Update Report for QuickBooks Online: Level 1

Academic Year 2021–2022

Last updated September 15, 2022

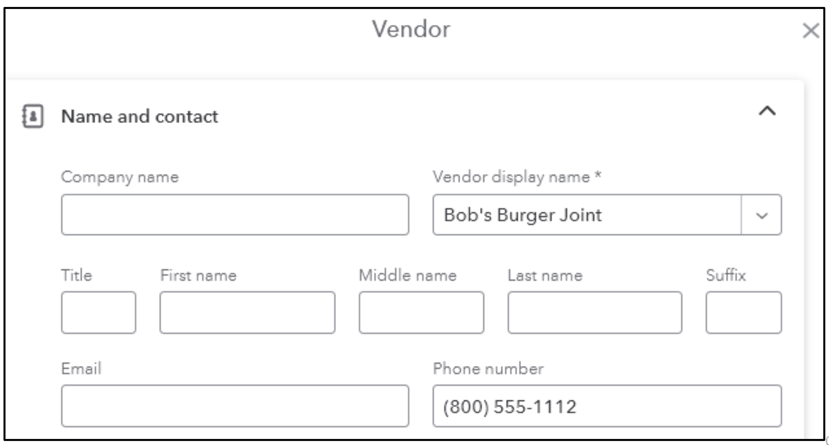
Are you an ebook user? These edits are included there! If you're using the print book, we recommend you print this report for easy reference as you work through the course.

Edits for print version 10 9 8 7 6 5 4 3 2 1 (check your copyright page)

IMPORTANT! Due to a major QuickBooks Online update to the default Chart of Accounts, there is now an updated version of Chapter 2. **Do not** use the chapters in the print book. Instead, refer to your ebook, which has already been updated, or download these files: Chapter 02.pdf

Also needed are updated student exercise files for Chapter 2 (COA to import.csv). Download all exercise files for this course from: labyrinthelab.com/lrc 011222

P14 **DYS 1-6 #11—REPLACE THE IMAGE WITH WHAT IS SHOWN HERE.**



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P15–16 **DYS 1-7 #5-8**

5. In the Account Name field, type **`Center City Bank Checking`** to rename the account.
6. Click **Save**.

(continued)

7. Click **New** and choose the following account settings:
   - Click the **Banks** icon at the top of the window.
   - Save Account Under: **Bank Accounts**
   - Tax Form Section: **Checking**
   - Account Name: **`Chase Checking`**

8. Click **Save** to return to the Chart of Accounts listing.

   Now you will print the Chart of Accounts for handy reference. 070522

P20 **PLANNING AND CREATING YOUR COMPANY FILE**

Planning and Creating Your Company File

Before you set up a company file, it is critical that you have all the data you need. This data includes general information about the company, its address, its banking account names, and knowledge of the types of services that the company will provide.

You can migrate historical data from an existing QuickBooks Desktop company file into a new QuickBooks Online company file. The migration utility is a comprehensive tool and will move all data from the QuickBooks Desktop company file into QuickBooks Online. We will not be working through a migration as part of this course. You can find more information on migration utilities in QuickBooks Online (Gear > Tools > Import Desktop Data).

In the Chapter 02 folder within the exercise files download for this course is the "Example QuickBooks Setup Checklist" file. It shows information typically needed when setting up a business. Imagine that you interviewed Sadie using this checklist as part of her business setup.

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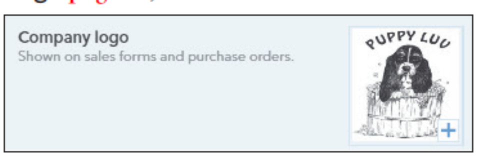
P21 **SETUP CHECKLIST – ELEMENTS OF THE PLAN**

Company Name	Puppy Luv Pampered Pooch – Student Name
Street Address	104 **S** Main Street Suite #100
City, State, Zip	Los Angeles, CA 90012

P22 **DYS 2-2 #4**

4. Click the next **plus sign**, navigate to your **Chapter 02** folder and double-click the **Puppy Luv Logo.png** file, and then click **Save**.



Note that some users are reporting issues uploading the Puppy Luv Logo file. If QBO returns an error message when you try to upload the logo, just skip adding a logo and continue with the next step.

P23 **DYS 2-2 #9**

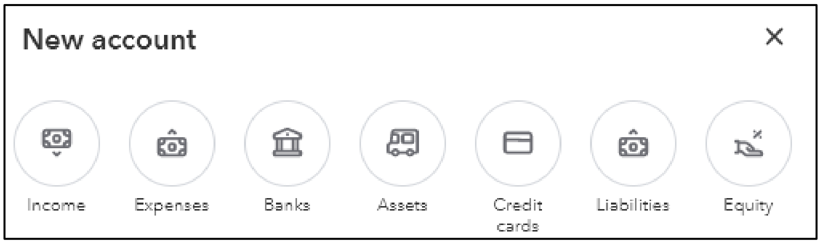
9. Click the first Address section **Edit** icon and begin typing the address in the field:

   `104 S Main Street #100`
   `Los Angeles CA 90012`

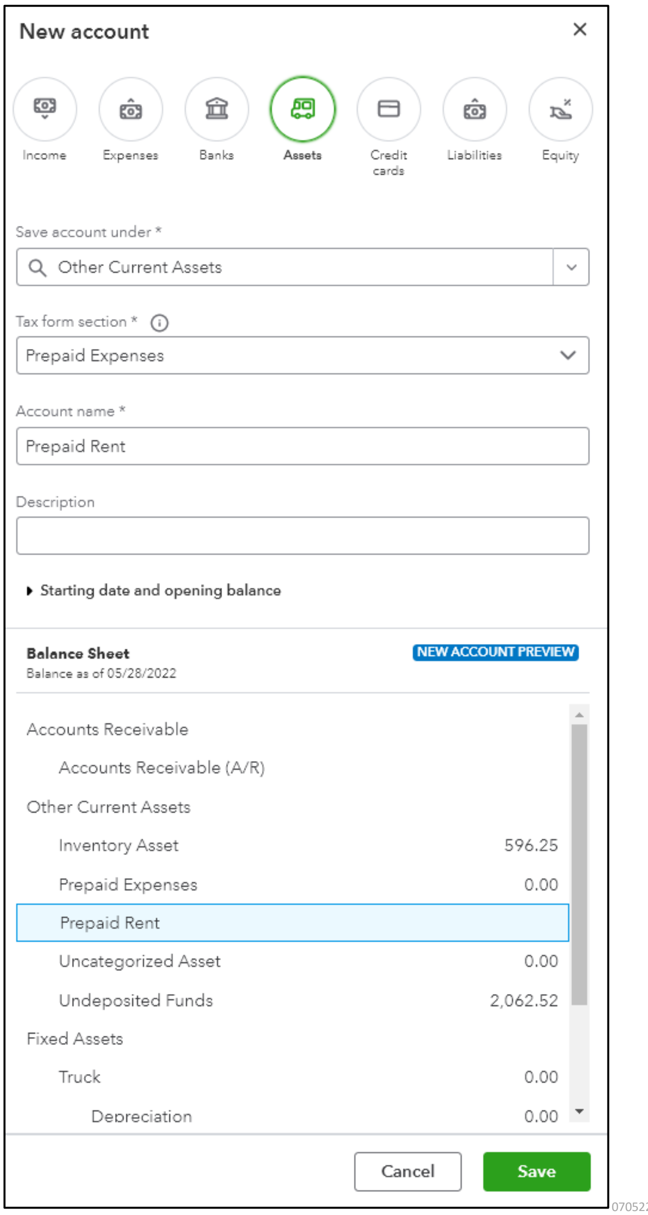
PP24–25 ASSIGNING ACCOUNT TYPES

The two paragraphs following the bulleted list at the bottom of page 24 and the image at the top of page 25 should be replaced with the following:

As you create a new account, you choose the account type from the icons displayed.



QuickBooks Online will then display detail types for that choice. Once the three required fields are complete, QuickBooks Online will display a preview of where the account will be placed in reports and forms.



P45 **ADDING CUSTOMERS AND SUB-CUSTOMERS**

Adding Customers and Sub-Customers

The Display Name As field is the only required field when setting up a new customer, but by completing more fields, you will be able to create more useful management reports. For example, in addition to sorting your Customers List by display name, which is why it's required, you could also organize the list by zip code, phone number, or email address.

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DYS 3-1 #3

3. Complete the Customer Information form as follows:
   - First Name: **Edward**
   - Last Name: **Bruce**
   - Display Name As: This should auto-fill, but, if not, type: **Edward Bruce**
   - Email: **eBruce@hotmail.net**
   - Phone: **619-555-1118**
   - Billing Address: **1452 Santiago Road, Bayshore, CA 94326**

   Notice the Shipping Address section to the right of the Bill Address section. If a customer has different addresses for shipping and billing, you can indicate each on the Customer Information form.

4. Click **Save** and then choose **Sales(/Invoicing)** on the Navigation bar and click

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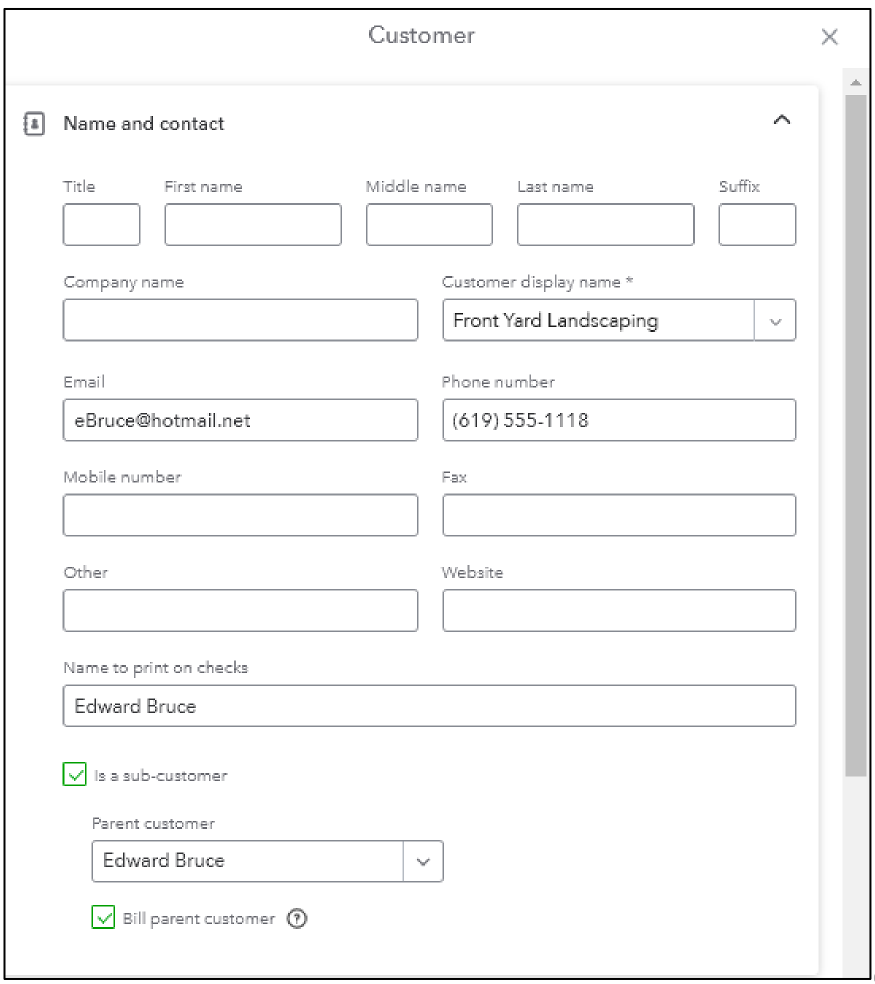
P46 **DYS 3-1 #6—REPLACE IMAGE WITH WHAT IS SHOWN HERE.**



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P49 **DYS 3-3 #6—REPLACE IMAGE WITH WHAT IS SHOWN HERE.**

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P51 **CREATING SALES RECEIPTS AND INVOICES**

Creating Sales Receipts and Invoices

QuickBooks Online forms are designed to work dynamically with one another. If you link your Chart of Accounts and your Products and Services List correctly as you prepare your sales forms, the appropriate accounting transactions will be created when you make a transaction. For example, when you make a sale on account (to be paid later) and select the Invoice form, the Accounts Receivable account and the Sales account increase by the amount of the sale. When you receive payment at the time of sale and select the Sales Receipt form, the Sales account and an account called Undeposited Funds increase by the amount of the sale.

Sales receipts and invoices can be emailed directly from QuickBooks Online with the Save and Send option at bottom right. You can customize these email messages for each client.

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P54 **PRICE RULES**

Price Rules

QuickBooks Online Plus and Advanced allow you to create unique price rules for specific customer types, product/service types, or date ranges. Once a price rule is created, you can apply the rule to a specific customer, and the price rule will automatically apply to all future transactions. For example, you may want to give a price discount to a customer for an ongoing order of a product/service, such as on weekly or monthly basis. Rules can apply to all or to only specific customers, and to all or to only specific products. A rule can be a fixed amount, a percentage, or a custom price per item, and the price can be increased or decreased.

There are many ways a business can use the Price Rules feature to streamline workflow; for example, a rule can be used for a specific period of time, such as for a "Back-to-School Sale."

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P60 **DYS 3-9 #12**

12. Choose **All Dates** in the Report Period field and then click **Run Report**.

Craig's Design and Landscaping Services

SALES BY PRODUCT/SERVICE DETAIL

All Dates

DATE	TRANSACTION TYPE	NUM	CUSTOMER	MEMO/DESCRIPTION	QTY	SALES PRICE	AMOUNT	BALANCE
▾ Design								
▾ Design								
09/10/2020	Invoice	1007	John Melton	Custom Design	10.00	75.00	750.00	750.00
09/10/2020	Sales Receipt	1008	Kate Whelan	Custom Design	3.00	75.00	225.00	975.00
09/30/2020	Sales Receipt	1003	Dylan Sollfrank	Custom Design	4.50	75.00	337.50	1,312.50
10/03/2020	Invoice	1015	Paulsen Medical Supplies	Custom Design	4.00	75.00	300.00	1,612.50
10/03/2020	Invoice	1010	Weiskopf Consulting	Custom Design	5.00	75.00	375.00	1,987.50
10/04/2020	Invoice	1033	Geeta Kalapatapu	Custom Design	3.50	75.00	262.50	2,250.00
09/01/2026	Sales Receipt	1038	Edward Bruce:Front Yard Landsc...	Custom Design Front Yard Lands...	1.00	500.00	500.00	2,750.00
Total for Design					**31.00**		**$2,750.00**	
▾ Fountains								
▾ Concrete								
08/18/2020	Invoice	1029	Dukes Basketball Camp	Concrete for fountain installation	5.00	15.00	75.00	75.00
10/05/2020	Invoice	1037	Sonnenschein Family Store	Concrete for fountain installation	5.00	9.50	47.50	122.50
Total for Concrete					**10.00**		**$122.50**	

There are many other customer-related reports in the Reports center. "Who owes you" reports are related to what customers owe you for previous purchases in detail and summary. Take some time to review the many reports available.

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PP60–61 CORRECTING ERRORS

Correcting Errors

There may be times when you need to correct, void, or delete a transaction in QuickBooks Online. Errors are easy to fix, but you must be watchful of the dates and transaction numbers.

To correct a transaction, you only need to locate it, make the correction, and click Save. To void or delete a transaction you need to locate it, click the More icon at the bottom of the window, and select the action you wish. Voiding a transaction maintains the transaction in the reports but changes the values to zero. Deleting a transaction removes that transaction from all reports except the Audit Log (see Chapter 11, "Audit Log").

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P67 RYS 3-3 #2—DELETE THE SUB-BULLET.

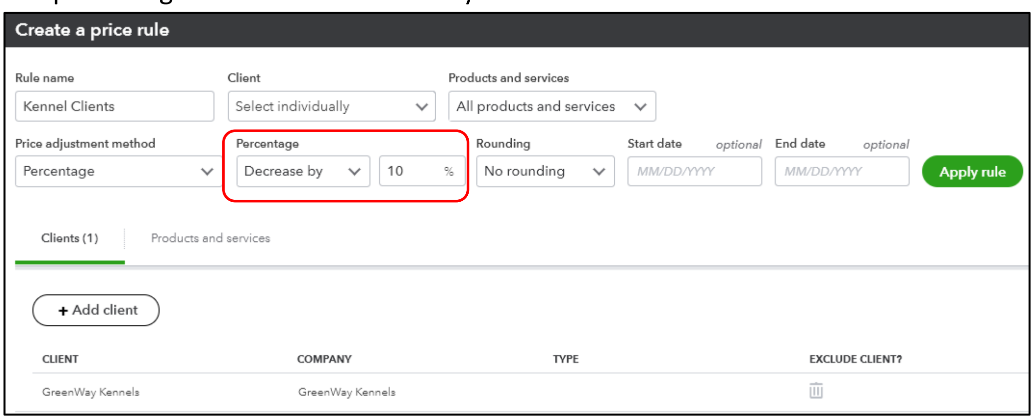
2. Prepare sales receipts for the following services provided on August 6, 2026.

   Hint: Choose Payments to Deposit in the Deposit To field. Where needed, add clients and pooches as sub-clients.

   - Jason Ridgeway brought in his medium-sized terrier mix, Butch, for a Full Pet Groom. He paid with check number 4844.
     - ~~To add Butch as a sub-client of Jason Ridgeway from within the Sales Receipt form, type **Jason Ridgeway:Butch** in the pop up, click **+ Add New**, and then click **Save**. The Sales Receipt number should be #1001.~~

P70 AYS 3-3 #3 FIGURE

The percentage should be decreased by **10%** not 0%.



P75 ADDING VENDORS

Adding Vendors

QuickBooks Online does not allow you to add two vendors with the same exact name. You must include a middle initial or other distinguishing identifier in the Display Name As field to make the names different.

If you have vendors who are independent contractors, you will want to enable the option (bottom left of the form) to track 1099 payments and add the tax ID.

✔ Best Practice

As you create new vendors, enter as much information as possible so you can fully utilize the power of QuickBooks Online data when creating management reports. For example, be sure to include address and contact information in the Vendors List.

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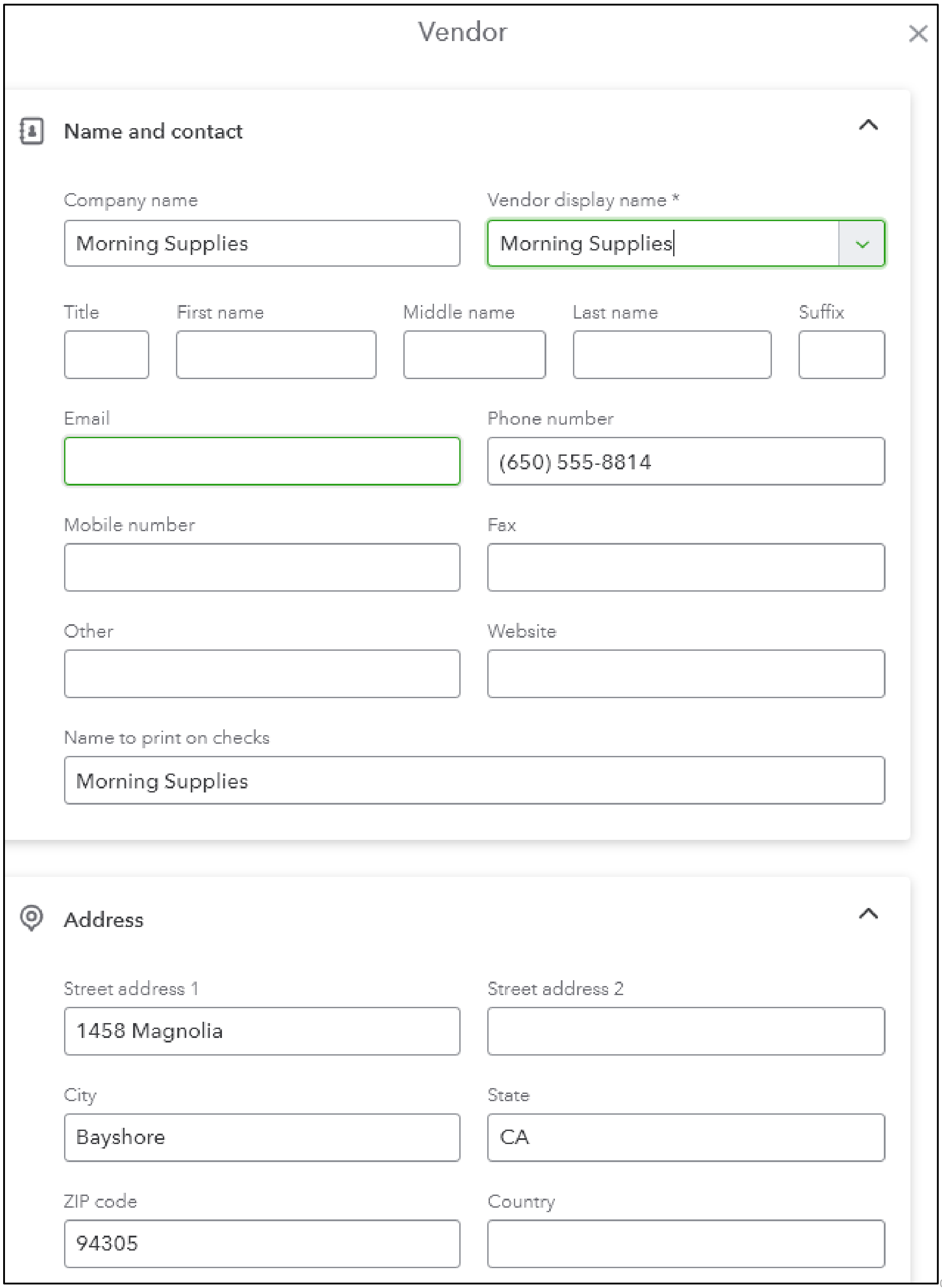
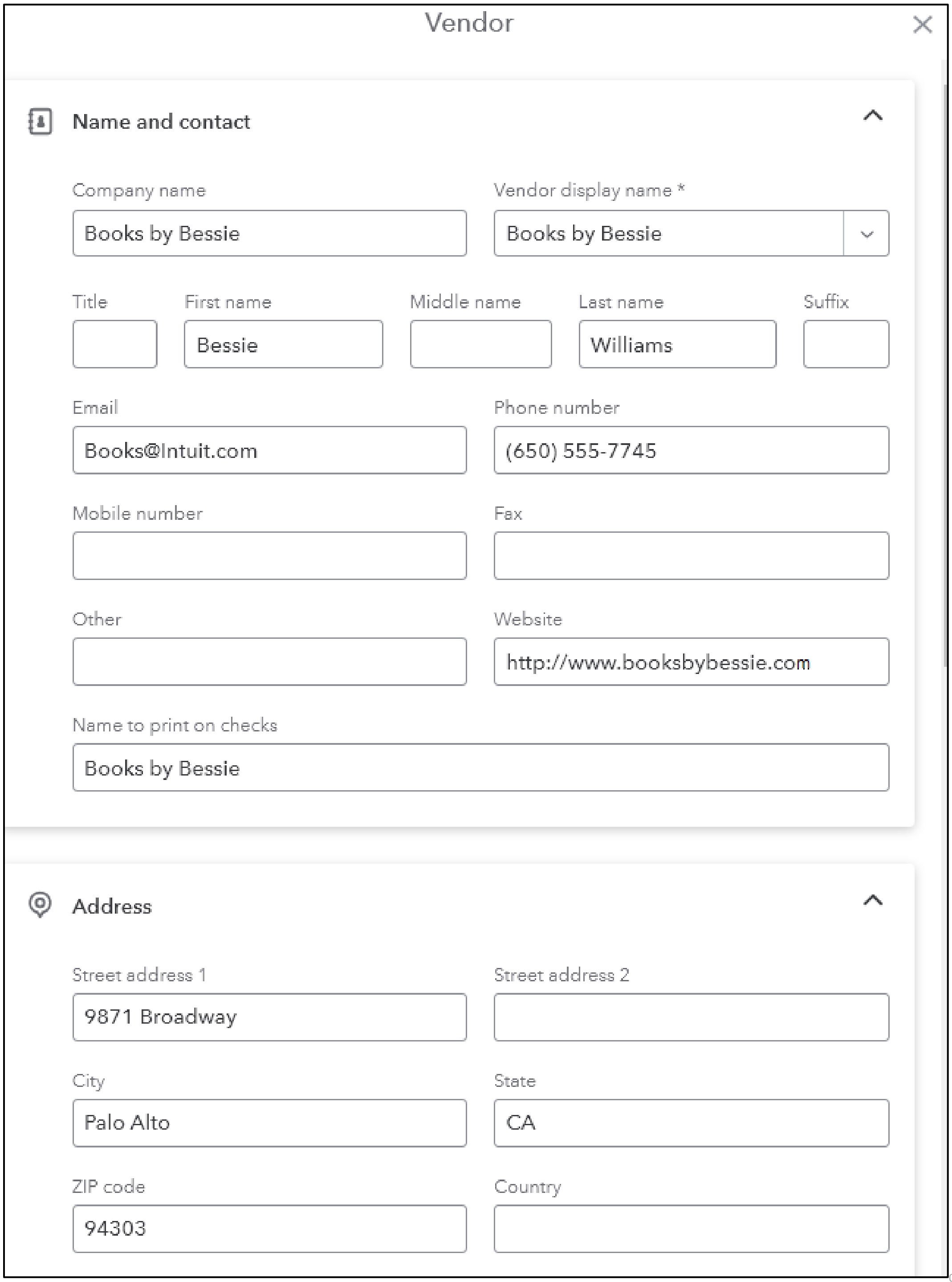
P75 DYS 4-1 #6—INSERT NEW IMAGE.



P77 **DYS 4-2 #2—REPLACE IMAGE WITH WHAT IS SHOWN HERE.**



Vendor

Name and contact

Company name: Books by Bessie

Vendor display name *: Books by Bessie

Title:

First name: Bessie

Middle name:

Last name: Williams

Suffix:

Email: Books@Intuit.com

Phone number: (650) 555-7745

Mobile number:

Fax:

Other:

Website: http://www.booksbybessie.com

Name to print on checks: Books by Bessie

Address

Street address 1: 9871 Broadway

Street address 2:

City: Palo Alto

State: CA

ZIP code: 94303

Country:

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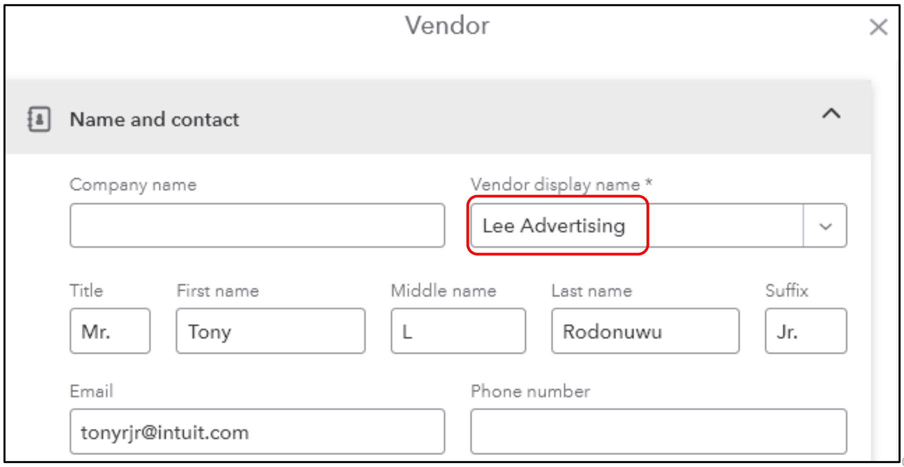
DYS 4-2 #6—Replace image with what is shown here.



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P102 Other Banking Transactions

Other Banking Transactions

You will perform many different types of banking transactions in your business. You may transfer funds from checking to savings accounts. You may deposit funds that are not customer related; for example, loan proceeds, refunds on insurance overpayments, or rebates on purchases. You will spend money that is not associated with a specific vendor or deposit money that is not from a specific customer. QuickBooks Online provides a way to carry out all these types of transactions.

The receipt capture feature allows you to upload pictures of purchase receipts to QuickBooks Online for digital storage. The expenses can be automatically categorized and matched to the bank feed.

Businesses may use electronic funds transfers (EFTs), online payments, and wire transfers to

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P107 Reconciling Accounts

transaction.	it, and continue.
The bank made an error.	Record the transaction to adjust your balance. After you have resolved the error with your institution, reverse the transaction.

At times you will need to void or delete a check that has been written and create a replacement check, perhaps because a mistake was made when preparing the check, the check was lost or damaged, etc. QuickBooks Online makes this simple to accomplish. Using the Search feature, find the check that needs to be voided or deleted and click More at the bottom of the screen. Choosing Void keeps the transaction in place with zeros for all values and stamps the transaction as "VOID." Choosing Delete removes the check from QuickBooks Online completely.

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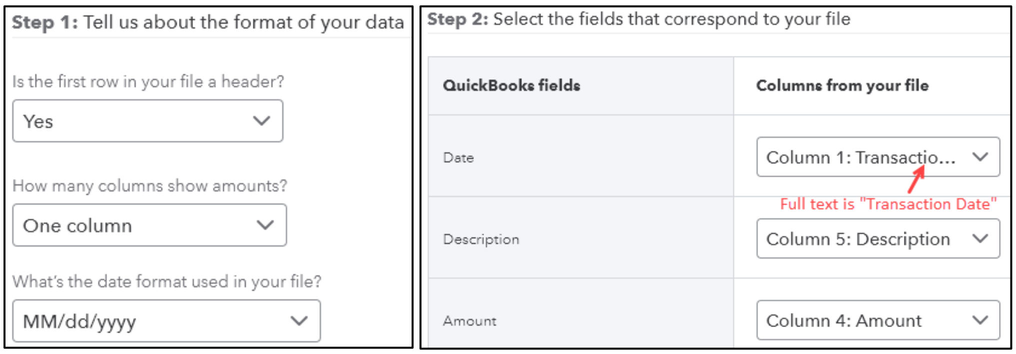
P116 **RYS 5-2**

The process for uploading transactions has changed in QuickBooks Online. Here are some tips for completing this exercise:

- The **Next** button (steps 3, 4, and 6) has been renamed to **Continue**.
- The screens shown in steps 3–4 look different now, but the process is the same.
- In step 5, use the settings shown here:



- In step 8, the **Let's Go!** button has been renamed to **Done**.

Those who prefer a revised version of this exercise can access it here: Revised RYS 5-2

P120 **AYS 5-2 #6**

The **Let's Go!** button has been renamed to **Done.** 100121