuit account users and their assigned roles for this company file.

[Why do you need an Intuit account?](#)

[Continue](#)

Receipt Management

Browse your computer, Setup Email to send receipts or install the snap on mobile app to snap pictures of receipts and send them to the Receipt management center in your company file.



Click the **Manage Users** button to provide access for individual users.

Click the **Gear** icon to change the columns displayed in the Receipt Management Center.

Receipt management

[Browse to upload](#) [Email receipts](#) [Snap on mobile](#) [Manage users](#)

For review Reviewed

IMAGE	VENDOR	BANK / CAR...	DATE	AMOUNT	ACCOUNT	MATCH	ACTION
							 

Columns

- Bank / Card
- Date
- Amount
- Account
- Match

A/P Reports

Now that we have mastered the Accounts Payable section of this training, we are ready to memorize reports that help us manage our Accounts Payable.

Click **Reports** in the **Menu Bar**.

Click **Vendors & Payables**.

Click and open the following Reports:

A/P Aging Detail – Informs us of the outstanding balances for our vendors and whether they are current or past due. Remember to pay bills timely to avoid finance charges.

Unpaid Bills Detail – This report displays all outstanding bills and credits, sorted by vendor. This is a great tool for budgeting. Use this report to determine the total for all bills due before or on the next bill-pay date.

Sales Tax Liability – Populates sales tax liability based on sales receipts and invoices. This report will track liabilities based on state or county. Use this report to submit state sales tax returns.

Note: Click the **Memorize** button in the **Ribbon Bar** for each report and save them in your memorized report group in the **Memorized Report List**.



Online Foundations Training

PAYROLL

- Objectives
- Payroll Overview
- Payroll Setup
- Run Payroll
- Payroll Taxes
- Payroll Tax Forms
- Payroll Reports

Payroll Objectives

Upon completion of this Payroll training each participant will be familiar with:

- Overview of Payroll.
- How to setup Payroll.
- How to run Payroll.
- How to manage Payroll taxes.
- How to process Payroll forms.
- How to create and review Payroll reports.

Sushi Coma has decided to outsource the payroll function to a third-party payroll service, a very common practice in most industries. They are using the Semi-Monthly option versus Weekly option, to reduce the number of payrolls and keep the payroll expense in control, (another important aspect of good cash flow management). Daniel and Meredith have hired 5 employees for each location. This includes a head cook, prep cook, server, server/cashier, and driver.

Payroll is typically one the largest expenses in a business, and it is critical to implement sound payroll management strategies. Payroll has many elements business owners tend to overlook. Let's walk through an overview of the payroll process, then dive in and set up sound business practices around this important function.

Payroll Overview

Throughout the year, many business owners are required to process payroll, pay taxes and file forms with the Internal Revenue Service and their state agency. How business owners determine the status of an individual (employee vs. contractor) depends on the nature of the services they provide.

There are three tests that can be used to determine status of employment.

Control Test – The employer has the right to tell the employee what to do.

Integration Test – The work done is an integral part of the business.

Multiple Test – The individual must wear the company's uniform and be available for work when needed.

Visit **irs.gov** for more information and requirements for employing individuals.

<https://www.irs.gov/newsroom/understanding-employee-vs-contractor-designation>

Once a business owner hires employees, it is important to create an Employee Handbook, complete the employee/payroll setup process and follow best practice procedures. Many owners struggle with this process as it is one of the highest expenses in a business.

Cash flow is critical in order to avoid late payroll tax payments, unnecessary penalties and interest. Outsourcing this process to QuickBooks full-service payroll is highly recommended. This helps avoid unnecessary costs or fees and keeps the business owner in compliance.

Payroll Setup

Payroll setup in QuickBooks Online requires turning on the feature and selecting a subscription. We will not turn on Payroll during this training. However, we will discuss the process and required information needed.

First, you will need a Federal Identification Number, typically setup when you open a business. (It is also used to open bank accounts.)

Second, you will need an EFTPS.gov account and login. This requires you to enter owner and bank info and allows you to process tax payments online.

Third, you will need to contact your state agency to address all filing requirements (varies per state).

Next, gather the following information from employees. Visit www.irs.gov for additional information and to download forms.

I-9 Employment Eligibility Verification – Verifies the identity and employment authorization of individuals hired for employment in the United States. This requires two specific forms of identification. Business owners must maintain this information for all employees and provide it if requested by the U.S. Citizenship and Immigration Services.

W-4 - Used by employers to determine how much federal income tax to withhold from an employee's pay. <https://www.irs.gov/pub/irs-pdf/fw4.pdf>

Publication 15 (Circular E) – If you have questions about IRS payroll requirements, refer to <https://www.irs.gov/forms-pubs/about-publication-15>. It is a great resource.

California Employers Guide
https://edd.ca.gov/pdf_pub_ctr/de44.pdf

Run Payroll

In order to run payroll, select one of the following pay period options:

Semi-Monthly – This option requires 2 pay periods a month, 24 per year. Semi-monthly is typically selected by higher-level professional businesses. For example, a pay period would be from the 1st to the 15th (paid on the 20th) and 16th-30/31st (paid on the 5th). There are 88 hours in a pay period.

Bi-Weekly – This option means payroll is paid every two weeks. 2 months a year employees receive three paychecks for a total of 26 per year. This method is more common with hourly employees and equates to an 80 hour pay period.

Weekly – This option means payroll is paid per week, for a total of 52 per year. This method is commonly used amongst contractors, roofers, plumbers etc.

There are 2080 hours in a year for full-time employees, regardless of which option you choose. It is recommended to research the options prior to running your first payroll. Yes! It is possible to change a payroll processing period.

Something to consider - A business has costs associated with processing payroll. It is important to establish an efficient routine or outsource the payroll function.

Payroll Taxes

When each payroll is processed, the individual W-4 information is used to calculate federal taxes for each employee. The employer withholds Federal and State taxes, then calculates the employer's portion and processes payments online.

Employee calculations (provided access to pay stubs each payroll)

Number of hours x pay rate = Gross Payroll

Subtract Federal Employee Taxes

- Federal Income Tax – IRS Table and W-4
- Social Security 6.2%
- Medicare 1.45%

Subtract State Employee Taxes (depends on the state)

- State Income Tax
- State Disability Tax

Equals Net Payroll, the amount paid to the employee.

The employer then adds the following to calculate the Federal and State Liability (amounts owed by the employer): Due dates are determined by the agencies.

Total Federal Tax Liability (due date determined by the IRS)

- Federal Income Tax - Employee
- Social Security – Employee
- Social Security – Employer
- Medicare Employee
- Medicare Employer
- Federal Unemployment

Total State Tax Liability (due quarterly) State Income Tax

- State Disability
- State Unemployment
- State Employer Training Tax

Payroll Tax Forms

Quarterly

941 (Internal Revenue Service)

Reports Gross Wages, Federal Income Tax, Social Security wages and taxes, Medicare wages and taxes, tip wages, employer liabilities and payments paid.

Sushi Coma, Inc. is located in California, thus we have included key forms relevant to California state reporting requirements, but they are available for every state.

DE-88 (California Employment Development Department)

DE 9 (California Employment Development Department)

DE 9C (California Employment Development Department)

Reports wages, state taxes withheld, and state taxes paid.

Yearly (in additional to quarterly reports)

W-2 (Social Security Division) – Reports all employee wage information used to file individual tax returns.

W-3 (Social Security Division) - Reports summary of W2's reported.

940 (Internal Revenue Service) – Reports employer federal unemployment for all employees.

Payroll Reports

Many business owners use third party time tracking apps to track individual employee time. These apps sync with payroll processing in QBO, making the process quick and efficient.

There are many payroll reports used to manage payroll. Payroll reports commonly used in QuickBooks Online are as follows:

Time tracking reports – Tracks time per employee per time period.

Payroll Summary – Provides summary view of information per employee and pay period.

Payroll Details – Provides details per employee per pay date and totals per pay period.

Tax and Wage Summary – Tracks total wages, taxable wages and tax amount by category.

Best practices: Keep good records of time tracking and payroll reports per pay period.

Business owners often fall behind in making timely payroll tax payments and the penalties add up quickly. One more reason to invest time in understanding cash flow and establishing best practice procedures.



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Online Foundations Training

MODULE 5

SALES TAX

Goals
Sales Tax Set Up
Sales Tax Center
Sales Tax Reports
Sales Tax Filing
Doable Action Steps

Module 5 Goals

Upon completion of Module 5, each participant will be familiar with:

- How to setup sales tax.
- How to manage the Sales Tax Center.
- How to review sales tax reports.
- How to file sales tax returns.

Express Landscaping is required to track sales by county as they provide services in multiple counties. While much of what Express provides is service oriented and not taxable, they do sell items such as fountains, trees, shrubbery, etc. that are taxable.

In California, where Express is located, there is a statewide tax rate plus city and county sales tax rates. Express is required to file a sales tax report monthly and pay the balance to the state of California. Express has the option of purchasing products wholesale and paying sales tax at the time of purchase. The benefit of this strategy is to avoid having to submit sales tax reports. They will build the fee into the price they charge customers. However, to demonstrate the sales tax feature, in this training Express will charge customers sales tax at the time of purchase using custom rates.

Here is the good news, QuickBooks has sales tax rates built into the application for each area of the country and tracks the information for you. QuickBooks also enters the information on forms such as sales receipts. When this feature is setup correctly, it is easy to keep track of what is owed; in addition, it will help Express remain in compliance with monthly reporting requirements and prevent late fees.

More on Sales Tax

Sales tax is calculated on the sale or lease of goods and services in the United States. Sales tax rates are state regulated, and percentages vary across the United States. Sales tax is calculated by multiplying the purchase price by the applicable tax rate. The seller collects the tax at the time of sale and tracks the amounts collected. Each month, quarter or year the information is reported, and amounts collected are paid to the Department of Taxation for the state in which the taxable good or services were provided. It is the business owner's responsibility to collect, report and pay all sales tax collected.

Another form of sales tax is referred to as **Use Tax**. This tax is reported and paid when a business owner does not pay tax on products purchased. For example, online vendors or suppliers do not always charge sales tax, therefore the business owner is responsible for keeping track of use tax. (Refer to Department of Taxation for your state.)

When you purchase or lease goods and pay the sales tax at the time of purchase, you are not required to collect sales tax from your customers. If you do not pay the sales tax at time of purchase, you are required to charge your customers' sales tax.

WOW! In California, a 10 percent penalty is assessed if you do not file your sales tax return by its due date. Ongoing Interest is based on the interest rate shown at the bottom of your return, for each month or partial month that the tax remains unpaid.

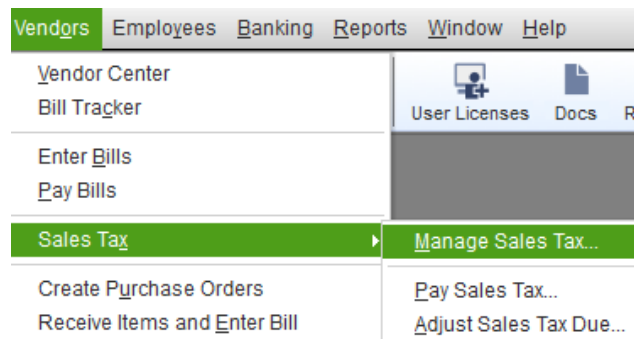
Sales Tax Setup

Manage Sales Tax

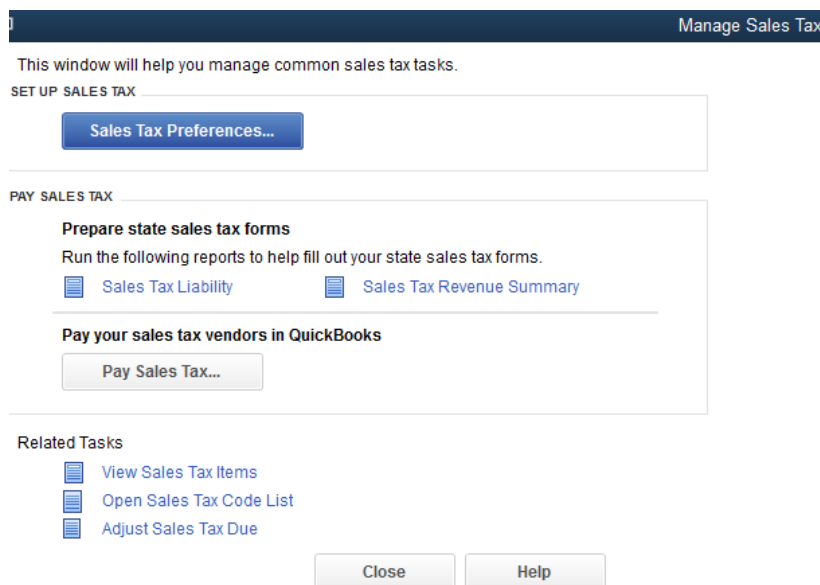
Managing sales tax will increase the accuracy of data for state filing.

View sales tax activity, pay sales tax, access reports, edit settings and rates from one window.

Click **Vendors** from the **Menu Bar** -> **Sales Tax** -> **Manage Sales Tax**.



Adjust Sales Tax Preferences, Review Reports and Review Items and Code Lists.



Note: Invoices or Sales Receipts are required to properly calculate sales tax collected. It is important to verify the Sales Tax Liability and Sales Tax Revenue reports before filing with your state agency. You are required to manually maintain all sales tax rates in QuickBooks®.

Sales Tax Setup

Click the **Pay Sales Tax** button to write and/or print a sales tax liability check. It is important to pay your sales tax liabilities through this window as it maintains proper balances within QuickBooks®.

Pay Sales Tax ✕

Pay From Account
10000 · Wells Fargo Ch...

Check Date
12/28/2020

Show sales tax due through
11/30/2020

Starting Check No.
9603

P...	ITEM	VENDOR	AMT. DUE	AMT. PAID
	San Domingo	State Board of Equalization	18,912.00	0.00
<input checked="" type="checkbox"/>	County, San Thom...	State Board of Equalization	12,023.52	12,023.52
	Assessment	State Board of Equalization	1,626.61	0.00
Totals			32,562.13	12,023.52

Clear Selections

Adjust

Ending Bank Balance 42,807.01

To be printed

OK

Cancel

Help

Sales Tax Setup

9. **Complete the filing frequency -> Next agency.** Add the filing frequency to all additional agencies then click **Save**.

How often do you file sales tax?

You can find this info on your sales tax business registration. If you can't find it or it changed, check out the table to see where your business fits.

Agency

Arizona Department of Revenue

1 of 2

Filing frequency

Monthly



Starting in

January

Arizona filing frequency requirements

Average monthly liability	Filing frequency
\$0 to \$1,999.99	Annual
not permitted	Semi-Annual
\$2,000 to \$8,000	Quarterly
\$8,000.01 and up	Monthly

Source:

<https://www.azdor.gov/About/FAQs/TPT.aspx> (February 20, 2018)

Next agency

Sales Tax Center

Once the **Sales Tax Center** is activated you can manage **Sales Tax Settings**, filter by **status** or **tax period**, run **reports** and **view returns**.

Sales Tax Center

1. Click **sales tax settings** to add **tax agencies**, select the **state, city, or county** to match your agency.
2. Next select the **filing frequency** you are required to file, select the **start date and reporting method**. A sales tax liability will auto-populate in your chart of accounts.
3. Click **Save**.



Important! You need to know your state's reporting method. Accrual means you are responsible for collecting and paying tax in the same period or date range a sales form is created. Cash means you are required to pay the tax for the period you collect the sales tax from your customers.

4. Edit the tax agency or click the down-arrow under the action menu to make it inactive.
5. Add the custom tax rates for California.

Sales Tax Center

Although the sales tax agency populated using the address and zip code in accounts and settings, you can add custom tax rates. It is important to change each invoice and/or sales receipt default sales tax when using custom sales tax rates. This will be addressed in the accounts receivable module of this training. Choose **Combined, San Diego, County Tax (Rate 1 6.25%)** and **District Tax (Rate 2 1.5%), California Department of Taxation** for both. Total combined tax rate is **7.75%**.

Sales Tax Reports

1. Click **Reports** from within the Sales Tax Center to view **Tax liability**, **Taxable customer**, and **Nontaxable Transaction Review** reports.

Tax Liability Report provides the information required to complete tax forms per state. Select the date range you are required to report, tax agency and accounting method.

The accounting method is based on your state's requirements.

Reference the **Taxable customer report** to manage tax status and rate defaults for each customer.

Use the **Nontaxable Transaction Review** report to verify taxable transactions were not missed by mistake.

2. Click **Reports from the left navigation bar -> standard -> search ->tax** to view list of available reports: Locate and save the following reports as favorites by clicking the **star** to the right of each report:
 - **Sales Tax Liability Report**
 - **Taxable Sales Summary**
 - **Taxable Sales Detail**

Sales Tax Filing

1. From the Sales Tax Center, click **View tax return**.
2. Click the **+ Add an adjustment link**, if you need to adjust the balance due.
3. Click **Record payment** to create a transaction and post to your bank register. It is important to record all sales tax payments using the record payment option in the **Sales Tax Center**.
4. Complete the following instructions. Most state tax agencies have an online system for completing filing requirements and making payments.



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Online Foundations

MODULE 10

UNDERSTANDING YOUR NUMBERS

Goals
Balance Sheet
Profit & Loss
Statement of Cash Flows
Key Performance Indicators
Ask My Accountant
Audit Log
Closing Date
Doable Action Steps

Module 10 Goals

Upon completion of Module 10 each participant will be familiar with:

- How to save and group custom reports.
- How to setup and review a Balance Sheet Statement.
- How to setup and review a Profit & Loss Statement.
- How to setup and review a Cash Flow Statement.
- How to use Financial Statements to track key performance indicators.
- How to create a report and utilize Ask My Accountant.
- How to review an audit log.
- How to set a closing date and password.

The importance of understanding and utilizing financial reports cannot be overstated. Many business owners are embarrassed to admit their lack of knowledge when it comes to understanding what their numbers mean. Financial statements provide a snapshot of a business's financial health, giving insight into its performance, operations, and cash flow. They are essential and provide information about a company's revenue, expenses, profitability, and debt.

As we break down the numbers for Chris, she will soon learn; it is not rocket science as she watches the numbers take on meaning. Chris has never been able to determine whether her business is considered healthy. Now that the reconciliation process is complete and she can trust the numbers, she begins to understand how much information is available to help her continually improve company performance. In fact, Chris finds herself saying, "Why didn't I know this earlier? This would have changed everything".

Methodical action steps will put Chris back on the right track. Experience what it must feel like to have the blinders removed and see a clear picture of how to grow and thrive!

Understanding Your Numbers

Customizing and viewing reports on a regular basis will ensure the accuracy of your company data, and help you make better management decisions. Financial analysis and reporting are the bedrocks of modern business, and the benefits are vast; improved cash flow, debt and liabilities management, trend identification, real time tracking, etc. Financial reports also help you remain in compliance with various regulations.

The **Custom Reports** section allows you to save custom reports in groups and streamline the time it takes to review reports daily, weekly, monthly, etc.

Once you understand what the numbers mean in your reports and where the data is coming from, it will become obvious why creating unnecessary account categories leads to costly cleanup. The various reports clarify what is going on in each area of our business. Invest time to familiarize yourself with key reports that apply to your business. If you are unsure what reports to track, talk to your instructor/advisor or accountant for advice. Keep in mind you can customize and create detailed and summarized reports as you learn more.

All business owners should focus on three main financial reports:

- Balance Sheet
- Profit & Loss
- Statement of Cash Flows

Other important reports include:

- Ask My Accountant
- Audit Log

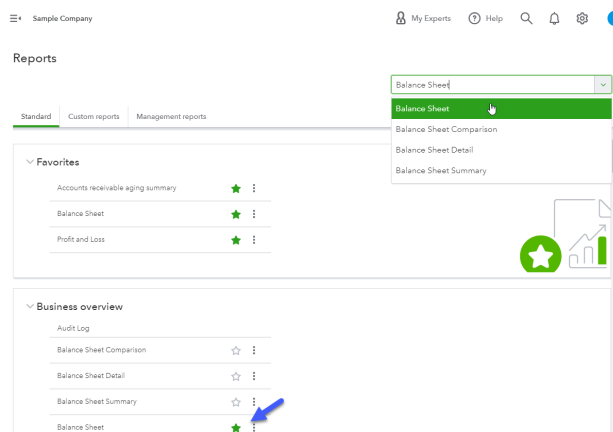
Balance Sheet

The Balance Sheet provides information about the assets the business owns. There are several types of assets including current assets, cash in the bank and money owed by customers. Fixed assets are tangible items purchased, such as a vehicle or equipment used to produce money. Fixed assets are depreciated over time and are typical items that cost more than \$2,500. Other assets include leasehold improvements, purchase of a business, security deposits, etc.

Now let's discuss liabilities, what the business owes. Short-term liabilities are paid within a year and include sales and payroll taxes, garnishments, lines of credit, credit cards etc. Long-term liabilities take more than a year to pay back and include vehicle or equipment loans, SBA or building loans etc.

Finally, the equity section tells us how much your business is worth, tracking all profits and losses from the time you start the business to the present. This section tracks all the stock, owner distributions and contributions over the years. All information is rolled into retained earnings, owner's equity, or member equity depending on the type of entity.

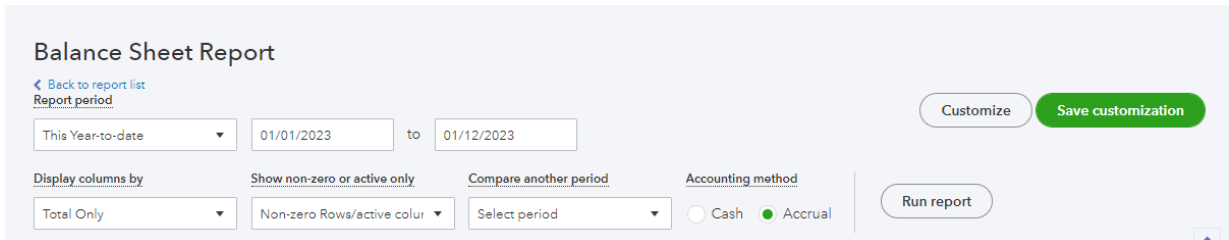
1. Click **Reports** in the **left navigation bar** -> **select the standard tab** -> **scroll to business overview** -> **Balance Sheet**.
2. Click the **star** to save the report as a favorite or
3. Click **reports** in the **left navigation bar** and use the **search** feature. Select the Balance Sheet.



Balance Sheet

Balance Sheet

There are several ways to filter the data for your custom reports. Change the **Report period**, **Display columns**, **Show non-zero or active only**, **Accounting method**, and **Compare Report periods**.



Balance Sheet Report

[Back to report list](#)
Report period

This Year-to-date ▼ 01/01/2023 to 01/12/2023

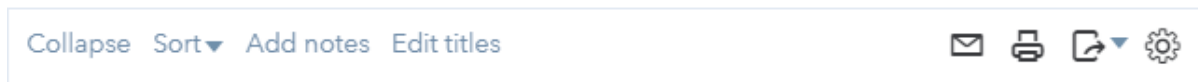
Customize Save customization

Display columns by Show non-zero or active only Compare another period Accounting method





Total Only ▼ Non-zero Rows/active color ▼ Select period ▼ Cash Accrual

Run report

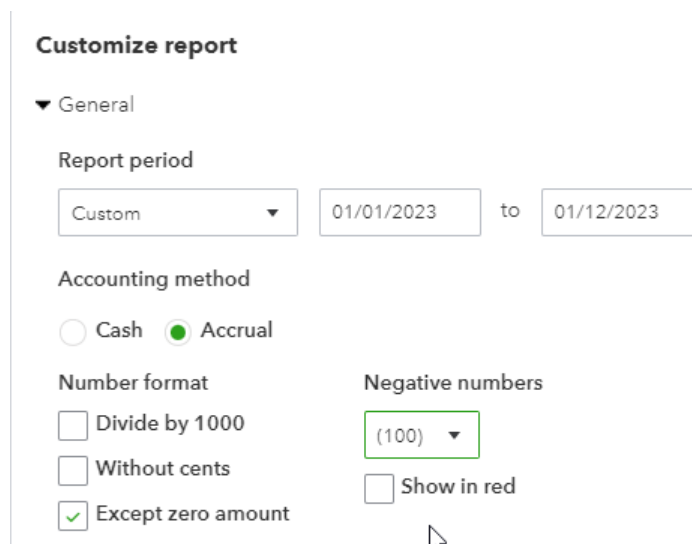
The **Collapse** option consolidates all sub-account balances within the main account. The **Expand** option displays all sub-account balances. **Sort** by ascending or descending order and **Add notes**. Click the appropriate icon to **Email**, **Print** or **Export** a report.



Collapse Sort ▼ Add notes Edit titles

1. Click **Customize** to change the date range, accounting method and negative numbers display.



Customize report

▼ General

Report period

Custom ▼ 01/01/2023 to 01/12/2023

Accounting method

Cash Accrual

Number format

Divide by 1000

Without cents

Except zero amount

Negative numbers

(100) ▼

Show in red

Balance Sheet

2. Click **Rows/Columns** to change the way **columns** are displayed, **Show non-zero rows and columns**, or add percentage of rows and columns.
3. Click **Filter** to select specific **Customers, Vendors, or Product/Service** items to be displayed.

▼ Rows/Columns

Columns: Total Only ▼

Show non-zero or active only: Non-zero Rows/Non ▼

▼ Filter

Customer All ▼

Vendor All ▼

Product/Service All ▼

Select and reorder columns

% of Row

% of Column

[Hide change columns](#)

4. Click **Header/Footer** to add your logo, change the Report title, remove information displayed, and change the alignment of the report. Click **Run Report**.

▼ Header/Footer

Header

Show logo

Company name: Craig's Design and Landscapir

Report title: Balance Sheet

Report period

Footer

Date prepared

Time prepared

Report basis (cash vs. accrual)

Alignment

Header: Center ▼

Footer: Center ▼

Balance Sheet

5. Click **save customization**.
6. Name your custom report or use the default name, add this report to a group, or share it with a coworker. Organizing your reports in groups will save time locating and reviewing your favorite reports.
7. Click **Save**.

Custom report name

Add this report to a group

 ▼

New group name

Share with

 ▼

Share reports with community

* You share only your customized report structure and not your financial data.

Save

8. Now simply click on **Reports -> Custom reports** to quickly access your customized **Balance Sheet**.

Reports

Standard

Custom reports

Management reports

NAME	CREATED	DATE RANGE	EMAIL	ACTION
› Financial Reports			Unscheduled	Edit ▼
Balance Sheet	Craig Carlson	01/01/2022-03/31/2022		Edit ▼

Balance Sheet

This sample displays the assets portion of the Balance Sheet. In order to rely on your financial data, it is important to verify that all asset account balances are accurate.

Craig's Design and Landscaping Services

Balance Sheet As of January 12, 2023

	TOTAL
▼ ASSETS	
▼ Current Assets	
▼ Bank Accounts	
Checking	1,201.00
Savings	800.00
Total Bank Accounts	\$2,001.00
▼ Accounts Receivable	
Accounts Receivable (A/R)	5,281.52
Total Accounts Receivable	\$5,281.52
▼ Other Current Assets	
Inventory Asset	596.25
Undeposited Funds	2,062.52
Total Other Current Assets	\$2,658.77
Total Current Assets	\$9,941.29
▼ Fixed Assets	
▼ Truck	
Original Cost	13,495.00
Total Truck	13,495.00
Total Fixed Assets	\$13,495.00
TOTAL ASSETS	\$23,436.29

Balance Sheet

This sample displays the liability and equity sections of a Balance Sheet. In order to rely on your financial data, it is important to verify that all liability and equity account balances are accurate.

▼ LIABILITIES AND EQUITY	
▼ Liabilities	
▼ Current Liabilities	
▼ Accounts Payable	
Accounts Payable (A/P)	1,602.67
Total Accounts Payable	\$1,602.67
▼ Credit Cards	
Mastercard	157.72
Total Credit Cards	\$157.72
▼ Other Current Liabilities	
Arizona Dept. of Revenue Payable	0.00
Board of Equalization Payable	370.94
Loan Payable	4,000.00
Total Other Current Liabilities	\$4,370.94
Total Current Liabilities	\$6,131.33
▼ Long-Term Liabilities	
Notes Payable	25,000.00
Total Long-Term Liabilities	\$25,000.00
Total Liabilities	\$31,131.33
▼ Equity	
Opening Balance Equity	-9,337.50
Retained Earnings	1,676.46
Net Income	-34.00
Total Equity	\$ -7,695.04
TOTAL LIABILITIES AND EQUITY	\$23,436.29

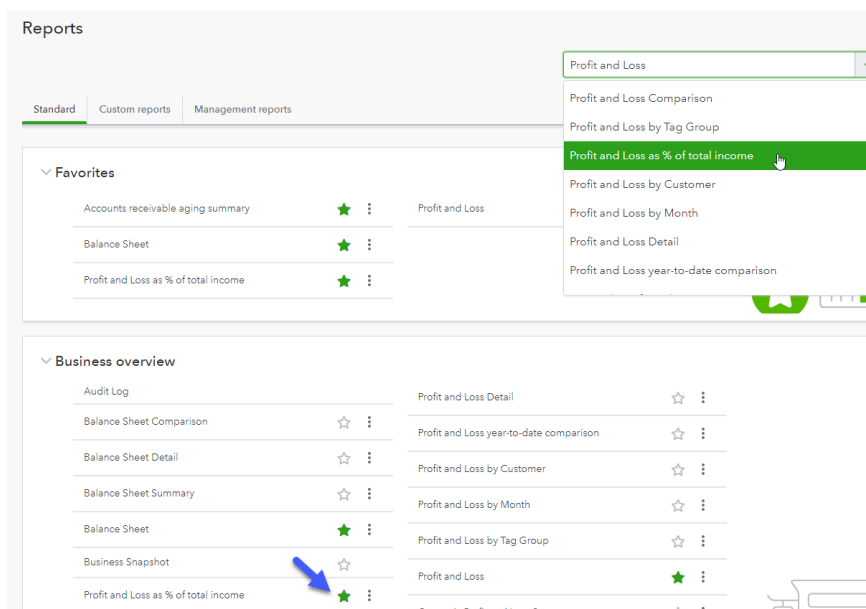
Profit & Loss

Profit & Loss

The Profit & Loss Report is an accumulation of income and expenses for a period. At the end of each year the net profit or loss rolls into the equity section of the Balance Sheet. Each new year starts with a zero balance for income and expenses.

The **profit & loss** continues with the story about the health of our business. Are we meeting our sales growth targets? When we subtract expenses directly related to revenue, we can determine our **gross profit margin**. Do we have enough gross profit to pay all other costs? When we subtract all other expenses from gross profit, we can determine net income before tax and whether we are profitable. Each category is a percentage of Income which we use as a cash management tool.

1. Click **reports** in the **left navigation bar** -> **reports** -> **standard**.
2. Scroll to **business overview**.
3. Click **Profit and Loss % of Total Income** or use the search feature.



Profit & Loss

4. Click **Customize**.

5. Change the **Negative numbers** to display with parenthesis and check the box **Show in red**.

Just like the Balance Sheet, you can add rows and columns, filter information, or change **Header/Footer** options.

Customize report

▼ General

Report period

Custom ▼ 01/01/2022 to 03/31/2022

Accounting method

Cash Accrual

Number format

Divide by 1000

Without cents

Except zero amount

Negative numbers

(100) ▼

Show in red

▼ Rows/Columns

Columns

Total Only ▼

Show non-zero or active only

Non-zero Rows/Non ▼

[Change columns](#)

▶ Filter

▶ Header/Footer

Note: It is important to choose the same date range and accounting method used to customize the Balance Sheet.

Profit & Loss

6. Use the **collapse/expand** feature to hide or unhide subaccounts when customizing reports.

Craig's Design and Landscaping Services		
Profit and Loss % of Total Income		
October - December, 2022		
	TOTAL	
	OCT - DEC, 2022	% OF INCOME
▶ Income	\$9,809.52	100.00 %
▶ Cost of Goods Sold	\$405.00	4.13 %
GROSS PROFIT	\$9,404.52	95.87 %
▼ Expenses		
Advertising	74.86	0.76 %
▼ Automobile	79.96	0.82 %
Fuel	349.41	3.56 %
Total Automobile	429.37	4.38 %
Equipment Rental	112.00	1.14 %
Insurance	241.23	2.46 %
▼ Job Expenses	155.07	1.58 %
▶ Job Materials	802.82	8.18 %
Total Job Expenses	957.89	9.76 %
▶ Legal & Professional Fees	870.00	8.87 %
▶ Maintenance and Repair	940.00	9.58 %
Meals and Entertainment	28.49	0.29 %
Office Expenses	18.08	0.18 %
Rent or Lease	900.00	9.17 %
▶ Utilities	331.39	3.38 %
Total Expenses	\$4,903.31	49.99 %
NET OPERATING INCOME	\$4,501.21	45.89 %
▼ Other Expenses		
Miscellaneous	2,916.00	29.73 %
Total Other Expenses	\$2,916.00	29.73 %
NET OTHER INCOME	\$ -2,916.00	-29.73 %
NET INCOME	\$1,585.21	16.16 %

Note: Remember to click **save Customization** and add this report to your new report group in **custom reports**.

Cash Flow

Business Tip: Cash flow includes all transactions that go in and out of your bank accounts. Some transactions will post to the Balance Sheet, and some will post to the profit & loss.



Cash flow is generated by the business cycle.

Think of the cycle as a clock.



Any event that slows down the clock, interrupts the process, hurts cash flow.



The proper use of QuickBooks will significantly increase efficiencies and the speed of the business cycle.

Statement of Cash Flows

Cash flows are used to project the future cash needs of a business. Best practice accounts receivable and accounts payable policies can greatly improve cash flows. Cash flow is the money that flows in and out of your bank account regardless of whether it is income, expense, receivables, payables, loan or credit card payments. This means that both the Balance Sheet and Profit & Loss are directly related to the cash flowing in and out of the business. By contrast, net profit is directly related to income and expense activity.

In most small businesses, revenue typically doesn't match up with spending, so understanding your cash flow is critical to avoid a cash flow crisis. The Statement of Cash Flows helps you evaluate whether there is enough money coming in, as well as enough cash on hand, to pay bills.

A Statement of Cash Flows is a tool used to attract new investments, inform your fundraising efforts, and get more access to financing options. This statement provides banks and creditors some reassurance that your small business can pay back loans or fund its own operating expenses.

Let's break it down.

Statement of Cash Flows

The first line item on your Statement of Cash Flows is net income from the Profit & Loss. Since accounts receivable reflects income that has not been collected from customers, we subtract it out. It is cash we have not yet received. Inventory has not been sold and sits as an asset on your Balance Sheet, therefore we subtract the amount. Accounts payable represents bills that have not been paid (we have not spent the cash), thus we add it back. Credit card, loan balances and taxes owed have not been paid, so we add them back. These categories reside on the Balance Sheet. This provides a cash picture and demonstrates how cash flow is reflected on both the Balance Sheet and Profit & Loss. All three statements work together to help determine the cash position of a business. This section of the Statement of Cash Flows is referred to as operating activities.

Craig's Design and Landscaping Services

Statement of Cash Flows October - December, 2022




	TOTAL
▼ OPERATING ACTIVITIES	
Net Income	1,585.21
▼ Adjustments to reconcile Net Income to Net Cash provid...	
Accounts Receivable (A/R)	-5,281.52
Inventory Asset	-596.25
Accounts Payable (A/P)	1,602.67
Mastercard	123.72
Arizona Dept. of Revenue Payable	0.00
Board of Equalization Payable	360.44
Loan Payable	4,000.00
Total Adjustments to reconcile Net Income to Net Cash...	209.06

Statement of Cash Flows

The next section represents investing activities. Original cost of assets is subtracted from the net profit. The original cost of assets include investments acquired to help produce revenue, such as a truck. The goal is to see a return on your investments.

Next, we add and subtract financing activities from the net profit. Financing activities include loans we owe over a period of more than one year. Opening balance equity is populated when you link a new bank or credit card account that has a balance. This is a temporary holding spot.

Finally, we can see the cash we have at the end of a period. This balance should match the cash balance on the Balance Sheet (cash basis). This includes undeposited funds.

Net cash provided by operating activities	\$1,794.27
▼ INVESTING ACTIVITIES 	
Truck:Original Cost	-13,495.00
Net cash provided by investing activities	\$ -13,495.00
▼ FINANCING ACTIVITIES 	
Notes Payable	25,000.00
Opening Balance Equity	-14,337.50
Net cash provided by financing activities	\$10,662.50
NET CASH INCREASE FOR PERIOD	\$ -1,038.23
Cash at beginning of period	5,101.75
CASH AT END OF PERIOD 	\$4,063.52

Key Performance Indicators (KPI)

What is a Key Performance Indicator (KPI)?

A key performance indicator is a measurable value that demonstrates how effectively a company is achieving key business objectives. Organizations use KPIs at multiple levels to evaluate their success at reaching targets. High-level KPIs may focus on the overall performance of the business, while low-level KPIs may focus on processes in departments such as sales, marketing, HR, support and others.

As business owners, we use the Balance Sheet and Profit & Loss information along with mathematical formulas to determine KPIs, then we compare those numbers to our specific industries. This process helps us set targets and goals in many areas of our business. We must emphasize the importance of accurate financial statements to assist in setting accurate and achievable goals.

Let's review a few examples of the different types of KPIs:

Sales Growth Rate – Measures the pace your sales revenue is decreasing or increasing. This metric is an essential factor in growth projections and setting sales targets. It will help your business account for monthly or quarterly spikes.

$$\frac{\text{Net Sales of (Current Period - Net Sales of Previous Period)}}{\text{(Net Sales of Previous Period)}} \times 100$$

Note: The number of months in the “period” must be the same for the current period and the previous period, e.g., one month, three months, twelve months.

Key Performance Indicators (KPI)

Gross Profit Margin – Measures the amount of profit your business makes on each dollar of sales before any operating expenses. It takes into account costs directly related to Sales or Cost of Goods Sold.

$$(Sales - Cost of Goods Sold) / Sales \times 100$$

Net Profit – The amount of money left over after deducting all expenses and costs. This is one of the most important KPIs used to determine if there is enough profit to compensate the owners.

$$Total Revenue - Total Expenses$$

Accounts Receivable Days or Days Sales Outstanding (DSO) – measures how many days on average it takes a business to collect money from its customers.

$$Accounts Receivable \times Month Length / Revenue$$

Key Performance Indicators (KPI)

Accounts Payable Days – A measure of how long it takes a business to pay its bills. The best-case scenario is to make it easy for your customers to pay. It is also important to strategically manage when you pay your bills. If you pay them close to the due date (and avoid paying late fees) you hold onto your cash longer, a wise cash flow strategy. It is critical to establish and implement solid accounts receivable and accounts payable management policies.

Accounts Payable Days - Accounts Payable [Balance] x Month Length [30 or 31 days] / Total Cost of Sales [total in Cost of Goods Sold]



Accounts Payable x Month Length / Total Cost
of Sales

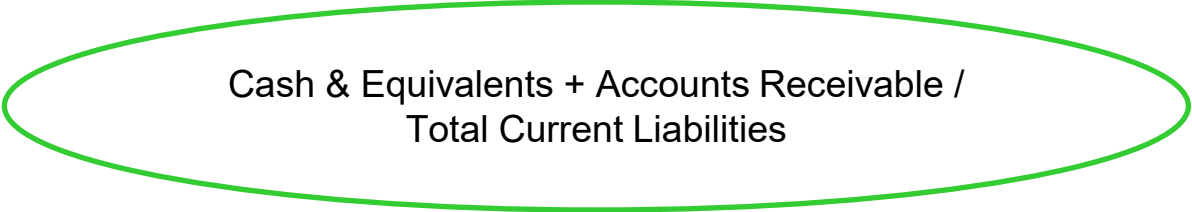
Current Ratio –Compares total current assets to total current liabilities. The ratio indicates whether we have enough cash to pay all short-term debts.



Total Current Assets / Total Current Liabilities

Key Performance Indicators (KPI)

Quick Ratio – Measures the availability of assets which can quickly be converted to cash to cover current liabilities. Inventory and other less liquid current assets are not included in this calculation. Both ratios are reviewed by banks and creditors when evaluating a business loan application.


$$\frac{\text{Cash \& Equivalents + Accounts Receivable}}{\text{Total Current Liabilities}}$$

Cash on Hand – A measure of the cash and cash equivalents in actual possession by the business at a particular time.

Chris Craig has set a goal of accumulating 3 months of operating costs to set aside as liquid cash (an emergency fund). In addition, she would like to build the payroll account to cover lean times. Once the goal is determined, a cash on hand metric is created and monitored.

Balance Sheet - KPIs

Let's take another look at the Balance Sheet and how we use the information to calculate KPIs. Notice cash on hand is very low indicating the need for cash management. The accounts receivable and payable days need to be determined. The current ratio [Total Current Assets / Total Current Liabilities = 1.6 and appears low. The higher the number the better. Managing cash and consistently building our savings as well as keeping accounts receivable and accounts payable low, will drastically improve the ratios.

Craig's Design and Landscaping Services	
Balance Sheet	
As of January 12, 2023	
	TOTAL
▼ ASSETS	
▼ Current Assets	
▶ Bank Accounts	\$2,001.00
▶ Accounts Receivable	\$5,281.52
▶ Other Current Assets	\$2,658.77
Total Current Assets	\$9,941.29
▶ Fixed Assets	\$13,495.00
TOTAL ASSETS	\$23,436.29
▼ LIABILITIES AND EQUITY	
▼ Liabilities	
▼ Current Liabilities	
▶ Accounts Payable	\$1,602.67
▶ Credit Cards	\$157.72
▶ Other Current Liabilities	\$4,370.94
Total Current Liabilities	\$6,131.33

Profit & Loss KPIs

Now let's look at the profit & loss KPIs. We do not need to do much math to determine gross profit and net profit margins. Our gross profit is 96.03% which appears high. How do we know it is high? We compared our numbers to industry standards. Talk to your advisor for tips on where to find industry standards. When we take the gross profit and subtract total expenses, we can determine net income and the related percentage. Here we show 16.43%.

Craig's Design and Landscaping Services

Profit and Loss

October - December, 2022

	TOTAL
▼ Income	
Design income	2,250.00
Discounts given	-89.50
▶ Landscaping Services	6,192.72
Pest Control Services	40.00
Sales of Product Income	912.75
Services	503.55
Total Income	\$9,809.52
▶ Cost of Goods Sold	\$405.00
GROSS PROFIT	\$9,404.52
▶ Expenses	\$4,903.31
NET OPERATING INCOME	\$4,501.21
▼ Other Expenses	
Miscellaneous	2,916.00
Total Other Expenses	\$2,916.00
NET OTHER INCOME	\$ -2,916.00
NET INCOME	\$1,585.21

Ask My Accountant

This report can be a very helpful tool. It is used to post transactions when the user is not sure which category to use. The **memo** field allows the user to post notes and questions for their accountant. It can be a great way to train a new bookkeeper or business owner.

1. Click on **accounting** in the left navigation bar -> **chart of accounts** tab.
2. Locate **Ask My Accountant** in other expense type, then click **run report**.

Ask My Accountant	Other Expense	Other Miscellaneous...			Run report ▼
-------------------	---------------	------------------------	--	--	------------------------------

3. Click **customize** -> **header/footer** to change the header to **Ask My Accountant**.
4. Change the **Report Period** to **All Dates** then click **Run report**.
5. **Save Customization** to save your report in **custom reports**.

Notice the Accountant's response in the **Memo/Description** field to post the transaction to Fixed Assets/Computer Equipment.

Craig's Design and Landscaping Services

Account QuickReport
Since October 18, 2022

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	ACCOUNT	CLR	AMOUNT	BALANCE
▼ Ask My Accountant								
12/19/2022	Expense			SQUEAKY KLEEN CAR WASH	Ask My Accountant		-19.99	-19.99
12/24/2022	Expense			A1 RENTAL	Ask My Accountant		-800.00	-819.99
Total for Ask My Accountant							\$ -819.99	
TOTAL							\$ -819.99	

Note: It is important to clear up all transactions on this report before year end and especially before filing a tax return. This is a placeholder for transactions that need more information to post in the correct account or category.

Fraud Prevention

Fraud is a serious problem for small business owners and the statistics are startling. According to a survey by AFP (Association for Financial Professionals), fraud hit an all time high. **82% of U.S. businesses reported experiencing payment fraud.**

We hope this got your attention; it should. Fraud prevention must be addressed and given serious consideration as you work to build a solid financial foundation in your business. The good news is, QuickBooks Online has tools built into the application designed to help you implement fraud prevention processes to detect and prevent fraudulent activity.

Fraudulent activity can take on many forms, including asset misappropriation, billing, expense reimbursement, skimming, cash register disbursements, and check tampering schemes to name a few.

Biz Q&A:

- How do you prevent fraud from occurring in a business?
- How do you identify areas where the likelihood of fraud is the greatest?
- How do you protect your business assets and cash?

Wow!

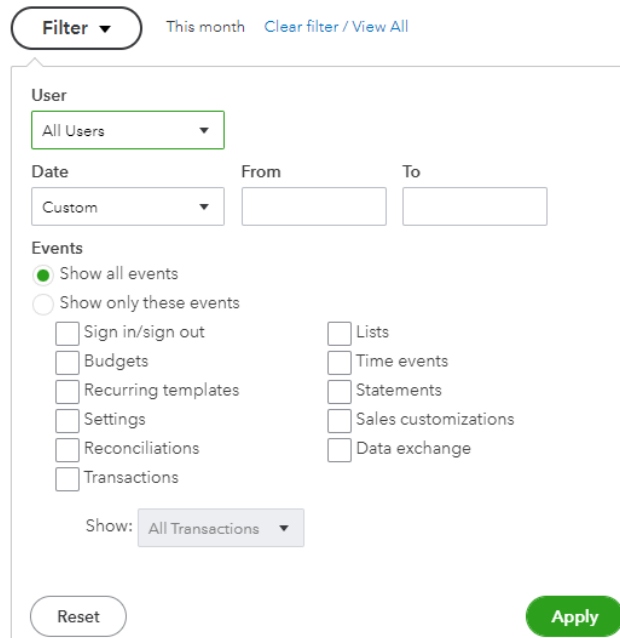
According to the Association of Certified Fraud Examiners, the average business will lose approximately 7% of revenues due to employee theft. Small businesses have a 38% greater amount of fraud than larger companies, due to lack of internal controls.

Once your accounting application is set up, we recommend you seek the advice of an accountant to verify you are taking full advantage of the fraud prevention tools in QBO and ensure you have internal controls built into your system.

Audit Log

The Audit Log Report is a good way to view activity by user. This is a great training tool used to enforce accurate data entry. The audit log is also a way to detect fraudulent activity.

1. Click **reports** -> **search audit log**.
2. Click the **Filter** button to search historical transactions by **User**, **Date**, or **Events**.



Notice the filter criteria is set for a specific user and the historical data indicates when he logged in and out, as well as specific transactions that were edited by Craig Carlson.

3. Click the **gear** icon to select columns to view.
4. Click **view** to see details for a specific transaction.

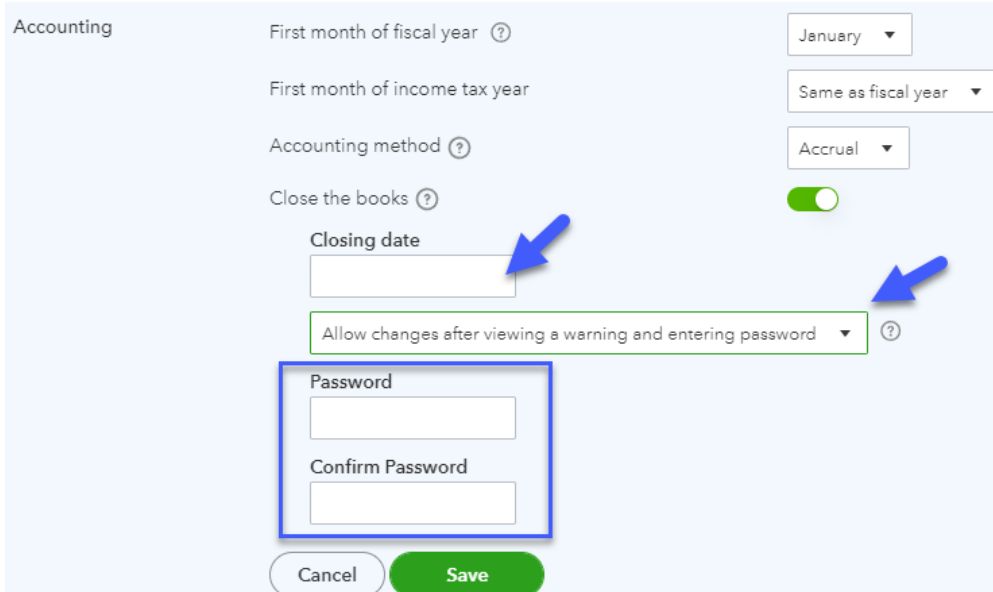
Jan 12, 2023, 1:51 pm ...	Craig Carlson	Signed Out.	
Jan 12, 2023, 1:49 pm ...	Craig Carlson	Edited Product or Service Design:Services	View
Jan 12, 2023, 1:49 pm ...	Craig Carlson	Edited Product or Service Design:Lighting	View
Jan 12, 2023, 1:49 pm ...	Craig Carlson	Edited Product or Service Design:Rocks	View

Closing Date

Close the books

This is a great feature that allows you to close a period and assign a password. Turning on this setting triggers a warning box that prevents users from changing historical data, a powerful fraud prevention tool. We learned about the closing date features when we completed the setup section of this training.

We encourage you to use the closing date feature once you have reconciled all bank and credit card accounts, reviewed your financials, and filed sales tax, payroll tax or income tax returns. Remember to set a date and password. If a user tries to change an invoice or delete a transaction, etc. a warning window will pop up and require the password.



The screenshot shows the 'Accounting' settings page in QuickBooks. The 'Close the books' toggle is turned on. Below it, the 'Closing date' field is empty, with a blue arrow pointing to it. A dropdown menu is open, showing the option 'Allow changes after viewing a warning and entering password', with another blue arrow pointing to it. Below the dropdown, the 'Password' and 'Confirm Password' fields are highlighted with a blue box. At the bottom, there are 'Cancel' and 'Save' buttons.

Accounting

First month of fiscal year [?] January ▾

First month of income tax year Same as fiscal year ▾

Accounting method [?] Accrual ▾

Close the books [?]

Closing date [?]

Allow changes after viewing a warning and entering password ▾ [?]

Password

Confirm Password

Cancel Save



QuickBooks Desktop Foundations

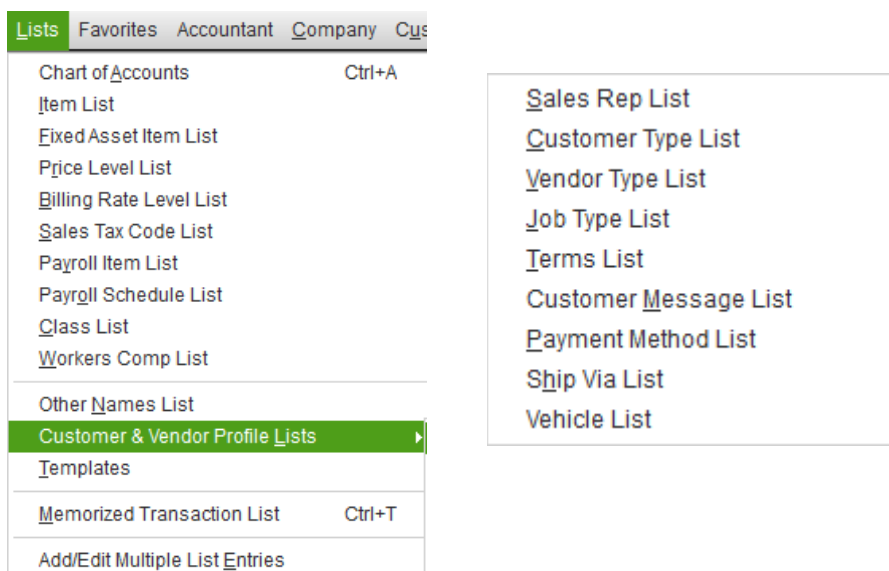
APPENDIX A LISTS

Customer & Vendor Profile Lists
Memorized Transactions

Lists

Lists are a series of “like” information compiled into an organized directory. This helps save time and ensures that information is entered consistently and correctly. Your Chart of Accounts is considered a List in QuickBooks®

Click **Lists** from the **Menu Bar**. Click the **List** you would like to maintain.



Select the **Templates List** to customize forms such as **Sales Receipts, Invoices** and more.

To view and manage lists related to customers and vendors, click **Lists** from the **Menu Bar**.

Click **Customers & Vendor Profile Lists**.

Sales Rep List is used when entering sales receipts and invoices to track commissions and create reports.

Payment Terms List to track all payment terms for customers and vendors.

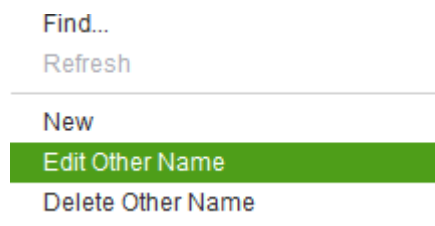
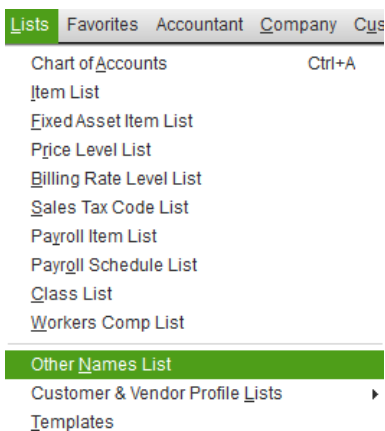
Payment Method List to add or edit the various types of payments you accept. This is used when entering sales receipts or receiving payments against invoices.

Lists

List Rules: The same name cannot appear on more than one list. If you have a vendor that is also a customer, we recommend that you use a code such as Ecker Design-V and Ecker Design-C. Names on the Other Name list can be reassigned to a Customer, Employee or Vendor List.

Changing a Name Type:

Click **Lists** from the **Menu Bar**. Click **Other Names List** -> Right click on the **Name** -> **Edit Other Name** -> **Change Type**



Note: The Other Names List usually contains vendor or customer names due to errors when setting up a new vendor or customer on the fly. It is recommended that you avoid using this list since the names do not always appear on reports.

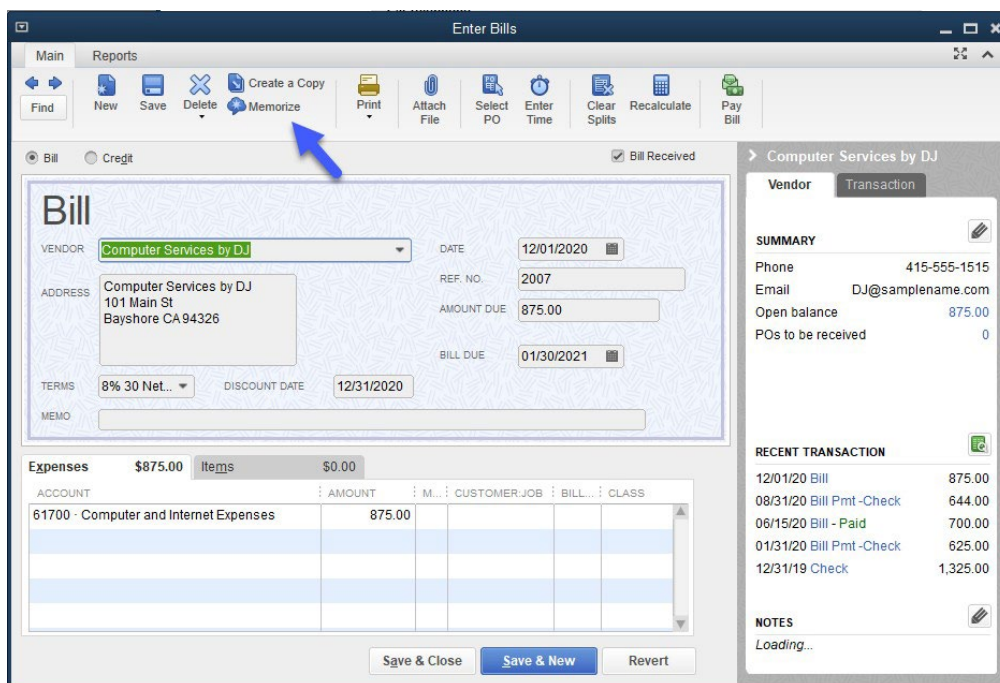
Memorized Transactions

Memorized transactions are transactions that recur daily, weekly, monthly etc. This is a great feature when maintained properly and used to record repetitive transactions, such as bills, auto debits and recurring invoices.

Click **Enter Bills** from the **Home Page**.

Enter all information related to the bill. You may want to use the policy no. as the reference no. As it will be the same each time the bill recurs.

Use **CTRL+M** or click **Memorize** in the **Ribbon Bar** to save the transaction.



The screenshot shows the 'Enter Bills' window in QuickBooks. The ribbon bar at the top includes buttons for Find, New, Save, Delete, Memorize, Print, Attach File, Select PO, Enter Time, Clear Splits, Recalculate, and Pay Bill. A blue arrow points to the 'Memorize' button. The main form displays bill details for 'Computer Services by DJ' with a total amount of \$875.00. The 'Expenses' table is visible at the bottom, and the 'RECENT TRANSACTION' list is on the right.

ACCOUNT	AMOUNT	M...	CUSTOMER.JOB	BILL...	CLASS
61700 - Computer and Internet Expenses	875.00				

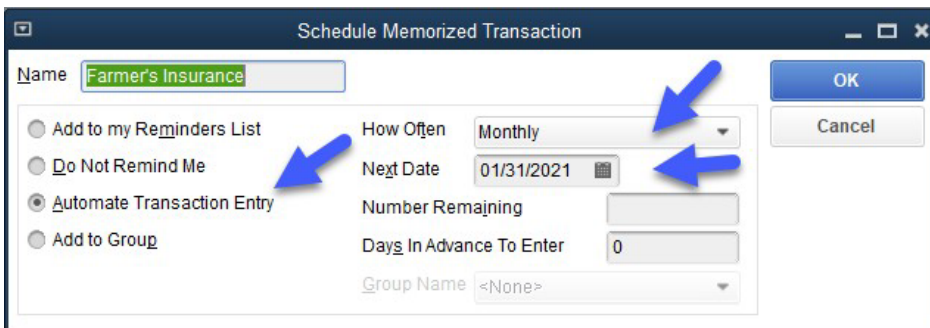
RECENT TRANSACTION	AMOUNT
12/01/20 Bill	875.00
08/31/20 Bill Pmt - Check	644.00
06/15/20 Bill - Paid	700.00
01/31/20 Bill Pmt - Check	625.00
12/31/19 Check	1,325.00

Memorized Transactions

The **Name** field auto-populates from the bill.

Select **Automate Transaction Entry**. QuickBooks® will automatically enter the transaction for you based on the following criteria.

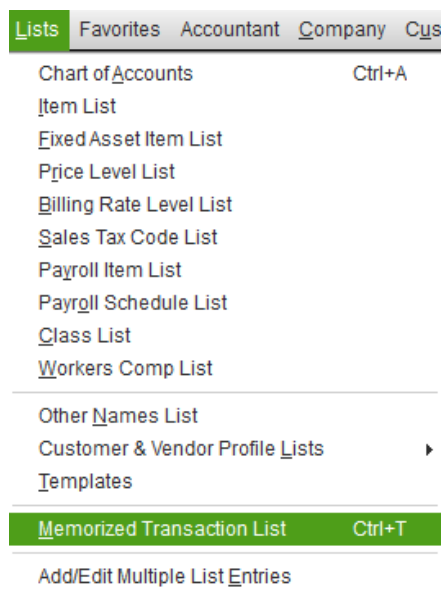
Select/Enter **How Often**, **Next Date (next month)**, **Number Remaining** and **Days in Advance to Enter**. Click **OK**.



The screenshot shows the 'Schedule Memorized Transaction' dialog box. The 'Name' field contains 'Farmer's Insurance'. On the left, there are four radio button options: 'Add to my Reminders List', 'Do Not Remind Me', 'Automate Transaction Entry' (which is selected), and 'Add to Group'. On the right, there are four input fields: 'How Often' (set to 'Monthly'), 'Next Date' (set to '01/31/2021'), 'Number Remaining' (empty), and 'Days In Advance To Enter' (set to '0'). At the bottom, there is a 'Group Name' dropdown set to '<None>'. On the far right, there are 'OK' and 'Cancel' buttons. Four blue arrows point to the 'Automate Transaction Entry' radio button, the 'How Often' dropdown, the 'Next Date' field, and the 'OK' button.

Click **Lists** from the **Menu Bar**.

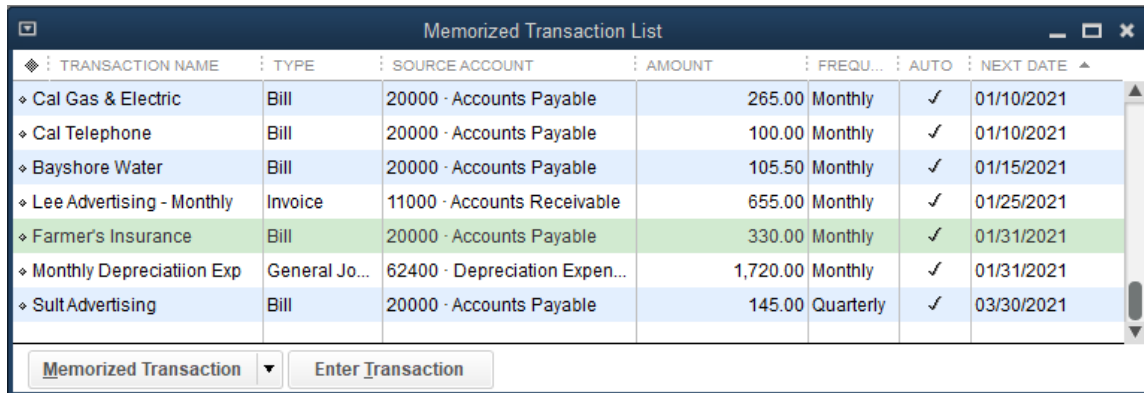
Click **Memorized Transaction List**.



Memorized Transactions

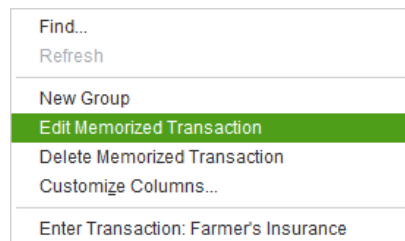
The memorized bill appears in the **Memorized Transaction List**. Here you can view all the information related to the bill and when it will automatically post.

Double-Click the Memorized Transaction to open the bill, make changes or post it manually.



TRANSACTION NAME	TYPE	SOURCE ACCOUNT	AMOUNT	FREQU...	AUTO	NEXT DATE
Cal Gas & Electric	Bill	20000 - Accounts Payable	265.00	Monthly	✓	01/10/2021
Cal Telephone	Bill	20000 - Accounts Payable	100.00	Monthly	✓	01/10/2021
Bayshore Water	Bill	20000 - Accounts Payable	105.50	Monthly	✓	01/15/2021
Lee Advertising - Monthly	Invoice	11000 - Accounts Receivable	655.00	Monthly	✓	01/25/2021
Farmer's Insurance	Bill	20000 - Accounts Payable	330.00	Monthly	✓	01/31/2021
Monthly Depreciation Exp	General Jo...	62400 - Depreciation Expen...	1,720.00	Monthly	✓	01/31/2021
Sult Advertising	Bill	20000 - Accounts Payable	145.00	Quarterly	✓	03/30/2021

Right-Click the transaction from the list, then click **Edit Memorized Transaction** to make changes to default settings.



If you want to make changes to the memorized transaction, open the transaction, make the necessary changes, then use **CTRL+M** or click **Edit** from the **Menu Bar**.

Click **Memorize Bill**.

Note: Exit the bill without saving to avoid posting a duplicate transaction.



QuickBooks Desktop Foundations

APPENDIX B

File Management

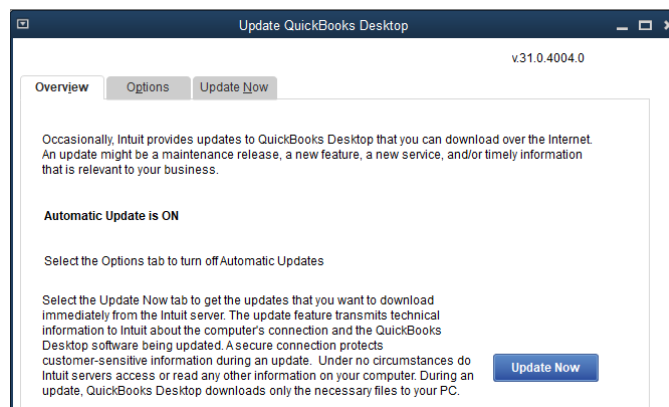
QuickBooks Update Service
Single-user/Multi-user
Backup Data
Restore Data
Verify and Rebuild

QuickBooks Update Service

The **QuickBooks® Update Service** provides an easy, automatic way for you to update your version of QuickBooks®.

Click **Help** from the **Menu Bar**. Click **Update QuickBooks® Desktop**

Click the **Update Now** button from the **Overview Tab**.

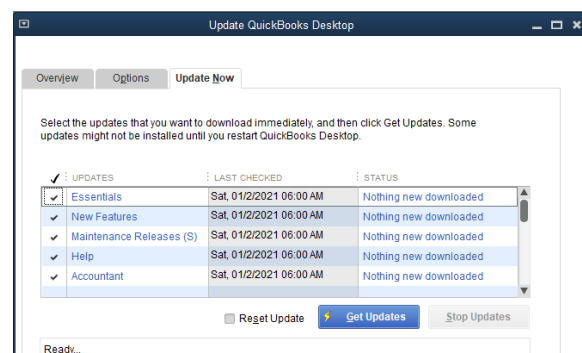
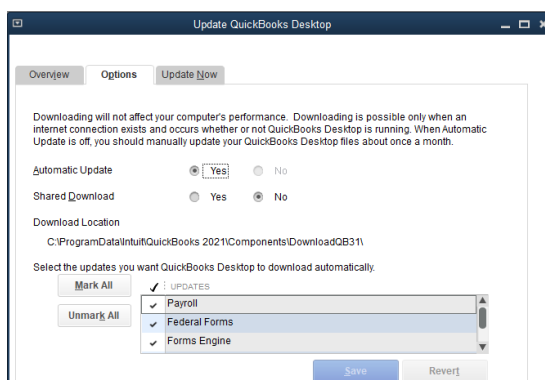


Click the **Options** tab to select specific areas to update and view update status.

Click **Get Updates->Save**.

Click the **Update Now** tab to select specific areas to update and view update status.

Click **Get Updates**.

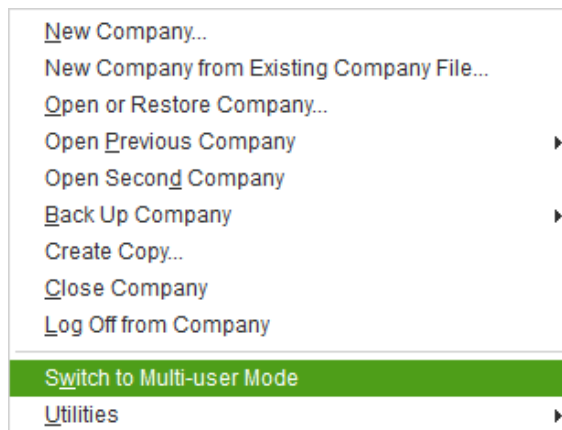


Single User/Multiuser Mode

When a company has multiple users and licenses for QuickBooks® it becomes necessary to switch between **Single-user** and **Multi-user** modes.

Click **File** from the **Menu Bar**.

Click **Switch to Multi-user Mode**



You can now use this file in multi-user mode.



Note: Switching between Single-user and Multi-user modes will close all open windows. Changes to areas that impact all users will require you to switch to Single-user mode.

Backup a Data File

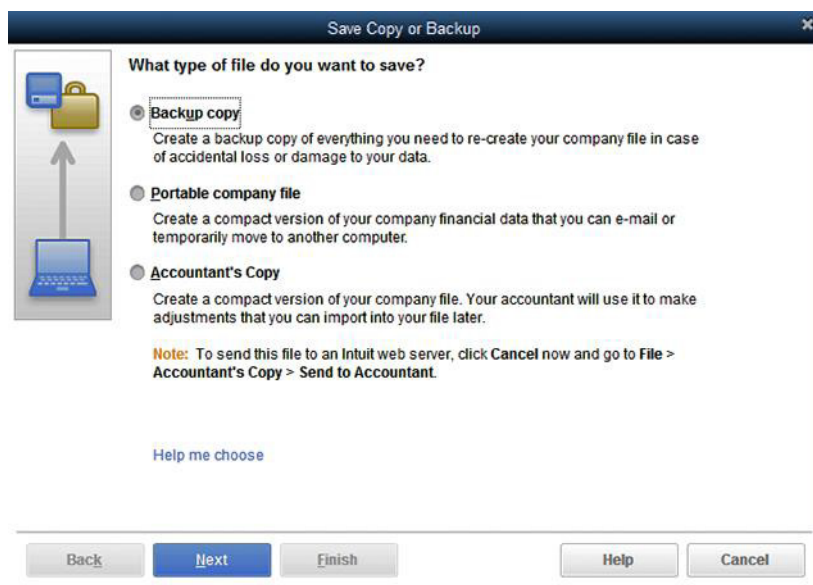
Backing up your company file is one of the most important things you can do to manage your data. It is recommended that you backup your data online or on a device that can be stored in a location outside of where your data resides. When you run the backup process a QuickBooks® file referred to as the “Transaction Log” is cleared out. This file gathers transaction data and can cause a login error when it gets too big.

Click **File** from the **Menu Bar**.

Click **Create Copy**

Select **Backup Copy**.

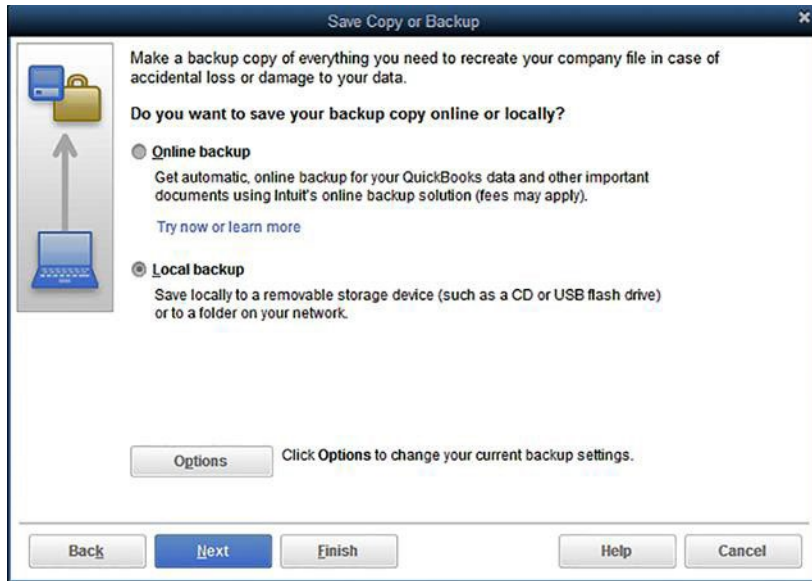
Click **Next**.



Note: A **Portable Company File** is typically used for larger data files. Your Accountant may request the **Accountant's Copy backup**. Be sure to discuss the limitations for this option with your Accountant.

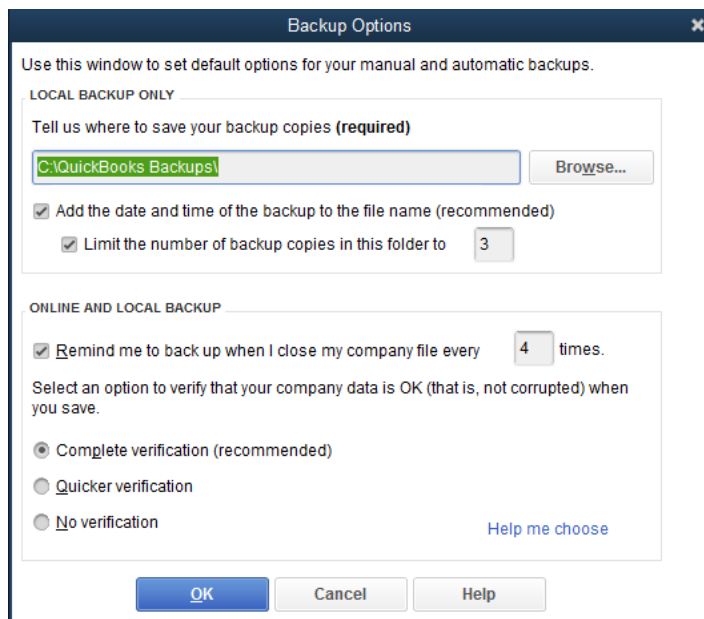
Backup a Data File

Select **Local Backup** or click the **Options** button to choose a file folder and location.



In this example the data will be backed up to **C:\QuickBooks Backups**

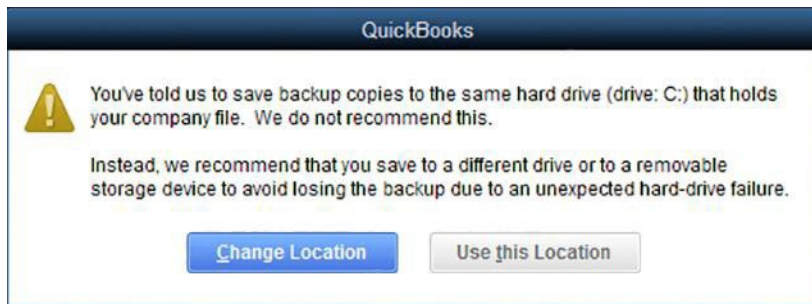
Click **Ok**.



Backup a Data File

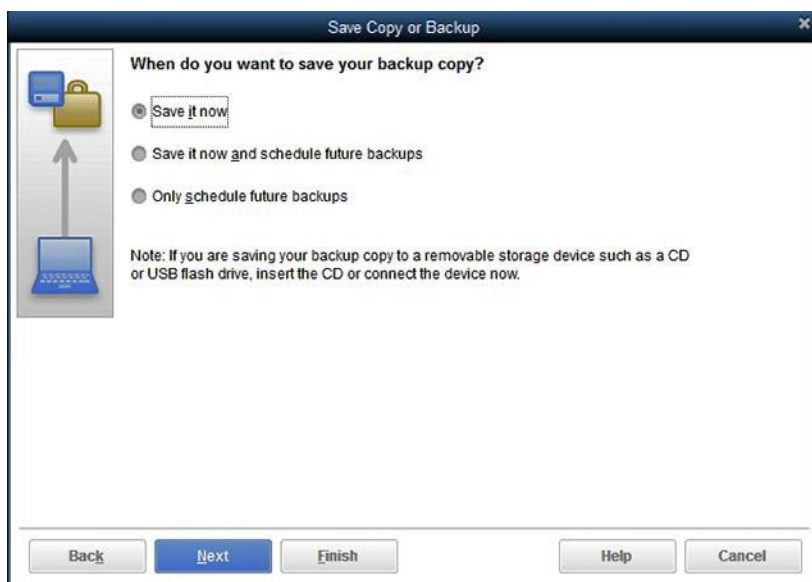
Click **Use this Location**.

Click **Next**.



Select **Save it Now**.

Click **Next**.

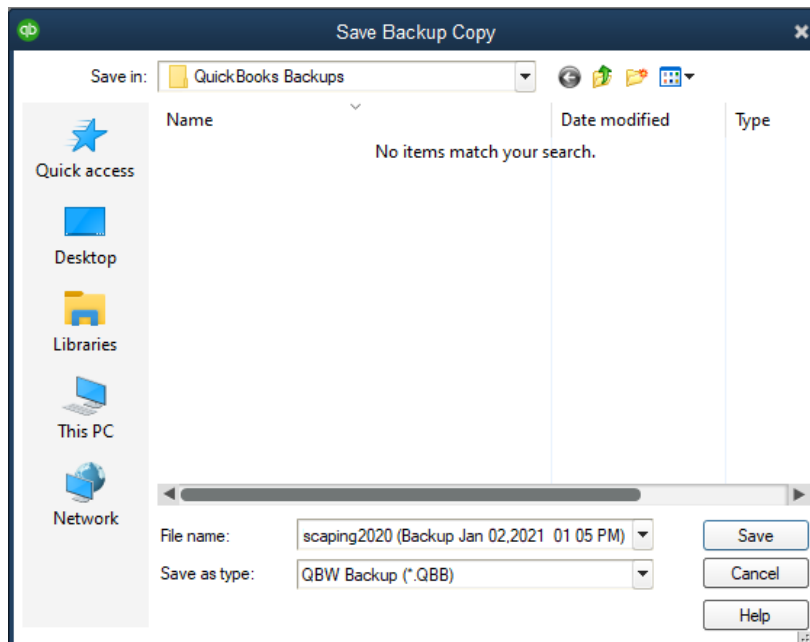


Backup a Data File

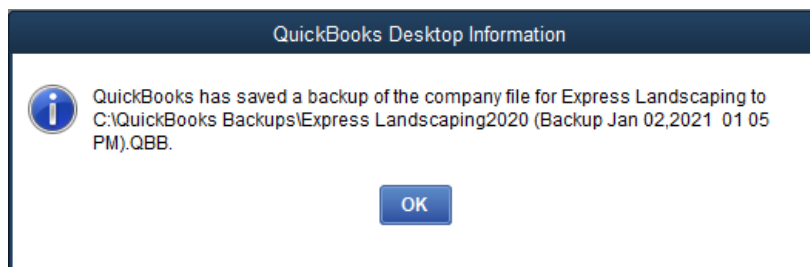
Verify the **Save In** folder name.

Verify the **File Name** and **Type**.

Click **Save** -> **Use this Location**.



Your **Backup** is now complete.



Restore a Data File

There may be a time when you need to restore a company data file. Corrupt data files are not uncommon and may require you to restore a previous backup. You may need to bring a backup to your accountant and restore the data file with the current changes.

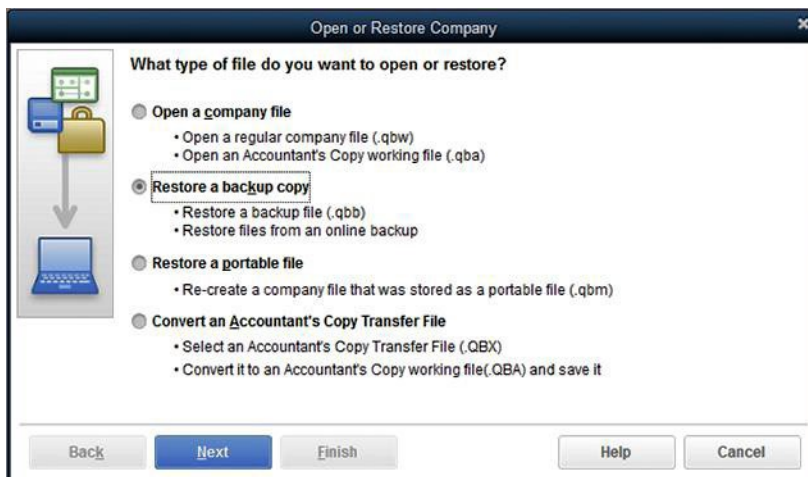
Click **File** from the **Menu Bar**.

Click **Open or Restore Company**.



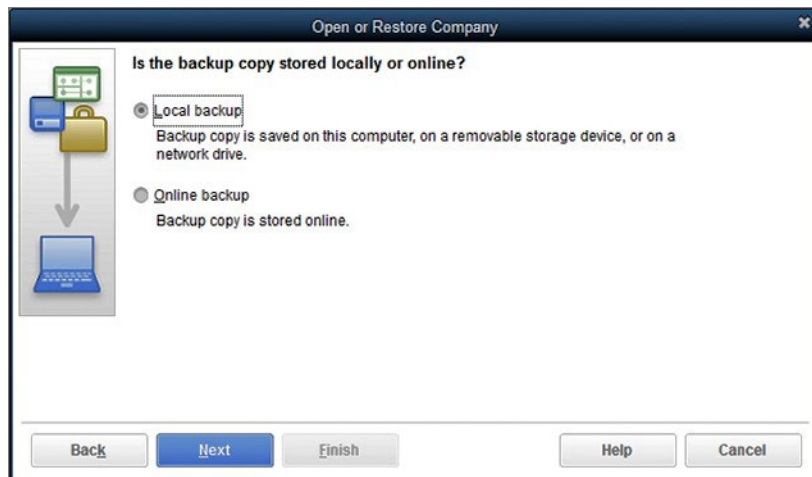
Select **Restore a Backup Copy**.

Click **Next**.



Restore a Data File

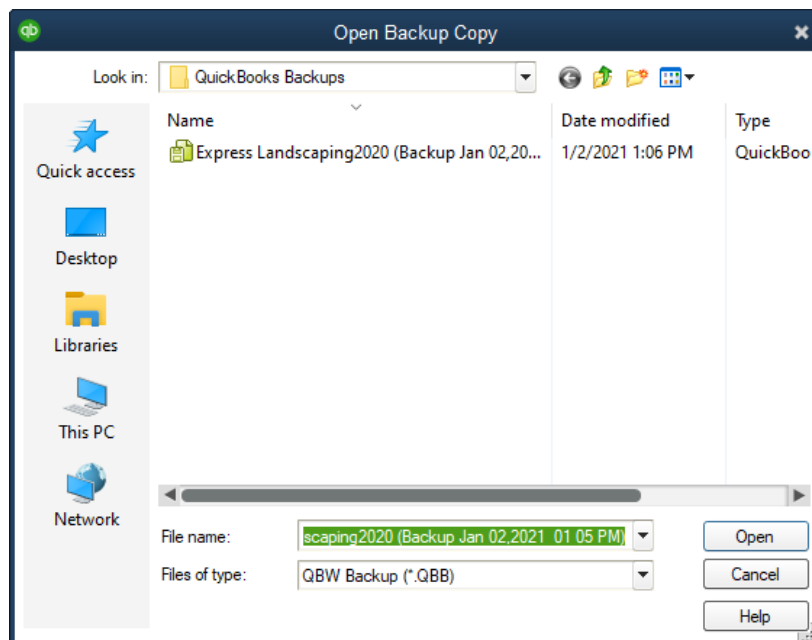
Select **Local Backup**. Click **Next**.



Verify **Look In** folder.

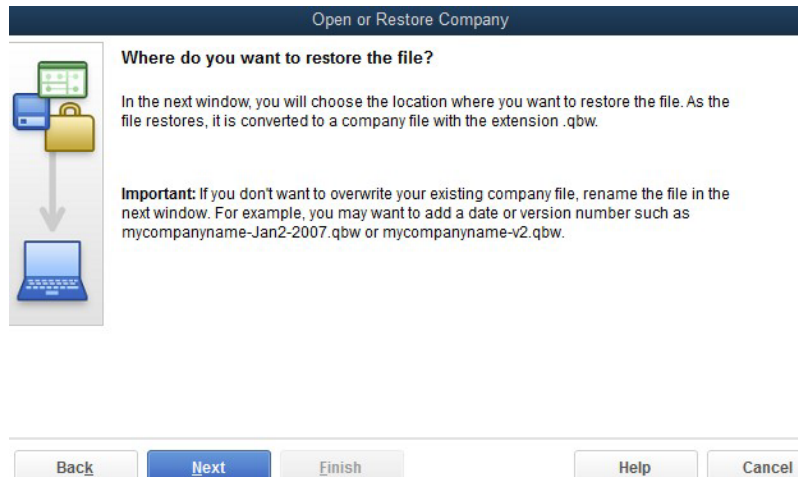
Select the **Backup File** you wish to restore.

Verify **File Name** and **Files of Type**. Click **Open**.



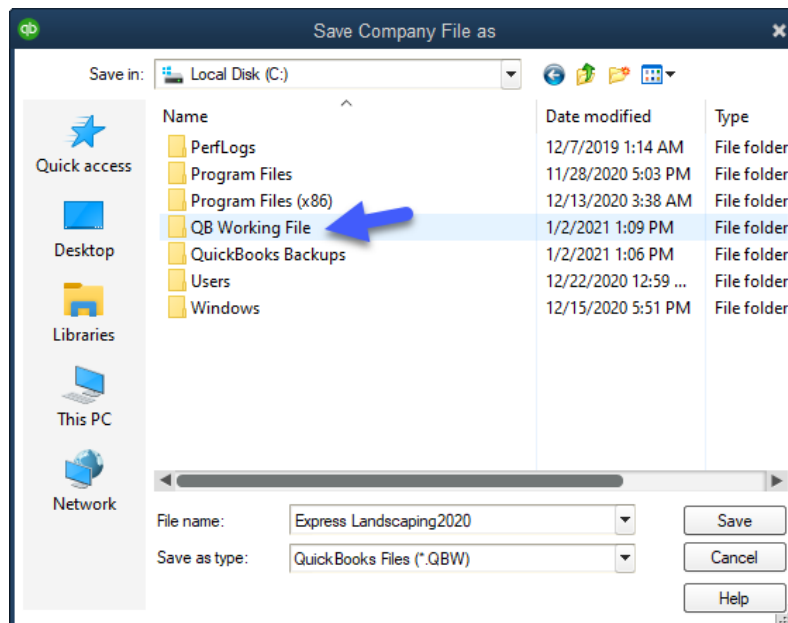
Restore a Data File

Click **Next**.



Verify **Save In** folder.

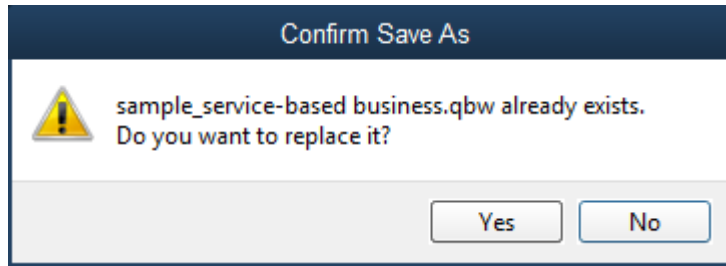
Verify **File Name** and **Save as Type**. If the name is the same as an existing file you will be asked to overwrite the old file. Verify file name then click **Save**.



Restore a Data File

In this restore example we are replacing an existing data file.

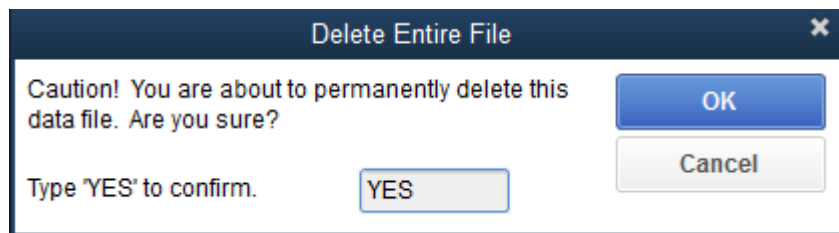
Click **Yes**.



When replacing an existing data file you will be asked if you are certain you want to permanently delete the file.

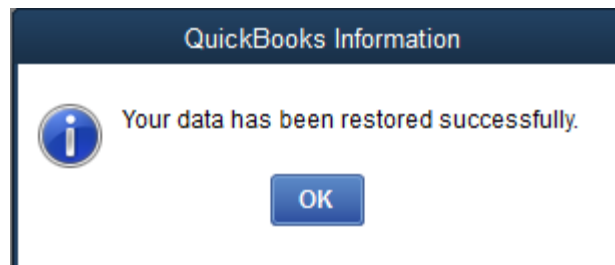
Type **YES**.

Click **OK**.



Your data has been successfully restored.

Click **OK**.



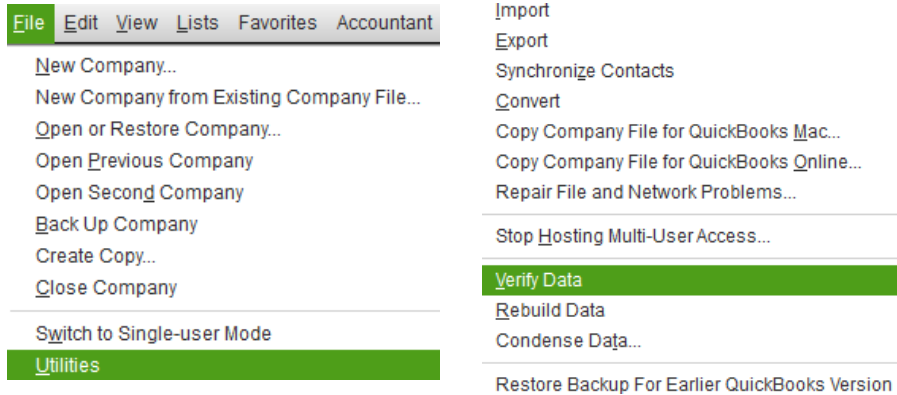
Verify and Rebuild Data

When you notice that something appears off in your QuickBooks® data file or your balance sheet does not balance, it is time to run a verify and rebuild.

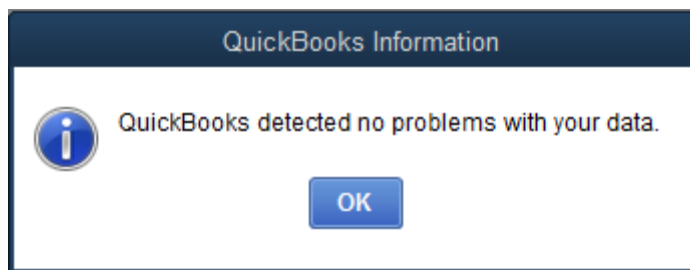
Click **File** from the **Menu Bar**.

Click **Utilities**.

Click **Verify Data**.



Allow the verify process to complete. No problems with your data means you can continue working. Click **OK**.

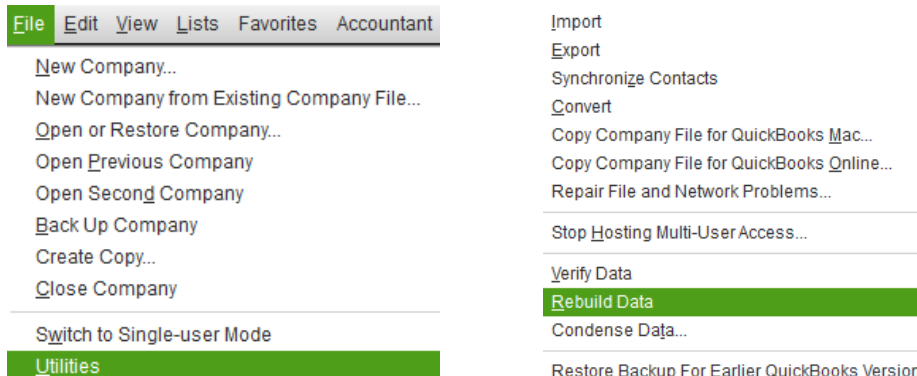


Note: If you receive a window box that indicates QuickBooks® detected a problem with your data, you will need to run a rebuild.

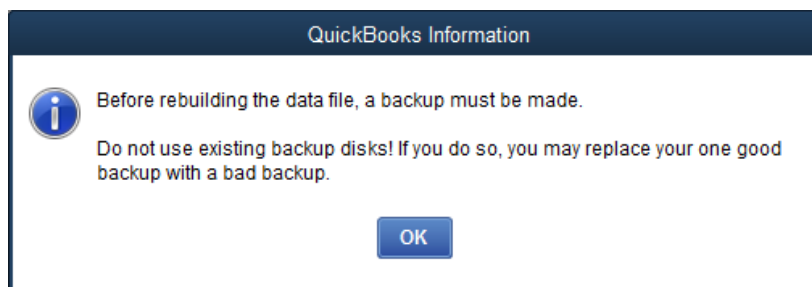
Verify and Rebuild Data

If QuickBooks® detects a problem with your data file during the verify process, run a rebuild, then run a verify again. If the problem still exists, you will need to contact your Pro Advisor/Accountant or Intuit technical services.

Click **File->Utilities->Rebuild Data**.



In order to complete the **Rebuild Data** process you will need to run a backup of your data file. Click **OK**.

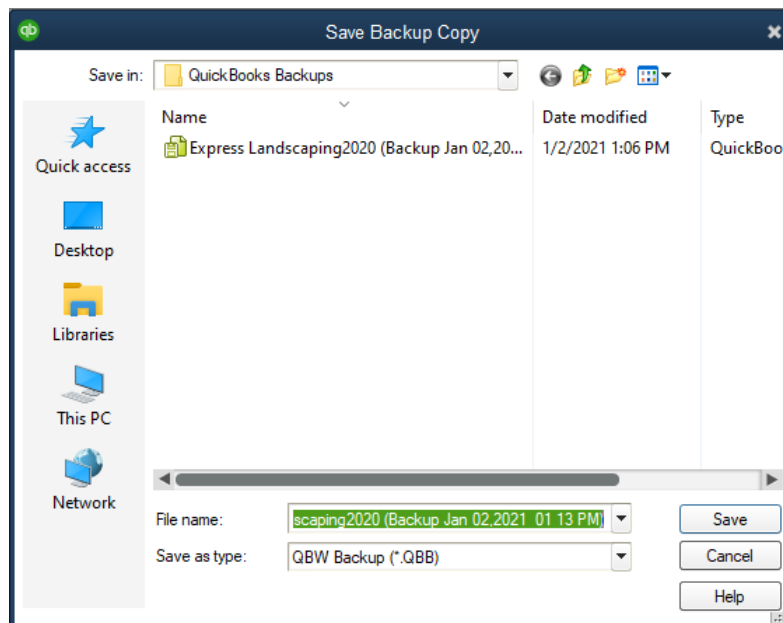


Verify and Rebuild Data

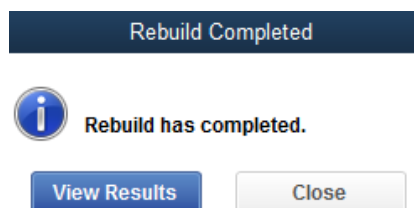
Verify the **Save In** folder.

Verify the **File Name** and **Save as Type**.

Click **Save**.



As soon as the **Rebuild Data** process is complete click **View Results or Close** and repeat the **Verify Data** process.





QuickBooks Desktop Foundations

APPENDIX C HELPFUL TIPS

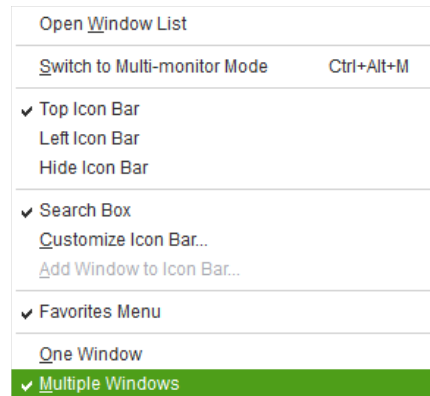
Multiple Windows
Open Window List
Multiple Monitor Support

Multiple Windows

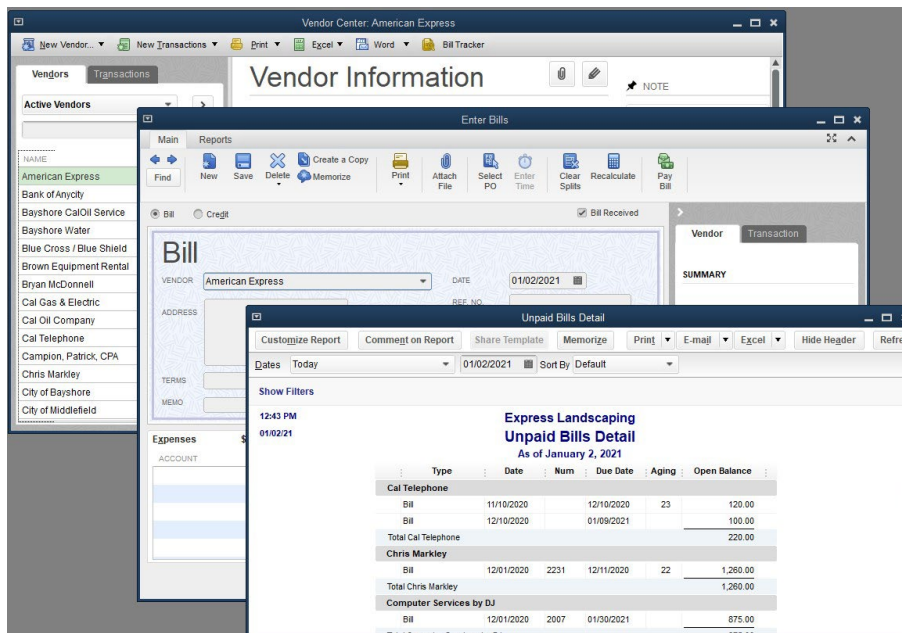
How you view windows is a personal preference. You can display several open windows at the same time, one at a time or in a list.

Click **View** from the **Menu Bar**.

Select **Multiple Windows**.



For this example: The **Vendor Center**, **Enter Bills**, and **Unpaid Bills Detail** report windows are open at the same time. Simply drag the window with your mouse to reposition it on the display.

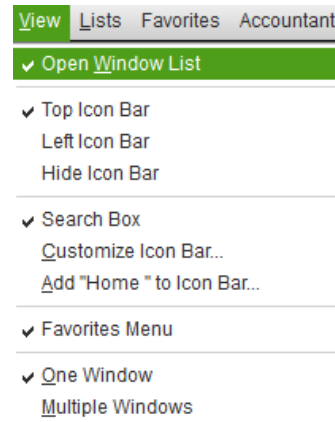
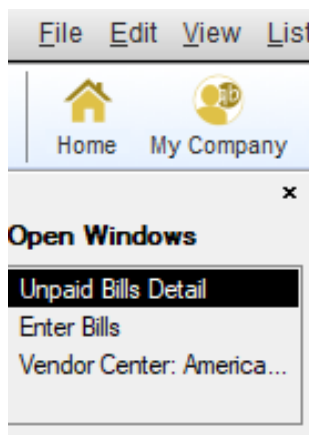


Open Window List

The **Open Window List** used with the **One Window Option** is a nice feature. This combo option allows us to bounce between screens and reports without losing customizations or when you need to research historical data while entering information in a transaction.

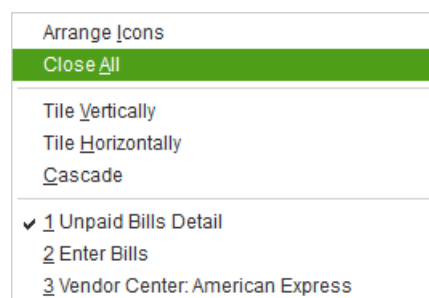
Click **View** from the **Menu Bar**.

Select **Open Window List** and the **One Window** option.



Notice the **Home Page** and selected **Reports** are available in the **Open Window List**.

When the **Open Window List** becomes too long or unmanageable, click **Window** in the **Menu Bar**. Click **Close All**.

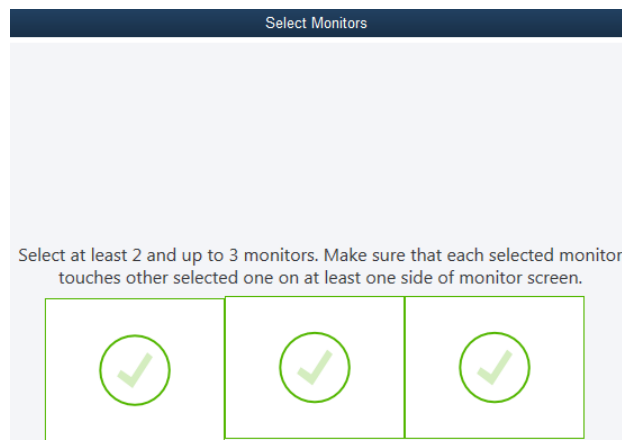
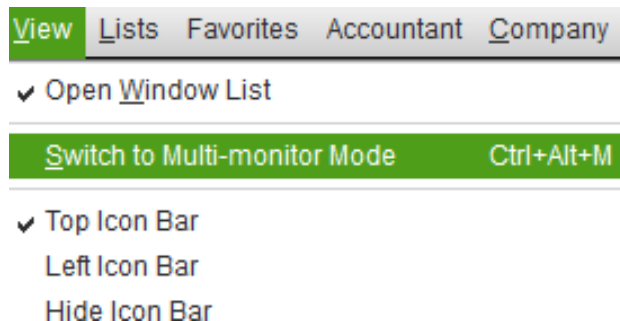


Multiple Monitor Support

Using Multi-Monitors can save time and increase productivity. This option allows you to drag open windows from one monitor to another.

Click **View** from the **Menu Bar->Multiple Windows**

Click **View->Switch to Multi-Monitor Mode**. Select **two to three monitors->Proceed**. You may be prompted to adjust your display settings. Click **Close**.



Note: visit this URL for additional information using Multiple Monitors.

<https://community.intuit.com/articles/1570286-mms-overview-of-multi-monitor-mode>



QuickBooks Desktop Foundations

APPENDIX D GLOSSARY & KEYBOARD SHORTCUTS

Glossary
Keyboard Shortcuts

Glossary of Terms

Accounting and Reporting

<https://community.intuit.com/articles/1164870-glossary-of-terms-accounting-and-reporting>

Income – Money earned from sale of your products or services is recorded as income.

Expense – An account that tracks and categorizes what your company is spending.

Cost of Goods Sold – The Cost of Goods Sold account is for costs directly related to producing a service or product for sale.

Asset – Assets include something you have purchased in the past that will be used in the future to produce income.

Bank – Bank accounts are used to track cash moving in and out of the business.

Other Current Asset – This account type is typically used for Inventory, undeposited Funds, Employee Advances etc.

Fixed Asset – Used to track tangible property that will have a useful life of longer than one year.

Other Assets – Intangible assets that have life of more than one year and is not a Fixed Asset or Current Asset.

Liability – Liabilities are your company's debts.

Current Liabilities – Debts your company expects to pay within a year. Ex. Sales Tax, Payroll Tax, Credit Cards.

Long-Term Liabilities – Debts your company expects to pay off in more than one year. Also referred to as Note Payable.

Equity – Equity is the net work of a company. This is the difference between what you owe (liabilities) and what you have (assets).

Glossary of Terms

Accounts Receivable - This account type requires a Customer with each entry. Use this account to generate and track the money owed to you by your customers.

Accounts Payable – This account type requires a Vendor with each entry. Use this account to generate and track money you owe to vendors or suppliers.

People

Customers – People who owe you money.

Vendors/Suppliers – People who owe you money.

Employees – People who work for you that you pay regularly

Keyboard Shortcuts

Diamond	Click and drag items on lists
Escape	Cancel transaction, Close window
Space Bar	Mark or unmark check boxes
Up Arrow	Moves to line above detail area
Down Arrow	Moves to line below detail area
Tab	Moves to next field
Shift + Tab	Moves to previous field
Alt + F4	Exit
Ctrl + A	Chart of Accounts
Ctrl + C	Copy
Ctrl + D	Delete transaction
Ctrl + F	Find transaction
Ctrl + I	Create invoice
Ctrl + J	Customer Center
Ctrl + M	Memorize transaction
Ctrl + O	Copy transaction from register
Ctrl + P	Print
Ctrl + Q	Quick report of highlighted list item

Keyboard Shortcuts

Ctrl + R	Use register of highlighted item
Ctrl + S	Save Transaction
Ctrl + T	Memorized transaction list
Ctrl + V	Paste transaction in register
Ctrl + W	Write checks
Ctrl + X	Cut
Ctrl + Alt + M	Switch to multiple monitor mode
Ctrl + Alt + V	Paste a line on an invoice
Ctrl + Del	Delete line Item
Ctrl + Ins	Insert line Item
Ctrl + Page Up	1 st item on register previous month
Ctrl + Page Down	Last item on register next month
Ctrl + Enter	Records transaction
Ctrl + Alt + Y	Copy a line on an invoice
F1	QuickBooks® Desktop Help
F2	Product Information
F3	Search