



QUICKBOOKS DESKTOP 2017 STUDENT GUIDE

Lesson 1

Get Started

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Lesson Objectives

- Gain an overview of the course and the topics to be covered
- Understand how QuickBooks Desktop works and how to get around in QuickBooks
- Learn common business terms used by QuickBooks
- Practice using the QuickBooks Help tools
- See how to exit QuickBooks

Forms

You record most of your daily business transactions in QuickBooks Desktop on a QuickBooks form, which looks just like a paper form. Here's an example of the form you use when you want to record a bill from one of your vendors.

The screenshot shows the 'Enter Bills' window in QuickBooks Desktop. The window title is 'Enter Bills'. The interface includes a menu bar with 'Main' and 'Reports', and a toolbar with various actions like 'Find', 'New', 'Save', 'Delete', 'Create a Copy', 'Memorize', 'Print', 'Attach File', 'Select PO', 'Enter Time', 'Clear Splits', 'Recalculate', and 'Pay Bill'. The main area is divided into two sections: a 'Bill' form and a 'Vendor' summary panel.

Bill Form:

- Bill Type:** Bill (selected), Credit
- Bill Received:**
- Vendor:** Cal Gas & Electric
- Address:** Cal Gas & Electric, P.O. Box 5037, Middlefield CA 94482
- DATE:** 12/15/2021
- REF. NO.:** 12/03
- AMOUNT DUE:** 122.68
- BILL DUE:** 12/30/2022
- TERMS:** Net 15
- DISCOUNT DATE:** (empty)
- MEMO:** Acct #560-82645-99C

Expenses Table:

ACCOUNT	AMOUNT	MEMO	CUSTOMER:JOB	BILL...	CLASS
65100 - Utilities:65110 ...	122.68		Overhead	<input type="checkbox"/>	Overhead

Vendor Summary Panel (Cal Gas_Electric):

- SUMMARY:** Phone: 415-555-0202, Open balance: 122.68, POs to be received: 0
- RECENT TRANSACTION:**
 - 12/15/21 Bill: 122.68
 - 11/25/21 Check: 97.53
 - 10/25/21 Check: 56.87
 - 09/05/21 Bill Pmt -Check: 122.68
 - 08/25/21 Bill - Paid: 122.68
- NOTES:** (empty)

Buttons at the bottom: Save & Close, Save & New, Revert.

NOTES

Lists

The list is another basic QuickBooks feature. You fill out most QuickBooks forms by selecting entries from a list.

NOTE: In the Enter Bills window above, the information in the Vendor, Terms, Account and Customer/Job fields are pulled from lists.

QuickBooks uses lists to store information about customers, vendors, employees, items or services you sell and so on. Lists save time and help you enter information consistently and correctly.

When you're filling out an invoice form and you select a customer name from the Customer/Job list, QuickBooks not only fills in the name, but also the address, payment terms and customer's sales tax, based on the information previously entered in the customer's record in the Customer Center.

Here's an example of the Customers & Jobs list in the Customer Center. You can customize columns in the list by right-clicking on a column header and choosing **Customize Columns**.

NAME	BALANCE TOT...	NOTES	ATTACH
Abercrombie, Kristy	0.00		
Family Room	0.00		
Kitchen	0.00		
Remodel Bathroom	0.00		
Allard, Robert	14,510.00		
Remodel	14,510.00		
Babcock's Music Shop	0.00		
Remodel	0.00		
Baker, Chris	0.00		
Family Room	0.00		
Garage Repair	0.00		
Balak, Mike	0.00		
Utility Shed	0.00		
Barley, Renee	0.00		
Repairs	0.00		
Bauman, Mark	0.00		
Home Remodel	0.00		
Bolinski, Rafal	0.00		
2nd story addition	0.00		

Registers

In addition to forms and lists, you'll also work with registers in QuickBooks. Just as you use your paper checkbook register to see a record of all the transactions in your checking account – checks you've written, other withdrawals you've made as well as deposits – a QuickBooks register is a record of all the activity in that one account. Almost every QuickBooks account on the balance sheet (all assets, liabilities and equity accounts) has its own register. (The exception is Retained Earnings.) See the next section *All the Accounting You Need to Know*, for more information.

Accounts Receivable is the record of money owed to that business; that is, the outstanding invoices for which a business has not yet received payment from customers.

Here's an example of the register for an Accounts Receivable account.

DATE	NUMBER	CUSTOMER	ITEM	QTY	RATE	AMT CHRG	AMT PAID
	TYPE	DESCRIPTION		CLASS		BILLED DATE	DUE DATE
12/14/2021	1094	Natiello, Ernesto:Kitchen				2,080.11	
	INV						Paid
12/14/2021	1095	Natiello, Ernesto:Kitchen				8,656.25	
	INV						Paid
12/14/2021	1096	Natiello, Ernesto:Kitchen				2,824.03	
	INV						Paid
12/15/2021		Roche, Diarmuid:Garage repairs					440.00
	PMT						
12/15/2021		Abercrombie, Kristy:Remodel Bathroom					7,633.28
	PMT						
12/15/2021	1097	Robson, Darci:Robson Clinic				12,420.98	
	INV						12/15/2022
12/15/2021	1098	Cook, Brian:Kitchen				1,636.69	
	INV						01/14/2023
12/15/2021	42000	Natiello, Ernesto:Kitchen					13,560.39
	PMT						
12/15/2021		Customer	Item	Qty	Rate	Amt Chrg	
		Description	CL...				

1-Line Show open balance ENDING BALANCE **93,007.93**
 Sort by: Date, Type, Number/Ref Record Restore

NOTES

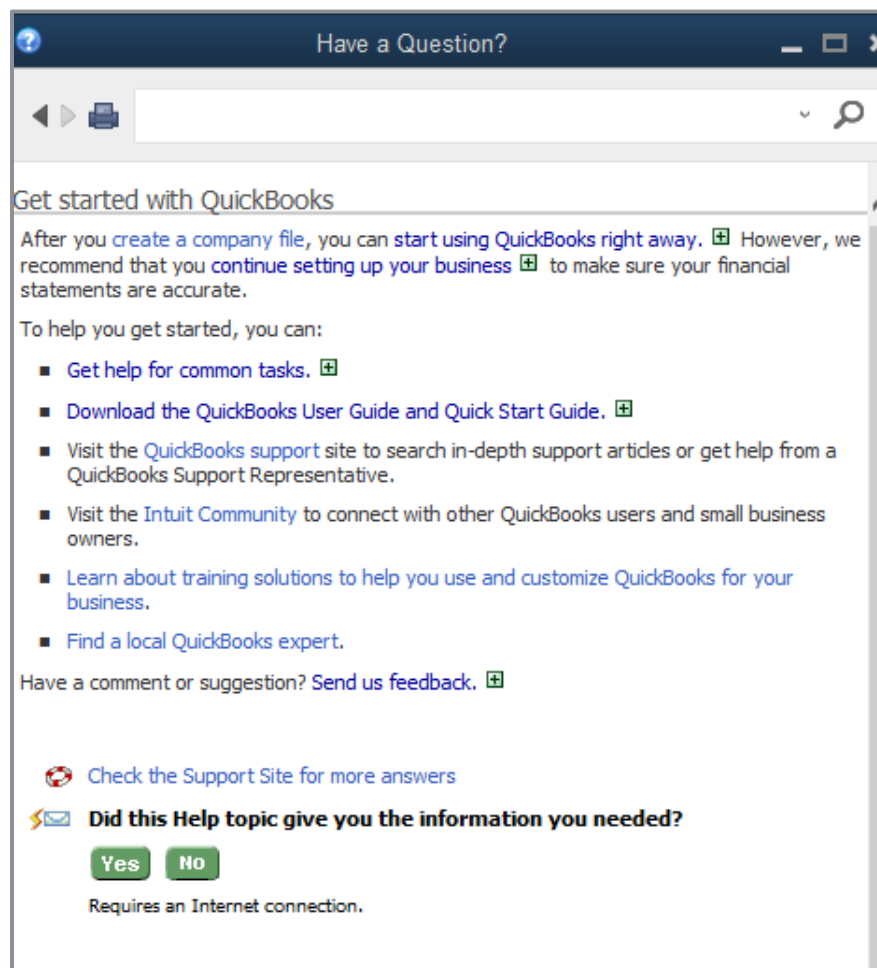
Get Around in QuickBooks

QuickBooks provides access to information to help you get started.

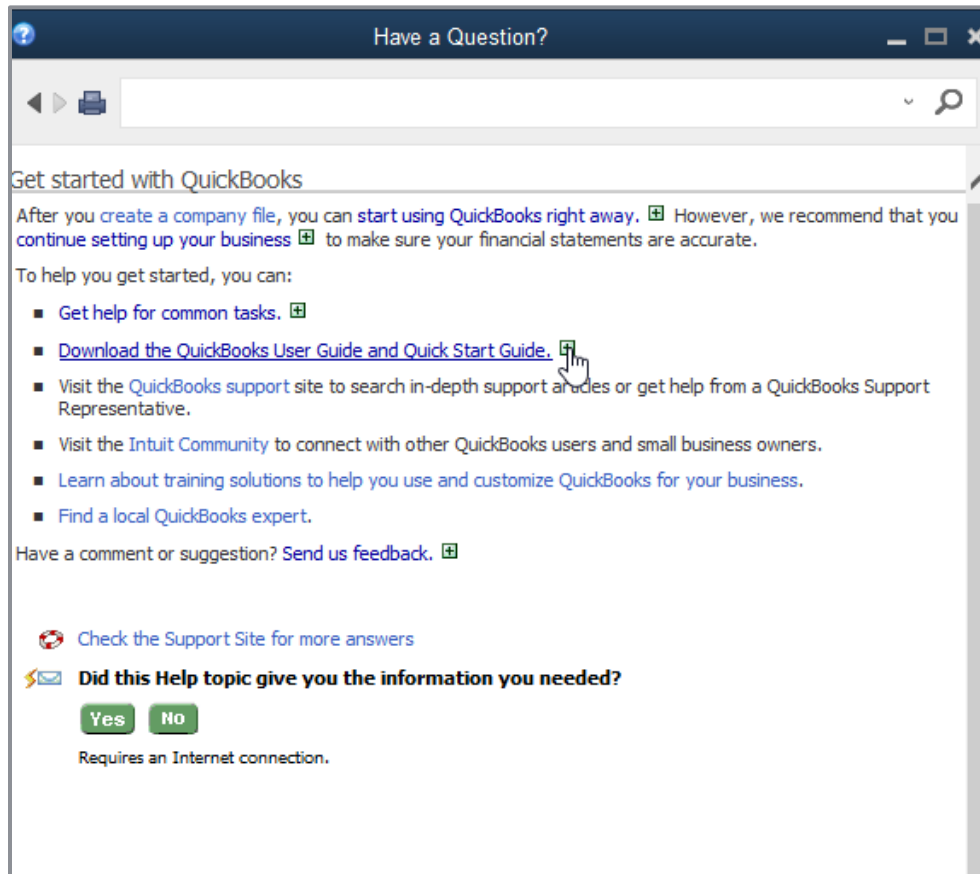


Step-by-Step: Get Started

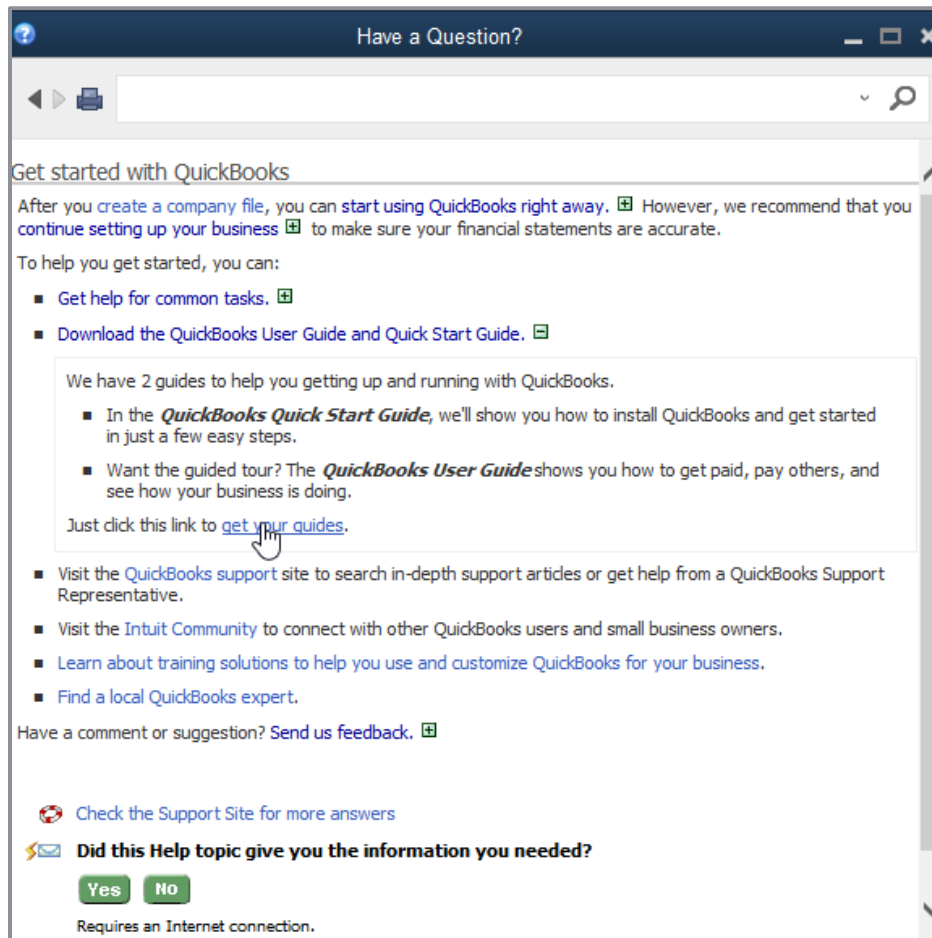
1. Select **F1** on your keyboard or, in the Help menu, select **QuickBooks Desktop Help**.



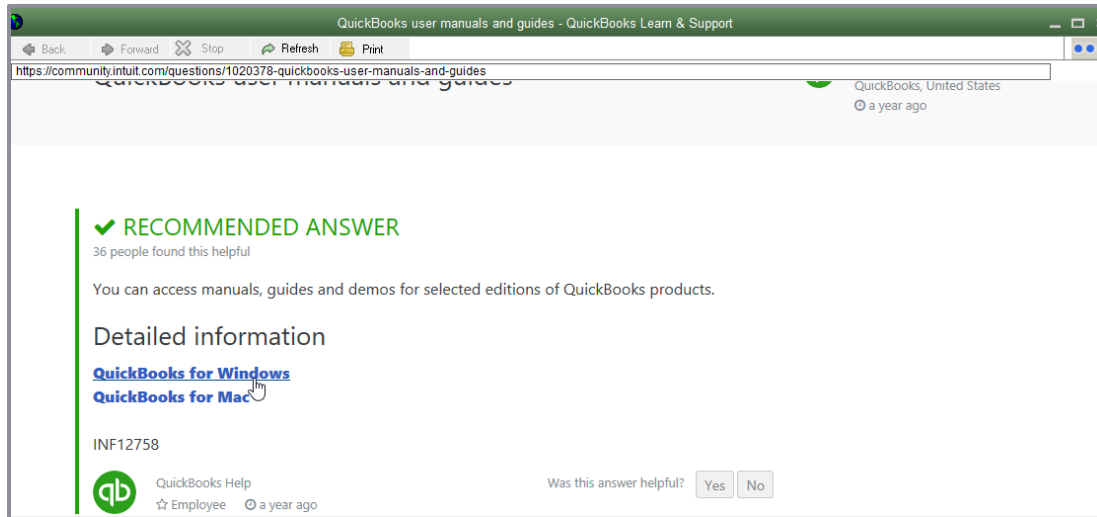
2. Click on the + sign next to *Download the QuickBooks User Guide and Quick Start Guide*.



3. Click the link to **get your guides**.



4. By selecting **QuickBooks for Windows** you have the option to open, download and save as PDF either or both of these resources: *QuickBooks Quick Start Guide 2016* or *QuickBooks User Guide 2016*. These resources will help guide you through many tasks, including the following:



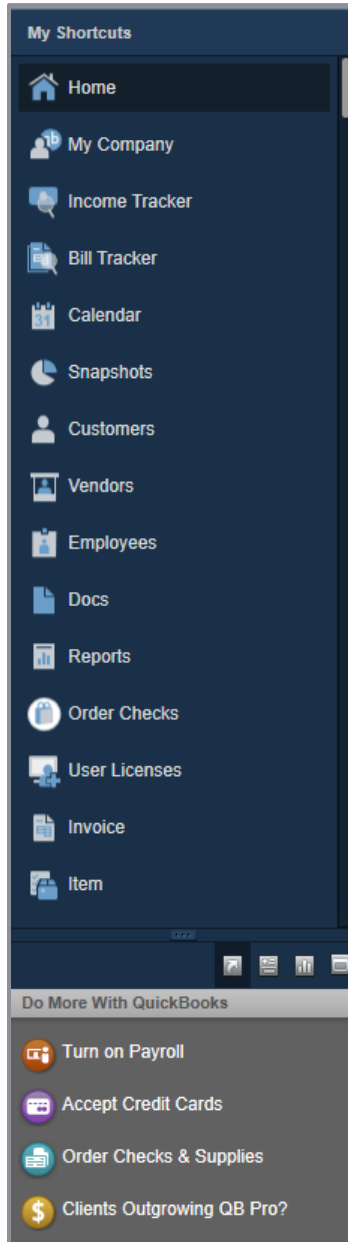
- **Manage your open windows** - QuickBooks can be set to display one window at a time or several windows (organized side-by-side or cascaded)
- **Use the menu bar** - You can find all commands on the menu bar

File Edit View Lists Favorites Company Customers Vendors Employees Banking Reports Window Help

- **Use the top icon bar** - The top icon bar allows you to manage your business more quickly and provides quick access to the centers

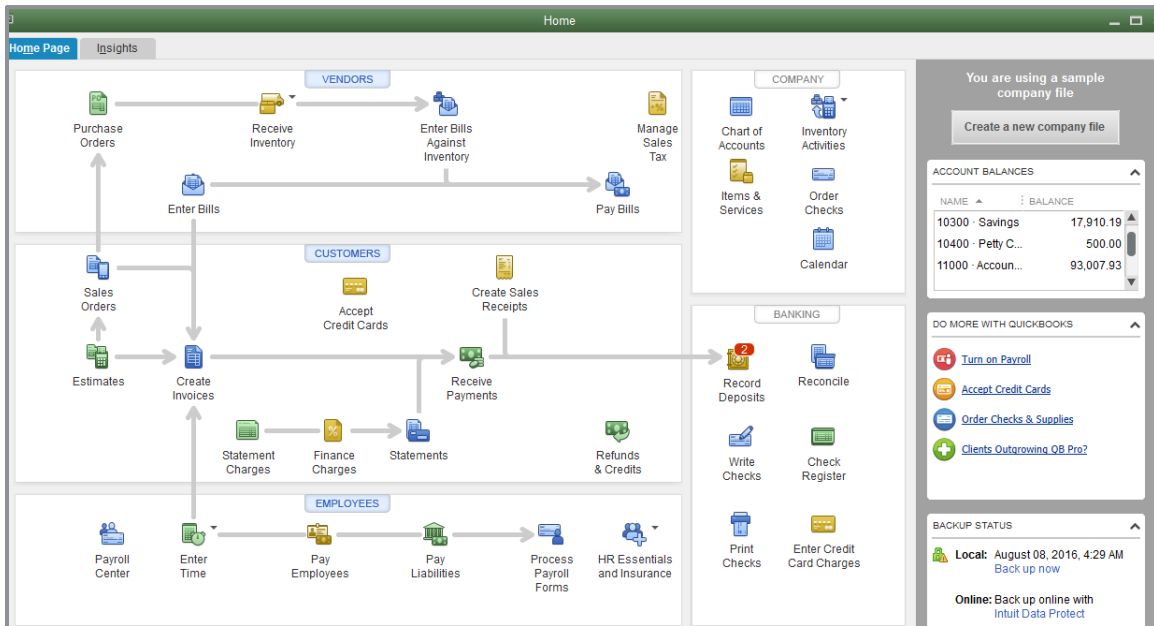


- **Use the left side navigation** – The left side navigation acts like the top icon bar, allowing you quick and easy shortcuts. Use the top icon bar, the left side navigation or neither. You cannot use both the top icon bar and the left side navigation.

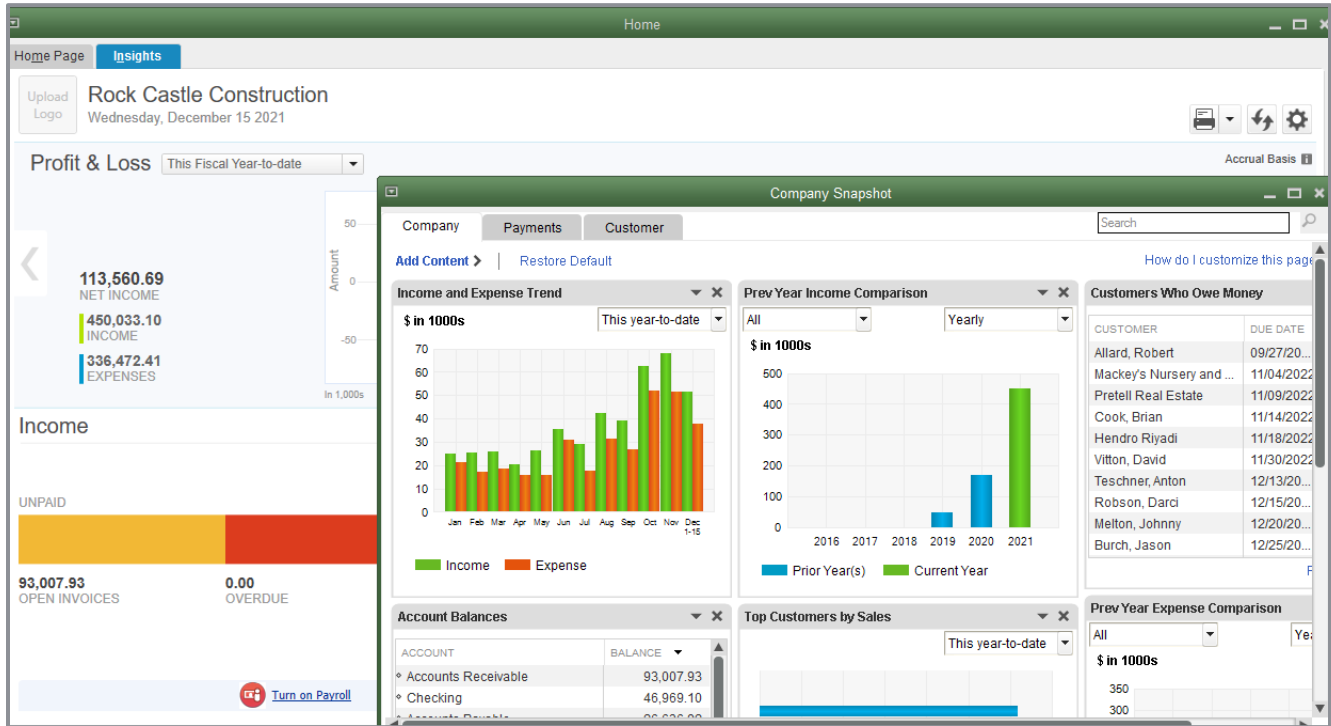


- **QuickBooks Centers** – For Customers, Vendors, Employees, Reports and Bank Feeds, these Centers give quick access to common tasks

- **Make the Home page your starting point** - The Home page provides a graphical representation of the workflow, organized into logical groups



- Get an overview of your company** - The Insights tab of the Home page gives you real-time information about how your company is doing and provides a location where you can keep track of the tasks you need to perform. You can also get more detailed information from the Company Snapshot found in the Reports drop-down menu.



All the Accounting You Need to Know

ABOUT THE CHART OF ACCOUNTS

- Chart of Accounts
 - The Chart of Accounts is a complete list of your business accounts and their balances
 - An account is a tracking category for your business's assets, liabilities, equity, income and expenses
- When you keep books for a company, you want to track:
 - Where the income comes from
 - Where you put it
 - What the expenses are for
 - What you use to pay them
- You track this flow of money through the Chart of Accounts

Chart of Accounts			
NAME	TYPE	BALANCE TOTAL	ATTACH
10100 - Checking	Bank	46,969.10	
10300 - Savings	Bank	17,910.19	
10400 - Petty Cash	Bank	500.00	
11000 - Accounts Receivable	Accounts Receivable	93,007.93	
12000 - Undeposited Funds	Other Current Asset	2,440.00	
12100 - Inventory Asset	Other Current Asset	30,683.38	
12800 - Employee Advances	Other Current Asset	832.00	
13100 - Pre-paid Insurance	Other Current Asset	4,050.00	
13400 - Retainage Receivable	Other Current Asset	3,703.02	
15000 - Furniture and Equipment	Fixed Asset	34,326.00	
15100 - Vehicles	Fixed Asset	78,936.91	
15200 - Buildings and Improvements	Fixed Asset	325,000.00	
15300 - Construction Equipment	Fixed Asset	15,300.00	
16900 - Land	Fixed Asset	90,000.00	
17000 - Accumulated Depreciation	Fixed Asset	-110,344.60	
18700 - Security Deposits	Other Asset	1,720.00	

Account ▾ Activities ▾ Reports ▾ Attach Include inactive

ABOUT ASSETS, LIABILITIES AND EQUITY

- Assets
 - Include both what you have or own and what others owe you
 - The money people owe you from outstanding invoices is called your accounts receivable or A/R for short. QuickBooks uses an accounts receivable account to track the money owed to you by customers from invoices. You may have additional notes receivable if the business has issued loans that are due for repayment.
 - The rest of your company's assets may include checking accounts, savings accounts, petty cash, fixed assets (such as equipment or trucks), inventory and undeposited funds (money you've received from customers but haven't yet deposited in the bank)

- Liabilities
 - What your company owes to others
 - The money you owe for unpaid bills is your accounts payable or A/P for short. QuickBooks uses an accounts payable account to track the money you owe to vendors or suppliers for bills.
 - A liability can be a formal loan, an unpaid bill, or sales and payroll taxes you owe to the government. When setting up your company file in QuickBooks, note that even though unpaid bills are liabilities, they will be set up as accounts payable type accounts in QuickBooks.

- Equity
 - Equity is the difference between what you have (your assets) and what you owe (your liabilities): $\text{Equity} = \text{Assets} - \text{Liabilities}$

CASH VERSUS ACCRUAL BOOKKEEPING

- Cash basis
 - Income is recorded when money (from sales) is received; expenses are recorded when money (from bills) is paid. In other words, income and expenses are recognized based on the date money changes hands.
- Accrual basis
 - Income is recorded at the time of the sale; expenses are recorded when you receive the bill. In other words, income and expenses are recognized based on the date of the paperwork.



TIP: You can change or set the default reporting basis (accrual or cash) for summary reports in the preferences of the company, based on the bookkeeping method you have chosen for tax purposes. You can change the reporting basis of individual reports (except transaction detail reports) by customizing the reports.

MEASURE BUSINESS PROFITABILITY

- **The Balance Sheet** – A snapshot of your company on one date. It shows:
 - What your business has, including what others owe your business (assets and accounts receivable)
 - What your business owes to others, including to vendors/suppliers (liabilities and accounts payable)
 - The net worth of your business (equity)
- **The Profit & Loss Statement** – Also known as the Income Statement, it covers activity over a particular date range with a start date and an end date. It shows:
 - Income
 - Expenses
 - Net profit or loss (income less expenses)
- **The Statement of Cash Flows** – This also covers activity over a particular date range with a start date and an end date. It shows:
 - Receipts
 - Payments

GENERAL JOURNAL TRANSACTIONS

- Traditional accounting method
- Known as double-entry accounting
- Total amount in the Debit column equals the total amount in the Credit column
- Each amount is assigned to an account in the Chart of Accounts
- To view the journal entry for a transaction, open the transaction and press **Ctrl+y** or, from the Reports tab in the transaction window, click on **Transaction Journal**
- If necessary, click on **Customize Report** and choose to display the **Credit** and **Debit** columns (rather than the **Amount** column)

Transaction Journal

Rock Castle Construction
Transaction Journal
All Transactions

Trans #	Type	Date	Num	Name	Memo	Item	Item Description	Account	Class	Sales Price	Debit	Credit
1058	Invoice	12/15/2021	1058	Cook, Brian:Kitchen				11000 · Accounts...	Remodel		1,636.69	
				Cook, Brian:Kitchen	Gas Rangetop	Appliance		40140 · Materials L...	Remodel	247.50		247.50
				Cook, Brian:Kitchen	Double oven	Appliance		40140 · Materials L...	Remodel	350.00		350.00
				Cook, Brian:Kitchen	Dishwasher	Appliance		40140 · Materials L...	Remodel	450.00		450.00
				Cook, Brian:Kitchen	Greenhouse...	Window...	Window	40140 · Materials L...	Remodel	475.00		475.00
				Cook, Brian:Kitchen	Removal labor	Remova...	Removal labor	40130 · Labor Inco...	Remodel	45.50	0.00	
				Cook, Brian:Kitchen	Framing labor	Framing...	Framing labor	40130 · Labor Inco...	Remodel	66.00	0.00	
				Cook, Brian:Kitchen	Installation la...	Installati...	Installation labor	40130 · Labor Inco...	Remodel	38.50	0.00	
				Cook, Brian:Kitchen	Install tile or ...	Subs.Til...	Install tile or counter	40150 · Subcontra...	Remodel	1,320.00	0.00	
				Cook, Brian:Kitchen	Painting	Subs.Pa...	Painting	40150 · Subcontra...	Remodel	825.00	0.00	
				Cook, Brian:Kitchen	Plumbing	Subs.Plu...	Plumbing	40150 · Subcontra...	Remodel	1,100.00	0.00	
				Cook, Brian:Kitchen	Install drywall	Subs.Dr...	Install drywall	40150 · Subcontra...	Remodel	1,000.00	0.00	
				State Board of Equ...	CA sales tax...	San Dom...	CA sales tax, San...	25500 · Sales Tax...	Remodel	7.5%		114.19
TOTAL											1,636.69	1,636.69

NOTES

Get Help while Using QuickBooks

QuickBooks provides extensive help in various formats. When you have questions, QuickBooks provides:

- Onscreen Help to provide conceptual information and step-by-step instructions
- New Features section highlights new and improved features in the current version year of QuickBooks
- The QuickBooks Quick Start Guide
- The QuickBooks User Guide
- Support and Ask Intuit links for answers to specific questions

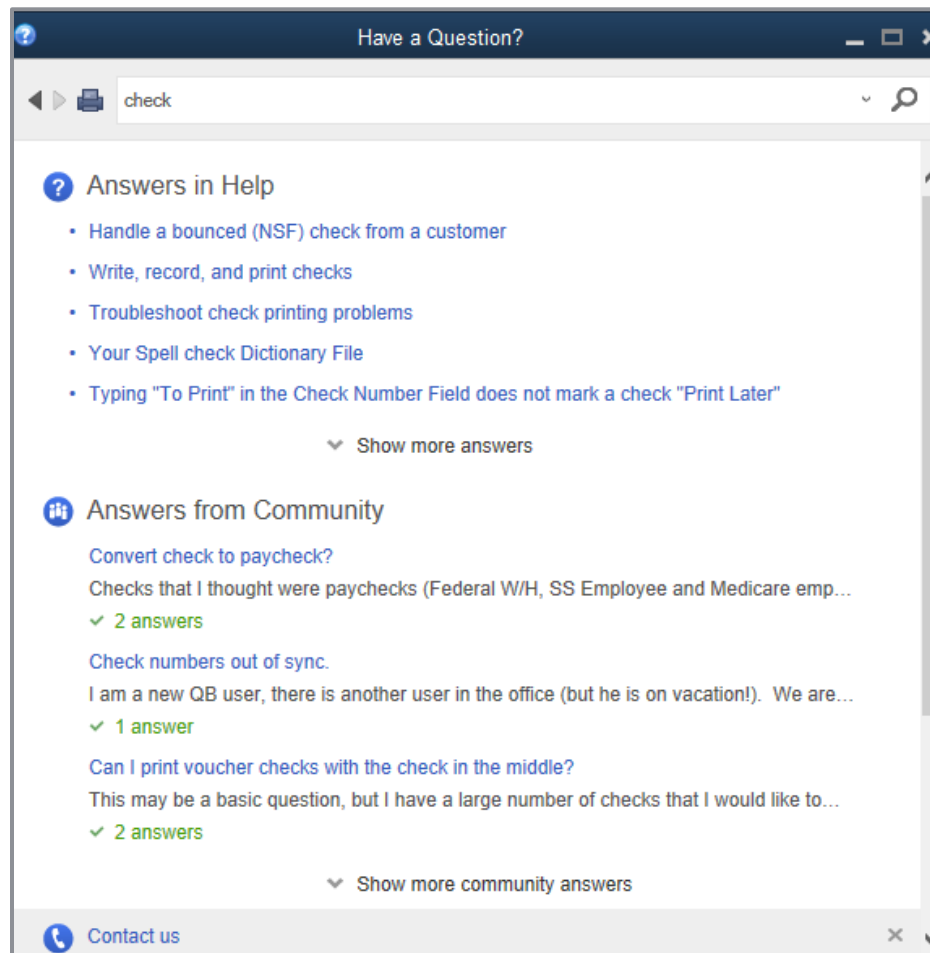
The onscreen Help provides several different types of information:

- Conceptual explanations of how to apply QuickBooks to your particular business situation
- Step-by-step instructions
- A search engine that provides a list of topics related to the word or phrase you enter
- Information relevant to the task you are currently performing
- Access to community forums where you can exchange information with QuickBooks experts



Step-by-Step: Find a Topic in Onscreen Help

1. Press **F1** or from the Help menu then choose **QuickBooks Help**. This brings up the Have a Question? window.
2. In the Have a Question? window, use the search box to type in a full question or one or more keywords. QuickBooks displays a list of help articles and community forum answers.



NOTES

Exit QuickBooks

Unlike most other Windows programs, QuickBooks doesn't require you to save your data before exiting. It does an automatic save while you're working (after every transaction is created, changed or deleted) and every time you leave the program.

- To exit QuickBooks, from the File menu, choose **Exit**

To prevent or minimize data loss, you should make regular backup copies of your QuickBooks company data. In the event of data loss, you can restore your data from the backup copy.

- To make a backup copy, from the File menu choose **Back Up Company**. A copy is a compressed complete copy of your data file used to restore your working file in case it is compromised. It is a best practice to store your backups on a different drive from your working file.

NOTES

Move between Company Files

If you work with several companies, you'll work with multiple QuickBooks company files. You can change from one company file to another at any time, but you can have only one company file open at a time. (Two exceptions are QuickBooks Accountant Desktop and QuickBooks Desktop Enterprise Solutions, which allow you to open two company files at one time.)

QuickBooks provides an easy way to find and open a company file you've worked with before.



Step-by-Step: Open a Previously Opened File

1. From the File menu, choose **Open Previous Company**.
2. From the submenu, select the company file you want to open.



Step-by-Step: Change the Number of Company Files Displayed in the Submenu

1. Make sure you're logged into a QuickBooks company file as the Admin user.
2. From the File menu, choose **Open Previous Company**.
3. Choose **Set number of previous companies**.
4. Enter the number of company files you want QuickBooks to display (up to 20).
5. Click **OK**.

Alternately:

1. From the File menu, choose **Close Company**.
2. The No Company Open screen will appear.
3. Click **Edit List** to hide companies you no longer wish to see in this list or in the Open Previous Company list.
4. Click a checkmark in the Hide column next to each company you no longer wish to appear in the list.
5. Click **OK**.

Get Started – Review Questions

1. List the three main ways you enter data in QuickBooks.

2. List three ways to access features in QuickBooks.

3. What bookkeeping methods can you use to create reports in QuickBooks?

4. Which of the following would you not include in the Chart of Accounts?

- a. Checking account
- b. Vendor record
- c. Depreciation expense
- d. Accounts payable

5. Which of the following is an asset?

- a. Accounts payable
- b. Accounts receivable
- c. Company delivery van
- d. Both a and b
- e. Both b and c

6. Checking, savings and petty cash should be set up as which of the following account types in QuickBooks?
 - a. Expense
 - b. Other current asset
 - c. Bank
 - d. Equity

7. Which of the following best describes a balance sheet?
 - a. A summary of a company's finances over the past year
 - b. A financial snapshot of a company at a specific point in time
 - c. A summary of a company's revenue and expenses for a fiscal year
 - d. None of the above

Answers to Review Questions

1. List the three main ways you enter data in QuickBooks.

Forms, lists, register

2. List three ways to access features in QuickBooks.

Menu bar, Icon bar, Centers, Home page

3. What bookkeeping methods can you use to create reports in QuickBooks?

Accrual basis and cash basis are the two bookkeeping methods. You can change or set the default reporting basis for summary reports in the preferences of the company. You can change the reporting basis of individual reports (except transaction detail reports) by customizing the reports.

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