QuickBooks | Startup and Quick Reference Guide

Installation
Setup
Key Concepts
Essential Tasks
New Features

Important

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through QuickBooks. Occasionally, we may decide to update our selection and change our service
offerings, so please check www.quickbooks.co.uk for the latest information, including pricing and
availability, on our products and services.

My QuickBooks License Number: _____

My QuickBooks Product Number: _____

Contents

1 | Welcome

Welcome

Welcome to QuickBooks. Whether you've been running your business for years or are just starting out, having an organised, efficient way to manage your business can save you time, money, and a lot of frustration.

Use this *Startup and Quick Reference Guide* to get up and running as fast as possible. In this guide, you'll learn about:

• How to install QuickBooks and set up your company file

• Important QuickBooks terms and concepts

• How to get around in QuickBooks

• Where to look for help when you have questions

• How to perform common tasks

• New features for QuickBooks 2008

Note: *Since this guide covers multiple editions of QuickBooks, the name "QuickBooks" is used to refer to any of these editions. When information in this guide applies to a specific edition of QuickBooks, the specific edition name will be used.*

How to Use This Guide

2 | Installing and Setting Up QuickBooks

Installing and Setting Up QuickBooks

Hardware and software requirements

Processor, memory, and disk space

• 1 GB of disk space (additional space required for data files)

When using Windows 2000/XP:

• At least 500 MHz Intel Pentium III (1.8 GHz Intel Pentium 4 recommended) or equivalent computer
• At least 256 MB (512 MB recommended) of RAM for a **single user**
• At least 512 MB of RAM for **multiple, concurrent users**

When using Microsoft® Vista™:

• At least 1.2 GHz Intel Pentium III or equivalent computer
• At least 1 GB of RAM

Disk space requirements for additional software

• 70 MB for Microsoft® Internet Explorer 6.0, provided on QuickBooks CD
• 150 MB for Microsoft .NET Framework CLR 1.1, provided on QuickBooks CD
• 9 MB for QuickBooks Timer

Additional hardware and software

• Microsoft® Vista™, Windows XP (Windows XP Professional with SP2 or later recommended), or Windows 2000 SP3 or later (SP4 or later recommended) operating system
• 2x CD-ROM drive
• Minimum of 1024x768 screen resolution

Integration/compatibility requirements

QuickBooks is compatible with these products, which are sold separately.

• If you plan to use features that integrate with Microsoft® Word or Microsoft Excel (such as for preparing letters or for importing and exporting QuickBooks data and reports), you need Microsoft Word 2000, 2002, 2003, or 2007, or Microsoft Excel 2000, 2002, 2003, or 2007. (More RAM enhances the use of these features.)
• If you want to synchronise with contact management software, you need Microsoft Outlook 2000, 2002, 2003, or 2007. Contact synchronisation with Outlook requires QuickBooks Contact Sync for Outlook (downloadable for free from **www.quickbooks.com/contact_sync**).
• Business Planner functionality requires Adobe Reader 5.0, 6.0, or 7.0.
• QuickBooks Payroll subscriptions and online features/services require Internet access with at least a 56 Kbps connection speed (DSL or Cable Modem recommended).

Firewall and antivirus software compatibility

If you use firewall or antivirus software, QuickBooks 2008 has been tested with the following products.

- Microsoft Windows XP SP2 built-in firewall
- Symantec Norton® AntiVirus, Internet Security Suite
- McAfee Anti-Virus
- Trend PC-Cillin
- Zone Labs ZoneAlarm

In some cases it might be necessary to adjust settings in these products to ensure the best possible performance with QuickBooks. Go to **www.quickbooks.com**/**support**/**install.html** for the latest information from Intuit.

Using firewall software on a network

If firewall software is running while you install QuickBooks, you may be asked if you want to allow QuickBooks components to have access to the network. For QuickBooks to operate properly (especially in a multi-user environment) these components (*QBDBMgrN.exe*, *QBW32. exe*, *QBLaunch.exe*, and *QBUpdate.exe*) must be allowed to access the network.

Different firewall software applications use different terminology when prompting you. Be sure to choose an option that does not block connections to QuickBooks components. Also, some firewall and antivirus software can affect QuickBooks performance. If you experience performance issues you think are related to your firewall software, refer to the firewall documentation or contact your firewall supplier for assistance.

Multi-user installation requirements

QuickBooks lets you give up to five users access to QuickBooks files on a network at the same time. For other users to work in the company file, the company file must be stored on a computer on your network, and you need to complete some additional installation and setup steps on the computer where the company file is stored. Refer to "Installing and setting up QuickBooks for a multi-user environment" on page 12.

In a multi-user environment, QuickBooks (or the QuickBooks Server) should be installed on the computer on which the company file is stored. Each user must have a QuickBooks license and must:

- Install the same version year of QuickBooks. For example, all users must have QuickBooks 2008.
- Have read/write access and create/delete rights to the directory where the company file is stored.
- Have a valid License Number and Product Number. For a multi-user license pack, use the numbers from the pack.

For network hosting setup

To run QuickBooks in a network hosting environment, you must have Windows 2000, XP, or Microsoft Vista installed.

In a network hosting environment, each computer has its own copy of QuickBooks installed; however, the QuickBooks company file is located on only one computer, which must be turned on and available on the network. Networks set up for hosting files do not use a dedicated file server, so a single, dedicated computer is not required to share files. Thus, all the networked computers have the option to share their resources.

For example, you might run your small business by using QuickBooks on two computers— yours and one that's used by an employee. In this case, you still need to set up a simple network to share your company file. Otherwise, you'll need to make a backup of your company file to move it or e-mail it between the two computers.

Note: *Windows XP users must have at least Standard user rights and Windows 2000 users must have Power Users Group rights to write to the registry keys and be able to run QuickBooks.*

For dedicated server setup

To run QuickBooks in a network environment with a dedicated server, you must have Windows 2000, Windows 2000 Server, Windows 2003 Server, Windows XP Professional, Windows XP Home Edition (not recommended) or Microsoft Vista.

Networks with a dedicated server have at least one computer (the server) dedicated to sharing files, printers, or other resources. You should store your company file on the server.

To run a dedicated server, a Microsoft Windows 2000 or later operating system is recommended. See "Additional hardware and software" on page 4 for Windows Service Pack recommendations).

Installing QuickBooks

QuickBooks provides three different installation options: **Standard**, **Multi-user Host**, and **Server**. Refer to the table below to choose the installation option that's right for you and then follow the appropriate instructions on the following pages.

Note: *If you previously installed QuickBooks from a trial CD, download, or some other mechanism, you might have chosen to receive a "Reinstall Pack." The Reinstall Pack includes a QuickBooks CD and this documentation. You do not need to reinstall QuickBooks unless you are moving QuickBooks to another computer or replacing the installation on your current computer. Keep the reinstallation disk as a backup for later use.*

Figure 1 on the next page illustrates the various ways the different installation options can be configured on your computer(s).

Note: *If you work in a multi-user environment, you might need to choose different installation options on each computer.*

Choosing the correct QuickBooks installation option

Installation Type	When to Use	Refer to
Standard (most common)	• If you are a single user (the only person in your company running QuickBooks) and not accessing the company file from another computer on a network. **or** • If you run QuickBooks on a network and access the company file from another computer. (No other QuickBooks users will access a company file from this computer.)	Page 9 (new users) Page 9 (upgraders)
Multi-user Host	• If you are working in a multi-user environment on a network, and this computer stores (hosts) the company file that other users will access from their computers. **or** • If you are running QuickBooks in a home office, where you run QuickBooks on two computers (perhaps a desktop and a laptop), but this computer stores (hosts) the company file that will be accessed by both computers.	Page 12
Server	• If you are working in a multi-user environment on a network, and this computer stores the company file that other QuickBooks users will access, but no one will actually run QuickBooks on this computer. (This computer simply acts as a file server.)	Page 12

Standard Installation

One QuickBooks user, no network

Standard Installation ↔ **Company File** / **Multi-user Host Installation**

One QuickBooks user, using network hosting (home office)

Company File / **Multi-user Host Installation** — **Standard Installation** / **Standard Installation**
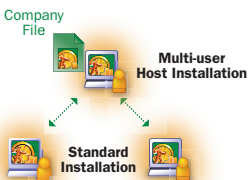
Multiple QuickBooks users, using network hosting

Company File / **Server Installation** — **Standard Installation**
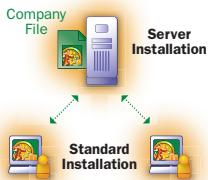
Multiple QuickBooks users, using a dedicated server on a network

Figure 1. Sample QuickBooks configurations and which installation option to use on each computer

The installation instructions on the following pages assume that you know which installation option you want and tell you to skip the Installation Interview. However, if you are still not sure which installation option to use, do not skip the Installation Interview, as it will guide you and help you choose the appropriate installation for each computer on which you want to install QuickBooks.

Note: *Based on the installation type, each computer is configured to either "host" company files or not. If you need to change this setting after installation, refer to the in-product Help. Search for "hosting" to find related topics.*

Standard installation and setup for new users

To install and start QuickBooks:

1 Shut down all running programs, including antivirus programs.

2 Insert the QuickBooks CD in your computer's CD-ROM drive.

Note: *If the Installation Wizard does not start automatically, click* **Start** *in the taskbar, then click* **Run.** *Type* `D:\setup.exe` *(where "D" is the CD-ROM drive letter). Click* **OK.**

3 In the **Welcome to QuickBooks Installation** window, click **Expert Install**.

4 In the **Installation Options** window, click the **Standard Installation** option and then click **Begin Installation**.

5 Follow the onscreen instructions.

6 To start QuickBooks, double-click the QuickBooks icon on the desktop or click the Windows **Start** button and then click **QuickBooks** from the **Programs** group.

Creating your company file

The first time you use QuickBooks, the **EasyStep Interview** window is displayed. The EasyStep Interview asks you questions about your business and then uses the information you provide to create your company file. For detailed information about creating your company file and setting up your company in QuickBooks, see "Setting Up Your Company in QuickBooks" on page 18.

Standard installation and setup for existing users (upgraders)

If you own a previous version of QuickBooks and are upgrading to QuickBooks 2008, you must first install the new program and then update your company file.

To install QuickBooks:

1 Shut down all running programs, including antivirus programs.

2 Insert the QuickBooks CD in your computer's CD-ROM drive.

> **Note:** *If the Installation Wizard does not start automatically, click* ***Start*** *in the taskbar and then click* ***Run.*** *Type* `D:\setup.exe` *(where "D" is the CD-ROM drive letter). Click* ***OK.***

3 In the **Welcome to QuickBooks Installation** window, click **Expert Install.**

4 In the **Installation Options** window, click **Standard Installation** and then click **Begin Installation.**

5 Follow the onscreen instructions.

6 After installation, the File Management Tool might instruct you to move your company files or to perform some additional installation modifications. Follow the onscreen instructions.

> **Note:** *We recommend that you keep your old version of QuickBooks installed. You may need it to perform operations on your old company file.*

7 To start QuickBooks, double-click the QuickBooks icon 🐷 on the desktop or click the Windows **Start** button and then click **QuickBooks** from the **Programs** group.

Updating your company file

This section describes how to update a company file created in a previous version of QuickBooks for Windows. Before you can update your company data, you must install the new version of QuickBooks as described above.

Note: *Multicurrency is not supported in QuickBooks 2008. Company files with transactions that use multicurrency cannot be upgraded. If this affects your company files, contact Intuit Technical Support.*

Back up your data before opening it in a new version of QuickBooks. You can back up to your hard drive or to a backup disk.

> **Caution** After you update an existing company file to QuickBooks 2008, do not delete your original file. You may need it to generate VAT reports on transactions before this date.

To update your QuickBooks file:

Note: *If you are updating a company file from QuickBooks 2003 or earlier, you will need to first upgrade your company file with QuickBooks 2006. Call Intuit Technical Support for a free Upgrader's Kit.*

1 In QuickBooks 2008, open your existing company data file.

2 When prompted to update your file, enter `YES` and click **OK.**

3 Click Next and follow the onscreen instructions.

- When asked whether your company has filed a VAT return, Click Yes if you have—even if you filed outside of QuickBooks. Make sure you have a copy of your last return.

  Otherwise, click No.

- When prompted to back up your company file, choose the directory on your hard drive or the disk drive where you want to store your backup file and click **OK**.

  Failing to back up your file might result in lost data if you encounter a problem during the update process. Do not overwrite existing backups with this upgrade backup.

- When prompted to move or rename your company file, we recommend that you allow the utility to move your company file from the Program Files folder to `C:\Documents and Settings\All Users\(Shared) Documents\Intuit\QuickBooks\Company Files`.

  N*ote: The Windows Program Files folder is no longer a recommended location for storing company files.*

4 When QuickBooks indicates that it is ready to upgrade your company file, click **Finish**. Depending on the size of your company file, the upgrade process may take up to an hour.

Note: *Due to changes and improvements in the QuickBooks data file format, the size of your company file might significantly increase after you update it.*

If an update problem occurs

If you attempted to upgrade your file and the update failed, you must perform steps in your older version of QuickBooks to fix the problem. If you removed your older version of QuickBooks, reinstall it to a new directory. **Do not install the older version in the directory where you installed QuickBooks 2008.**

To fix a failed QuickBooks file update:

1 Start the older version of QuickBooks.

2 Open your old company file. If necessary, you can restore your company backup using the older version of QuickBooks. Go to the **File** menu, click **Open or Restore Company**, and then follow the onscreen instructions.

3 Go to the **Window** menu and click **Close All**.

4 Go to the **File** menu, click **Utilities**, and then click **Rebuild Data**.

> **Caution** The Rebuild Utility forces you to create another backup. Use a new CD or file name. Do not overwrite any existing backups.

5 After the Rebuild is complete (which might take a long time depending on the size of your company file), exit the older version of QuickBooks.

6 Start QuickBooks 2008.

7 Go to the **File** menu and click **Open or Restore Company**.

8 Select the appropriate directory and file name of the company data you just rebuilt and click **OK**. The update should take place normally. If you still experience update problems, contact Technical Support at **0845 606 2161** (outside the UK, **+44 870 609 0601**).

Installing and setting up QuickBooks for a multi-user environment

There are two ways to set up QuickBooks to be used in a multi-user environment, which will allow up to five users to access your QuickBooks company file at the same time.

- The **Multi-user Host installation** enables users on a network to share files between their computers directly (there is no dedicated file server).
- The **Server installation** enables you to place your QuickBooks company file on a dedicated file server where all users can access the file.

For all installations, you must follow the "Completing Multi-user setup" instructions on page 13.

Note: *If you are not sure which multi-user installation option to choose, the QuickBooks Installation Interview will help you determine the type of installation you need to run for each of your users' computers. We recommend that you walk through the entire interview for the first installation you perform. If you are sure of the installation option you want, follow the appropriate procedure.*

Multi-user Host Installation: For multi-user environments in which users access the company file(s) on this computer from a remote computer. The user on this computer will also run QuickBooks.

1. Make sure your computers are properly networked. Refer to your operating system's documentation for more information.

2. Insert the QuickBooks CD in the CD-ROM drive of the computer on which the company file will be stored.

3. In the **Welcome to QuickBooks Installation** window, click **I know which installation I want, so take me to Installation Options**.

4. In the **Installation Options** window, choose **Multi-user Host Installation** and then click **Begin Installation**.

5. Follow the onscreen instructions.

6. After installation, you may be asked to move your company files or to perform some additional installation modifications. You can also scan your computer for company files that need to be shared. Follow the onscreen instructions.

7. New users should proceed to setting up the company file as described in "Setting up Your Company in QuickBooks" on page 18. Upgraders should update their existing company file as described on page 10.

8. For each additional user who will use QuickBooks on the network, follow the instructions above except choose **Standard Installation** instead.

Server Installation: For multi-user environments using a server to store the QuickBooks company file(s). This computer stores the company file, but no one runs QuickBooks on this computer.

1. Make sure your computers are properly networked. Refer to your operating systems documentation for more information.

2. Insert the QuickBooks CD in your computer's CD-ROM drive of your server.

3. In the **Welcome to QuickBooks Installation** window, click **I know which installation I want, so take me to Installation Options**.

4. In the **Installation Options** window, choose **Server Installation** and then click **Begin Installation**. This will install the QuickBooks Database server components only; the QuickBooks application will **not** be installed.

5. Follow the onscreen instructions.

6. At the end of the server installation, the QuickBooks Database Server Manager will scan the server for company files.

7. For each additional user who will use QuickBooks on the network, follow the instructions above except choose **Standard Installation** instead.

Hosting Multi-user access

The installation option you choose configures the hosting settings for each computer. If you need to change the hosting settings after installation, refer to the multi-user setup topics in the in-product Help.

Note: *If you cannot install QuickBooks or the QuickBooks Server on the computer where your company file is located, you will need to choose a computer to act as the "host." On that computer, open each company file in multi-user mode to configure the alternate hosting settings. For detailed steps, see the in-product Help topics for using the "Alternate Setup" for multi-user mode.*

Completing Multi-user setup

After you install QuickBooks on each computer on your network and set up your company file, you need to perform these additional tasks:

• **Set up user names and passwords for each user.** You will need to assign one user to be the Administrator who defines all other users' access. Refer to the in-product Help for instructions on setting up user names and passwords.

• **Share the folder that contains your QuickBooks company file across your network.** You can press **F2** while in QuickBooks to locate your company file. See your operating system's documentation to learn more about sharing folders.

• **Register each copy of QuickBooks**, as described in "Registering QuickBooks" on page 17.

Installing from a server
If your QuickBooks CD is mounted on a server or a shared CD-ROM drive, you can install from the CD, but you cannot install from the CD to a remote computer.

Choosing where to store your company file in a multi-user environment
Choose a location for your company file where all the computers that need to use QuickBooks can access the file. You might want to put the company file on the computer of the person who most frequently uses QuickBooks. This enables that person to have the fastest access to the company file.

Improving performance in multi-user mode
To improve QuickBooks performance in multi-user mode, consider these tips:

• Store company files on the fastest or most powerful computer, preferably a dedicated server.
• Run reports during off hours.
• Refresh reports only when you're ready to use or print them.
• Avoid keeping unnecessary QuickBooks windows or other applications open.

- **Turn on multi-user mode for each computer on your network**.

  1 Go to the **File** menu and click **Switch to Multi-user Mode**.

  2 Click **Yes**.

  Note: *Based on the installation type, each computer is configured to either "host" company files or not. If you need to change this setting after installation, refer to the in-product Help. Search for "hosting" to find related topics.*

You may need to expand the number of people who work on QuickBooks in the future. Each additional user must have his or her own license. For more information, see "How do I purchase additional user licenses so I can add users to my QuickBooks?" on page 102.

Why are passwords important?

Passwords limit access to your company file. To open a password-protected file, each person must enter his or her user name and a unique, case-sensitive password. Defining users and passwords helps prevent unwanted people from accessing your company's confidential data.

We strongly recommend that you password-protect the Admin user. Otherwise, anyone who can access the company file will have full access rights. By defining users and their access rights, you not only control who can open your company file, but also what data they can view and tasks they can perform.

Troubleshooting installation problems

What should I do if I have trouble installing QuickBooks?

1 Verify that your system meets the minimum system requirements, listed on page 4.

2 Restart your computer.

3 Close all open programs, including antivirus programs. Go to the Windows Task Manager (Task List), click the **Applications** tab, and close all open programs.

4 Try installing QuickBooks again.

If you need further installation assistance, contact Customer Support at **0845 606 2161**, Monday to Friday (9.00 a.m. – 5.30 p.m.), or if outside the UK, **+44 870 609 0601**). You can also visit the QuickBooks support web site at **http://www.quickbooks.co.uk**.

What should I do if I can't find my Registration Number?

QuickBooks no longer uses registration numbers. The only numbers you'll need are your Product and License numbers found on a sticker with your QuickBooks CD or by clicking "About QuickBooks" from the Help menu. (If you register your copy of QuickBooks by phone, you may also be given an Activation number.)

What should I do if I can't find my License Number or Product Number?

These numbers are located on your Intuit invoice or on your QuickBooks CD sleeve. If you no longer have these items but have QuickBooks installed on another computer, you can find your License Number and Product Number as follows:

1 Start QuickBooks on the other computer and open a company file.

2 Go to the **Help** menu and click **About QuickBooks.** Write down the numbers that appear on this screen. Use these numbers for the new installation.

If you are still unable to obtain your License Number and Product Number, you can call **0845 606 2161**, or if outside the UK, **+44 870 609 0601**. Fees may apply.

Why doesn't my old administrator password work after I upgrade?

QuickBooks 2004 and later releases support case-sensitive passwords. If you believe you are entering the correct password, but are still getting the message "The password you typed is incorrect." Try the following:

- Attempt to log on by entering the login name of `Admin` and then click **OK** without typing a password.
- Enter your password with Caps Lock or Num Lock turned on or off.
- Enter password variations, using mixed upper- and lower-case characters.
- Enter the password with a space before or after the actual password.
- Type the password in a text editor to confirm that your keyboard is functioning properly.
- Restore a pre-update backup of your file that does not have the case-sensitive password. When you restore this file, you can set your new administrator password at the end of the update process.

If you are still unable to access your file, contact Customer Support for assistance at **0845 606 2161** (outside the UK, **+44 870 609 0601**). A fee may be charged for this service depending on the support options of your service plan.

Did You Know?

Record your password in a safe place
Be sure to write down and save your administrator password in a secure place. Passwords not only protect your company data, but are also required to access your company file if you upgrade your version of QuickBooks. If you forget your password, see "What should I do if I forget my password" on page 106 for information.

Passwords are case sensitive
Keep in mind that passwords are case sensitive in QuickBooks 2004 and later. When adding or editing a user password, check the Caps Lock and Num Lock keys. If you mistype the password, you will not be able to access the company data.

Product Information window
The **Product Information** window lists information about your software, including the number of entries you have in your lists, the size of your company file, which version of QuickBooks you are running, and the location of your company file. To open the **Product Information** window, press **F2** on your keyboard.

Can I install different versions of QuickBooks on the same computer?

Yes. You can install multiple versions of QuickBooks (for example QuickBooks 2008 and QuickBooks 2006) on the same computer. However, you cannot run two instances of QuickBooks on the same computer at the same time.

Can I revert to an earlier version of QuickBooks?

Yes. Uninstall the version of QuickBooks that you don't want and then reinstall the earlier version of QuickBooks. Remember that you will not be able to open company files that you have updated to QuickBooks 2008 in earlier versions of QuickBooks. You can, however, restore your pre-update backup if you choose to go back to a prior version of QuickBooks.

Can I install QuickBooks on more than one computer?

You can install QuickBooks on the computers used by a single person. For example, if you bought one copy of QuickBooks for your office, you can install it on your home PC or laptop as well. This does not violate the software license agreement as long as you are the only person using QuickBooks on both computers. However, if multiple users will be accessing QuickBooks on multiple computers, then you must purchase an additional licensed copy for each user.

What if I do not have Internet Explorer on my computer?

To use QuickBooks, you must have Microsoft Internet Explorer 6.0 installed. If you do not have any version of Microsoft Internet Explorer on your system, the QuickBooks Installation Wizard will install it for you. If you have an earlier version of Microsoft Internet Explorer currently installed, the installer will replace it with Microsoft Internet Explorer 6.0.

Note: Installing Microsoft Internet Explorer 6.0 will not affect the settings or preferences of other browsers on your system.

What should I do if I get an error message during installation?

If you receive an error message during installation and rebooting your system does not resolve the problem, go to the QuickBooks Support Web site (**www.quickbooks.com/support/install.html**) to find solutions for common errors.

What should I do if I get an error message when updating my company file?

If you receive an error message when updating your company file from a earlier version of QuickBooks, refer to the information in "If an update problem occurs" on page 11. You can also visit the QuickBooks Frequently Asked Questions web site and search the Knowledge Base for information about error messages.

Registering QuickBooks

You can use QuickBooks up to 10 times without registering. After 10 sessions, you must register QuickBooks. Registration entitles you to many benefits including access to your 30 days of free unlimited support included with QuickBooks 2008[1].

Go to the **Help** menu and click **Register QuickBooks.** You can also register by phone at **0845 606 2161** (within the UK) or **+44 870 609 0601** (outside the UK), Monday to Friday from 9.00 a.m. to 5.30 p.m.

If you add additional users to your license, you can update your license information by going to the **Help** menu, clicking **Manage My License**, and then clicking **Sync License Data Online**.

Note: *If you choose to install QuickBooks on a second computer, or if you need to move your installation to another computer, you will need to re-register QuickBooks.*

Getting the latest updates to QuickBooks

From time to time, Intuit provides updates to QuickBooks that can be downloaded from the Internet. These updates might include new features, services, maintenance fixes, or new Help information. You can choose to update QuickBooks automatically or manually.

For a complete description of and instructions for the different update options, including how to share updates in a multi-user environment, refer to the in-product Help.

Converting data from other applications

If you are converting financial data from another application (such as Excel), refer to the instructions below for the appropriate application.

Excel

Detailed instructions about importing Excel® (.xls) and .csv data into your QuickBooks company file are provided in the QuickBooks in-product Help. Importing data from Excel and .csv files is not difficult, but does require you to prepare the file properly.

To view the file preparation and conversion instructions:

1. Start QuickBooks. Go to the **Help** menu and click **QuickBooks Help**.

2. Click the **Search** tab in the **Help** window.

3. Click in the **Search** field and enter `importing Excel data`.

4. Click **About importing data from an Excel or CSV file**.

Note: *If your Excel file is ready to be converted, you can convert it. Go to the **File** menu, click **Utilities**, click **Import**, and then click **Excel Files**.*

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1. 30 consecutive days of QuickBooks 2008 support included from first-time registration. Offer valid 90 days from software purchase. Additional terms and conditions apply.

Setting Up Your Company in QuickBooks

The first thing you need to do in QuickBooks is create a *company file* for your business. Setting up your company file properly is the most important thing you can do to have QuickBooks help you manage your business efficiently.

The setup process is easy with the EasyStep Interview and should take you about 15 minutes to complete. Then, depending on the complexity of your business, completing your company setup can take anywhere from a few minutes to a few hours. The amount of time varies based on how much detail you add about your accounts, customers, suppliers, employees, products, and services, as well as the number of *historical transactions* you want to enter.

When you set up your company file, QuickBooks will prompt you for details about your company. Before you begin the setup process, gather the information shown in the Getting Started Checklist on page 18. Some of this information you'll need for the EasyStep Interview; other information you will need as you begin to use QuickBooks.

Create your company file

After you have gathered the company information listed in the Getting Started Checklist on the next page, you can set up your business using the QuickBooks EasyStep Interview. (Not all of the information in the checklist is required for the EasyStep Interview; however, you will need this information as you use QuickBooks to run your business.) The EasyStep Interview walks you through the setup procedure and helps you tailor QuickBooks for your business.

Getting Started Checklist	
Company name and address	You'll need both the trading and legal name for your company. The legal company name is the name you use when filing taxes for your business. The trading company name is the name that you want to appear on invoices, statements, reports, etc. (This is your "Doing Business As" name.)
Start date	QuickBooks uses a start date as the point at which you begin entering your business transactions. You must enter all historical transactions between your start date and today to ensure complete accounting records for your business. Many business owners base their accounting records on their financial year, so that they can see transactions for the entire year. If this is not important to you, you can choose a different starting point, such as oday or the first of the month, quarter, year, or VAT period.

The start date is the first day after which you have gathered all your information. For example, if your year end is 31 March 2007, your QuickBooks start date is 1 April 2007. You need all the information up to and including 31 March 2007. |
| **VAT Registration Number** | A VAT registration number that is issued to you by HM Revenue & Customs once you register for VAT. |
| **VAT information** | You need to know the VAT scheme you are registered for: either the Accruals (Standard) VAT scheme or Cash VAT Accounting scheme. Check with your accountant if you are not sure. You will also need opening balance figures including amount of VAT owed to (or owed to you by) HMRC. |

Getting Started Checklist

Bank statements, credit card accounts, and outstanding cheques	You'll need the most recent bank statement for one of your bank accounts with a closing date that's before your start date. The closing balance on this statement will be your opening balance for the bank account you create in QuickBooks, and then you'll enter all the open transactions, and all the new transactions from the start date forward. Eventually, you will need to have your latest bank statement balances and any outstanding cheques, deposits, withdrawals, or charges for all of the accounts you want to set up and manage in QuickBooks, including credit cards, bank accounts, lines of credit, and loans.
Assets and Liabilities	You will need the balance of each loan your business owes (liabilities) such as a bank loan, hire purchase, or director's loan; or is owed (assets). If you have stock, you need to know its value as of your start date.
PAYE Tax Reference No.	If you have employees to pay, you need to register with the HM Revenue & Customs (previously called Inland Revenue) and obtain a tax reference number. This number can be found on the yellow payslip booklets (P30BC) issued by HMRC.
PAYE Liability	If you are operating payroll, you need to know how much PAYE income tax and National Insurance (NI) contributions you owe to HMRC as of your start date.
Payroll	If you are using Payroll, you should gather the following information from your employees: company information; compensation, benefits, and miscellaneous additions and deductions; tax information; employee information; year-to-date history; and liability payment information.
Optional information	Eventually, you will need to enter detailed information about your customers, suppliers, and employees, as well as the products and services you sell, the products that you hold in stock, and any additional *assets*.

To create your company file:

1 Start QuickBooks by double-clicking the QuickBooks icon 🧑 on the desktop or clicking the Windows **Start** button and then clicking **QuickBooks** from the **Programs** group.

2 Click **Create a new company file**, or go to the **File** menu and click **New Company**.

3 The Welcome screen for the EasyStep Interview opens. Click **Start Interview**.

> **Note:** *We recommend that you do not skip the interview process. The more information you enter with the EasyStep Interview, the more accurate your company file will be when you begin to use QuickBooks for your business.*

> *However, if you are an experienced QuickBooks user and prefer to create your company file manually, you can skip the EasyStep Interview by clicking **Skip Interview** on the EasyStep Interview Welcome screen. You will be prompted to enter some basic company information and to save the company file.*

4 Follow the onscreen instructions and complete the interview.

Completing your company setup

After you've created your company file, you can begin using QuickBooks to run your business. But before you do, we recommend that you review the information in this section to make sure your company file is properly set up and that your data is complete.

This section describes some additional tasks you **might** need to do as you begin using QuickBooks. Depending on how much information you entered during the EasyStep Interview, some of these tasks might not apply to you.

Enter your company information

Do this task if you did not enter this information in the EasyStep Interview.

To enter the contact and legal information for your company, go to the **Company** menu and click **Company Information**. To learn more about each of the fields and where the information you enter will be used in QuickBooks, click the **Help** button.

Review your Chart of Accounts

If you used the EasyStep Interview, a chart of accounts based on your type of business was set up for you. Review the chart of accounts to be sure it accurately reflects the accounts you need to run your business. You can change account names and edit, delete, or add accounts as necessary. For example, you will need to add any personal bank, credit card, or loan accounts.

To view your Chart of Accounts, go to the **Lists** menu and click **Chart of Accounts**.

Numbering your accounts

Some businesses prefer to organise their accounts by number. Adding numbers can help you identify the type of accounts, thereby speeding up your account selection on various forms. You might want to develop and follow a consistent account naming and numbering convention. For example:

    1000-1999 - Assets

    2000-2999 - Liabilities

    3000-3999 - Equity

    4000-4999 - Income

    5000-5999 - Cost of Goods Sold

    6000-6999 - Expenses

    7000-7999 - Other Income

    8000-8999 - Other Expense

If you want to use numbers to identify your accounts, you need to turn on this preference in QuickBooks, as follows.

1 Go to the **Edit** menu and click **Preferences**.

2 In the **Preferences** window, click **Accounting** in the list on the left.

3. Click **Company Preferences**.

4. Select the **Use account numbers** checkbox.

5. Click **OK**.

Create your customer, supplier, and items lists

To bill customers and pay your bills with QuickBooks, you must update your customer, supplier, and item lists so that they accurately reflect your business. Instructions for setting up these lists are provided in Chapter 4:

• "Adding Customers" on page 48

• "Adding Suppliers" on page 50

• "Adding Items" on page 52

You can choose to enter this information all at once, or you can enter it as you work, using the Quick Add feature, described on page 37.

Enter historical transactions

If your start date is before today's date, you'll need to enter past transactions from the start date to today. This ensures that your QuickBooks records are completely up-to-date and your reports will be accurate.

Enter historical transactions in chronological order. For example, QuickBooks won't know how to credit a customer payment unless you've previously recorded the invoice to that customer. The most efficient way to enter historical transactions is in the account register.

Note: *Entering historical transactions is especially important if customers don't pay you at the time they receive goods or services. If you don't enter historical transactions early on, it's hard to track and collect late customer payments.*

Intuit recommends that you enter your transactions in this order (verify with accountant):

• Invoices or statements you've sent out since your start date

• Purchase orders you've issued since your start date that you haven't received in full

• Cash or cheques you've received since your start date

• Bills you've received since your start date

• Bills you've paid since your start date

Key Terms

Company file
The company file is the data file that QuickBooks uses to store and manage all the information and financial transactions for your business. QuickBooks company files have the extension .qbw.

Historical transactions
A list of all business transactions as of a specific date. In QuickBooks, you can have many different lists of historical transactions, including:

• Estimates
• Invoices
• Sales receipts
• Customer payments
• Credit notes
• Purchase orders
• Item receipts
• Bills
• Payments to suppliers
• Credits with suppliers
• Journal entries
• Payroll transactions

E-mailing a company file
The QuickBooks portable company file (*.qbm) is a compact version of your company file. You can use the portable company file to move the company file to another computer or to e-mail the company file to another person, such as your accountant.

To learn more about the portable company file, refer to the in-product Help.

- Deposits you've made to any of your accounts since your start date
- Any other cheques you've written (for things other than bills) since your start date
- Employee year-to-date information accrued from the beginning of the financial year through your start date
- Payroll liabilities owed at the time of your start date (for manual payroll and tracking payroll transactions only)

Note: *If you don't have time to enter all your historical transactions right away, don't worry. You don't need to enter all your past transactions before you start using QuickBooks for new transactions. Enter new transactions as they occur. Then catch up with historical transactions when you can. Remember, though, that your account balances will be incorrect (and your reports may be wrong) until you enter all the past transactions.*

Note: *If you subscribe to QuickBooks Payroll, you will add year-to-date payroll information while setting up payroll. For more details, see page 64.*

Complete your bank account information

After you've entered your historical transactions, your account registers will contain entries reflecting bills you've paid, cheques and payroll payments you've written, and deposits you've received. To make your account registers complete, you must also enter these transactions:

- Cheques or other charges that happened before your start date but didn't appear on statements before your start date (i.e., didn't clear)
- Other cheques you wrote after your start date that were not for bills or accounts payable (for example, credit card payments)
- Deposits you made after your start date that were not customer deposits
- Deposits you made before your start date but that didn't appear on statements before your start date
- Bank charges and fees
- Interest paid on your account

Refer to the in-product Help for step-by-step instructions on how to enter these transactions to make your account registers accurate.

Synchronising with Microsoft Outlook

If you use Microsoft Outlook 98, 2000, 2002, 2003, or 2007, you can synchronise your contact manager with QuickBooks and transfer all your customer and supplier information (including address and phone) to QuickBooks.

Note: *Intuit recommends synchronising your customer and supplier information before you enter any customers or suppliers manually.*

To synchronise your customer and/or supplier information:

1 Go to the **Company** menu, click **Utilities**, and then click **Synchronise Contacts**.

> Note: *If you are synchronising for the first time, we recommend that you back up both the data in your contact manager and your QuickBooks company file before you synchronise.*

> Note: *If you do not already have the QuickBooks Contact Synchronisation tool installed on your computer, you will be prompted to download and install it.*

2 Follow the onscreen instructions. You might be asked to resolve conflicts between your QuickBooks and contact manager data, assign uncategorised names to QuickBooks lists, or create alternative entries for duplicate names. If you need assistance with any of these tasks, click **Help**.

3 When the Confirm Changes screen appears, review the list of changes and click **Accept** to apply the changes.

Enter any optional adjustments

After you've created your company file, you might need to make a few adjustments as of your start date. Depending on your company, you might need to:

- Enter any VAT liabilities
- Adjust the Uncategorised Income and Uncategorised Expense accounts (for accrual basis only)
- Adjust for current income and expenses if your start date is not at the beginning of the financial year
- Distribute earnings and equity before your start date

Refer to the in-product Help for step-by-step instructions on how to enter these optional adjustments. If you are unsure whether you need to enter these optional adjustments, cheque with your accountant.

Key Terms

Assets
Company assets are the things that your company owns. QuickBooks distinguishes between two types of assets:

Current assets: Assets that you are likely to convert to cash within one year (such as the cash you have on hand, the money in your current and savings accounts, and the money your customers owe you).

Fixed assets: Assets that you do not expect to convert to cash within one year. A fixed asset is usually something you use to run your business (such as a truck, cash register, or computer).

Did You Know?

Confirming your opening balance when transferring data to QuickBooks
If you used an accounting program before using QuickBooks and you are now transferring data from that program to QuickBooks, make sure that the opening balance for your new bank account in QuickBooks is based on your bank statement and not the bank balance from your previous accounting software. The balance of the bank account from your previous accounting software will not include post-dated transactions or transactions that the bank has cleared.

Backing up your company file

The QuickBooks backup file is a compressed version of your QuickBooks company file that contains all transactions through the date the company backup was made. A backup file provides insurance against accidental data loss and can be used to restore your data. QuickBooks backups have a .qbb extension and cannot be opened directly.

QuickBooks provides several backup options for securing your data:

- Standard backup
- Portable Company File
- Accountant's Copy

To use one of the backup options, go to the **File** menu and click **Save Copy or Backup**.

To restore your backup, go to the **File** menu and click **Open or Restore Company**.

To learn more about backing up your company file, refer to the in-product Help.

Next steps

After you've installed QuickBooks and set up your company file as described in this chapter, you should:

- Learn how to use QuickBooks and get answers to your questions (see Chapter 3).
- Learn how to perform basic QuickBooks tasks (see Chapter 4).
- Learn about new QuickBooks features (see Chapter 5).

3 | Learning QuickBooks

Getting Around QuickBooks

The QuickBooks work area, shown in Figure 2, is designed to enable you to complete tasks quickly. QuickBooks provides several ways for you to work; choose the method that works best for you.

The **menu bar** provides easy access to all QuickBooks tasks, features, and reporting functions.

Refer to the in-product **Help** for detailed instructions about how to perform tasks in QuickBooks.

The customizable **icon bar** on the toolbar provides one-click access to the QuickBooks features that you use most.

The **navigation bar** on the toolbar provides one-click access to QuickBooks Centers and the Home page.

The **Home page** offers quick access to tasks and information related to major QuickBooks areas. The Home page provides a clickable flow chart, account balances, and customization options.

Flow chart icons include informative tooltips to help you learn QuickBooks and pick the correct task.

Figure 2. The QuickBooks work area

Using the Home page to move around in QuickBooks

When you open a company file in QuickBooks, the Home page is displayed automatically. The QuickBooks Home page provides a big picture of how all your essential business tasks fit together. Tasks are organised into logical categories (Customers, Suppliers, Employees, Company, and Banking) with workflow arrows to help you learn how tasks relate to each other and to help you decide what to do next.

Note: *The workflow arrows indicate a logical progression of business tasks in QuickBooks. However, these arrows do not restrict you from doing tasks in a different order, or an order that works better for your business needs.*

To start a task, simply click the icon for the task you want to do. For example, to create an invoice, click the **Invoices** icon.

To return to the Home page, click the **Home** button on the navigation bar.

The Home page also provides a quick glance about the state of your business. You can see your current account balances, updated automatically as you do work in QuickBooks, in the Account Balances list.

The Home page you see has been customised to display only those tasks and features that you use, based on the questions you answer in the EasyStep Interview. Functions you don't need won't clutter your workspace. However, if you decide to use these functions later, you can always add them back to the Home page by clicking the **Customise QuickBooks** link in the **Getting Started** section of the Home page.

Finding your data in the QuickBooks Centres

QuickBooks includes Customer, Supplier, and Employee Centres where you can view and manage all of your customer, supplier, and employee information and transactions. You can go to one of the QuickBooks Centres by clicking the appropriate button in the navigation bar (on the left side of the toolbar).

Customer Centre   Supplier Centre   Employee Centre

Customer Centre

The Customer Centre, shown in Figure 3, is a lens into all your customer information. Without having to sift through multiple screens, you can view a list of all your customers and see pertinent information for each of them. Click on a customer's name and you'll immediately see all the activity you've had with them as well as their pertinent contact information (phone number, fax number, and payment terms).

You can use the Customer Centre to find out how much money a specific customer owes you or to view a list of all your customers with open balances. You can also look at all your customer transactions (estimates, sales orders, invoices, credit notes, refunds, etc.) across all of your customers in the Transactions list rather than having to run separate reports.

Did You Know?

Customising the desktop
You can modify the way that the QuickBooks desktop behaves and looks to suit your working style. To modify the QuickBooks desktop, go to the **Edit** menu and click **Preferences**.

Customising the icon bar
You can add, rearrange, and remove shortcuts from the icon bar to suit your needs. To modify the icon bar, go to the **View** menu and then click the **Customise Icon Bar**.

Too many windows open?
If your QuickBooks work area becomes too cluttered with windows that you have open, you can close them all at once instead of closing them one at a time. To close all open windows, go to the **Window** menu and click **Close All**.

When you close your company file at the end of the day, it's good practice to close all windows that you have open. The next time you open your company file, QuickBooks will open all the windows that you had open when you closed your company file. If you forget to close open windows when you exit QuickBooks, hold down the Alt key while opening your company file. QuickBooks will open your company file with no windows open in your work area.

Easily access your customer's contact information and any notes on that customer.

Run quick reports that pertain to this customer.

Easily add customers and jobs. Create new transactions (estimates, invoices, sales orders).

Click a customer in the Customers & Jobs list to view useful data.

Use the Transactions tab to find, sort, and filter all your transactions across all of your customers.

View all of your past transactions with this customer, or filter this list to display only one type of transaction, like overdue invoices.

Figure 3. View and manage customers, suppliers, and employees with the QuickBooks Centres

Supplier Centre

The Supplier Centre gives you a complete picture of where your money is going. From one screen, you can see all your suppliers and exactly what you owe them. Simply click a supplier's name to view your entire history with that supplier. You no longer need to run separate reports to see exactly how much business you're doing with each individual supplier. And, you can sort your bills by due date so you can stay on top of your finances.

If you need to talk to a supplier, click their name and you'll see all their contact information. If a supplier calls you to follow up on a late payment, you can quickly look up the bill and see when you paid it and what the cheque number was.

Employee Centre

From the Employee Centre, you can see exactly what you're paying each employee. Simply click an employee's name to view that person's payroll history. And if you need to get in touch with an employee, their contact information is right in front of you.

Payroll Centre

If you subscribe to the QuickBooks Payroll service (additional fees apply), the Employee Centre includes a Payroll Centre. Use the Payroll Centre to manage your payroll.[1]

The Payroll Centre is the hub for managing all payroll activities. The Payroll Centre reminds you of important payroll dates so you pay your employees, pay your payroll liabilities, and file forms on time.

To view the Payroll Centre, click the **Employees** menu and select **Payroll Centre**.

Displaying multiple windows or one window

QuickBooks is preset to show multiple windows at a time. By doing so, you can easily navigate between tasks as well as compare data in multiple windows. When you open a window, it opens to a preset size and location. You can resize and move each window as you see fit.

Depending on how you size or arrange the windows, some windows might not be visible. Use the **Window** menu to view a list of the open windows. Simply click the window name in the list to bring it to the front.

Alternatively, you can open the **Open Window List** to have the list of open windows always visible on the left side of the QuickBooks application window. If you prefer to view only one window at a time, go to the **View** menu and click **One Window**.

Adding icons to the icon bar

For quick access to the areas of QuickBooks you use most, you can customise the icon bar by adding many of the features and reports that you use most frequently.

View Lists Accountant Company Custom	You can add, rearrange, or remove shortcuts from the icon bar in the Customise Icon Bar window.
✔ Open Window List	
✔ Navigation Bar	To add a shortcut to a QuickBooks window, open the window and then go to the **View** menu and click the **Add to Icon Bar** option.
✔ Icon Bar	
Customise Icon Bar...	
Add "Chart of Accounts" to Icon Bar...	
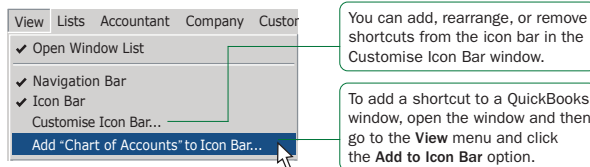
Note: *Some QuickBooks windows cannot be added to the icon bar.*

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1. Add-on services require a subscription and Internet access for certain features, including tax table updates.

Getting Answers to Your Questions

QuickBooks provides a variety of tools and resources to help you find answers to questions you might have when using QuickBooks. Available resources include:

- QuickBooks Learning Centre
- In-product Help
- Additional self-help tools
- Assisted support
- ProAdvisors

Check out the QuickBooks Learning Centre

As you begin using QuickBooks, one of the first things you'll see is the QuickBooks Learning Centre. The Learning Centre provides links to overview help topics that help you learn how to use QuickBooks and complete common business tasks.

To open the QuickBooks Learning Centre later, go to the **Help** menu and click **Learning Centre**.

Using in-product Help

QuickBooks in-product Help provides background information and instructions for doing QuickBooks tasks. You can access the Help content and features in several ways.

To use in-product Help, go to the **Help** menu and click **QuickBooks Help**.

Use the **Index** tab to find Help topics for a specific QuickBooks term or concept. Enter a keyword in the field or scroll through the list.

Click the Printer icon to print a topic.

Enter a question in the **Search** tab and click Ask to search the entire Help system for the information you want.

Let us know if the Help topic answered your question and what we can do to improve Help.

Getting step-by-step instructions

Throughout QuickBooks you'll find windows with a **How Do I** button. Clicking this button provides quick access to instructions for tasks associated with the window.

Viewing Help for a window you have open

If you are unsure how to use a particular QuickBooks window, press the **F1** key on your keyboard to get help. (You can also click the **Help** button to view these Help topics.) These Help topics provide answers to questions such as:

• What can I use this form for?

• What does this button do?

• What kind of information is displayed in this column?

• What happens when I select this option?

Using Help Search and Index to find information

QuickBooks in-product Help is quite extensive. Use the Help Search and Index to find answers to your questions quickly.

To find information using Search:

• Type your question in the **Ask** field in the title bar of most QuickBooks windows and click **Ask**; or

• Go to the **Help** menu, click **QuickBooks Help**, and then click the **Search** tab. Enter your question in the **Search** field and click **Ask**.

> **Tip: Using Search Effectively** Entering questions of 3-10 words produces better search results than simple keywords. For example, instead of typing "invoices," enter `How do I create invoices?` in the **Ask** field.
>
> Make your questions as specific as possible. They should not get too long or contain too many keywords. For example, "How do I add customers?" will return better results than "How do I add new customers and suppliers?"
>
> If you get no search results, check the spelling in your question. QuickBooks knows about some common misspellings, but other misspellings will not be caught. Do not use abbreviations. Try different keywords.
>
> If you can't find your answer in the topics returned by search, click the **Show all results** checkbox to see more topics.

To find information using the Index:

1. Go to the **Help** menu, click **QuickBooks Help**, and then click the **Index** tab.

2. Enter a term in the blank field. The index will scroll and display the available entries.

3. Double-click the index entry that best describes that information you want.

Using the sample company files

QuickBooks includes several sample company files that you can practice with to enter pretend data, run reports, and explore QuickBooks features.

To open a sample company file, go to the **File** menu, click **Open or Restore Company**, and then click a sample company file from the list.

Additional Self-Help Tools

If you cannot find the answer you want in the in-product Help, try these other resources.

Support Resources page in QuickBooks

From the Support Resources page, you can:

- Find additional troubleshooting tips
- Learn about your assisted support options and how to contact Intuit
- Learn about and sign up for support plans
- Find a QuickBooks ProAdvisor
- Learn about training resources

To open the Support Resources page, go to the **Help** menu and click **Contact Support**.

QuickBooks UK Community

Use the QuickBooks UK Community (**http://community.quickbooks.co.uk**) to connect with other QuickBooks users and experts to find answers and share advice. From the communities, you can find discussion boards, blogs, and articles.

To check out and register for the QuickBooks Communities, go to the **Help** menu, click **Contact Support**, and then click **Go to the QuickBooks Online Community**.

Online Knowledge Base

The online QuickBooks Knowledge Base (**faq.quickbooks.co.uk**) provides a free library of articles for each QuickBooks product family. In the Knowledge Base, you can find:

- Answers to common user questions
- Product update information
- Useful links to product updates, support plans, customer service, and current news articles
- Technical help for a variety of QuickBooks issues

Did You Know?

Getting help from QuickBooks professionals
Want local professional help setting up or customising your QuickBooks? You'll get the most out of QuickBooks when a QuickBooks ProAdvisor helps you customise the software for your unique needs.

- Save time and money by getting your QuickBooks setup right the first time, rather than fixing mistakes down the road.
- ProAdvisors can help you set up appropriate reports so you can easily understand the health of your business

If you don't currently work with an accounting professional, or your accountant isn't a QuickBooks expert, you can look for a QuickBooks ProAdvisor in your area who can help you set up and customise your QuickBooks by visiting **www.quickbooks.co.uk** and clicking the "local help" button.

Getting Assisted Support

If you cannot find the answer you want using the in-product Help or other self-help tools, get assistance from a QuickBooks expert.

To learn more about free and paid QuickBooks Assisted Support options and how to get help, go to the **Help** menu and click **Contact Support** or open a web browser and visit **www.quickbooks.co.uk**.

Working with a QuickBooks ProAdvisor

From time to time, you might need advice that is very specific to your business situation. In this case, you'll want to contact your accountant or another specialised professional.

If you do not have an accountant or bookkeeper working for you, you can find a QuickBooks ProAdvisor located near you from our Web site. QuickBooks ProAdvisors are independent accountants, bookkeepers, computer consultants, and trainers who work with small businesses every day. They can offer guidance on everything from business planning to tax advice.

To find a ProAdvisor in your area, open a Web browser and enter the URL: `http://www.quickbooks.co.uk/`

From there, under ProAdvisors, click the "local help" button.

QuickBooks Basics

To take full advantage of QuickBooks, there are some important concepts you need to understand.

How QuickBooks lists work

Lists are one of the important building blocks that make QuickBooks so powerful and efficient. You use information stored in lists to fill out most QuickBooks forms. For example, to create an invoice, you choose the customer name from your Customers & Jobs list. QuickBooks automatically enters the customer information on the form for you. This saves you time and prevents typing errors. You can also change the information directly on the form as needed. Lists are easy to set up in QuickBooks, but do require careful planning.

Depending on the type of list you want to use, you can get to the list in one of two ways:

- **QuickBooks Centres:** Your Customers & Jobs, Suppliers, and Employees lists are available in the Customer, Supplier, and Employee Centre, respectively. Click the appropriate QuickBooks Centre button on the navigation bar to go to a QuickBooks Centre. Then, click the tab for your list.

- **List windows:** Other lists, such as the Chart of Accounts and Item List, appear in separate windows. To view one of these lists, click the **Lists** menu and then click the list you want. To enter information in these lists, use the menu button at the bottom of the list to add, edit, or delete list items. The list menu also provides access to common features associated with the list.

The more detail you enter for each list item, the more information QuickBooks can use to pre-populate forms, track financial data, and display useful reports about your business. Another advantage of lists is that common tasks like adding list entries, editing list information, and deleting list entries are performed the same way.

Figure 4 illustrates how QuickBooks uses list information across multiple windows and tasks to simplify data entry and to give you a complete picture of how your business is doing.

1. Use the Customer Centre to view customer data. Click **New Customer & Job** to add a customer to your list.

2. Enter customer information in the **New Customer** window.

3. The information for the new customer appears in the **Customers & Jobs** list.

4. Pick a customer name from the list and choose to create an invoice from the **New Transactions** menu. The customer information is entered automatically.

5. All invoices for this customer are listed in the **Transaction Details** area.

6. To view a list of invoices for *all your customers*, use the **Transactions** tab.

Figure 4. How QuickBooks reuses list information to make your life easier

Entering list information as you work

There are two basic methods you can use to enter list information in QuickBooks. You can enter account, customer, supplier, product, and service information before you enter transactions in QuickBooks, or you can enter this information "on the fly" as you use the product.

If you prefer to enter information as you use QuickBooks to perform your daily tasks, QuickBooks prompts you to immediately set up any entry it does not know about. For example,

if you try to create an invoice for a customer named John Walker and you have not entered information about John Walker into QuickBooks, QuickBooks will prompt you:
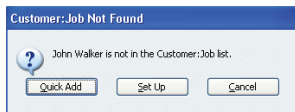
Clicking **Quick Add** creates a new customer list entry for John Walker in the **Customers & Jobs** list and adds all the information you enter about the customer on the invoice form (billing address, payment terms, taxable status).

Clicking **Set Up** takes you to another window where you can enter information not covered by the invoice. For example, you could click **Set Up** to enter John Walker's phone number, fax number, and credit limit.

Writing cheques versus paying bills

In QuickBooks, you can manage your bills and payments in two ways:

Write cheques to pay bills now. Use the **Write Cheques** window and assign the amounts to appropriate expense accounts.This method is recommended when you don't receive a bill, such as when you go to the store and write a cheque and then you need to record that expense in QuickBooks. You can also use Write Cheques to pay a bill as soon as you receive it, as long as you don't need to track the bill.

Enter bills when you receive them and pay them later. Use the **Enter Bills** window to enter bills when you receive them. Then use the **Pay Bills** window to pay bills when they are due. You can set up QuickBooks to remind you to pay bills when they are due. Using this method, you keep your money in your business for as long as possible. You might still use a cheque to pay the bill, but this method enables you to track how much money you owe. And at any time, you can run reports to analyse unpaid bills for information such as which suppliers you owe money.

Note: *Do not simply write a cheque in the* ***Write Cheques*** *window to pay bills that you entered in the* ***Enter Bills*** *window or the accounts payable registers.*

Did You Know?

What happens when I record a bill payment?
If you paid by:

• **Cheque.** QuickBooks prepares one cheque for each supplier and records the cheques in the current account register with BILLPMT in the **Type** field.
• **Credit card.** QuickBooks records a charge for each supplier in your credit card register.
• **Cash.** QuickBooks records a payment for each supplier in your cash account register.
• **Online banking payment.** QuickBooks prepares one online banking payment instruction for each supplier and records the payments in the current account register with BILLPMT in the **Type** field.

In each scenario, QuickBooks records the payment to each supplier in the accounts payable register. The amount you paid appears in the Payment column.

Figure 5 illustrates the difference between writing cheques versus entering and paying bills.

Receive bill from supplier

Write cheques now → Write Cheques

Enter bills now, pay when due → Enter Bills

Pay Bills

Pay Supplier

Print cheques

Figure 5. Writing cheques versus entering and paying bills

4 | Essential Tasks

QuickBooks Workflow | Visual Overview

Setting Up Your Business	Money In	Money Out
Preferences	Estimates → Invoices → Receive Payments	Pay Bills
Accounts	Sales Receipts → Deposits → Bank Accounts	Write Cheques
Items		Issue Credits/Refunds
VAT		Pay Employees
Customers		
Suppliers		
Employees & Payroll		

Managing Your Business	Create Reports	QuickBooks Services and Other Solutions
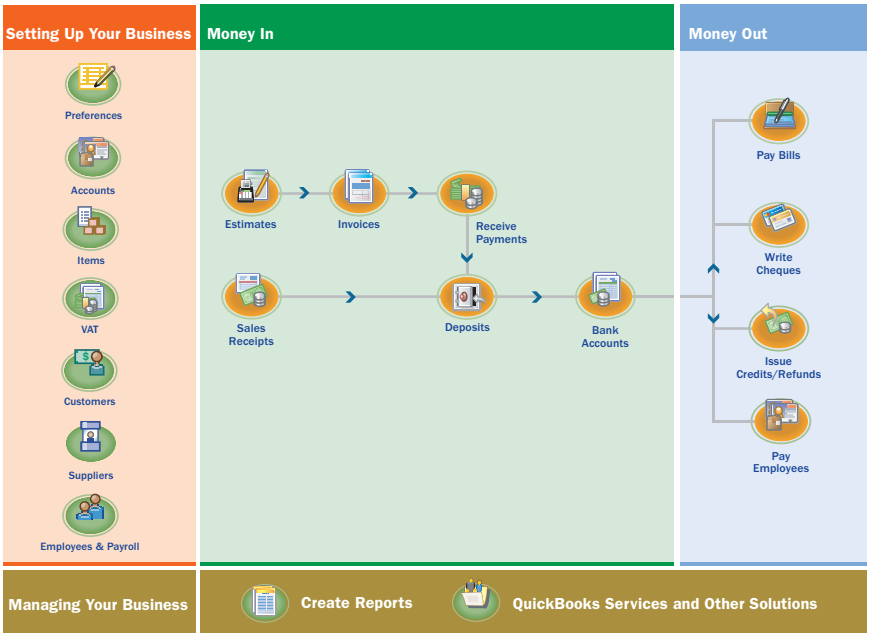
Learning how to do essential QuickBooks tasks

The diagram to the left shows a visual overview of the essential tasks that most people use to run their company in QuickBooks. This chapter describes how to perform each of these tasks and offers important usage tips.

The tasks are written assuming that you want to set up all the information for your business (for example, customer, supplier, and account information) before you begin creating invoices, receiving payments, or paying your bills.

However, you might prefer to enter information as you need it. For example, you might create an invoice for a new customer and use Quick Add (described on page 39) to enter the customer information "on the fly." Either method works fine. You choose the method that works best for you.

Setting Up Your Business | Preferences

Preferences: Modify QuickBooks for the way you work

Set personal and company preferences for each QuickBooks area.

Click **General** to set general QuickBooks preferences.

2

Choose a group from the preference list to set behaviour for other QuickBooks areas.

3
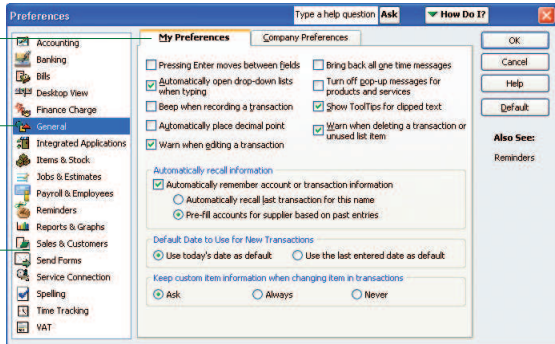
Changing QuickBooks for the way you like to work

You can modify QuickBooks in many ways to suit the needs of your business and your personal style of working. From the **QuickBooks Preferences** window, you can define *preferences* in over a dozen different categories.

For example, you can configure general preferences such as whether or not QuickBooks prompts you before editing or deleting a transaction, or which date QuickBooks uses for new transactions. Or, you can configure accounting-specific preferences such as how QuickBooks displays accounts and subaccounts.

To view and set preference options:

1. Go to the **Edit** menu and click **Preferences**.

2. In the **Preferences** window, change any of the general QuickBooks preferences. These preferences determine how QuickBooks behaves.

3. To display the preferences for another area of QuickBooks, click the appropriate category in the list on the left. For example, to set preferences for reporting functions, click **Reports & Graphs**.

4. On the **My Preferences** tab for the particular feature area, enter the changes and settings you want. These settings affect only your QuickBooks sessions, not those of other users.

5. Do one of the following:

   - Click **OK** to close the **Preferences** window and save your changes.
   - Click another feature area in the scroll box to enter other preferences. Click **Yes** when prompted to save your changes.

6. Click **OK**.

Did You Know?

Company preferences
Company preferences are global preferences that affect all users of the company file. Only the QuickBooks Administrator can set up or modify company preferences.

My Preferences
You can customise your workflow by setting personal QuickBook preferences, such as using the Enter key instead of the Tab key to move between fields.

Setting Up Your Business | Adding an Account

Chart of Accounts

The Chart of Accounts list shows the balance of each balance sheet account for your business. **1**

Rearrange your accounts by clicking and dragging the diamond to the left of an account to a new position.

Click the **Account** button to create new accounts or perform tasks with existing accounts. **2**

Add New Account

QuickBooks supports many different types of accounts. **3**

Click here to make the account a subaccount of another account. **5**

Click here to enter an opening balance for the account (for balance sheet accounts). **7**

Set up QuickBooks to automatically remind you when to order cheques for an account.

Adding an Account

When you set up your company file, QuickBooks sets up certain *accounts* for you automatically. However, as your business grows or changes, you might need to add new accounts to your *chart of accounts* to better organise your finances. Or, you might need an account that was not provided during setup. For example, you might want to create expense accounts to track office supply purchases separately from advertising costs.

To add an account:

1 Go to the **Lists** menu and click **Chart of Accounts**.

2 Click the **Account** button and then click **New**.

3 In the **Add New Account: Select Account Type** window, select the type of account you want to create and then click **Continue**.

> Note: *Refer to pages 48 and 49 for a description of the different types of income, expense, and balance sheet accounts.*

4 Enter the account's name in the **Account Name** field. This name will appear on your company financial statements.

5 If you want to make this account a subaccount of another account, select the **Subaccount of** checkbox. From the drop-down list, click the account that will be the higher-level account for this subaccount.

6 (Optional) Enter a short description, note, bank account number, or credit card number, depending on the type of account you are adding.

7 **For balance sheet accounts.** Enter an opening balance based on the account's balance as of your QuickBooks start date. Generally, you should enter any balance sheet balances as of the day before your start date. That way it's all exactly correct at the opening of your start date. If you're putting money into the account with a transaction, do not use the opening balance field, since this will create an additional transaction. If you're not sure of the balance, you can leave the field blank and enter the information later. Click **OK** when finished.

8 Click **Save & Close** or **Save & New** to add another account.

Key Terms

Accounts
There are two types of accounts:

Balance sheet accounts, that track your assets and liabilities (such as bank accounts or accounts payable)

Income and Expense accounts, which are used to track where your income came from and what you spent the money on, such as office supplies, rent, and utilities.

Refer to pages 46 and 47 for a description of the different QuickBooks accounts.

Chart of Accounts
A complete list of your business' accounts and their balances. You use a chart of accounts to track how much money your company has, how much money it owes, how much money is coming in, and how much is going out.

Did You Know?

It is recommended that you open a business current account for writing cheques as one of the first things you do when starting a new business.

Why Use Subaccounts?

When you need more detail about what's going on in an account, you can divide the account into one or more subaccounts. Subaccounts let you track several related types of income or expenses independently yet keep them all under the "umbrella" of a single parent account. Subaccounts appear indented immediately below their parent account in your chart of accounts. If you create subaccounts, it's best not to post anything to the "parent" account For example, if your business has substantial advertising expenses, you might decide to divide your Advertising expense account into several subaccounts, such as Newspaper Ads, Signs, Yellow Pages Listing, and Direct Mailings.

For a brand new account

When you create a brand new account, leave the opening balance at zero. Its opening balance will be created automatically when you transfer funds from another account.

What type of account should I use?

There are two main types of accounts in the QuickBooks chart of accounts:

- Income and expense accounts
- Balance sheet accounts

Income and Expense Accounts

Income and expense accounts track the sources of your income and the purpose of each expense. When you record transactions in one of your balance sheet accounts, you usually assign the amount of the transaction to one or more income or expense accounts. For example, not only do you record that you took money out of your current account, but you keep track of what you spent the money on (utilities or office supplies).

Account type	Purpose
Income	Categorises money earned from normal business operations, such as product sales, service sales, and discounts to customers.
Other income	Categorises money your business earns that is unrelated to normal business operations, such as dividend income, interest income, and insurance reimbursements.
Expense	Categorises money spent in the course of normal business operations, such as advertising and promotion, office supplies, insurance, legal fees, payroll, charitable contributions, and rent.
Other expense	Categorises money your business spends that is unrelated to normal business operations, such as corporation taxes and penalties and legal settlements
Cost of goods sold	Tracks the direct costs to produce the items that your business sells, such as cost of materials, cost of labour, subcontractors, and shipping.

Note: *QuickBooks does not display balances for income and expense accounts in the Chart of Accounts. To see these balances, go to the* **Reports** *menu, click* **Report Centre,** *and then click the* **Company & Financial** *category. You can also select the income or expense account in the chart of accounts and click* **QuickReport.**

Balance Sheet Accounts

QuickBooks provides 10 types of balance sheet accounts to choose from as you create and add to your Chart of Accounts. Use the type of account that best describes the type of data you are tracking.

Account type	Purpose
Bank	Tracks money you have in your cash accounts. Create one for each cash account, such as petty cash, current, and savings.
Accounts receivable (A/R)	Tracks money your customers owe you on unpaid invoices. Most businesses require only the A/R account that QuickBooks automatically creates.
Other current asset	Tracks the value of things that you can convert to cash or use up within one year, such as prepaid expenses, employee cash advances, stock, and loans from your business.
Fixed asset	Tracks the value of significant items (consult your tax professional for a minimum cash amount) that have a useful life of more than one year, such as buildings, land, machinery and equipment, and vehicles.
Other asset	Tracks the value of things that are neither Fixed Assets nor Other Current Assets, such as Goodwill, long-term notes receivable, and security deposits paid.
Accounts payable (AP)	Tracks money you owe to suppliers for purchases made on credit. Most businesses require only the A/P account that QuickBooks automatically creates.
Credit card	Tracks credit card purchases, bills, and payments. Create one for each credit card your business uses.
Other current liability	Tracks money your business owes and expects to pay within one year, such as VAT or security deposits/retainers from customers.
Long-term liability	Tracks money your business owes and expects to pay back over more than one year, such as mortgages, long-term loans, and notes payable.
Equity	Tracks money invested in, or money taken out of, the business by owners or shareholders. Payroll and reimbursable expenses should not be included.

Setting Up Your Business | Adding Customers

Customer Centre

Click **New Customer & Job** to add new customers to the list.

②

View the amount of money each customer owes you in the **Balance Total** column.

Click a customer's name in the list to view the contact information and notes for that customer.

See all transactions for this customer in the transaction list, which can be sorted and filtered.

Click to view useful reports about each customer.

New Customer

Enter the customer's name, address, and contact information on the Address Info tab.

③

Use the Additional Info and Payment Info tabs to set up customer payment terms and VAT information.

④

Click **Define Fields** to create any custom fields that you need for your customers.

⑤

Adding Customers

Customers are the lifeline of your business. By entering detailed information in QuickBooks about the people and companies to whom you sell your products and services, you can personalise their bills, send invoices easily, and quickly view the status of their accounts. You can add new customers at any time.

> **Tip** Typing in customer data for hundreds of customers can be a tedious task. If you use Microsoft Outlook, you can import your existing customer information into QuickBooks instead of entering it manually. Refer to the QuickBooks in-product Help for instructions on how to prepare your customer data file for importing into QuickBooks. When you are ready to synchronise your customers, refer to the instructions on page 24.

To add a customer:

1. Click the **Customer Centre** icon at the top of the **QuickBooks** window.

2. Click **New Customer & Job** and then click **New Customer**.

3. On the **Address Info** tab, enter all the data that you have about the customer, including their name, Invoice to and Ship to addresses, and additional contact information.

4. Complete the Additional Info and Payment Info tabs, as appropriate.

5. If you want to add additional fields to the form, click **Define Fields** to customise the form.

6. Click **OK** or **Next** (if you want to enter another customer).

> **Tip** You can also add customers as you perform your everyday tasks. For example, if you enter the name of a new customer when filling out an invoice, QuickBooks will prompt you to enter information about this customer. You can choose from two quick setup options:
>
> • **Quick Add**—Adds just the name to the list. You must add the details later.
>
> • **Set Up**—Enables you to enter additional information (such as a phone number, fax number, and alternate contact) to the list you choose.

Key Term

Customers
Customers are the people or businesses to whom you sell your products or services—that is, the people who pay you for what you do. Some businesses might refer to a customer as a client or member.

Did You Know?

Adding jobs
If you are performing more than one job for a customer, you can track the jobs individually by adding new jobs under the customer's name in the Customers & Jobs list. That way, you can create reports that show the income and expenses for each job. To add a job, click **New Customer & Job** and then click **Add Job**.

Importing customers
If you need to add several customers to your QuickBooks company file, consider using the Import/Export functions to enter multiple customers at one time. For more information, see QuickBooks Help for importing lists.

Setting Up Your Business | Adding Suppliers

Supplier Centre

Click **New Supplier** to add new suppliers to the list.

Click a supplier's name in the list to view the contact information and notes for that supplier.

View the amount of money you owe each supplier in the **Balance Total** column.

See all transactions for this supplier in the transaction list, which can be sorted and filtered.

Click to view useful reports about each supplier.

New Supplier: Additional Info

Enter the supplier's name, address, and contact information on the Address Info tab.

Use the Additional Info tab to enter supplier-specific information, including the supplier type.

Click **Define Fields** to create any custom fields that you need for your supplier.

Adding Suppliers

QuickBooks uses the *supplier* list to hold information about the people and companies you buy goods and services from to run your business; for example, this list could include the phone company, your office stationery supplier, and your Utilities provider. You can add new suppliers at any time.

> **Tip** Typing in supplier data for hundreds of suppliers can be a tedious task. If you use Microsoft Outlook, you can import your existing supplier information into QuickBooks instead of entering it manually. Refer to the QuickBooks in-product Help for instructions on how to prepare your supplier data file for importing into QuickBooks. When you are ready to synchronise your suppliers, refer to the instructions on page 24.

To add a supplier:

1. Click the **Supplier Centre** icon at the top of the **QuickBooks** window.

2. Click **New Supplier**.

3. On the **Address Info** tab, enter all the data that you have about the supplier, including their name, address, and additional contact information.

4. If you owe the supplier money as of your company's start date, enter the amount in the **Opening Balance** field.

5. Click the **Additional Info** tab and complete the form.

6. If you want to add additional fields to the form, click **Define Fields** to customise the form.

7. Click **OK** or **Next** (if you want to enter another supplier).

> **Tip** You can also add suppliers as you perform your everyday tasks. For example, if you enter the name of a new supplier when paying a bill, QuickBooks will prompt you to enter information about this supplier. You can choose from two quick setup options:
>
> • **Quick Add**—Adds just the name to the list. You must add the details later.
>
> • **Set Up**—Enables you to enter additional information (such as a phone number, fax number, and alternate contact) to the list you choose.

Key Term

Suppliers
Suppliers are any businesses or people from whom you buy or rent goods or services for your business—office supplies, phone or computer services, or products that you sell. The tax agencies that you pay (such as HM Revenue & Customs for VAT) are also your suppliers. Nearly everyone you pay other than employees are suppliers.

Did You Know?

Importing suppliers
If you need to add several suppliers to your QuickBooks company file, consider importing all your suppliers at the same time. Refer to the in-product Help for instructions on how to Import lists.

Setting Up Your Business | Adding Items

Item List

Subitems are indented under the parent item.

For stock parts, the On Hand column shows how many of each item you have in stock.

Click the **Item** button to add new items or perform activities on existing items.

New Item

Choose the type of item you want to create from the Type drop-down list.

Click the **Custom Fields** button to set up and fill in custom fields that you need for your items.

Enter the amount you want to charge for the item here.

Associate the item with an account here.

Choose the appropriate VAT code here.

Adding Items

In QuickBooks, an *item* is anything that your company buys, sells, or resells to run your business. Items are your products, services, and things such as shipping and handling charges, discounts, and VAT.

When you choose an item from the Item list, QuickBooks fills in a description of the line item and calculates its amount for you.

QuickBooks provides 12 different types of items, described in the table on page 56. Some items, such as service or stock part items, help you record the services and products your business sells. Other items, such as the subtotal or discount item, are used to perform calculations on the amounts in a sale.

To add an item:

1. Go to the **Lists** menu and click **Item List**.

2. Click **Item** at the bottom of the list and then click **New**.

3. Click the **Type** drop-down arrow and choose the type of item you want to create. (See table on page 56.)

4. Enter an item name as you want it to appear on purchase and sales forms.

5. Enter the description that you want to appear on sales forms when you use the payment item.

6. In the **Rate** field, enter the amount you want to charge for the item.

7. In the **Account** field, choose the account that is associated with this item. (In most cases, you will assign the item to an income account.)

8. In the Tax Code list, select the appropriate VAT code or create a new one. If you do not see the Tax Code list, you must turn the tax preference on in the VAT area under **Edit | Preferences**.

9. Click **OK** or **Next** (if you want to enter another item).

Key Term

Items
An item is anything that might appear as a line item on an invoice, including subtotals, discounts, and VAT, as well as the products and/or services that you sell. You enter items on your invoices and sales receipts. For example, a writing consultant might set up one item for editing services with an hourly rate, and another item for writing services with a different hourly rate. On an invoice, the items would be entered with the number of hours worked as the quantity.

While providing a quick means of data entry, items also handle the behind-the-scenes accounting. When you create an item you link it to an account. When the item is used on a form it posts an entry to that account and another to the appropriate accounts receivable, accounts payable, current, or other account.

Which Item Type Should I Choose?

QuickBooks provides 12 different types of items to help you fill out sales and purchase forms quickly.

Item Type	Purpose
Service	Use for services you either charge for or purchase, like specialised labour, consulting hours, and professional fees.
Stock part	Use for goods you purchase, track as stock, and resell.
Stock assembly (Premier only)	Use for assembled goods you build or purchase, track as stock, and resell.
Non-stock part	Use for goods you buy but don't track, like office supplies, or materials you buy for a specific job that you charge back to your customer.
Fixed asset	Use for an asset you do not expect to convert to cash during one year of normal operations. A fixed asset is usually something that is necessary for the operation of your business—like a truck, cash register, or computer.
Other charge	Use for miscellaneous labour, material, or part charges, such as delivery charges, setup fees, and service charges.
Subtotal	Liabilities, such as loans or mortgages, scheduled to be paid over periods longer than one year.
Group	Owner's equity, including capital investment, owner's drawings, and retained earnings.
Discount	Use to subtract a percentage or fixed amount from a total or subtotal. Do not use this item type for an early payment discount; for an early payment discount, use the **Set Discount** feature in the **Receive Payments** window.
Payment	Use to record a partial payment you received at the time of the sale. It reduces the amount owed on an invoice.
VAT item	Use to calculate a single VAT at a specific rate that you pay to a single tax agency, for either sales or purchases (not both).
VAT group	Use to calculate and individually track two or more VAT items that apply to the same sale. The customer sees only the total VAT.

Why item types are important

Although you can use items as a quick means of entering data, items fulfill a much more important QuickBooks role: to handle the behind-the-scenes accounting.

When you create an item, you link it to an account; when the item is used on a form, it posts an entry to that account and another entry to the appropriate accounts receivable, accounts payable, current, fixed asset, or other account.

While items are easy to set up, you should spend some time deciding how they can best work for you before you start setting them up and using them. Use your current list of services and products as a starting point. Consider how much detail you want on your invoices or statements and set up your items with that level of detail in mind. For example, if you are a seamstress who creates and sells home accessories, you can set up a single item and charge a flat rate for a certain size of couch pillow, or you can break that pillow down further into labour and materials.

Furthermore, QuickBooks provides many useful reports that break information down by the goods or services you purchase and sell. That way, you can quickly find out:

• How much income your items bring in

• What you are spending to purchase items

• How well you estimate the cost of items

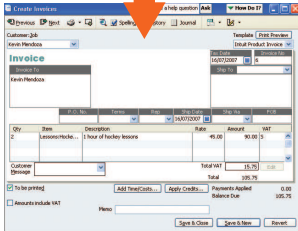• How much time you spent on each type of job or item

Setting Up Your Business | Setting up VAT
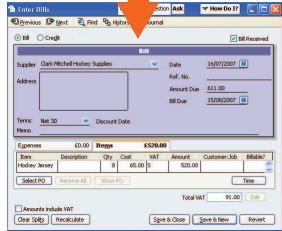
How VAT tracking works in QuickBooks
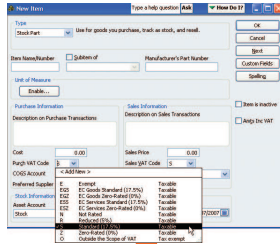
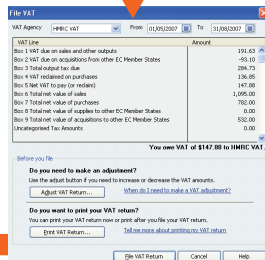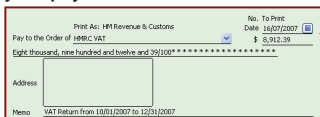**Assign VAT codes to your items.**

Sell items.

Invoice

Buy items.

Enter Bills

QuickBooks tracks your output tax and input tax in the VAT Liability account, which QuickBooks creates by default.

QuickBooks calculates your VAT liability and numbers for the VAT 100 Return. The steps to remit your VAT depend on which VAT scheme you follow (Cash or Accrual reporting).

Fill in your VAT return, and send your payment to the HMRC

Tracking VAT

If you are registered to collect VAT, you need to enable VAT tracking in QuickBooks. QuickBooks then tracks the VAT that your company pays on expenses, reclaiming it from the VAT that you collect and pay to HMRC.

QuickBooks supports the two most common VAT schemes: Standard Accrual VAT Accounting and Cash VAT Accounting.

- *Standard Accrual VAT Accounting scheme:* You track VAT on sales and purchases when you send an invoice or receive a bill, and very likely before you have received any money for these transactions from your customers.
- *Cash VAT Accounting scheme:* where you pay and reclaim VAT only on the basis of cash received and cash paid out by you. This scheme is meant to help smaller businesses with their cash flow. To qualify, your annual turnover must be below a certain value.

Important: *You must follow the rules and regulations for collecting and paying VAT from HMRC.*

Understanding how VAT works in QuickBooks

You use **VAT codes** on transaction forms to set how VAT applies to the products and services that you buy and sell. For example, when you create an invoice, you assign an appropriate VAT code to each line item on the invoice.

Each VAT code is associated with one or both of a **VAT item** for sales, and a different VAT item for purchases. This lets QuickBooks properly track both output tax (from your sales) and input tax (from your purchases).

QuickBooks uses VAT items to calculate and add VAT charges when you make a taxable sale. When you set up a VAT item, you assign a **VAT rate** to it and associate it with the **tax agency** to which you pay the VAT (typically HMRC). All of the VAT items you set up are in your Item list. After you enable and set up VAT, QuickBooks applies the appropriate VAT rate to the sale of your taxable items, based on the VAT code.

> **Tip** QuickBooks sets up default VAT codes, VAT items, and your VAT agencies for you. These become available when you enable VAT, either from the EasyStep interview or through the Preferences window.

Preferences: Set VAT preferences

Verify that you have VAT turned on. **④**

Choose the VAT codes that you want to use as the preset codes on all of your sales forms (invoices, sales receipts, etc.).

Choose what VAT scheme you are registered for. **⑤**

Preferences

Type a help question | Ask | How Do I?

My Preferences | Company Preferences

Do you charge VAT? ● Yes ○ No

Customer and Supplier VAT Codes
☐ Use Customer VAT Codes
☐ Use Supplier VAT Codes

Display VAT
☐ Allow VAT inclusive (gross) prices and costs to be entered.

Assign VAT Codes
Choose the VAT code you use most often for
Taxable items [S] Tax exempt items [N]

When do you owe VAT?
● As of invoice date (Accrual Basis)
○ Upon receipt of payment (Cash Basis)

OK
Cancel
Help
Default

Also See:
General

Accounting
Banking
Bills
Desktop View
Finance Charge
General
Integrated Applications
Items & Stock
Jobs & Estimates
Payroll & Employees
Reminders
Reports & Graphs
Sales & Customers
Send Forms
Service Connection
Spelling
Time Tracking
VAT

Setting up VAT

If you need to make changes to how VAT is configured, you need to know the following:

• **VAT rates** and schedules for the new tax situation that you need to handle.

• **Tax agencies** to which you pay the collected VAT. Typically, this is HMRC.

Setting up VAT is a multi-step process, divided into three main parts:

• Part 1: Enable VAT in preferences

• Part 2: Setting your VAT schedule

• Part 3: Entering an opening balance for VAT liability

Don't forget to specify your VAT Registration number in the Company Information window. (Go to the **Company** menu and click **Company Information**.)

> **Tip** QuickBooks 2008 includes a new Manage VAT window to help you complete your common VAT tasks, like setting VAT preferences and filing VAT. To open this window, go to the **VAT** menu and then click **Manage VAT**.

Enabling VAT in preferences

In this procedure, you'll turn on VAT and then set up basic information about how you report VAT to your tax agency.

To set up your VAT payment schedule:

1 Go to the **Edit** menu and click **Preferences**.

2 Click **VAT** in the list on the left.

3 Click the **Company Preferences** tab.

4 For the question **Do You Charge VAT?**, click **Yes**.

5 For the question **When do you owe VAT?**, select when you owe VAT to the tax agency, as specified by your tax agency.

• Select **As of invoice date** if you are using the standard (accrual) VAT accounting scheme. This specifies that you owe VAT from the moment you write an invoice or make a sale.

• Select **Upon receipt of payment** if you are using a VAT cash accounting scheme. This specifies that you owe VAT when you receive the payment from a customer.

> **Note:** *This preference is separate from the accounting basis you've set for your company and for your report preferences (i.e., if your Reports & Graphs preference is set to "cash" but you select "accrual" here, your VAT reports will be accrual-based).*

Part 2: Setting your VAT reporting periods

Your VAT reporting periods are when and how often you need to file VAT with HMRC. You set this up in the **HMRC VAT** supplier (the VAT agency's supplier record). While QuickBooks creates the supplier record for you, you still have to specify the VAT schedule yourself.

To set up your VAT items, rates, and tax agencies:

1 Open the Supplier Centre (go to the **Suppliers** menu and click **Supplier Centre**).

2 In the lists on the left side of the screen, click the **Suppliers** tab.

3 Double-click the supplier used to pay VAT. Typically, this is "HMRC VAT".

> Note: *If you're using a new company that you created with QuickBooks 2008, do not double-click the "HM Revenue & Customs" supplier. That supplier is used when running payroll.*

4 In the Edit Supplier window, click the **VAT Agency Info** tab.

5 In **Period** and **Period Ending**, select the schedule at which you file VAT. For example, if you file VAT four times a year at the end of January, April, July, and October, choose a Period of "Quarterly" and a Period Ending of "Apr/Jul/Oct/Jan".

6 Click **OK** to close the Edit Supplier window.

Part 3: Entering an opening balance for VAT liability (what you owe)

You need to enter an opening balance for your VAT Liability account (what you owe as of your QuickBooks start date). After your start date, your VAT is included on your sales forms and entered into this account.

> **Caution** Do not do this if you entered all historical invoices or sales receipts dated before your QuickBooks start date. Your VAT will already be included on them and posted to this account.

To enter your VAT liability:

1 Go to the **VAT** menu and click **Adjust VAT Due**.

2 In **VAT Agency**, select the VAT agency (typically "HMRC VAT").

3 In VAT Item, select one of the following:

- If you owe money to the VAT agency, select "Standard Sales".
- If you are owed money by the VAT agency, select "Standard Purchases".

4 In **Adjustment Account**, select "Opening Bal Equity".

5 In **Amount**, enter the amount of VAT that you owe or that was owed to you as of your QuickBooks start date. Select **Increase VAT line** or **Decrease VAT line**, as appropriate.

6 Click **OK**.

Default VAT codes

When you enable VAT, QuickBooks sets up the following VAT codes by default. In most cases, these will be all you'll need.

VAT code	Description
S	**Standard VAT rate**. Use for services or goods that are taxable at the standard VAT rate. As of 2007, the standard VAT rate set by HMRC is 17.5%.
E	**Tax exempt**. Use for services or goods that are exempt from paying VAT, such as postal rates or medical care.
Z	**Zero-rated**. Use for services or goods that are zero-rated. Zero-rated items have a 0% tax rate, but are still considered taxable. A zero-rated item is distinct from a tax exempt item. If you sell services that HMRC considers zero-rated, but paid standard VAT on equipment used to produce those services (your input tax), you can still recover the VAT that you paid. If HMRC instead considers those services to be tax exempt, you cannot recover your input tax.
R	**Reduced VAT rate**. Use for services or goods that are taxable at the reduced VAT rate. As of 2007, the reduced VAT rate set by HMRC is 5%.
EGS, EGZ	**EC Goods Standard** and **EC Goods Zero-rated.** Use for goods that are bought and/or sold from outside the country, but still within the European Community (EC). Use this code only if you have your customer or supplier's VAT registration number.
RC	**Reverse Charge (Carousel/MTIC)**. Use for supplies of mobile phones and/or computer chips that are valued at £5,000 or over and are sold by one VAT-registered business to another on or after 1 June 2007. You must add the following memo to Invoices you create that contain the RC code: "Customer to pay output tax of £**X** to HMRC".
O	**Outside the scope of VAT**. Use for items that fall outside the scope of the VAT system.
N	**Not rated.** The item is not rated for VAT.

Tip HM Revenue & Customs has very specific rules that set the VAT rate for different types of goods and services. If you're not sure what VAT code to apply to an item, you can find out from the HM Revenue & Customs web site at **http://www.hmrc.gov.uk**.

File VAT window

The VAT amounts for each line in your VAT return are displayed here.

Click **Adjust VAT Return** to make an adjustment to a line in the return.

Click **Print VAT Return** to print a copy of the VAT return. You can use this printed copy to fill out the personalised form you got from HMRC.

Click **File VAT Return** to file your VAT and adjust your accounts in QuickBooks.

File VAT

VAT Agency HMRC VAT   From 01/05/2007 To 31/08/2007

VAT Line	Amount
Box 1 VAT due on sales and other outputs	191.63
Box 2 VAT due on acquisitions from other EC Member States	-93.10
Box 3 Total output tax due	284.73
Box 4 VAT reclaimed on purchases	136.85
Box 5 Net VAT to pay (or reclaim)	147.88
Box 6 Total net value of sales	1,095.00
Box 7 Total net value of purchases	782.00
Box 8 Total net value of supplies to other EC Member States	0.00
Box 9 Total net value of acquisitions to other EC Member States	532.00
Uncategorised Tax Amounts	0.00

You owe VAT of $147.88 to HMRC VAT.

Before you file

Do you need to make an adjustment?
Use the adjust button if you need to increase or decrease the VAT amounts.

Adjust VAT Return...   When do I need to make a VAT adjustment?

Do you want to print your VAT return?
You can print your VAT return now or print after you file your VAT return.

Print VAT Return...   Tell me more about printing my VAT return

File VAT Return   Cancel   Help

Filing VAT

When it's time to pay your VAT, you may want to review the VAT 100 report. (Go to the **VAT** menu and then click **VAT 100**.) Then, use the File VAT window to file and pay your VAT in QuickBooks and create and pay your VAT bill. You can transfer the information to your printed form from HMRC.

Important: *Do not pay your VAT using the Write Cheques or Pay Bills window. This will cause errors in your bookkeeping and in your VAT reports.*

To file your VAT return:

1 Go to the **VAT** menu and click **File VAT**.

2 In the **VAT Agency** field, select your VAT agency (typically HMRC VAT).

3 Check the dates of the VAT period and your balance owing or receivable at the bottom of the File VAT window.

4 If you need to make an adjustment, click **Adjust VAT Return** and enter the needed adjustment to the appropriate box on your return.

5 When you're confident that the values are complete and accurate, click **File VAT Return**.

6 Optionally, print a copy of the QuickBooks VAT Return for your own records.

7 Do one of the following:

- **If you owe money**, QuickBooks creates a bill for the amount owed and opens the Payment window. You can pay the bill now, or later along with your other bills.

- **If you are owed a refund**, QuickBooks creates a receivable amount for the amount and opens the Refund window. You can receive the payment now, or later when you receive the cheque from HMRC.

8 Use the information in the File VAT window to fill out your personalised HMRC VAT return or the HMRC online filing website.

Note: *If you owe a VAT payment, don't forget to include the payment when you mail your VAT return.*

For more details, see the in-product Help.

Did You Know?

Manage VAT window
QuickBooks 2008 includes a **Manage VAT** window to help you complete common VAT tasks, like setting VAT preferences, and filing VAT. Go to the **VAT** menu and then click **Manage VAT** to open this window.

How do I file my VAT if I'm tracking VAT on a cash basis?
In QuickBooks 2008, the process for preparing and filing your cash based VAT Return is the same as for Accruals basis. You must use the File VAT menu described on this page.

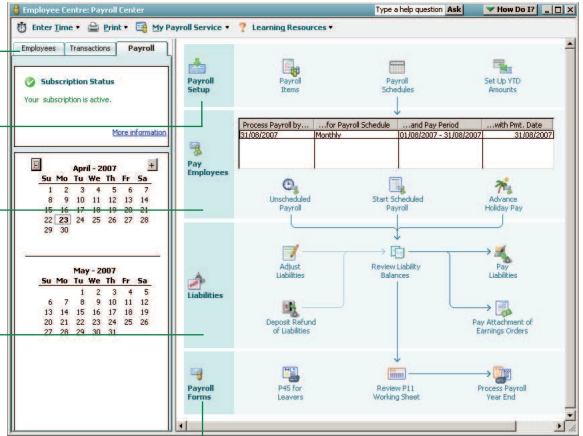# Setting Up Your Business | Setting up your Payroll

Payroll Centre

Click to switch between your Employees list, Transactions, and Payroll Activities status.

Payroll Setup: Set up payroll from this section.

Pay Employees: Run payroll and perform ongoing payroll activities from this section.

Liabilities: Track and pay your payroll liabilities or make adjustments in this section.

Payroll Forms: Print a P45 and process year end in this section.

Setting up your Payroll

Paying employees is a big responsibility. You have to calculate gross and net pay, tax, NICs, statutory payments and pension scheme deductions, as well as track the liability payments you need to send to your tax office and benefit agencies.

Using the QuickBooks Payroll service

With a subscription to QuickBooks Payroll, you have access to several features and services to help you process your payroll without having to understand payroll legislation. No more manual calculations, or having to keep track of changes that are made to the tax tables. QuickBooks takes care of your payroll so you have more time to spend on your business.

You can learn about the QuickBooks payroll service through the QuickBooks Payroll Web site.

To learn about and sign up for QuickBooks Payroll:

- Go to the **Employees** menu, click **Payroll** and then click click **About Payroll Service**.

Or, contact one of our payroll experts at **0845 606 2161** (outside the UK, **+44 870 609 0601**).

Note: *If you choose to sign up for QuickBooks Payroll, you will be prompted to complete the activation process for your service. After you subscribe to QuickBooks Payroll, you can begin setting up payroll for your business.*

Setting up QuickBooks Payroll

QuickBooks includes step-by-step instructions that take you through setting up payroll for your business. You need to set up your payroll items, your employees, and set your employees' year-to-date (YTD) amounts.

Depending on the size of your company, payroll setup can take a long time to complete. Before you begin setting up payroll, we recommend you gather all of the information in the Payroll Setup Checklist on page 69.

To set up payroll for your business:

1. Go to the **Employees** menu and click **Payroll Learning Centre**.

2. Click the link "Setting up and managing the basics".

Did You Know?

Using QuickBooks with another payroll service
If you plan to use an outsourced payroll service, do not set up payroll in QuickBooks. Instead, do the following:

- Add your employees to the Employee list in the Employee Centre
- Decide how much payroll detail you will track in QuickBooks so that your statements and balance sheets will be accurate.
- Set up an expense account for payroll expenses, with sub accounts for each type of expense (such as income taxes or NI deductions).
- Set up an Other Current Liability account for all employee-paid deductions paid later than the payroll date.
- When you get information from the payroll service, enter employee payroll payments in the Write Cheques window (go to the **Banking** menu, and click **Write Cheques**).
- Assign an expense account for the portion of the payment that is a company expense. Enter a separate line for the portion that the employees paid for as deductions. Use your Payroll Liabilities account for the deductions.

For more details see the in-product Help.

3 Follow the instructions in the help topic that appears, following the links as needed. In general, you will create the **payroll items** you need, set up your **employees**, and then enter your employees' **year-to-date amounts**.

The following sections describe common activities you will perform during payroll setup.

Setting up Payroll Items

You add payroll items to payroll payments the same way you add items to invoices. Payroll items track amounts such as wages you pay and taxes you deduct from your employees' payroll payments. There are payroll items for commission, taxes, NICs, other additions and deductions, and employer-paid expenses. You can assign these payroll items to different accounts as needed.

By default, QuickBooks creates common payroll items that you'll need, such as statutory payments, tax deductions, pension schemes, AEOs, and student loan repayments. However, you may need to add other payroll items for your own company, such as for health insurance that your company provides to employees.

To create a payroll item:

1 From the **Employees** menu, click **Payroll Setup**, and then click **Add or Edit Payroll Item List**.

2 From the **Payroll Item** menu button, choose **New**. The payroll item wizard opens.

3 Choose the type of payroll item you want to create and click **Next**:

Wage: Money you pay to employees for salaries, hourly wages, and commissions.

Addition: Money you pay to employees above his or her base earnings, such as a bonus.

Deduction: Money you deduct from your employee other than taxes, such as pensions

Employer Contribution: Employer-paid benefits for your employees, such as life insurance or employer contributions to a pension scheme.

Attachment of Earnings Order (AOE): Money that a court or local authority orders you to deduct from an employee to pay back his or her debt.

4 Follow the onscreen instructions. When you're done, click **Finish**.

Entering year-to-date amounts for your employees

If you begin using QuickBooks Payroll part way through the current tax year, you must enter year-to-date amounts for each employee that you've paid thus far in the tax year. PAYE is calculated on a cumulative basis, so QuickBooks needs to take into account an employee's total pay and tax amounts for a given tax year in order to be able to deduct the right amount of tax from his or her pay.

You can use the Year-to-Date wizard to help you enter year-to-date amounts for your employees.

Note: *If you have an employee who begins working for you part way through the tax year, do not use the Year-to-Date wizard to add employment figures from his or her previous employer. Instead, add the figures from the P45 to his or her employee profile. (With the employee profile (record) open, go to the Employment Info tab and click the Previous Employment button.)*

To enter year-to-date amounts for each employee:

Summarise the payroll payments you processed for each employee from 6 April to the date that you started using QuickBooks Payroll.

1 From the **Employees** menu, click **Payroll Setup** then choose **Set Up YTD Amounts**. The YTD wizard opens.

2 Follow the on-screen instructions until you get to the Employee summary information screen. Select an employee from the list and click **Enter Summary.** The YTD Adjustment window opens.

3 Enter the details of the year-to-date payroll amounts for this employee. We recommend that you create one entry to summarise the payroll payments that you've paid to this employee thus far. You cannot do this, however, if an employee's NI code changed throughout the tax year. An entry must be created for each payroll period where a new NI code was given.

4 Click **OK**, and select the next employee.

5 Click **Finish** when you are done, or if you need to enter prior payroll liability payments, click **Next** and refer to the steps below.

To learn more about entering year-to-date amounts, see the in–product Help.

To enter prior payroll liability payments:

1 Open the YTD wizard as explained in the steps above.

2 Follow the on-screen instructions until you get to the Enter prior payments screen.

3 On the last screen, click the **Create Payment** button to enter a summary of all the payments you've made to the government and other agencies from 6 April to the date you subscribed to QuickBooks Payroll.

Payroll Setup Checklist

Before you begin setting up payroll, you should gather the following information. You can find this information in your own records, from your accountant or QuickBooks ProAdvisor, or from government agencies.

Information QuickBooks needs	Where to find it
Tax office number and reference	P11 Working Sheet, your accountant or company records
Current tax tables covering payroll withholdings such as National Insurance Contributions and income tax rates	QuickBooks downloads them automatically for you while you are subscribed to QuickBooks Payroll.
How you pay your employees and directors (hourly wages, salaries, and/or commissions	P11 Working Sheet, your accountant, or company records
How often you pay your employees	P11 Working Sheet, your accountant, or company records
Additions you make to your employees' pay that increases their earnings base (bonus payments, statutory payments, etc.)	P11 Working Sheet, your accountant, or company records
Deductions you make to your employees' pay (pension schemes, student loan repayments, union dues, holiday pay schemes, Attachment of Earnings Orders, etc.)	P11 Working Sheet, your accountant, or company records
Payroll expenses that your company pays (employee pension schemes, health or life insurance)	P11 Working Sheet, your accountant, or company records
Information for company directors. Do you calculate NICs based on the annual (or pro-rate annual) method or per period (weekly, monthly)?	P11 Working Sheet, company records, employee, payslips, employee contracts
Employee personal information (National Insurance number, date of birth, contact details)	P11 Working Sheet, your employee, or company records
Employees' rate of pay and payroll payment additions, deductions, and employer contribution amounts	Payslips, company records, employee contracts, or your accountant
Previous employment information for employees who joined your company mid-way through the current tax year (National Insurance, tax codes and Scheme Contracting Out Number (SCON) for employees who opted out of State Earnings Related Pension Scheme (SERPS))	P45 or P46, SSP1(L), previous employer, your accountant or company records

Information QuickBooks needs	Where to find it
If paying by BACs, employee's bank or building society details (sort code, account number, name of account holder, bank name and address, and roll number if the account is with a building society)	Employees, your accountant, or company records
Statutory payment information for existing or future SSP, SMP, SPP, or SAP, including working day patterns	SSP1(L), BF 220/220A/220B/220C, MATB1, your accountant or company records
Holiday and sick time accruing policies and amounts	Payslips, your accountant, or company records
Total employee payroll amounts that you've paid out so far this payroll year up to the date you start using QuickBooks, including amounts withheld from payroll payments, commissions, and bonuses	Copies of employee payroll payments, payslips, previous accounting software or service provider, reports, your accountant or company records
If you are already operating payroll, total amount of PAYE income tax and National Insurance (NI) contributions are owed to the HMRC as of your start date.	Previous accounting software or service provider, accountant or company records

Processing Your Year End

After running your final payroll period for the year, you can work through your year end quickly and easily with the Payroll End Year Process window. It will guide you through the steps you must complete when processing your payroll year end, and help you produce the year end forms that you need to submit for your employer's annual return.

To use the Payroll Year End Process window:

1. Go to the **Employees** menu, choose **Payroll Forms**, and then choose **Process Payroll Year End**.

2. Starting with **Review P14/P60 Data**, click the button for each task and follow the onscreen instructions.

For more details, click the **Help** button on the Payroll End Year Process window to view the in-product help.

Setting Up Your Business | Setting up Employees

New Employee: Personal Tab

Enter the employee's personal information, including their NI number and the name to be printed on their payroll payments.

Enter the employee's address and contact information in the **Address and Contact** tab.

New Employee   Type a help question [Ask] [▼ How Do I?] [X]

Information for: Douglas Begle

Change tabs: [Personal Info ▼]

| Personal | Address and Contact | Additional Info |

Mr./Ms./... [Mr.]

Legal Name
First Name [Douglas]   M.I. [ ]
Last Name [Begle]

Print as [Doug Begle]
NI No. [123-45-6789]
Gender [Male ▼]
Date of Birth [06/12/1984]
Marital Status [▼]

[OK] [Cancel] [Next] [Help]
☐ Employee is inactive

Edit Employee: Payroll Info

Select a payroll schedule that you have set up (see page 89).

Enter employee basic earnings information.

Set up the employee's tax and NI information.

Enter how much sick and holiday time the employee has accrued and used thus far.

Enter employee benefits and deductions.

If paying by BACS, enter the employee's bank account information.

Edit Employee   Type a help question [Ask] [▼ How Do I?] [X]

Information for: Douglas Begle

Change tabs: [Payroll and Compensation Info ▼]

| Payroll Info |

Earnings
| Item Name | Hourly/Annual Rate |
| Regular Pay | 75.00 |

☐ Use time data to create payroll payments

Payroll Schedule [Fortnightly ▼]
Pay Frequency [Weekly ▼]
Pay Method [Cheque ▼]

Additions, Deductions and Company Contributions
| Item Name | Amount | Limit |

[Tax & NI...]
[Sick/Holiday...]
[Bank Details...]

[OK] [Cancel] [Next] [Help]
☐ Employee is inactive

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Setting up Employees

To process payroll payments and prepare tax documents for your *employees*, you need to enter specific information about each of your employees in QuickBooks.

Refer to the Payroll Setup Checklist on page 69 for a list of employee information to gather.

To set up an employee's personal information:

1 Click the **Employee Centre** icon at the top of the **QuickBooks** window.

2 Click **New Employee**.

3 On the **Personal** tab, fill in the form.

4 Click the **Address and Contact** tab, fill in the form, and then click **OK**.

5 When prompted to set up the employee's payroll information, click **Leave As Is**. Or, continue with the instructions below.

To set up an employee's payroll information:

1 Click the **Employee Centre** icon at the top of the **QuickBooks** window.

2 Click the **Employees** tab and then double-click the employee's name.

3 From the **Change tabs** drop-down list, click **Payroll and Compensation Info**.

4 Fill in the **Payroll Info** form.

5 Click the **Tax & NI Details** button. Fill in the form, based on the employee's tax and NI information.

6 Click the **Sick & Holiday** button. Fill in the form to specify how sick time and holidays are accrued.

7 If you pay the employee with BACS, click the **Bank Details** button to set up the employee's bank account information.

8 Click **OK**.

Once you've set up your employees, refer to "Paying Employees" on page 89 to learn about paying them.

Key Term

Earnings base
An earnings basis is the wages or earnings due to an employee before any deductions are made. It is also referred to as gross pay, taxable income, or (for NI purposes) insurable or NI-able earnings. An employee's earnings base can include wages, salaries, overtime, bonuses, and commission. QuickBooks uses the earnings base to work out payroll withholding amounts, such as income tax or National Insurance contributions.

Key Term

Directors
A director is a person who, traditionally, manages the business of the company on a day-to-day basis. With QuickBooks, you have the flexibility to calculate your director's NICs annually or on a per period basis.

For more information on directors, refer to the in-product Help.

Money In | Creating an Estimate

Create Estimates

Print and mail or e-mail estimates to your customer. **6**

When you're ready to bill the customer, click here to convert this estimate to an invoice. **5**

Choose items to add to the estimate or create new items. **5**

Create Estimates	Type a help question	Ask	▼ How Do I?
Previous	Next	Spelling	History

Customer:Job
Chris Baker
☑ Estimate Active

Template   Print Preview
Retail Estimate

Estimate

Name / Address
Chris Baker
1234 Orchid Drive
Twyford, Reading, Berkshire
RG10 9BF

Tax Date   Estimate #
06/14/2007   1

Item	Description	Qty	Rate	Amount	Markup	Total	VAT
Concrete Slab	Foundation Slab - prep and pouring	15	20.00	300.00	175.0%	825.00	S

Customer Message   Thank you for your business.

Total VAT   144.38
View

Total   300.00   525.00   969.38

Customer VAT Code   S

Memo

Save & Close   Save & New   Revert

4

Choose the Estimate template you want to use, or create your own.

72

Creating an Estimate

You can use the *estimate* form to prepare estimates, bids, quotes, or proposals for your customers. You can change the title "Estimate" to anything that suits your business.

Filling in the estimate is similar to creating an invoice. And when it's time to bill your customer, you can create the invoice directly from the estimate by clicking Create Invoice on the estimate's toolbar. QuickBooks then creates the invoice, with all the information from the estimate filled in. Later, you can create reports that compare your estimated costs and revenue against your actual costs and revenue to see how accurate your estimates are.

To create an estimate:

1. If necessary, turn on Estimates (described below), if you didn't do this during the EasyStep Interview.

2. Go to the **Customers** menu and click **Create Estimates**.

3. Enter the name of the customer or job.

4. Select an estimate template from the **Template** drop-down list.

5. Fill in the estimate form.

6. Click **Print**.

7. Save the estimate.

To turn on the estimates feature:

1. Go to the **Edit** menu and click **Preferences**.

2. Click **Jobs & Estimates** in the list on the left and then click the **Company Preferences** tab.

3. Click **Yes** to the question, "Do You Create Estimates?"

4. To have QuickBooks warn you when you try to record an estimate with the same number as the existing estimate, select the **Warn about duplicate estimates numbers** checkbox.

5. If you do progress invoicing:

   • Make sure Yes is selected in response to the question, "Do You Do Progress Invoicing?"

   • Specify whether you want line items that have zero amounts to print on your progress invoice

6. Click **OK**.

Money In | Creating an Invoice

Create Invoices

Print and mail or e-mail invoices to your customer.

6

Choose items to add to the invoice or create new items.

5

3

Choose the Invoice template you want to use or create your own.

Create Custom Invoices

Print your company logo on your invoice.

Choose different fonts to use for different parts of the invoice.

Control what type of information gets printed on your invoices.

Click here to access more advanced customisation options.

Creating an Invoice

When your customers don't pay you in full at the time you provide your service or product, or when they pay in advance, you need to track how much they owe you. You can use an *invoice* to help you keep track of what your customers owe you (or your "accounts receivable").

Invoices list all the details about the sale, including the services you're providing or the products you're selling (your "items"). Invoices also show the quantity and price or rate of each item. If you need to make automatic adjustments to prices (for example, discounts or markups), invoices will work for you.

Note: *If your customers pay in full at the time of purchase, do not create an invoice. Instead, create a sales receipt, described on page 77.*

To create an invoice:

❶ Go to the **Customers** menu and click **Create Invoices**.

❷ Enter or choose in the **Customer:Job** drop-down list, click the name of the customer or job.

❸ Click the **Template** drop-down arrow and then click the invoice template you want to use.

❹ Click the **Terms** drop-down arrow and then click the sales terms that apply to this customer.

❺ In the lower part of the form, enter each of the items (including the proper quantity) that the customer has purchased.

❻ Click **Print** on the toolbar to print the invoice now. Optionally, you can select the **To be printed** checkbox to print the form later.

❼ Save the invoice.

> **Tip:** You can customise your invoices (or any other sales form) for your business. Click **Customise** to open the **Basic Customisation** window, where you can add your company logo, change fonts and colours, and access more advanced options.

Key Term

Estimate
An estimate is a form you use to itemise the work you propose to do or the products you intend to sell to a customer. Your company might use a different term, such as bid, grant, or proposal. Estimates are optional, not mandatory, for all businesses.

Did You Know?

Using sales orders
In QuickBooks Premier, you can create sales orders to help you keep track of items that your customers have ordered but you have not yet delivered to them, for example because you do not have them in stock.

Refer to the in-product Help for instructions and tips on how to use sales orders.

Money In | Entering Sales Receipts

Sales Receipt

Choose the Sales Receipts template you want to use or create your own.

3

Choose items to add to the Sales Receipt or create new items.

4

Entering Sales Receipts

When your customers pay in full at the time they receive your service or product, you don't need to track how much they owe you. However, you might want to record the sale, calculate its VAT, or print a receipt for the sale. In these cases, you can create a *sales receipt*.

Examples of businesses that commonly use sales receipts include hairdressers, beauty salons, and DIY shops.

Note: *If you need to track how much a customer owes you or you do not receive full payment at the time of the transaction, do not use a sales receipt. Instead, create an invoice, described on page 75.*

To enter a sales receipt:

1 Go to the **Customers** menu and click **Enter Sales Receipts**.

2 Fill in the top part of the form, including the Customer:Job, Date, and Payment Method.

3 Click the **Template** drop-down arrow and then click the sales receipt template you want to use.

4 In the bottom part of the form, select or enter the items purchased.

5 Save the transaction.

Key Term

Invoice
An invoice is the form you use to charge customers for the products and services they purchase from you.

Did You Know?

You can create an invoice letter directly from the invoice form by clicking the **Letters** button on the Create Invoices toolbar. Refer to the in-product Help for more detailed information about this feature.

Money In | Receiving a Payment

Receive Payments

Choose a customer from the drop-down list.

②

The checkmark next to the invoice tells QuickBooks to apply the payment to this invoice.

③

Receive Payments				Type a help question	Ask	▼ How Do I?	✕

Previous   Next   History ▾   Journal

Customer Payment

Received From	Baker, Chris ▾	Customer Balance: **1,040.00**
Amount	1,040.00	Date 14/07/2007 📅
Pmt. Method	Cheque ▾	Cheque # 2112
Memo		

Find a Customer/Invoice...

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	15/12/2007	74	1,040.00	1,040.00	1,040.00
	30/12/2007	77	2,000.00	2,000.00	
	Totals		3,040.00	3,040.00	1,040.00

Amounts for Selected Invoices

Un-Apply Payment	Amount Due **1,040.00**
	Applied **1,040.00**
Discount & Credits...	Discount and Credits Applied **0.00**

Save & Close   Save & New   Clear

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Receiving a Payment

When you receive money from a customer, you must receive the payment in QuickBooks so QuickBooks can record the transaction and mark the invoice as being paid. When you receive a payment, the accounts receivable records are updated, and the payment is ready to be deposited into an account.

To receive a payment:

1 Go to the **Customers** menu and click **Receive Payments**.

2 Fill in the top portion of the form, including the customer's name, the payment amount, payment method, and the date on which the payment was received.

3 Check the column to the left of the invoice to which you want to apply the payment. You might be asked to decide how to apply the payment for one of the following scenarios:

- Overpayment can become a credit or refund
- Underpayment can be left as is or written off
- Customer has unused credit to be applied
- Customer has available discounts

4 Choose the appropriate selection and you should see your choices reflected in total amounts for selected invoices.

If the customer has a discount or available credits, you can choose how to apply them.

5 Save the payment.

Money In | Making a Deposit

Payments to Deposit

The checkmark indicates which payments to deposit.

2

QuickBooks sorts received payments by payment method type.

	Date	Time	Type	No.	Payment Method	Name	Amount
✓	14/07/2004		PMT	2112	Cheque	Baker, Chris	1,040.00
	11/04/2007		PMT	3402	Cheque	Fisher, Jennifer	5,164.00
	10/09/2007		PMT	5668	Cheque	Luke, Noelani:Kitchen	2,481.80
	23/09/2007		PMT	2957	Cheque	Dunn, Eric C. W.:Utility...	2,400.00
	26/09/2007		PMT	1556	Cheque	Johnson, Gordon:Utility...	2,400.00
	30/10/2007		PMT	41022	Cheque	Memeo, Jeanette	16,537.54
	25/11/2007		PMT	15785	Cheque	Pretell Real Estate:155...	5,435.00
	14/12/2007		PMT	986	v	Jacobsen, Doug:Kitchen	2,000.00
	15/12/2007		LIAB ADJ			Great Statewide Bank	124.00
	15/12/2007		PMT		Cash	Roche, Diarmuid:Garag...	440.00

0 of 10 payments selected for deposit — Payments Subtotal — 0.00

Select All | Select None | Get Funding Status

OK | Cancel | Help

Make Deposits

Click **Payments** to see other payments you can deposit.

3

Indicates the account to which you want to deposit the funds.

Deposit To: Checking — Date 14/07/2004 — Memo Deposit

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

Received From	From Account	Memo	Chk No.	Pmt Meth.	Amount
Baker, Chris	Undeposited Funds		2112	Cheque	1,040.00

Deposit Subtotal — 1,040.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Record cash back from a deposit by specifying the account and amount here.

5

Cash back goes to | Cash back memo | Cash back amount

Deposit Total — 1,040.00

Save & Close | Save & New | Clear

Making a Deposit

When you receive a payment from a customer, you can either deposit the payment into a bank account immediately, or you can wait until a later time to make the deposit.

To make a deposit:

① Go to the **Banking** menu and click **Make Deposits**.

② In the **Payments to Deposit** window, select the payments that you want to deposit and click **OK**.

③ In the **Make Deposits** window, click the **Deposit To** drop-down arrow and then click the account to which you want to deposit the funds.

④ Verify the date and the list of payments to deposit, making updates as necessary.

⑤ If you want to receive cash back from this deposit, fill in the **Cash Back** fields at the bottom of the form.

⑥ If you want to print a deposit slip or deposit summary, click **Print**.

⑦ Save the deposit.

Note: *Just because you've recorded the deposit in QuickBooks doesn't mean that you've actually made the deposit and that the money is available.* ***You still need to physically deposit the money at the bank.***

Did You Know?

You can set a preference so that payments received:
• Automatically go to the undeposited funds account
• Automatically get calculated and applied as you select invoices in the list

Go to the **Edit** menu, click **Preferences**, and then click the **Company Preferences** tab in the Sales & Customers area to set this preference.

Money Out | Paying Bills

Enter Bills

Choose or enter the name of the supplier who sent you the bill.

Enter the amount due here.

Select the payment terms here and QuickBooks will autofill the Bill Due date for you.

Assign the bill to one or more expense accounts.

Pay Bills

Click here to display all unpaid bills or all bills that are due before a specific date.

The ticks indicate the bills you've chosen to pay.

Click **Go to Bill** to view the bill that corresponds to the selected bill.

Paying Bills

As you purchase equipment, supplies, products, or services to run your business, you will also receive bills that need to be paid. Entering these bills in QuickBooks enables you to not only track information about your purchases, but also to pay these bills. QuickBooks remembers all of your unpaid bills, enabling you to easily choose the bills you want to pay. QuickBooks then writes and saves the cheques or credit card charges or sends the online banking payment instructions, depending on the payment method you choose.

Note: *Before paying a bill, be sure you read the section "Writing cheques versus paying bills" on page 39 to make sure you are using the correct payment method.*

To enter a bill:

1. Go to the **Suppliers** menu and click **Enter Bills**.

2. In the **Supplier** field, choose or enter a new supplier.

   Note: *If an open purchase order exists for this supplier, you are prompted to receive against it. Click Yes to receive against one or more purchase orders; then, in the Open Purchase Orders window, click each purchase order that contains items you've received and are being billed for.*

3. In the **Amount Due** field, enter the amount of the bill.

4. Fill in the **Date**, **Ref. No.**, **Terms**, and **Memo** fields as necessary.

5. **For expenses** (money you spend to run your business, such as utilities), assign the invoice to one or more expense accounts on the **Expenses** tab.
   For items (products or services your business buys), edit items that were entered from your purchase order or enter new items on the **Items** tab.

6. Click **Save & Close** or **Save & New** to save the transaction.

To pay a bill:

1. Go to the **Suppliers** menu and click **Pay Bills**.

2. All outstanding bills are displayed. To limit the number of bills displayed, click **Due on or before** and then click the due date for the bills you want to display.

3. Specify the **Payment Account**, **Payment Method**, and **Payment Date**.

4. Click **Pay Selected Bills** to complete the transaction.

Did You Know?

Do not use the **Write Cheques** window to write a payroll payment, pay your payroll liabilities, pay VAT, or pay bills you've already entered in the **Pay Bills** window.

Refer to the in-product Help for more information on how to make these types of payments.

Paying employees
Refer to page 89 for instructions on paying employees.

Paying bills
You don't need to use the **Pay Bills** window to pay your bills. You can enter cheques, credit card payments, and cash expenditures directly in the appropriate account register. However, if you enter bills using either the **Enter Bills** window or the Accounts Payable register, you must use the **Pay Bills** window for your bill payment. Do not use the **Write Cheques** window to pay a bill that you've entered with either of these methods.

Money Out | Writing Cheques

Write Cheques

Indicates the account from which the funds will be taken for this cheque.

2

Fill out the cheque just like you would a paper cheque.

3

Use the Expenses tab to itemise purchases you make to run your business, such as job materials or utility costs.

4

Use the Items tab to itemise the products and services you've bought with or without a purchase order.

5

Write Cheques - Current Account   Type a help question | Ask | ▼ How Do I?

🔲 Previous   Next   🖨 Print ▾   🔍 Find   📋 Journal

Bank Account | Current Account ▾   Ending Balance   7,178.06

No. 302
Date 14/07/2004 📅

Pay to the Order of | Gallion Masonry   £ 1,550.00

One thousand five hundred fifty and 00/100* *Dollars

Address
Gallion Masonry
189 Old Bayshore Rd
Twyford, Reading, Berkshire
RG10 9BF

Memo

☐ To be printed

| Expenses | £1,550.00 | Items | £0.00 |

Account	Amount	Memo	Customer:Job
Job Expenses: Job Materials	1,550.00		Baker, Chris

Clear Splits   Recalculate   Save & Close   **Save & New**   Clear

Select Cheques to Print

Make sure that the cheques in your printer correspond to the cheque number entered here.

Click here to choose the cheques you want to print.

4

Select Cheques to Print   Type a help question | Ask | ▼ How Do I?

Bank Account | Current Account ▾   First Cheque Number | 196

Select Cheques to print, then click OK.
There are 3 Cheques to print for £8,251.67.

✓	Date	Set to	Payee	Amount	
✓	15/12/2007		Daigle Lighting	640.92	**OK**
✓	15/12/2007		Perry Windows & Doors	6,935.75	Cancel
✓	15/12/2007		Sergeant Insurance	675.00	Help
					Select All
					Select None

Writing Cheques

You can write a cheque for any kind of expense that you track with QuickBooks expense accounts and for non-stock part, service, and other charge items. If you are using stock or purchase orders (Premier only), you can write cheques for stock part items too.

Note: *Before writing a cheque, be sure you read the section "Writing cheques versus paying bills" on page 39 to make sure you are using the correct payment method.*

To write a cheque:

1. Go to the **Banking** menu and click **Write Cheques**.

2. Click the **Bank Account** drop-down arrow and then click the account from which you want to write the cheque.

3. Fill in the onscreen cheque as you would a paper cheque.

4. Itemise your expenses (shipping charges, taxes, or other expenses not associated with any one item) on the **Expenses** tab.

5. If you are purchasing items for your stock, enter the items on the **Items** tab.

6. Save the transaction.

To find and print a single cheque:

1. Load the blank cheque form into the printer.

2. Go to the **Banking** menu and click **Write Cheques**.

3. Click the **Find** button and search for the cheque you want to print.

4. Double-click to view the cheque you want to print.

5. Click **Print**.

6. In the **Print Cheques** window, choose the options you want and click **Print**.

   Note: *To learn how to print multiple cheques at the same time, refer to the in-product Help.*

Money Out | Issuing Credits or Refunds

Credit Note

Select the template you want to use, or create your own. **3**

Enter the name of the returned item here. **2**

Describe the reason for the return. **5**

Select to print a copy for the customer. **7**

Issuing Credits or Refunds

Use a *credit note* to record a credit when a customer returns items and you've already recorded an invoice, customer payment, or sales receipt. You can also use a credit note for an overpayment.

To enter a credit note or record a return:

1 Go to the **Customers** menu and click **Create Credit Notes/Refunds**.

2 In the **Customer:Job** field, click the customer and job for which you are creating the credit note or refund cheque.

Note: *If you have created more than one job for the customer, be sure to assign the credit note to the correct job. You can apply the credit note only to the same job for which it was created.*

3 Click the **Template** drop-down arrow and then click a template.

4 Enter the items being returned in the line item area.

5 Describe the reason for the credit and enter the quality and rate, if applicable.

6 (Optional) Enter a memo for this transaction.

Note: *The memo does not print on the credit note, but it does appear in the Accounts Receivable register and in the customer register.*

7 Indicate whether you want to print the credit note to the customer.

8 Save the credit note.

9 In the **Available Credit** window, choose how to use the credit. You can:

- Retain as an available credit
- Give a refund
- Apply it to an invoice

Note: *QuickBooks enters a negative amount in your Accounts Receivable register for the credit note.*

Key Term

Credit note
A document that notifies a customer that you have reduced the customer's balance (for example, when a customer cancels a sale, returns something, or overpays).

Money Out | Paying Employees

Enter Hours and Select Employees to Pay

QuickBooks records the payroll payments in this bank account.

Specify a payment, date, and pay period for the payroll payments you create.

QuickBooks creates a payroll payment for each ticked employee.

Review payroll payments and enter hours worked, sick or holiday time, commissions, or other variations from pay period to pay period by clicking the employee's name.

Review and Create Payroll Payments

Choose whether payroll payments should be printed from QuickBooks or written later by hand.

Review payroll payments and enter hours worked, sick or holiday time, commissions, or other variations from pay period to pay period by clicking the employee's name.

Paying Employees

Your employees can be paid weekly, fortnightly, four weekly or monthly, and you can create their payments using cash, cheques or BACS. The employee's tax and NICs are calculated automatically using the tax code and NI letter that you entered in the employee's profile.

Note: *Before you begin paying your employees, ensure that your payroll is set up completely and correctly in QuickBooks. For details, go to the **Employees** menu and click **Payroll Learning Centre**.*

The following steps create payments for unscheduled payroll. If you want to use payroll schedules, see the sidebar to the right.

To create payroll payments

1. Click the **Payroll** icon.

2. In the Pay Employees section on the right side of the Payroll Centre, click the **Unscheduled Payroll** button.

3. Select the employees or employees you're creating the payroll payment for.

4. Verify that the **Payment Date** and **Pay Period Ends** date are correct.

5. Click the **Bank Account** drop-down arrow to choose the account that QuickBooks uses to record this transaction.

6. Review the payroll payment information in the **Review and Create Payroll Payments** window.

7. In turn, click each employee's name to open the **Review or Change Payroll payment** window. Make any necessary changes and click **Done**.

8. Click **Continue**.

9. Click **Create Payroll Payments**.

10. In the **Confirmation and Next Steps** window that appears, click **Print Cheques** or **Print Payslips**, or both.

11. After printing your payroll payments or payslips, click **Close**.

Using Payroll Schedules
A payroll schedule defines when you should run your payroll so that you can pay employees on their pay day. You can use payroll schedules to group together employees in whichever way makes the most sense for you to your business. However, all employees grouped in the same payroll schedule must have the same pay frequency (weekly, fortnightly, monthly, and so on).

If you want to use payroll schedules, click the **Payroll Centre** icon. From the Pay Employees section, click **Set Up Your Payroll Schedule**. After you create a new payroll schedule, you can assign employees to it.

To **run a scheduled payroll**, go to the **Employees** menu, click **Pay Employees**, and then click **Scheduled Payroll**. In the Pay Employees section, click to select the payroll schedule you want to run and then click **Start Scheduled Payroll**.

For more information, see the in-product Help.

Managing Your Business | Using Reports

Report Center

Report choices displayed in the window are based on the category you choose.

2

Click the thumbnail report icon to view a sample of a report.

3

Click **More...** for details about content, dates, and customisation.

3

View detailed Help topics to learn how to use and modify reports.

Using Reports to see how your business is doing

One of QuickBooks' most robust features is its ability to generate data-rich reports about your business. Everything you enter in QuickBooks can be found and generated into a report.

QuickBooks comes with dozens of prepared reports that you can run. You can use the Report Centre to learn about QuickBooks reports and locate the ones that contain the information you need. Once you've found a report, you can change its date range, customise the way it looks, print a copy of it, export it to Microsoft Excel, or display it on your screen.

To find and display the right report:

1 Click the **Report Centre** icon at the top of the **QuickBooks** window.

2 Click a report category from the list on the left. Reports for the selected category are displayed on the right.

3 From the report list, you can view a thumbnail picture of the report by moving your mouse over the thumbnail icon ▣. To learn more about a specific report, click the **More…** link to learn about the data and specific ways to customise the report.

4 When you find the report you need, click its name to view the report.

> **Tip** In addition to the powerful reports available in the Report Centre, you can also use the QuickBooks Centres to get a quick snapshot of how your business is doing and the status of your relationships with your customers, suppliers, and employees. For example, from the Centres you can easily see all of your unpaid bills, all of the invoices that your customers haven't paid, and the detailed history of each of your customers and suppliers. For more information about the QuickBooks Centres, refer to "QuickBooks Centres" on page 29 or the in-product Help.

Did You Know

The Report Centre includes its own Learning Centre, where you can find detailed information about how to run, modify, and manage reports. You can view the Report Centre Learning Centre by clicking the Learning Centre link in the top-right corner of the Report Centre.

How to Use Reports to Find the Information You Want

The QuickBooks Report Centre describes all the available reports. Here are 10 common questions that people ask and the QuickBooks report you can use to find the answer.

Item Type	Purpose
How much money did my company make or lose over a specific period of time?	**Profit & Loss Standard** (In Company & Financial)
Which invoices or statement charges haven't been paid and when are they due?	**Open Invoices** (In Customers & Receivables)
How much does my company owe each supplier and are any payments overdue?	**Unpaid Bills Detail** (In Suppliers & Payables)
What is the value of my company (its assets, liabilities, and equity), and where can I see the total balance for each type of account?	**Balance Sheets** (In Company & Financial)
What is the recent activity in all my company's accounts, with beginning and ending balances for each account?	**General Ledger** (In Accountant & Taxes)
What are the total sales for each customer and job?	**Sales by Customer Summary** (In Sales)
Which items and/or services bring in the most/least income?	**Sales by Item Summary** (In Sales)
What are my company's total expenses for each supplier?	**Expenses by Supplier Summary** (In Company & Financial)
Where is the information I need for my income tax forms?	**Income Tax Summary Income Tax Detail** (In Accountant & Taxes)
For my company's total sales, how much is taxable, at what rate, and how much VAT is currently due to be paid?	**VAT Liability** (In Suppliers & Payables)

Memorising a report for reuse

Whenever you change the settings for a report (modify it), you can memorise the report with the new settings and save it in the Memorised Report List. Then, when you want to create a similar report, you can click the Memorised Report List to find it.

Note: *QuickBooks memorises the report settings, not the data in the report. When you display a memorised report, it applies the settings you memorised, but displays the latest data. For example, if the report date is set for the period Last Month and you memorise the report in September but recall it in December, the recalled report will have data for November, not August.*

To memorise a report:

1. Click the **Report Centre** icon at the top of the **QuickBooks** window.

2. Open the report you want to modify and save.

3. After you have customised a report, click **Memorise** at the top of the report.

4. If you have changed an existing memorised report, indicate whether you want QuickBooks to replace the earlier report (under the same name) or create a new memorised report (under a new name).

5. In the **Memorise Report** window, enter a title for the report.

6. If you want to assign the report to a memorised report group, choose Save in Memorised Report Group and choose the group from the drop-down list. (You must already have the group set up on your Memorised Report List. You cannot create a new group here.)

7. Click **OK**.

> **Tip** When you create a report, you can change the way it looks (reformat it). You can change the fonts, change the header and footer, and resize the columns.
>
> You can also move and sort the data that the report contains. For example, you can add or delete columns, sort by columns, move columns, change how numbers display, change how transactions sort, and change the subtotal groupings.
>
> For more information about how to modify the look and content for a report, refer to the in-product Help.

Managing Your Business | Additional Services and Solutions

Other QuickBooks Services to help you manage your business

QuickBooks Business Services enable you to streamline management of your business and automate essential business activities. QuickBooks Business Services offer easy-to-use, tightly integrated solutions that will enable you to manage your business efficiently and with confidence.

Intuit Business Services and software include:

• QuickBooks Merchant Account Service

• QuickBooks Payroll Service

• Business Credit Reports

• Technical Support Plan

To learn more about these business solutions, go to the **Help** menu and click **Add QuickBooks Services**.

QuickBooks Solutions Marketplace

QuickBooks Solutions Marketplace can help you run your business more efficiently by providing quick access to information about more than 400 industry-specific software solutions that work seamlessly with QuickBooks.

Created by independent developers with first-hand knowledge of your industry, this software helps eliminate double data entry, streamlines business operations, increases productivity and helps save you time. Working more efficiently enables you to focus on more important issues, like running and growing your business.

To learn more about QuickBooks Solutions Marketplace, go to **www.marketplace.intuit.com**.

A sampling of industry and task-based software solutions found within QuickBooks Solutions Marketplace include:

- **Construction.** Improve how you manage your contracting jobs and learn how you can earn more money from each job. Solutions are available to help solve your estimating, job tracking needs and more.
- **Manufacturing and Wholesale.** Need to improve your stock tracking capability? Want better control over your shop floor? Find solutions that address key tasks, including planning and tracking, customer management, and EDI.
- **Professional Services.** Strengthen management of your firm, including better control over your client information and time tracking capability.
- **Retail.** Increase the efficiency of your retail business and spend more time with your customers through improved point of sale transactions, customer management, and e-commerce selling efforts.
- **Wholesale and Distribution.** Learn how you can better control your stock tracking capability. Need to improve your order management process? Find software that meets your special needs including EDI, route delivery automation, and pricing.

5 | New Features

What's New in QuickBooks 2008

Intuit listens to thousands of customer suggestions to improve the quality and performance of our software. This chapter highlights some of the new features available in QuickBooks 2008. For more information about any of these features, refer to the in-product Help.

Note: *If you would like to submit a product suggestion, go to the* **Help** *menu, click* **Send Feedback Online***, and then click* **Product Suggestion***.*

QuickBooks Pro Edition

The 2008 release of QuickBooks Pro includes these new features and improvements.

Easier QuickBooks startup interview and company setup

When you first use QuickBooks, you will create your company file by answering simple questions in a step-by-step interview. This EasyStep Interview has been streamlined and optimised to configure QuickBooks to work in the way you operate your business. It uses clear and simple language, but if there's ever a term or concept you don't understand, Help is available.

QuickBooks now provides a streamlined Chart of Accounts for different industry types, and you can customise any account to meet the specific needs of your business. Each time you create a new account, QuickBooks helps you set it up correctly.

Simplified bill paying

Several improvements have been made to the windows associated with "money out" activities, like paying your bills.

- **Automatic account selection and auto population** save you time and result in fewer clerical errors. If you consistently use the same expense account for a particular supplier, QuickBooks now automatically selects that account when you specify that supplier and automatically populates the account when you enter the bill. You can also set up default links between specific suppliers and accounts.
- **The Pay Bills confirmation window** displays a list of the bills you've successfully paid and alerts you of any bills that didn't go through.

Improved forms customisation

The windows for creating high-quality forms has been redesigned and now provides immediate access to most common customisation options. It also provides a real-time preview and easy access to a print preview. Over time, you can further customise and enhance your forms to reflect the unique needs and style of your business.

Improved file management

QuickBooks 2008 file backup and file restore capabilities have been centralised and improved. By making it easier to protect and retrieve your valuable business records, QuickBooks helps ensure against data loss in case of hardware failure or a natural disaster.

Improved Home Page

The Home Page and navigation bar has been greatly improved to be friendlier, faster, and more intuitive. The Customer Centre, Supplier Centre, and Employee Centre have also been improved. It is now easier for you to see how and when to use the many features of QuickBooks.

Securely search QuickBooks with Google Desktop

Search in QuickBooks uses Google Desktop technology to quickly find your QuickBooks data, such as customer, supplier, or financial information. You can even extend you search to look at other files on your computer including e-mails, documents, and files. Simply enter a few words or phrases to search for a list of the most likely matches. Once you've identified the information you want, you can click the link to go directly to the data in QuickBooks or to the file on your desktop. Intuit installs a customised version of Google Desktop to ensure your privacy and makes your computer information available only to authorised users on your desktop.

Improved cheque printing

The screens for printing cheques have been enhanced to help ensure that cheques print correctly. The default cheque style is Voucher, and the choices are ordered according to popularity. QuickBooks 2008 also makes it easier to match the correct data to cheque numbers when printing Back to Front and to select individual cheques for reprint.

Improved Payroll

The new Payroll Centre makes using payroll easy. All of your payroll tasks are organised into a simple, easy-to-follow workflow that makes it simple to figure out what you need to do next.

New VAT system

The system for tracking and reporting on VAT has been improved to be faster and more flexible.

Cash-based VAT

Users who track VAT on a cash basis can now use the File VAT feature, just like accrual based VAT.

Accountant's Copy

The new Accountant's Copy allows improved communication between accountants and their clients. Accountants can review, correct and complete their clients' accounting data while their clients continue to operate their businesses. As an accountant works on a copy of a client's historical records, the client can continue to work in the current period of accounting data. After completing work, the accountant can add a note and send the changes back to the client. The client can read the acccountant's note, review changes, and import them into their ongoing accounting records.

Streamlined time and billing

Improved user interface and workflow allow you to get your billables (such as hours, expenses, mileage, and items) onto invoices more easily. When you create an Invoice for a customer with outstanding billables, QuickBooks offers to take you immediately to a selection window where you can select which billables to put on the invoice. And whenever you're viewing the invoice, it's easy to determine if there are billables outstanding by looking at the **Add Time/Costs...** button, which is greyed out when there aren't any.

QuickBooks Premier Edition

QuickBooks Premier helps you manage your finances most effectively, with comprehensive tools to help achieve better results and meet specialised or more complex needs. QuickBooks Premier includes all of the new features and improvements in QuickBooks Pro, plus these additional features.

Improved Units of Measure

The Units of Measure feature has been enhanced. You can now create abbreviations for measures. QuickBooks also now uses a wizard to help set up of new units of measure, automatically calculating values for common units like metres and centimetres.

Audit trail improvements

The always-on audit trail has been improved to include more transaction details and easier-to-read reports. Preventing and finding errors is now easier with reporting that presents every date an individual transaction has been modified. It also requires anything that's printed to be saved first to help prevent theft.

Integration with Outlook 2007

The new Contact Synchronisation tool lets you integrate your customer and supplier list with your Microsoft Outlook 2007 contacts. This saves you from having to enter names, address, and other contact information and ensures that both QuickBooks and your Outlook contact list list the same people

6 | Frequently Asked Questions

Frequently Asked Questions

How do I register my copy of QuickBooks?

You can register online or by phone. Go to the **Help** menu and click **Register QuickBooks**.

How do I contact technical support?

To search for solutions online, go to the QuickBooks Support Site at **http://www.quickbooks. co.uk/store/en/quickbooks/support_overview.jsp**. You can search the QuickBooks Support Knowledge Base or visit the QuickBooks Community and connect with other QuickBooks users and experts online.

For installation assistance before you register, call **0845 606 2161** (outside the UK, **+44 870 609 0601**). Hours for customer support are Monday to Friday from 9.00 a.m. to 5.30 p.m., excluding UK Bank Holidays.

For questions not covered by free support, assistance is available on a fee-per-call basis or as part of a QuickBooks Support Plan. To learn more about these paid options, visit the QuickBooks Support Web site at **http://www.quickbooks.co.uk/store/en/quickbooks/ support_overview.jsp** or call **0845 606 2161**.

Note: *Support hours may vary occasionally due to system and server maintenance, company events, observed statutory holidays, and events beyond our control.*

How do I purchase additional user licenses so I can add users to my QuickBooks?

You can add users to your QuickBooks in two ways:

- You can purchase additional copies of QuickBooks in a store or;
- You can buy additional user licenses by phone.

To add a license to your existing QuickBooks license by phone, go to the **Help** menu, click **Manage My License**, and then click **Buy additional user license**. Follow the onscreen instructions.

For other QuickBooks purchasing questions, call **0845 606 2161.** If you have not set up your QuickBooks for multi-user access, please see "Installing and Setting up QuickBooks for multi-user environment" on page 11.

How do I download and install an update or patch?

Periodically, Intuit provides updates to QuickBooks that you can download from the Internet. These updates can include a maintenance release (also known as a patch), a new feature, or a new service.

To download an update, go to the **Help** menu and click **Update QuickBooks**. Follow the onscreen instructions.

Note: *If you store your company file on a file server and also installed QuickBooks on that computer (as described on page 5), you also need to apply patches and updates to the server.*

How do I move my QuickBooks file from one computer to another?

To move QuickBooks company files from one computer to another, we recommend that you use a portable company file. The portable company file does not simply copy the data for your QuickBooks company; it compresses the data into a smaller file.

To move your company file:

1. Create a portable company file on the source computer:

   a. Go to the **File** menu and click **Save Copy or Backup**.
   b. Select **Portable Company File** and then click **Next**.
   c. Choose the drive (hard drive, CD, or Zip® disk) where you want to save the portable company file. You can use the same file name or enter a new name.
   d. Click **Save**.

2. Take the media containing your portable company file to the computer to which you want to move your company file.

3. Open the portable company file on the destination computer:

   a. Go to the **File** menu and click **Open or Restore Company**.
   b. Select **Restore a portable file** and then click **Next**.
   c. Browse to select the portable company file you want to restore, click **Open**, and then click **Next**.
   d. Browse to select and change the location and file name of the company file that will be created and opened from the portable company file. If you select an existing company file, it will be overwritten with the data from the portable company file.
   e. Click **Save**.

How do I remove older or unneeded transactions from my data file?

You can use the Clean Up Company Data utility to remove transactions that you no longer need to keep detailed records of. You can choose to remove transactions as of a specific date (for example, all transactions dated on or before 31/12/04). Optionally, you can choose to remove unused list items, such as obsolete customers and items.

Before removing the transactions, QuickBooks creates an archive copy of your company file and enters general journal transactions that summarise the transactions being removed.

Note: *Cleaning up the data in the company file does not reduce the physical size of the company file.*

How often should I back up or restore my company file?

You should back up your QuickBooks company files daily. Backup copies are important insurance—if you should lose data for any reason, you can restore data from your backup copy. QuickBooks enables you to back up and restore your data in a number of ways.

To view detailed information about each backup and restore option, refer to the in-product Help.

To back up a company file:

1 Go to the **File** menu and click **Save Copy or Backup**.

2 Choose the backup option you want, click **Next**, and follow the onscreen instructions.

To restore a company file:

1 Go to the **File** menu and click **Open or Restore Company**.

2 Choose the restore option you want, click **Next**, and follow the onscreen instructions.

What should I do if I forget my password?

If you forget your password or you cannot log on to your company file because your administrator password is not working, you can use the tips below to try to remember the password on your own.

Try the following:

- Attempt to log on by entering the login name of `Admin` and then click **OK** without typing a password.
- Enter your password with the **Caps Lock** key on and then off. Repeat with the **Num Lock** key on and off.
- Enter password variations, using mixed upper- and lower-case characters.
- Enter the password with a space before or after the actual password.
- Enter the password in a text editor to confirm that your keyboard is functioning properly.
- Restore a pre-update backup of your file that does not have the case-sensitive password. When you restore this file, you can set your new administrator password at the end of the update process.

If you are still unable to access your file, contact Customer Support for assistance at **0845 606 2161** (outside the UK, **+44 870 609 0601**). A fee may be charged for this service depending on the support options of your service plan.

How do I update my payroll to use the latest tax tables?

If you are a QuickBooks Payroll subscriber, you have two options for updating your tax tables. You can:

- Go to the **Help** menu and click **Update QuickBooks**.
- Turn on the Auto-update preference. When a new tax table is available, it will be downloaded automatically and you will be prompted to install.

Payroll updates, which might include compliance enhancements and updated payroll tax forms as well as new tax tables, become available throughout the year. We recommend that you connect to the payroll service at least every 45 days to make sure you have the most current tax table available.

Make sure that you download and install the latest payroll update before you pay employees for the first time.

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Keyboard Shortcuts

General	Key
To start QuickBooks without a company file	Ctrl (while opening)
To suppress the desktop windows (at **Open Company** window)	Alt (while opening)
Display product information about your QuickBooks version	F2
Close active window	Esc or Ctrl+F4
Record (when black border is around OK, Save and Close, Save and New, or Record)	↵
Record (always)	Ctrl + ↵

Dates	Key
Next day	+ (plus key)
Previous day	- (minus key)
Today	T
First day of the Week	W
Last day of the weeK	K
First day of the Month	M
Last day of the montH	H
First day of the Year	Y
Last day of the yeaR	R
Date calendar	Alt + ↓ (down arrow)

Editing	Key
Edit transaction selected in register or lift	Ctrl + E
Delete character to right of insertion point	Del
Delete character to left of insertion point	Backspace
Delete line from detail area	Ctrl + Del
Insert line in detail area	Ctrl + Ins
Cut selected characters	Ctrl + X
Copy selected characters	Ctrl + C
Paste cut or copied characters	Ctrl + V
Increase cheque or other form number by one	+ (plus key)
Decrease cheque or other form number by	- (minus key)
Undo changes made in field	Ctrl + Z

Help Window	Key
Display Help in context	F1
Go to next Help topic	Tab
Go to previous Help topic	Shift + Tab
Display selected topic	↵

Activity	Key
Copy cheque transaction in register	Ctrl + O
Create invoice	Ctrl + I
Delete cheque, invoice, transaction, or item from list	Ctrl + D
Find transaction	Ctrl + F
Go to register of transfer account	Ctrl + G
History of A/R or A/P transaction	Ctrl + H
Memorise transaction or report	Ctrl + M
New invoice, bill, cheque or list item in context	Ctrl + N
Open account list	Ctrl + A
Open Customer Centre (Customers & Job list)	Ctrl + J
Open Help for active window	F1
Open list (for current drop-down menu)	Ctrl + L
Open memorised transaction list	Ctrl + T
Open split transaction window in register	Ctrl + R
Open transaction journal	Ctrl + Y
Paste copied transaction in register	Ctrl + V
Print	Ctrl + P
QuickReport on transaction or list item	Ctrl + Q
QuickZoom on report	↵
Show list	Ctrl + S
Use list item	Ctrl + U
Write new cheque	Ctrl + W

Moving around a window	Key
Next field	Tab
Previous field	Shift + Tab
Beginning of current field	Home
End of current field	End
Line below in detail area or on report	Down arrow (↓)
Line above in detail area or on report	Up arrow (↑)
Down one screen	Page Down
Up one screen	Page Up
Next word in field	Ctrl + →
Previous word in field	Ctrl + ←
First item on list or previous month in register	Ctrl + Page Up
Last item on list or next month in register	Ctrl + Page Down
Close active window	Esc or Ctrl + F4