

QuickBooks®

intuit®

UK Advanced 2008 Training Guide
More knowledge, more power, more growth.



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Welcome to QuickBooks®.

QuickBooks is easy-to-use accounting software designed for small businesses and to fit your business needs. QuickBooks gives you easy access to your financial information, a way to track income and expenses, the power to generate quick reports, and helps you give maximum customer satisfaction.



This training guide can stand alone, but it is the second book of a series. The first is A Beginners' Guide to QuickBooks, which teaches users the most common features of QuickBooks.

If you have worked through the first guide, or have learned the basics of QuickBooks on your own, you may now wish to learn how to manage your company file more efficiently and effectively. This advanced guide was created to teach you additional tasks, techniques and features.

In this guide, you'll learn how to:

- Customise QuickBooks to suit your company activities.
- Add users and turn on multi-user mode.
- Do some advanced tasks using lists.
- Work with VAT.
- Use some advanced stock techniques.
- Record various types of advanced supplier transactions.
- Record various types of advanced customer transactions.
- Take advantage of more advanced report features.
- Integrate QuickBooks with Microsoft Excel, Outlook and Word.
- Perform some housekeeping tasks, including backing up, verifying and restoring a company file, and using reminders and to-do lists.

Each chapter of this advanced training guide will discuss a specific area, why it's important, and how to deal with it in QuickBooks.

Note: This guide will not tell you how to install or set up QuickBooks. For this basic information, see the manual and help files that came with your software. Also, although the information in this guide usually will apply to multiple both Pro and Premier versions of QuickBooks, it is primarily designed for users of QuickBooks Pro and all references will be to QuickBooks Pro.

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The sample company

Where possible, you should use your own company file as you work through this advanced training guide, so that you can apply what you have learned directly to your own business. Sometimes, however, you will need to use a sample company. For instance, you might want to practice using certain features without changing your company file.

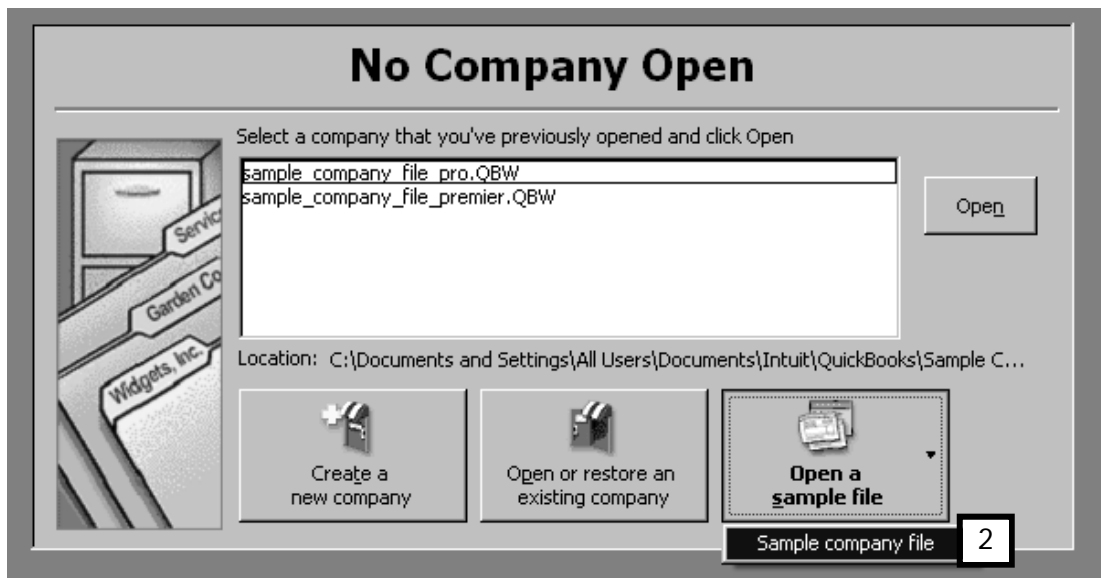
QuickBooks comes with a sample company called Port Meadow Locksmiths. You will see examples throughout using this company.

To access the sample company:

1. If you are within a QuickBooks file, click on **File** in the **Menu Bar** and select **Close Company** (1).



2. The **No Company Open** window opens. Click **Open a sample file** (2)



There are times when this guide urges you to use your own company and start setting up your actual company file.

Chapter summary

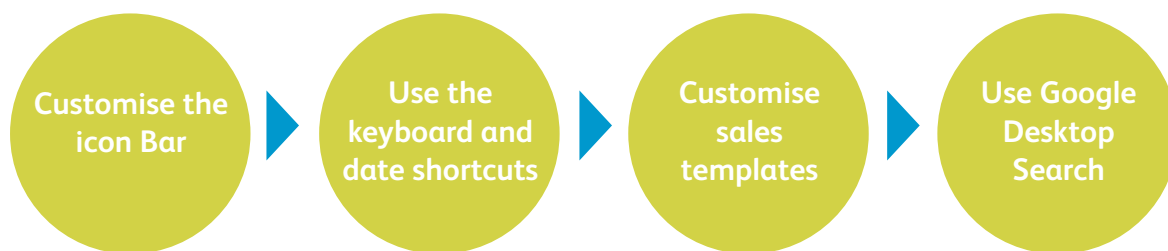
This introductory chapter helped you understand how to:

- Use this guide.
- Use the sample company.

Customising QuickBooks to suit your company

You may have already noticed that you use some particular features, processes and reports more than others, or that you find you have to do a lot of navigating to get to some of your most-used features. The rest of this chapter discusses some of the more common ways to tailor QuickBooks® to your style and company requirements.

There are many ways you can personalise your QuickBooks company file to make your work easier and more efficient. In this chapter, you will learn how to personalise the icon bar to customise QuickBooks, and how to use shortcut keys to get more quickly to your commonly used features. When you have completed this chapter, you should know how to:



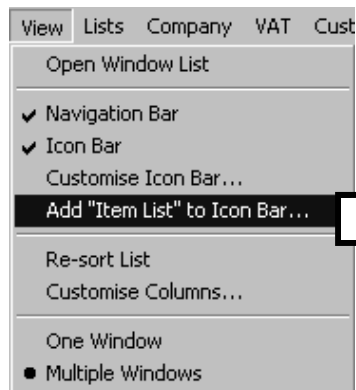
Customising the Icon bar

Most of the time you will be using the Home Page and the various Centres to navigate through QuickBooks. The icon bar complements these by giving you one-click access to any aspect of QuickBooks you frequently use, including lists, activities, registers or reports.

For example, if you frequently call up the same list—such as the Item List—or if you continually view a specific report—Sales by Customer, for instance—you can make that list or report just one mouse-click away by adding it to the icon bar.

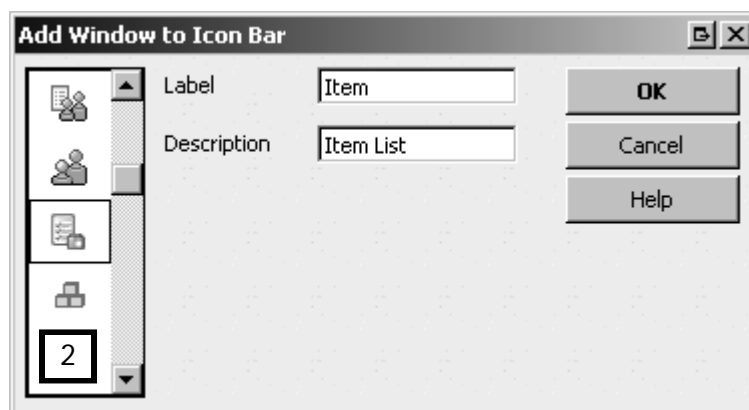
Let's add the Item List to the icon bar.

1. First, call up the Item List. From the **Menu bar**, click **Lists** and select **Item List**. QuickBooks opens the Item List window.
2. Then, from the **Menu bar** click **View** and choose **Add "Item List" to Icon Bar (1)**.



3. QuickBooks displays the Add Window to Icon Bar dialogue box.

You can select any icon image from the list on the left side of the box (2). The box displays the default label and description for the Item List, but you can enter your own label name and description if you like.



4. Click **OK**. QuickBooks adds the selected icon and description (3) to the icon bar.



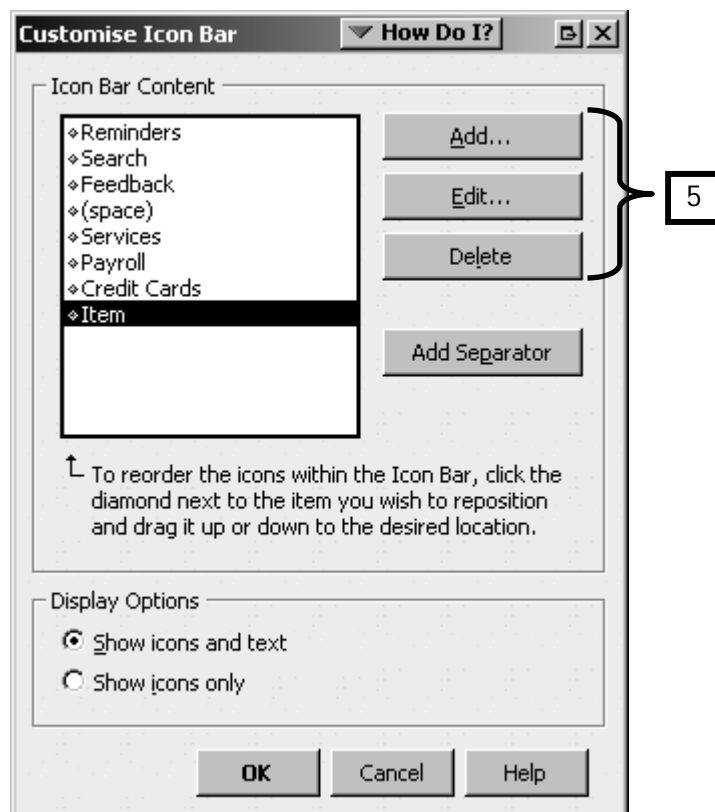
Making other changes to the icon bar

You can also remove, group and separate icons on the icon bar. To make these changes:

1. From the **Menu bar**, click on **View** and select **Customise Icon Bar** (4).



2. QuickBooks will display the Customise Icon Bar window, which gives you a number of options:



- You can choose to add, re-arrange, delete and edit items on the icon bar (5).
- You can add a separator that visibly groups related icons.
- You can choose to have the icons displayed with or without text below them.

You can customise the icon bar to suit the needs of each person working in your company file.

Using keyboard shortcuts

You may be one of those people who prefer using the computer's mouse as little as possible—or you may just find it more convenient sometimes to enter a command using the keyboard.

QuickBooks gives you the option of using keyboard shortcuts—that is, key combinations which send the same commands to QuickBooks as you send when clicking on an icon or a menu item.

By pressing different key combinations on your keyboard, you can quickly perform common tasks within QuickBooks, such as opening task windows, changing dates and using functions, commands and lists. Most of the key combinations are set up so that the letter or key you strike has a hint in it. For instance, to edit fields, the keyboard shortcut is to hold down the Ctrl key and then strike the E (for **E**dit) key. This is written as CTRL+E.

Here are just a few of the things that you can do:

- You can open windows.
Examples: To open the Write Cheques window, hold down the Ctrl key and press W. To open the chart of accounts, use CTRL+A. To record a transaction, use CTRL+Enter. To open a register, use CTRL+R.
- You can edit pre-filled data.
Examples: To edit a list item, highlight the item and use CTRL+E. Delete a transaction or list item using CTRL+D.
- You can move around a window.
Examples: To move to the next field in a window, press TAB. To move to the previous field, press SHIFT+TAB. To use Simple Find, press CTRL+F.

For a complete list of keyboard shortcuts, see the tables on the following pages, or on the last two pages of the *QuickBooks® Getting Started Guide* that came with your software.

List of Keyboard shortcuts

Note: When asked to use Ctrl or Shift, plus (+) a key, hold down the Ctrl or Shift key and strike the companion key. When asked to use Alt, strike and release the Alt key then strike the companion key.

General shortcuts

If you want to...	Use shortcut ...
Start QuickBooks without a company file	Ctrl + double-click
Suppress the desktop windows (at Open Company window)	Alt (while opening)
Display information about QuickBooks	Ctrl + 1 (one)
Cancel	Esc
Record (when black border around Save & New, Next or Prev button)	Enter
Record (always)	Ctrl + Enter
Close active window	Ctrl + F4
Close program window	Esc + F4

Navigation shortcuts

If you want to move to...	Use shortcut ...
Next field	Tab
Previous field	Shift + Tab
Back and forth (toggle) between form & navigation bar	Ctrl + 0 (zero)
Report column to the right	► (right arrow)
Report column to the left	◄ (left arrow)
Beginning of current field	Home key
End of current field	End key
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 key
Up one screen	Page Up key
Next word in field	Ctrl + ► (r. arrow)
Previous word in field	Ctrl + ◄ (l. arrow)
First item on list or previous month in register	Ctrl + Page Up
Last item on list or next month in register	Ctrl+ Page Down

Help shortcuts

If you want to...	Use shortcut ...
Display Help in context	F1
Select next option or topic	Tab
Select previous option or topic	Shift + Tab
Display selected topic	Enter
Close popup box	Esc
Close Help window	Esc

Editing shortcuts

If you want to...	Use shortcut ...
Edit transaction selected in register	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 one	- (minus key)
Undo changes made in field	Ctrl + Z

Activity shortcuts

If you want to...	Use shortcut ...
Display the account list	Ctrl + A
Write a cheque	Ctrl + W
Copy a transaction in the register	Ctrl + O
Display the Customers & Job list	Ctrl + J
Delete a cheque, invoice, transaction, or list item	Ctrl + D
Edit lists or registers	Ctrl + E
Use QuickFill and Recall (type first few letters of name and press Tab, name fills in)	{abc} Tab
Find a transaction	Ctrl + F
Go to register of transfer account	Ctrl + G
Display Help in context	F1
History of A/R or A/P transaction	Ctrl + H
Create an Invoice	Ctrl + I
List (for current field), display	Ctrl + L
Memorise transaction or report	Ctrl + M
Display the list of memorised transactions	Ctrl + T
Create new invoice, bill, cheque or list item	Ctrl + N
Paste copied transaction into the register	Ctrl + V
Print an invoice, report, etc.	Ctrl + P
QuickZoom on any report	Enter
Get a QuickReport on any transaction or list item	Ctrl + Q
Show a list item	Ctrl + S
Display the register	Ctrl + R
Use a list Item	Ctrl + U
Display the transaction journal	Ctrl + Y

Shortcuts for changing dates

When you record a transaction, QuickBooks automatically inserts the current day's date into the transaction date field. You can change the date if you want. One way to change the date is simply to type in the new date. However, akin to keyboard shortcuts for other tasks, there are some easy shortcuts to make changing the date faster.

For example, with the date field highlighted, press on the + (plus) key to move the displayed date in a form or report up by one day. The – (minus) key will move the date down by one day. The M key sets the date to the beginning of the displayed month, while the H key selects the last date of the month.

Date shortcuts are slightly different than other keyboard shortcuts in two ways. First, for all but one of them, you do not have to use Ctrl, Shift or Alt keys as long as your cursor is in the Date field, and second, these shortcuts may be used once or repeatedly. The single exception is that to get a drop-down calendar from which you can choose a date, press ALT, then the down arrow (▼).

Date shortcuts

Press...	once, to change the date to...	more than once, to move...
+	next day	forward one day per keystroke
-	previous day	back one day per keystroke
[(<i>open bracket key</i>)	one week backward from current date	forward one week at a time from current date per keystroke
] (<i>close bracket key</i>)	one week forward from current date	backward one week at a time from current date per keystroke
; (<i>semi-colon key</i>)	one month backward from current date	forward one month at a time from current date per keystroke
' (<i>apostrophe key</i>)	one month forward from current date	backward one month at a time from current date per keystroke
w (<i>for week</i>)	first day of current week	to first day of previous weeks
k (<i>for week</i>)	last day of current week	to last day of subsequent weeks
m (<i>for month</i>)	first day of current month	to first day of previous months
h (<i>for month</i>)	last day of current month	to last day of subsequent months
y (<i>for year</i>)	first day of current year	to first day of previous years
r (<i>for year</i>)	last day of current year	to last day of subsequent years
t (<i>for today</i>)	today's date	
Alt+▼	any date, using the drop-down calendar	

Customising Templates

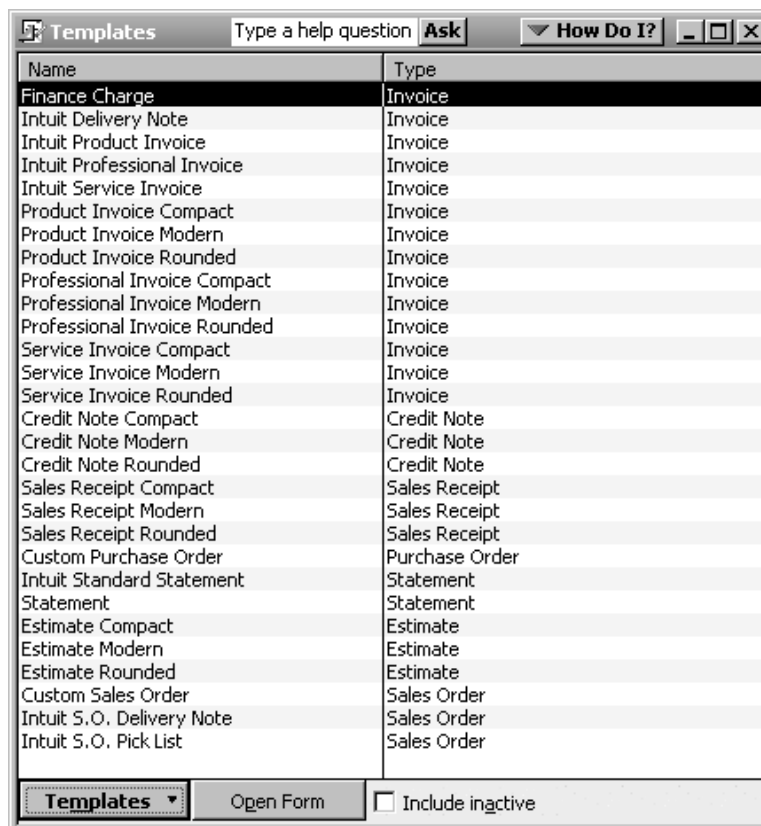
QuickBooks has a number of different standard templates for designing Invoices, Sales Receipts, Sales Orders, Credit Notes, Purchase Orders, Estimates and Statements. These can be completely customised by adding logos and colours, and using custom fonts to reflect your company's professional image.

To access the templates list:

1. Click on **Lists** in the **Menu Bar** and select **Templates (1)**.



2. The list of templates appears.



Let's work with the template called **Service Invoice Rounded**, found in the sample company data file, and see what the options are for basic and advanced customisation.

Basic Customisation

Double click the template **Service Invoice Rounded** to open it.

The first thing to note is the new Preview pane (1). As you make changes in the left side of the screen, you can immediately see their effect on the template, in the Preview pane to the right.

On the left side are your basic customisation tools (2). These include options for:

- Adding your own **logo** (3).
- Applying a **colour scheme** (4).
- Changing **fonts** for different parts of the template (5).
- Which **company information** to include in the template (6). Clear the tick marks for fields you don't wish to show.

The **Additional Customisation** (7) and **Layout Designer** (8) buttons at the bottom of the screen are for advanced options.

Basic Customisation

Selected Template: **Service Invoice Rounded** 2 Manage Templates...

Logo & Fonts

Use logo 3 Select Logo...

Select Colour Scheme:

Please Select... 4 Apply Colour Scheme

Change Font For:

Title

Company Name

Company Address 5

Labels

Data

Subtotals Label

Total Label

Change Font...

Company & Transaction Information

Company Name Phone Number Update Information...

Company Address E-mail Address 6

Fax Number Web Site Address

Company VAT Registration Number

Print Status Stamp

This controls whether the status stamp is printed.
e.g. PAID, PENDING, RECEIVED etc.

Preview 1

Part: Meadow Locksmiths Ltd
22 Cranston Road
Oxford
OX4 3LS

Tax Data
Invoice No.

Invoice To 6 Ship To

P.O. No. 6 Ship Date
Terms 6 Due Date
6 Other

Description	Qty	Rate	Amount	
			Subtotal	00.00
			VAT Total	00.00
			Total	00.00
			Payments/Credits	00.00
			Balance Due	00.00

01895-43 7033
01895-43 9481

Company VAT Number: GB123456789

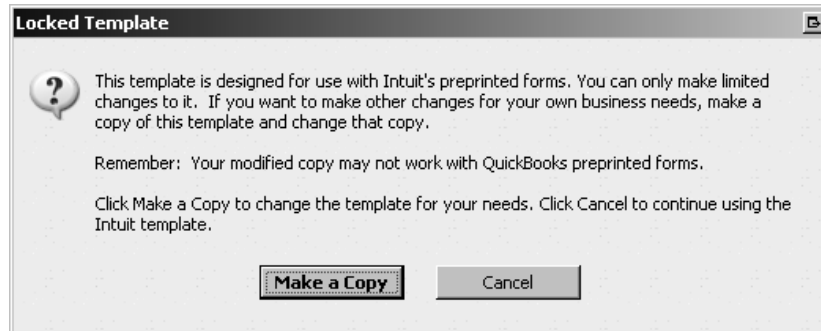
Print Preview...

Help 7 Additional Customisation... Layout Designer... 8 Cancel OK

Advanced Customisation

Because this template is designed to work with Intuit's pre-printed forms, you will need to make a copy of it before you can customise the template further.

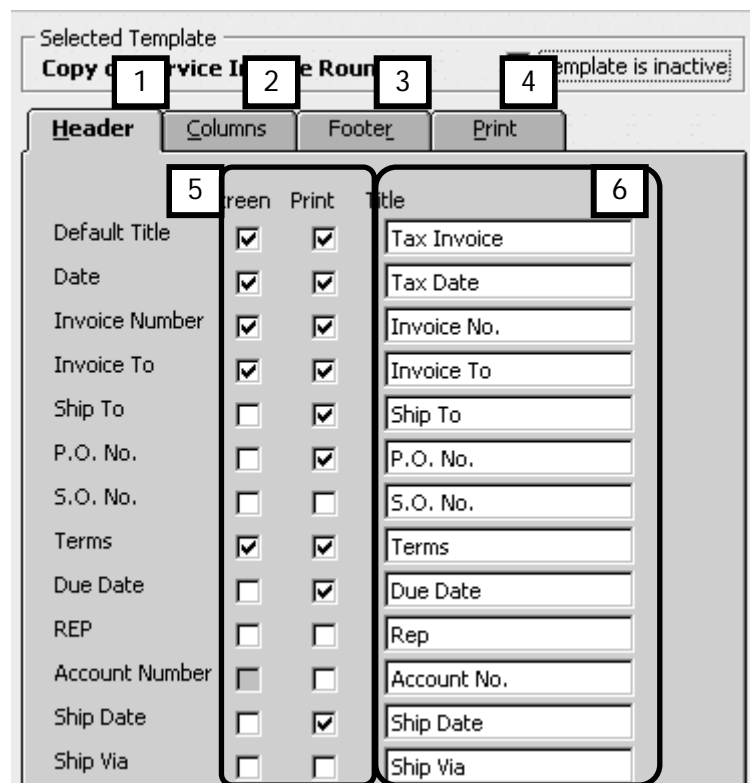
1. Click on the **Additional Customisation** button. QuickBooks offers the option to make a copy.



2. Once you have clicked **Make a Copy** button, the selected template is loaded. There are 4 tabs with different options you can select: Header (1), Columns (2), Footer (3) and Print (4). (**Note:** the Premier version of QuickBooks has an additional column titled Prog. Cols for progress invoicing.)

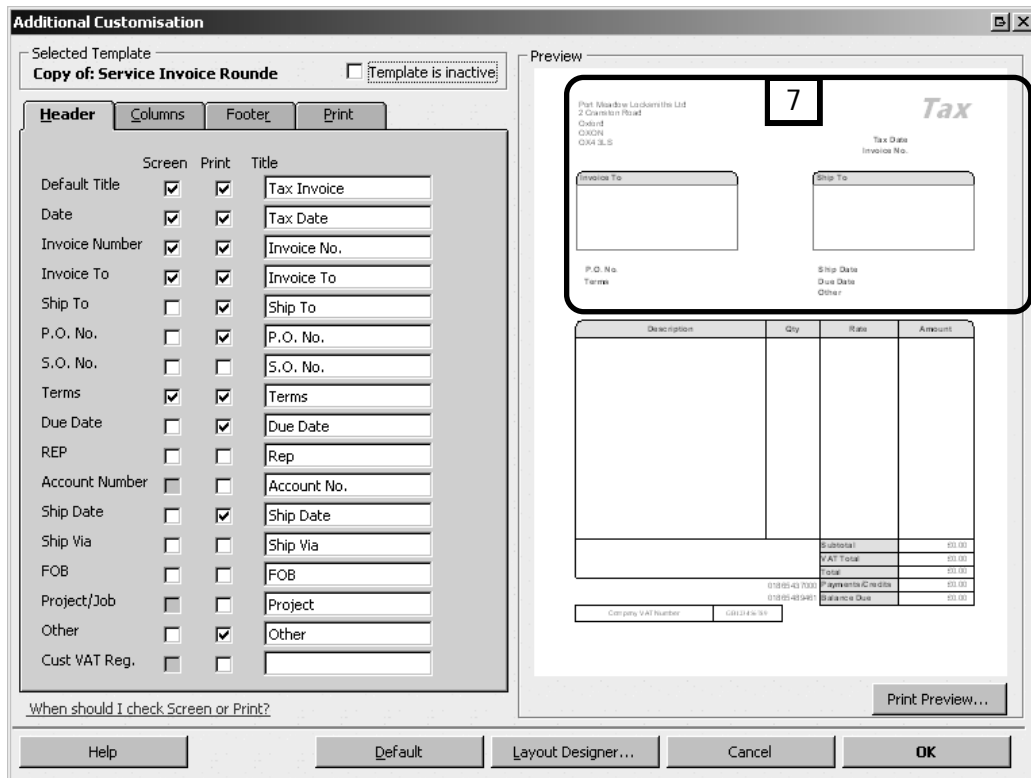
Ticking the Screen box makes the field visible only to you on your screen; a tick in the Print box prints the field on the paper copy of the invoice (5).

The field titles can be changed in the Title column (6).

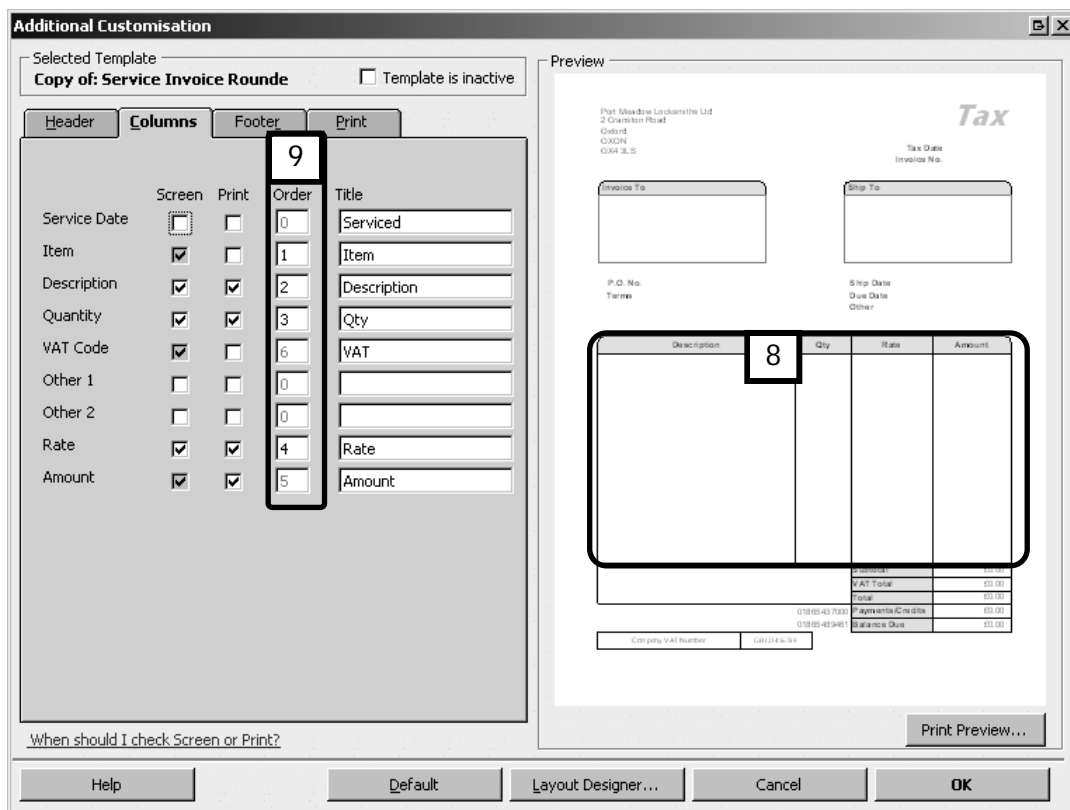


Let's look at each of the tabs in turn.

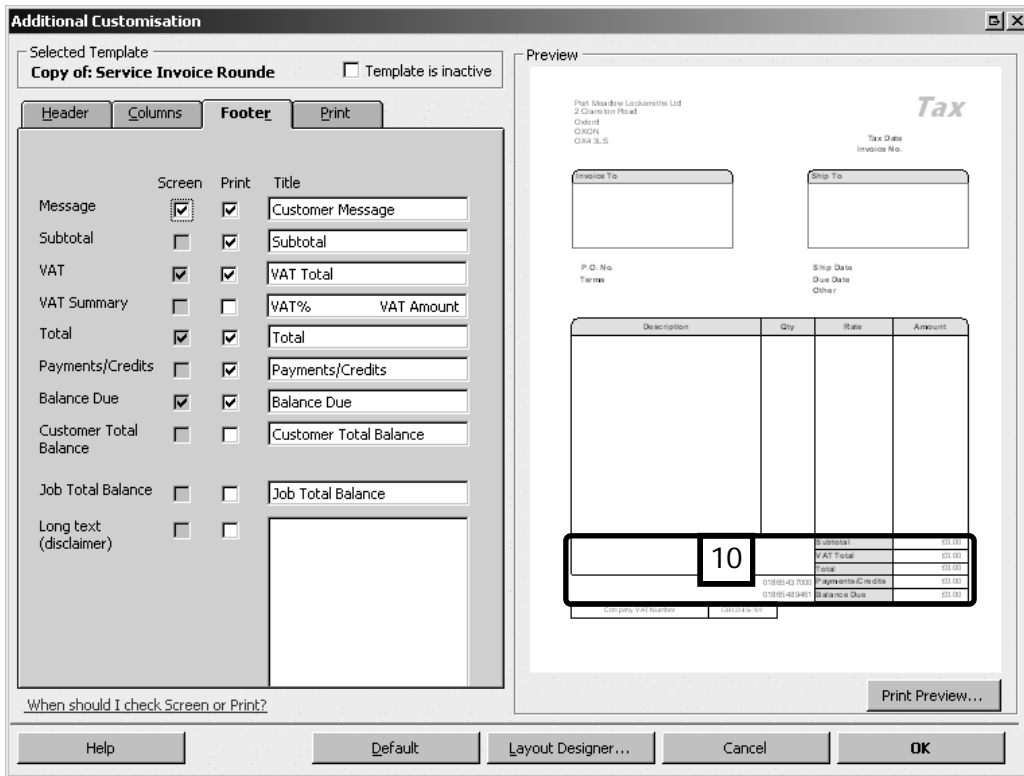
- The options in the Header tab, affect the top part of the template (7).



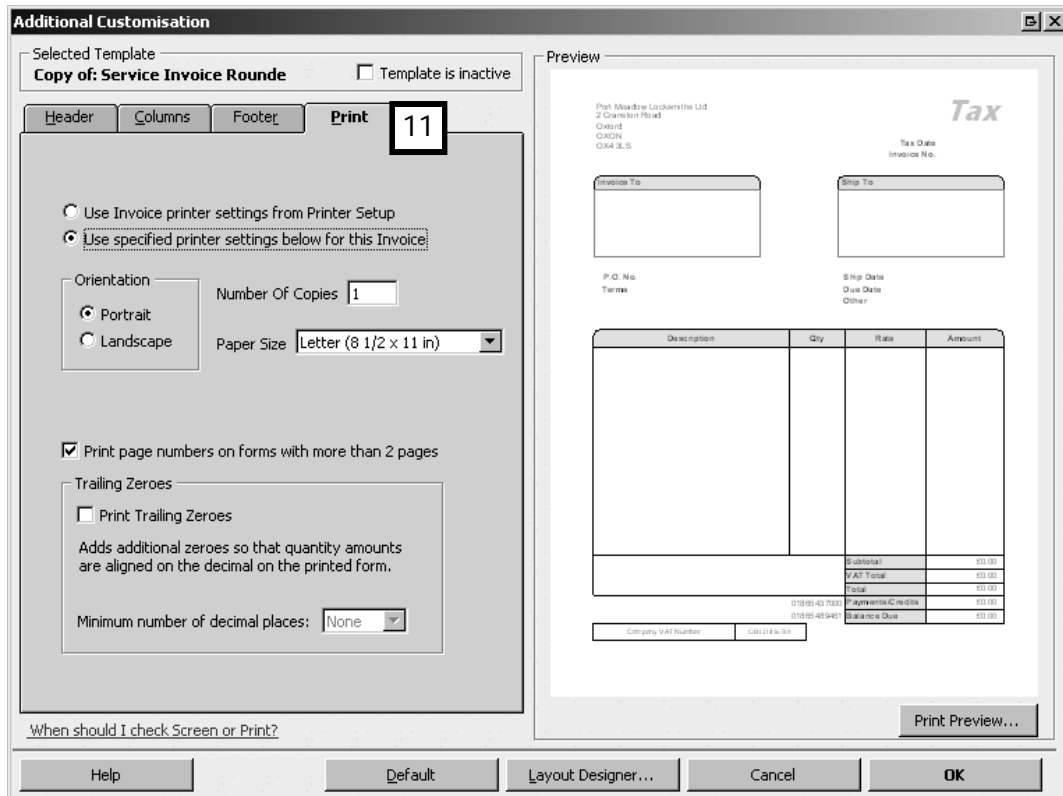
- The options in the Columns tab determine the columns on the template (8) and their order (9) of appearance left to right within the body of the document.



- The options in the Footer tab, affect the bottom of the template (10), including the way VAT amounts and Totals are displayed.



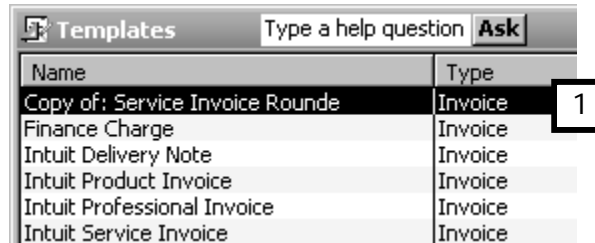
- The options in the Print tab, determine how the template will print. For example, you can specify a default printer, page orientation, the number of copies, page size and page numbers (11).



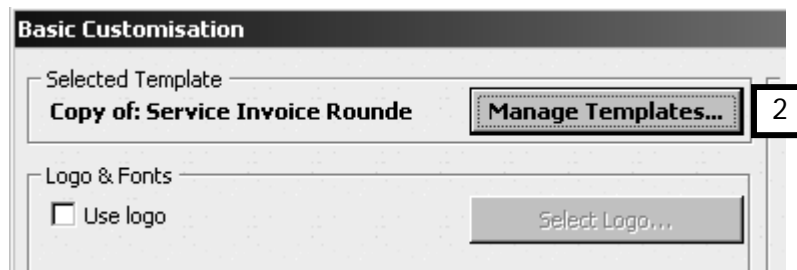
Name Your Own Templates

Now that you have created your template, you may want to give it a meaningful name.

1. From the Template list, find the name of the template you just created. The name will start with **Copy of:.....** Double click to open the template.

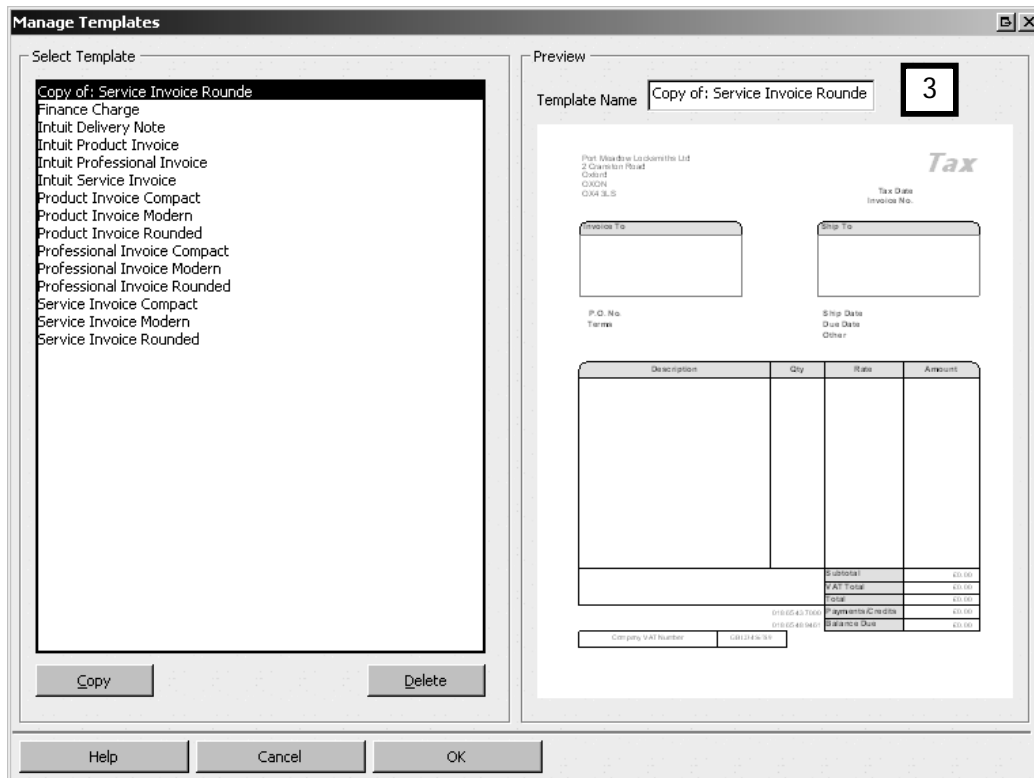


2. Click the **Manage Templates** button.



3. Type in a new name in the **Template Name** field (3).

To finish, click **OK**.



Google Desktop Search within QuickBooks

When you installed QuickBooks 2008 you were given the option to also install Google Desktop. The version of Google Desktop that is installed is customised to ensure your privacy, and makes your computer information available only to authorised users of your desktop.

If you decide to use Google Desktop, your search options will be greatly enhanced. This is because you will be able to search on any typed word, and Google Search will look through all the fields in your company including fields in lists, on forms, and customised fields.

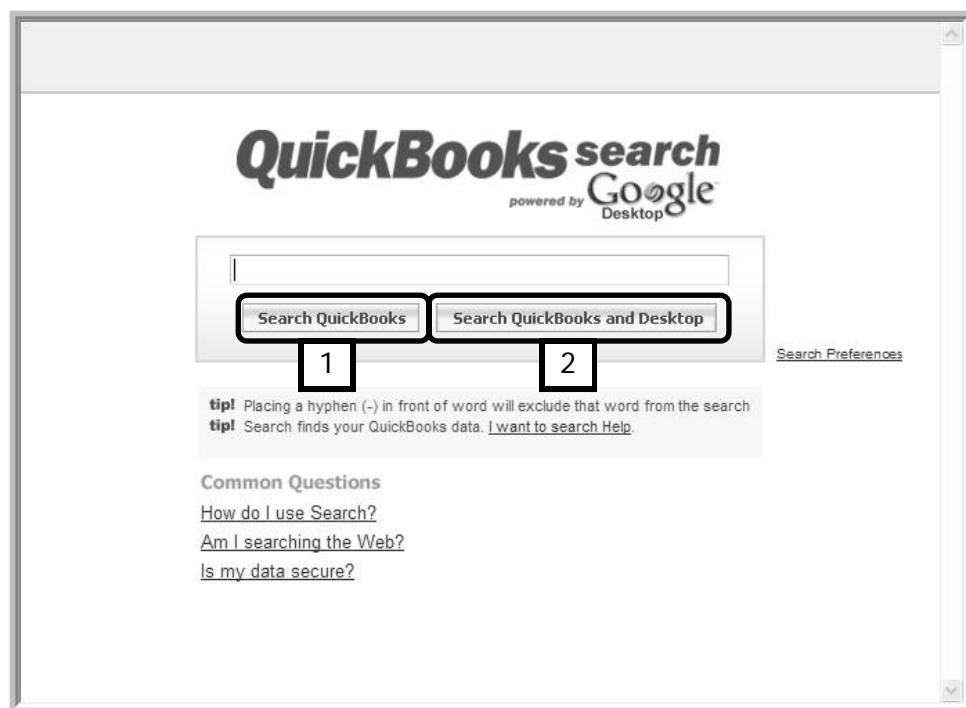
For example, you cannot easily search the item list in QuickBooks, but with Google Desktop, you can.

To launch the search:

1. Click on **Search** from the **Icon Bar**.

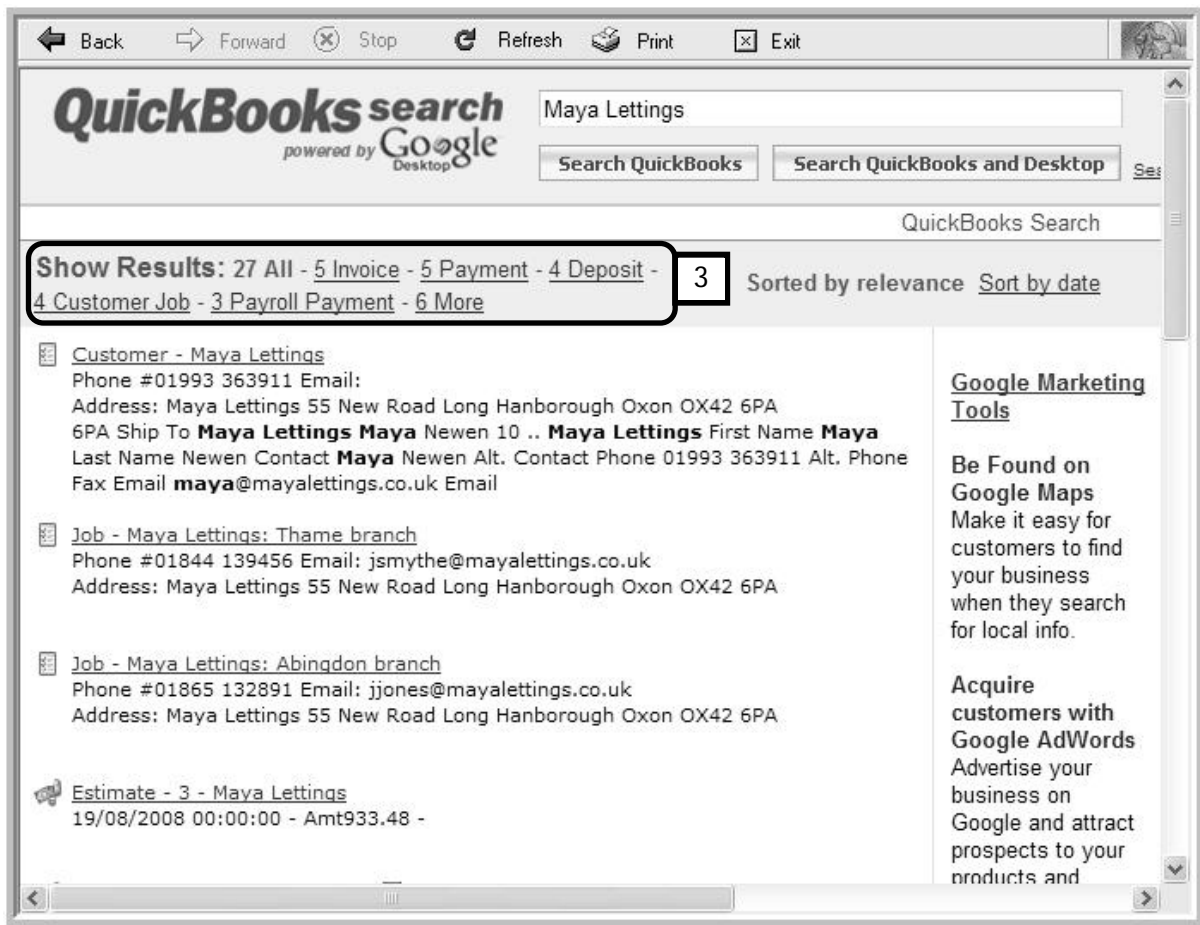


2. The window below displays. Choose Search QuickBooks (1) to only search within your company file, or Search QuickBooks and Desktop (2) to search your entire computer.



Let's say we are looking for our customer, Maya Lettings. Type this into the Google Search and click Search QuickBooks.

3. Your Search results are displayed:



Google Desktop identified 27 instances of that name on forms and in lists (3), and presents the results in the familiar format of a web search. Click the underlined links to drill down for further information.

Chapter summary

In this chapter you have learned some of the ways you can customise QuickBooks. You should now understand how to:

- Customise the icon bar.
- Use keyboard shortcuts.
- Use date shortcuts.
- Customise sales templates.
- Use Google Search.

Advanced set-up options: multi-users and permissions

When you first set up QuickBooks® you are the only user. However, for most companies, the company financial information is handled by more than one person. This chapter discusses how to set up additional QuickBooks users and give those users permission to add data and change your company file.

When you have finished this chapter, you should be able to:



Adding users

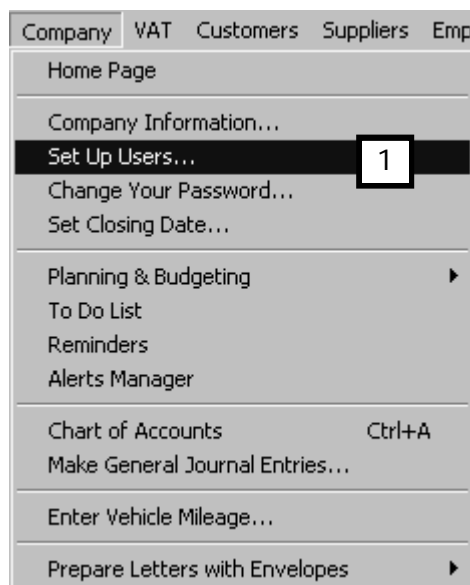
You can allow co-workers, a bookkeeper, your accountant or anyone else to have access to view and enter transactions into your QuickBooks company file. You can do this by adding users to the user list.

You can also control and limit access of these additional users to the various parts of your QuickBooks company file.

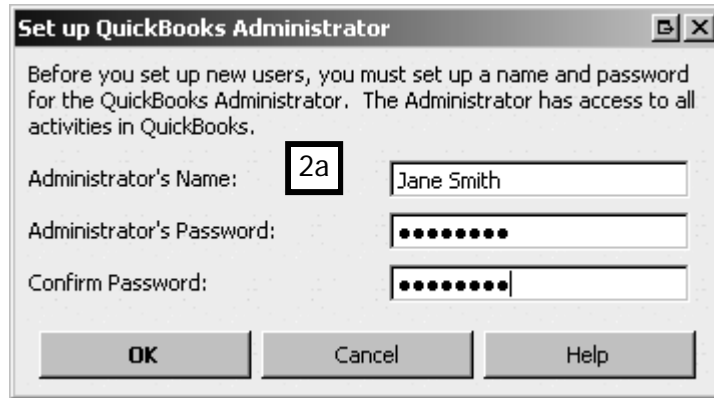
Before a new user is set up, you will have to designate yourself as the administrator. In QuickBooks, the administrator has full access to all areas of the company file, and it is the administrator who, among other things, adds users, establishes permissions and enables preferences.

Here's how you can designate yourself the administrator and add a user to the user list:

1. From the **Menu bar**, click on the **Company** menu and choose **Set Up Users...** (1).



2. QuickBooks will display the Set up QuickBooks Administrator window (2a), unless you have already set up an administrator and password when you completed the EasyStep Interview — in which case QuickBooks displays the QuickBooks login window (2b) as in step 4.
3. In the **Set up QuickBooks Administrator** window:
 - Enter your **name** as the administrator.
 - Enter your **password**. (Remember to use a password others cannot guess, and which is easy for you to remember. If you have any doubt about remembering it, write your password down in a safe place, or write down a cryptic hint in the space below.)
 - Hint for my password is: _____
 - Confirm your password.
 - Click **OK**.



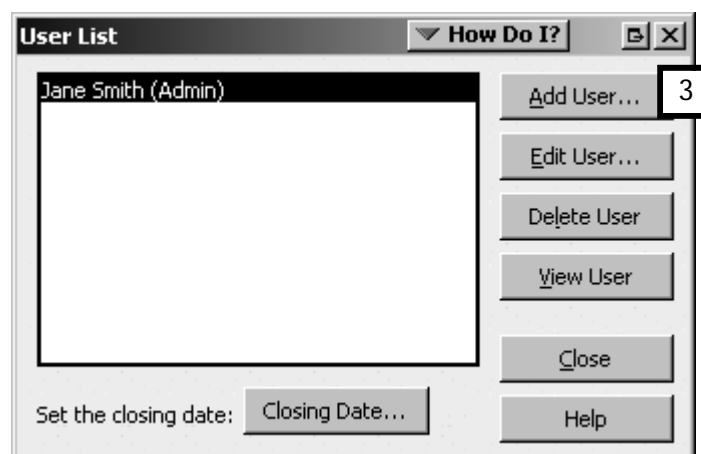
Note: Although you can choose not to establish passwords for each user, we strongly advise you do so to keep your company file secure. Each time you open your company file you will have to use your administrator password, and your other users will use theirs to access those parts of the file to which you have given them the permission to do so in the setup procedure below.

4. If you have already designated yourself as the administrator, QuickBooks will present you with this screen instead, everytime you access the User List:



Enter your password, and click **OK**.

5. QuickBooks will now display the User List dialogue box. From the User List, click on **Add User...**(3).



6. You will see the **Set up user password and access** dialogue box (4).



Note: Each user should choose their own password. You may wish to ask each user you set up to be with you while you are setting up their access, so they can enter their own password while you are setting up their user status, and so you can explain their access to them.

Enter the new user's **name** and **password** information.

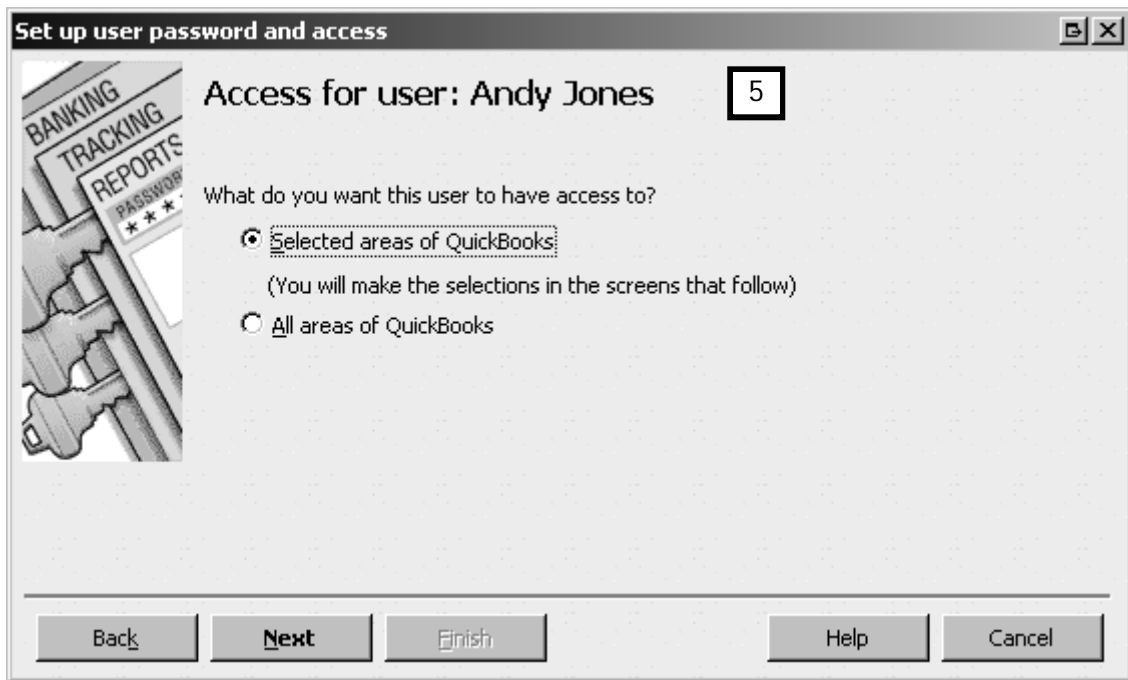
Click **Next**.

7. QuickBooks will then display the Access for user window (5), asking you to choose the areas in which the new user can work.

If you want the user to have the same access permissions as you, the administrator, choose the option **All areas** of QuickBooks.

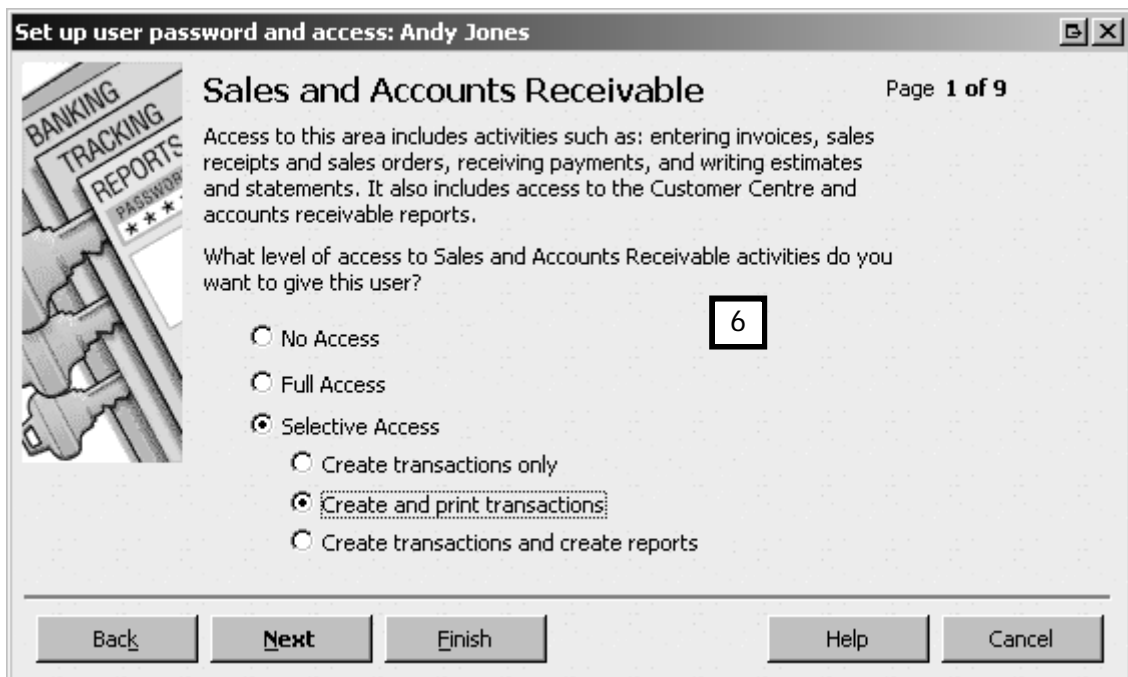
If, however, you want to limit the user's access to certain areas of the company file, choose **Selected areas** of QuickBooks.

Click **Next**.



8. If you have chosen to assign limited access, QuickBooks will then display a series of screens with questions about which areas you want the new user to be able to see or change. This is called assigning permissions for the user.

QuickBooks will prompt you to allow **No Access**, **Full Access** or **Selective Access** (6) for the new user to each of the following areas:



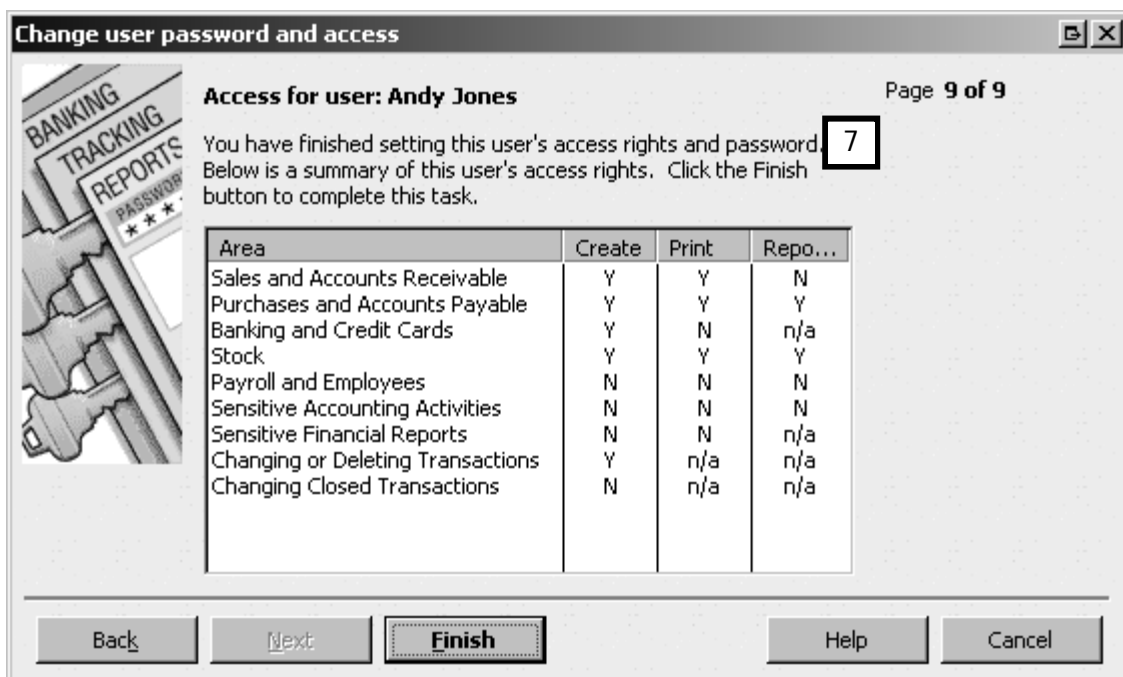
- Sales and accounts receivable (shown in 6)
- Purchasing and accounts payable
- Banking & Credit cards
- Stock (if stock preference is activated)
- Time tracking (if time tracking is activated)

- Payroll & employees
- Sensitive accounting activities
- Sensitive financial reporting
- Changing or deleting transactions

If you choose Selective Access in any of the above screens, you then must select one of three options. You can allow this user to:

- Create transactions only.
- Create and print transactions (shown in 6).
- Create transactions and create reports.

9. Once you have chosen all your permission preferences, QuickBooks displays a summary window (7) where you can review your choices.



10. If you are not satisfied with the choices you have made, use the **Back** button to return to previous screens and change the options.

If you are satisfied with the permissions granted to the user, click **Finish** to complete the user setup.

11. Repeat these steps for each user you wish to add.

Sharing the company file with other users (multi-user mode)

Multi-user mode lets more than one person work with your company file **at the same time**. This is useful if, for instance, one user with limited access is entering invoices in the sales department, while another user with limited access is entering stock transactions in shipping.

QuickBooks Pro (or Premier) allows up to five users to access your company file simultaneously.

To permit multi-user mode, each user must have their own copy of QuickBooks Pro/Premier, installed on their machine and each user must also be using the same version of QuickBooks Pro/Premier. Speak to Intuit or your Professional Advisor for software license agreements and pricing information.

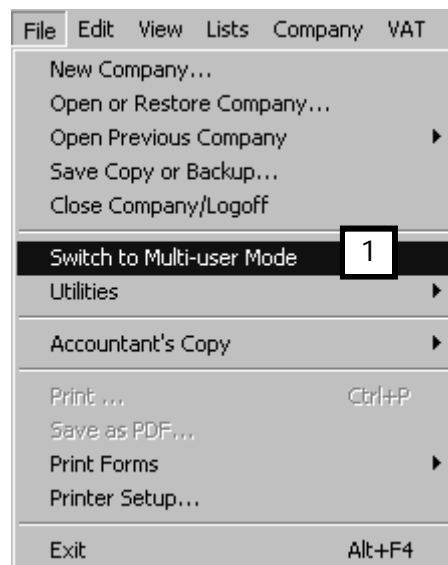
To establish multi-user mode, all users' computers must be connected via a network. (Speak to your IT expert or Professional Advisor for more information on computer networks.) In addition, you must:

- Install the software on each user's computer in multi-user host mode (see your documentation or *QuickBooks Getting Started Guide* for instructions on installing your QuickBooks software).
- Install the company file on the main computer.
- Set up all users (see the previous section).
- Switch to multi-user mode (see below).

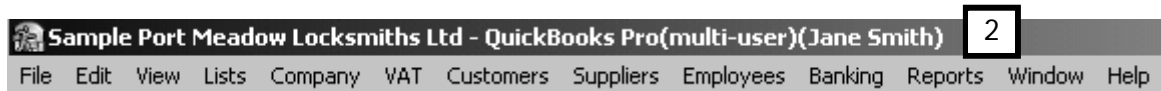
Switching to multi-user mode

For each user to have access to the company file, you must turn on multi-user mode.

1. From the **Menu bar**, click on **File** and choose **Switch to Multi-User Mode** (1). Each user will now have access to the company file.

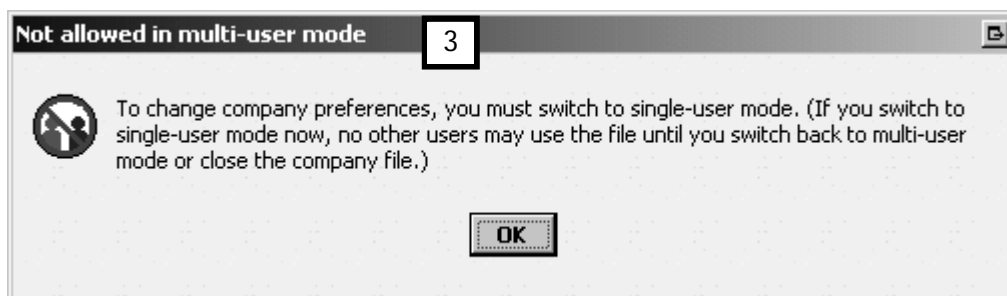


Once in multi-user mode, QuickBooks updates the details it displays about the file, in the top left hand side of the screen:



Some features and tasks (Backing Up, Exporting Lists, Archiving, etc.) are disabled while QuickBooks is in multi-user mode.

For example, preferences cannot be changed while in multi-user mode. If you try to call up the Preferences window while in multi-user mode, QuickBooks will display this message:



To make any changes to your preferences (or any other restricted features and tasks), ask all other users to log out. Then switch to single-user mode by clicking on **File** and choosing Switch to **Single-User Mode**.

Once you've made the required changes, switch back to multi-user mode so the other users can log in again.

Chapter summary

This chapter illustrated advanced setup tasks in QuickBooks. You should now understand the steps required to:

- Set yourself up as administrator for your company file in QuickBooks.
- Add users to your company file.
- Choose the areas of your company file to which added users have access.
- Change to multi-user mode.

Advanced tasks using lists

In the Basic Training guide, lists were introduced and you learned to do basic tasks involving lists. This chapter illustrates how to perform more advanced tasks with lists.

Upon completing this chapter, you should be able to:



Making list objects inactive, and re-activating them

As described in the Basic guide, lists are used to store information that is then used to fill in most QuickBooks® forms.

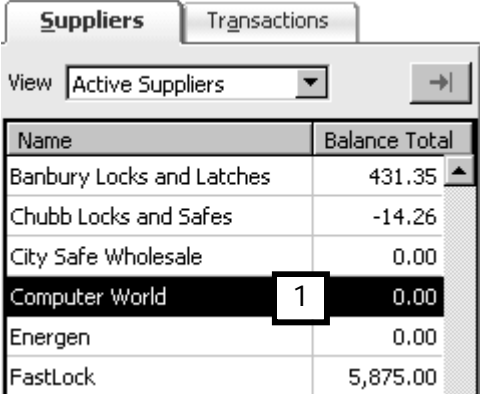
Over time, as your business grows, you may find that some of the list information is outdated. For instance, you may no longer sell a particular item, an account in your chart of accounts is no longer used, or you no longer do business with a certain supplier. In such situations, you may want to remove those items, names or accounts from your lists.

If you try to delete the list items, QuickBooks sends you a warning message that the items are used in transactions. How do you prevent the entries from cluttering your lists without removing information essential for maintaining previous years' records?

QuickBooks achieves this by allowing you to make these items, names or accounts inactive.

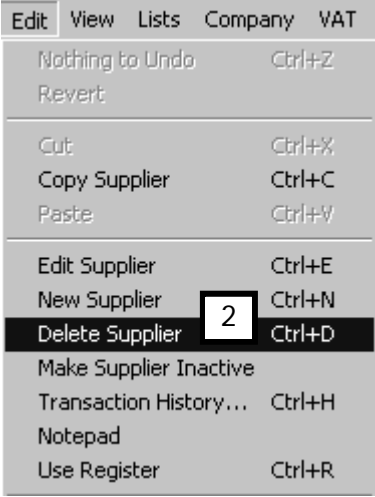
Making a supplier or customer inactive

Let's say that when you review your supplier list in the Supplier Centre, you realise you no longer purchase services from a supplier called Computer World (1).



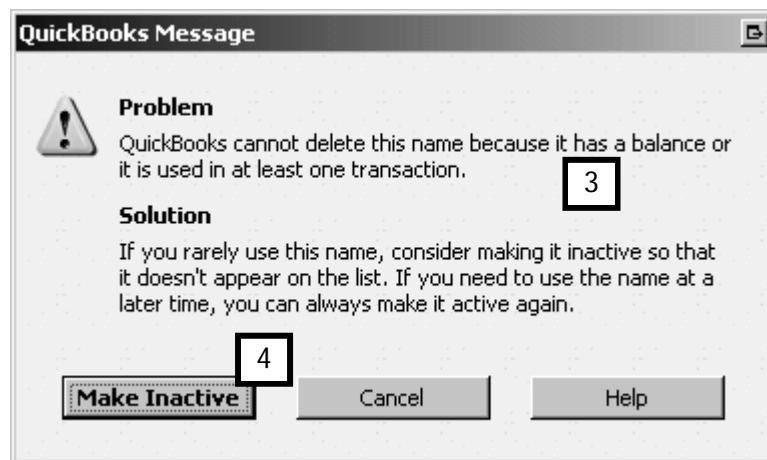
Name	Balance Total
Banbury Locks and Latches	431.35
Chubb Locks and Safes	-14.26
City Safe Wholesale	0.00
Computer World	0.00
Energen	0.00
FastLock	5,875.00

1. You can try deleting this supplier by clicking on **Edit** in the **Menu bar** and selecting **Delete** (2) from the drop-down menu.

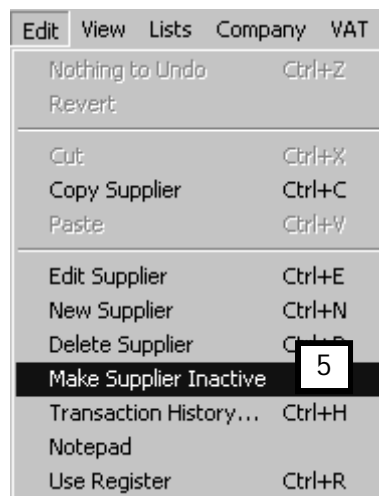


Edit	View	Lists	Company	VAT
Nothing to Undo				Ctrl+Z
Revert				
Cut				Ctrl+X
Copy Supplier				Ctrl+C
Paste				Ctrl+V
Edit Supplier				Ctrl+E
New Supplier				Ctrl+N
Delete Supplier				Ctrl+D
Make Supplier Inactive				
Transaction History...				Ctrl+H
Notepad				
Use Register				Ctrl+R

2. If there are historical transactions associated with this supplier, QuickBooks will display a warning message (3) in a dialogue box, which gives you the option of making the name inactive.



3. Click the **Make Inactive** button (4) to hide the supplier from the list. The supplier's transaction history is maintained, and you have the option of re-activating the supplier (see below) if you do business with them again in the future.
4. Another way to hide a supplier is to click on **Edit** in the **Menu Bar** and select **Make Inactive** (5) from the drop-down menu.



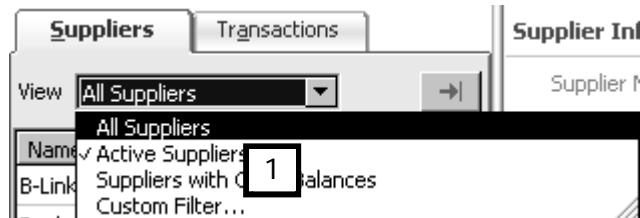
The same procedures apply if you are making a customer inactive, by utilising the Customers & Jobs list in the Customer Centre, instead.

Note: In QuickBooks, as you may already have realised, there is usually more than one way to do a task. This is because QuickBooks is adaptable to many different users' styles and knowledge levels. As you continue to use the program, you will find that you appreciate the shortcuts and alternative methods.

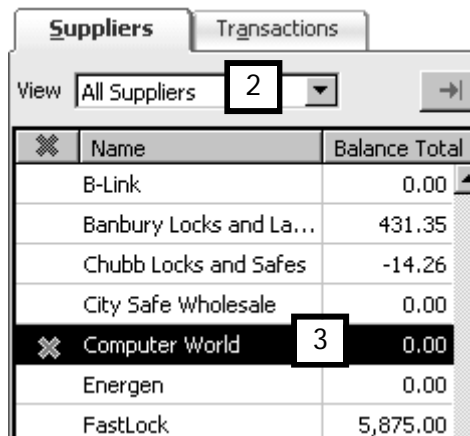
Making a supplier or customer active again

You may find that you are again doing business with a supplier or customer you have not used or seen for some time. You will need to re-activate their listing on the Supplier or Customers & Jobs list. (In this example, you are again buying from Computer World.)

1. In the Supplier List within the Supplier Centre, click the drop down arrow next to the **View** field, and select **All Suppliers** (1).



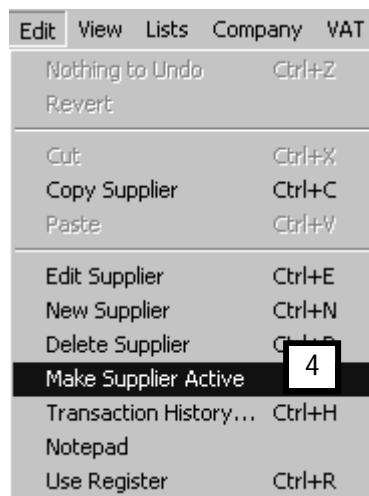
2. You can now see the list of all suppliers (active and inactive) (2). An "X" denotes inactive suppliers (3).



The screenshot shows the 'Suppliers' window with a list of suppliers. The 'View' dropdown is set to 'All Suppliers' and has a '2' next to it. The list includes 'B-Link', 'Banbury Locks and La...', 'Chubb Locks and Safes', 'City Safe Wholesale', 'Computer World', 'Energen', and 'FastLock'. 'Computer World' is highlighted and has an 'X' in the first column, with a '3' next to it.

X	Name	Balance Total
	B-Link	0.00
	Banbury Locks and La...	431.35
	Chubb Locks and Safes	-14.26
	City Safe Wholesale	0.00
X	Computer World	0.00
	Energen	0.00
	FastLock	5,875.00

3. To make a supplier active again, highlight the supplier's name, then click on **Edit** in the **Menu Bar** and select **Make Supplier Active** (4) from the drop-down menu.



The same procedure applies if you are re-activating a customer, except that you use the Customers & Jobs list instead.

Working with classes

Sometimes you may need to group your business activities into further categories other than accounts or items.

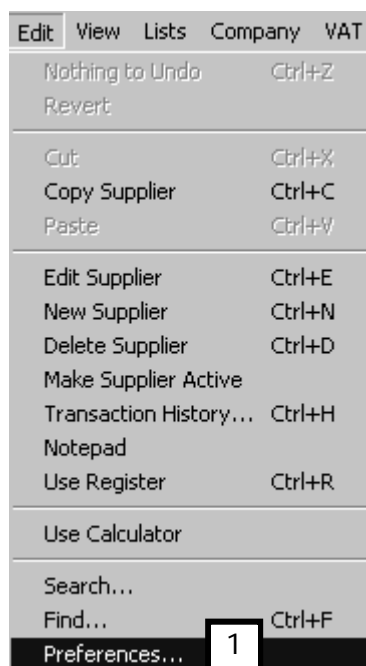
QuickBooks uses classes as another way to categorise, or classify, financial transactions.

If you need a way to sort your company's activities, classes are just the ticket no matter what business you are in. For instance, a general contractor can use classes to separate residential projects from commercial projects, while a charity or a not-for-profit organisation can use classes to track revenue and expenses for different fund-raising activities.

Activating the Use class tracking preference

Before using classes, you'll have to tell QuickBooks that you want to track classes. You do this in the Preferences window.

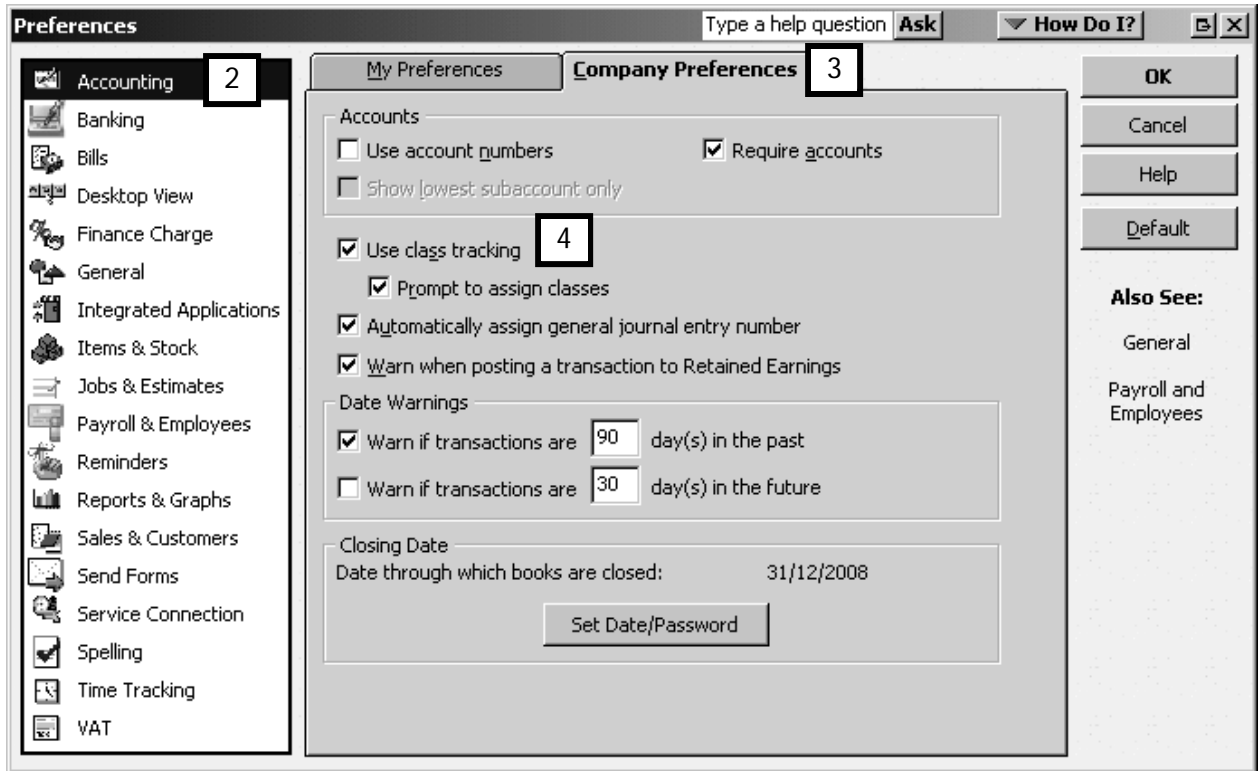
1. From the menu bar, choose Edit and choose Preferences from the menu (1).



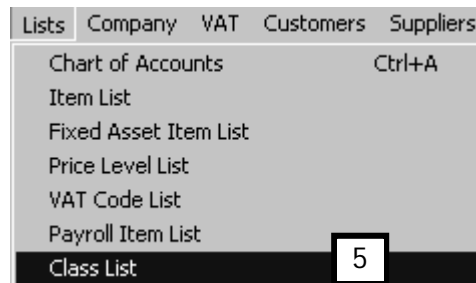
2. In the Preferences window, click on the **Accounting** icon (2), and select the Company Preferences tab (3) to bring that dialogue window to the front.
3. Tick the **Use class tracking** box (4).

By default QuickBooks also ticks the **Prompt to assign classes** box. Untick this if you do not wish to be prompted to allocate classes on each transaction.

Click **OK**.



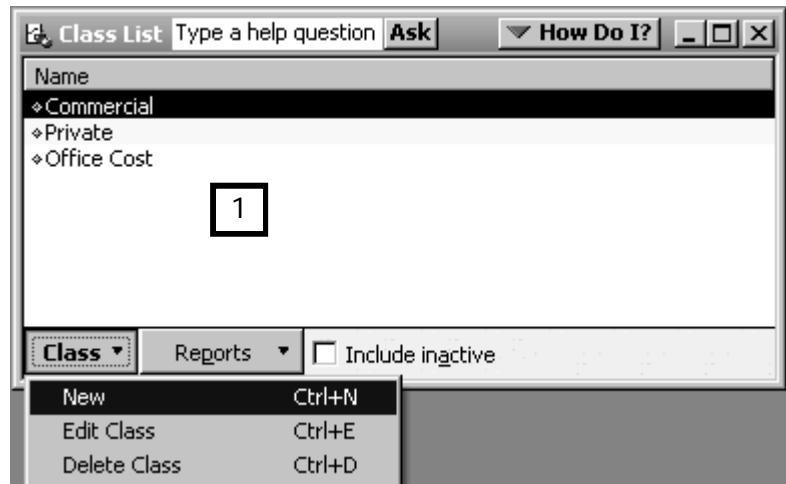
Now that you have indicated your preference for using classes to track some of your business activities by enabling class tracking, you will find a new option, **Class List** (5), on the Lists drop-down options when you choose **Lists** from the **Menu bar**.



Choosing this option will display the Class List dialogue box. You can now “populate” the class list by creating new classes.

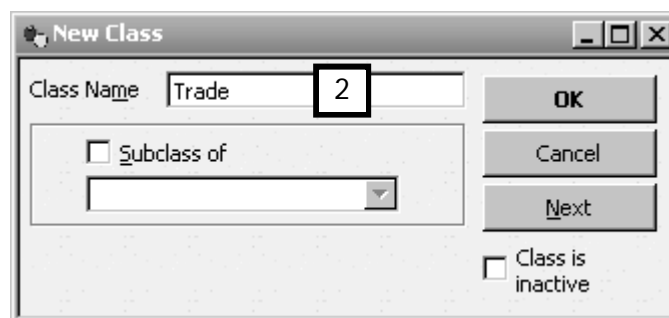
Creating classes

1. To create classes, from the Class List window click on the **Class** button and then choose **New (1)** from the menu.



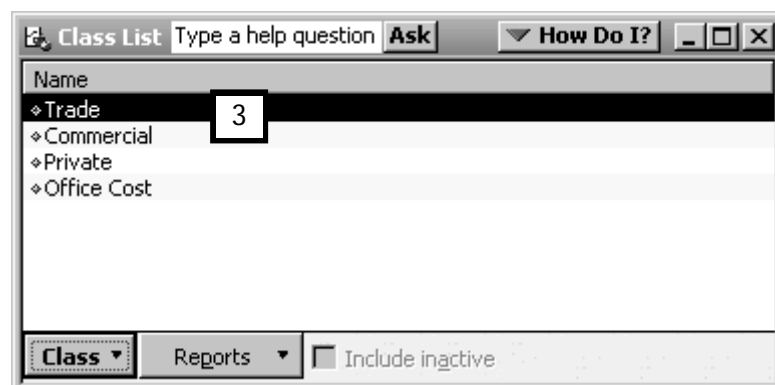
2. The New Class window appears (2). You can type in your new classes in the Class Name field.

For this example, let's assume that you want to add another class for Trade services. In the New Class window, you would enter Trade.



Click on **OK** to save the class (Click **Next** to add another one).

3. The Class List shows your new class. The class list in (3) illustrates the example.



Using classes in transactions

Sometimes you want to be able to generate reports that show you the full financial picture of a particular project or business activity, rather than just single items or customers. Using classes allows you to group expenses and income according to project or activity and assign all or part of a transaction to the class to which it applies.

Classes and expenses

Now that you have set up classes in your preferences, you will notice that when you are entering a bill, writing a cheque or recording a credit card transaction, there is a column for Class. When you tab to this field, it has a drop-down menu (click on the arrow on the right), which allows you to choose the class to which you will assign the expense.

For instance, Port Meadow Locksmiths purchased supplies from M E Dodd. Some are intended for supply to direct customers, some for trade, and some for private use. Although his bill is for the total amount, he has listed the supplies separately below, and assigned them to different classes (4).

The screenshot shows the 'Enter Bills' window. At the top, there are navigation buttons: Previous, Next, Find, and History. Below these are radio buttons for 'Bill' (selected) and 'Credit', and a checked box for 'Bill Received'. The main form is titled 'Bill' and contains the following fields:

- Supplier: M E Dodd (dropdown)
- Date: 28/08/2008 (calendar icon)
- Address: N E Dodd, St Aubyns Road, Westow Hill, London, SE19 5BW
- Ref. No.: 23564
- Amount Due: 140.89
- Bill Due: 29/09/2008 (calendar icon)
- Terms: Net 30 (dropdown)
- Discount Date: 28/08/2008
- Memo: (empty)

Below the form is a summary table:

Expenses	£0.00	Items	£406.80					
Item	Description	Qty	Cost	VAT	Amount	Customer:Job	Billa...	Class
Union lock	Union 2242 lock	2	12.14	S	24.28			Commercial
Simplex lock	Simplex 3000 lock	3	95.63	S	286.89			Trade
Simplex lock	Simplex 3000 lock	1	95.63	S	95.63		4	Private

At the bottom of the window, there are buttons for 'Select PO', 'Receive All', and 'Show PO'. On the right, there is a 'Total VAT' field with the value 71.19 and an 'Edit' button. At the very bottom, there are buttons for 'Clear Splits', 'Recalculate', 'Save & Close', 'Save & New', and 'Revert'. A checkbox 'Amounts include VAT' is also present.

Classes and sales

In the same way, when you invoice a customer, there is a column for Class. When you tab to this field, it has a drop-down menu (click on the arrow on the right) that allows you to choose the class to which you will assign each item.

For example, Port Meadow Locksmiths is invoicing one of the locations of Prestige Estates, a commercial customer, for locks and labour. That's why the Commercial class has been selected for each line item (5).

The screenshot shows the 'Create Invoices' window with the following details:

- Customer:** Prestige Estates:Hannavy C
- Class:** (Empty dropdown)
- Invoice To:** Prestige Estates, Castle View, Bell Lane, Buckingham MK18 4AD
- Ship To:** Hannavy Court Management Co, 48 Grove Road, Wallingford, Oxon, OX63 9LH
- Invoice No.:** 533
- Terms:** Net 7
- Due Date:** 06/10/2008
- Ship Date:** 30/09/2008

Item	Description	Qty	Price	Class	Amount	VAT
Chubb Mortise	Chubb Mortise Lock 3K70	5	38.95	Commercial	194.75	5
Yale basslux	Yale 85 Basslux lock	1	40.68	Commercial	40.68	5
Labour	Labour Charges	1.5	40.00	Commercial	60.00	Z
					Total VAT	41.20
					Total	336.63

The 'Class' column in the table above has a dropdown menu with the value '5' selected and highlighted by a red box.

At the bottom of the window, there are buttons for 'Save & Close', 'Save & New', and 'Revert', along with a 'Memo' field.

Viewing class reports

To monitor the profitability of your project or activity classes, you can now display a Profit & Loss by Class report.

1. From the **Menu bar**, click on **Reports**, select **Company & Financial**, then choose **Profit & Loss by Class**.

The report includes columns for each class you have set up (6). There is a final column, Unclassified, which shows you the sum total of transactions that have not been assigned to a class. By QuickZooming (double-clicking) on the each set of figures you will display the list of unclassified transactions. You can then assign a class by opening each transaction and editing it.

12:54 PM
31/12/08
Accrual Basis

Port Meadow Locksmiths Ltd
Profit & Loss by Class
April through December 2008

	Commercial	Private	Office Cost	Unclassified	TOTAL
Ordinary Income/Expense					
Income					
Locks and Safes Sales	30,803.88	2,124.59	0.00	3,001.57	35,930.04
Total Income	30,803.88	2,124.59	0.00	3,001.57	35,930.04
Cost of Goods Sold					
Locks and Safes Purchases	17,793.33	449.81	0.00	1,091.34	19,334.48
Total COGS	17,793.33	449.81	0.00	1,091.34	19,334.48
Gross Profit	13,010.55	1,674.78	0.00	1,910.23	16,595.56
Expense					
Advertising	0.00	0.00	500.00	0.00	500.00
Bank Service Charges	0.00	0.00	11.70	0.00	11.70
Dues and Subscriptions	0.00	0.00	12.50	0.00	12.50
Freight and Delivery	0.00	0.00	0.00	5,000.00	5,000.00
Insurance	0.00	0.00	227.83	0.00	227.83
Interest Expense	0.00	0.00	177.75	0.00	177.75
Motor Expense	0.00	0.00	110.68	28.09	138.77
Office Supplies	0.00	0.00	251.47	0.00	251.47
Payroll Expenses	1,031.32	666.24	0.00	7,105.94	8,803.50
Rent & Rates	0.00	0.00	7,666.00	0.00	7,666.00
Software Expense	0.00	0.00	34.03	0.00	34.03
Telephone	0.00	0.00	246.97	0.00	246.97
Utilities	0.00	0.00	214.00	0.00	214.00
Total Expense	1,031.32	666.24	9,452.93	12,134.03	23,284.52
Net Ordinary Income	11,979.23	1,008.54	-9,452.93	-10,223.80	-6,688.96

Chapter summary

In this chapter, you have expanded your skills to many QuickBooks list management features which add flexibility when recording your company's financial activities.

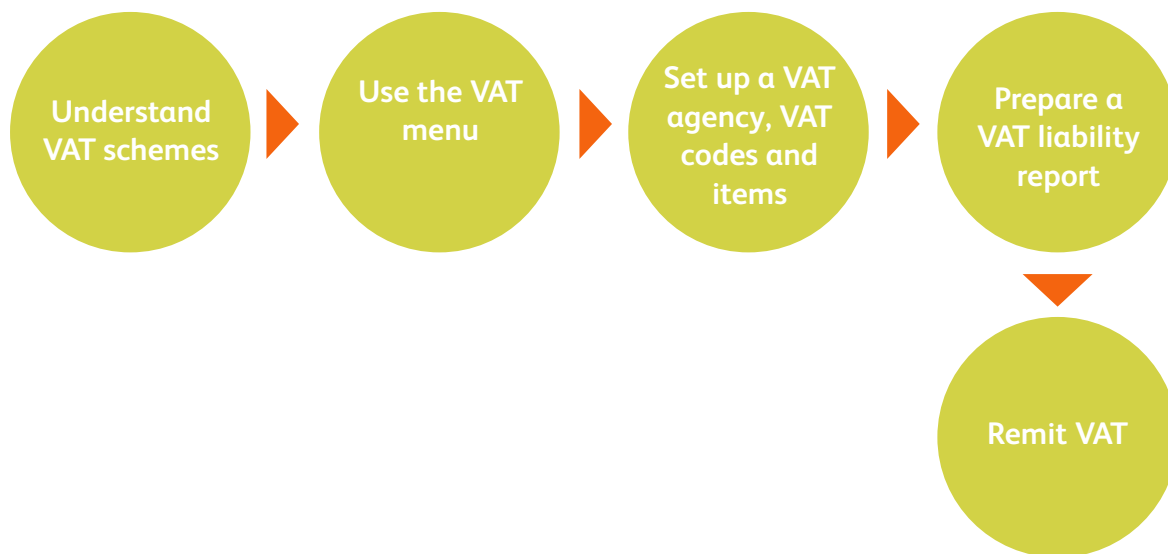
You now know how to:

- Make list names (suppliers and customers) inactive and active.
- Activate the class tracking preference and create classes.
- Use classes in expense and sales transactions, including how to view class reports.

VAT Management

In *A Beginners' Guide to QuickBooks* you learned how to assign VAT codes in QuickBooks.® In this chapter, you will learn more about VAT codes (including how to create a VAT code) and you will learn how to calculate your VAT liability and remit VAT, whether you use accrual or cash based accounting.

Upon completing this chapter, you should be able to:



Understanding VAT Schemes

When you register for VAT, you usually register for either the standard (accrual) VAT accounting or the cash accounting VAT scheme, as discussed with your Professional Advisor.

Accrual and cash based VAT schemes

Accrual based VAT schemes are those where VAT output tax on invoices (what you owe) is due on the date you raise a sales invoice, and VAT input tax on purchases (what you can reclaim) is due on the supplier bill date.

In contrast, cash based VAT schemes account for output VAT only on the date you receive payment from your customer and for input VAT on the day you make payment to your supplier. This system is particularly useful for your cashflow if you are in an industry where customers take a long time to pay you. You do not have to pay VAT before you have been paid yourself for your invoices.

QuickBooks reconciles VAT for both the Accrual based and Cash based VAT schemes. This means that every transaction included on your VAT return is marked with a Filed Date which you can view in the VAT Liability Control Account. Reconciling makes it possible for you to print at a later date the list of transactions included in a particular return. It also allows you to catch and report transactions entered late that belong to an earlier VAT period, and include them in the current return.

When you prepare your VAT return it is important to use the correct method. If you are registered for the Standard VAT scheme with HM Revenue & Customs, you must report VAT on an accrual basis. Likewise, if you are registered for the Cash VAT scheme you must report VAT using the cash basis in QuickBooks.

Other VAT schemes

Other reporting schemes such as the Flat Rate and Annual schemes are also supported via workarounds for which we advise you to consult a QuickBooks Professional Advisor. QuickBooks 2008 also handles the Missing Trader Inter-Community (MTIC; also referred to as Carousel) reverse charge scheme.

VAT menu

A new VAT menu has been introduced to consolidate all VAT related activities.



From the menu bar, click on VAT to display the VAT menu:



You can run VAT liability reports, file VAT, view previous returns, and access the VAT codes list from this menu.

Defining VAT scheme settings

VAT tracking settings must be defined in two places – in the Supplier List and in the VAT Preferences.

Supplier List - Tax Agency

In prior versions of QuickBooks, all VAT tracking settings were set in the VAT Preference (**Edit** in the **Menu Bar**, then **Preferences**). In QuickBooks 2008, a new entity, the tax agency supplier, is present.

The VAT preferences for setting reporting periods and period ending dates has been moved from Preferences to a tax agency supplier called HMRC VAT. **Note:** There is also a supplier called HM Revenue & Customs, but this supplier is used for payroll transactions, and is not designated as a tax agency.

To access the HMRC VAT supplier:

1. From the **Supplier Centre**, double click on the name **HMRC VAT**, to open the supplier details.

2. The first thing to note is that there is a tick mark next to **Supplier is a VAT agency**. Ticking this box activates the VAT Agency Info tab.

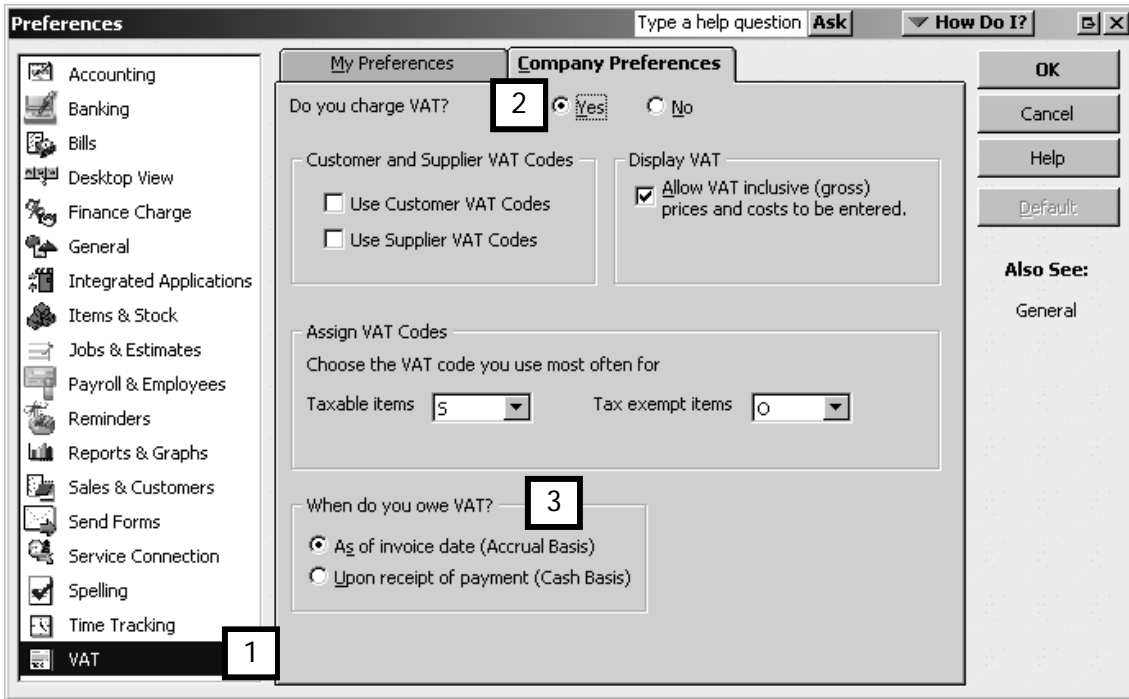
It is here that you enter your VAT registration number (3), the VAT filing jurisdiction (UK or Ireland) (4), the reporting period (5), and the period ending months (6).

An additional option in QuickBooks 2008 is the ability to track VAT on purchases in a separate account from VAT on sales, by specifying the liability account for each (7). **Note:** you **cannot** change the VAT tracking accounts once you have entered a new transaction in QuickBooks 2008. The VAT tracking accounts must be defined prior to your first new transaction.

VAT Preferences

The remaining VAT related settings, such as turning on VAT tracking and telling QuickBooks which VAT scheme (Cash or Accrual) to use, can still be found in the VAT Preferences. To access VAT preferences:

1. On the **Menu bar**, click **Edit** and select **Preferences**. (You can also access Preferences from the **Home Page** by clicking on **Customise QuickBooks**.)
2. Click on the VAT icon (1), and look at the **Company Preferences** tab.



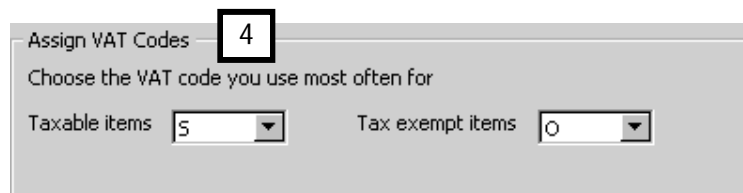
- From here you can turn the VAT tracking feature on and off (2), as well as define your VAT scheme (Accrual or Cash). (3).

Assigning default VAT Codes

You can also assign a default VAT code (that's the tax code you usually use) for taxable and non-taxable transactions (4). You will still be able to change the code on individual transactions.

To establish the default VAT codes:

- Within the VAT preference (**Edit on the Menu bar, then Preferences, then VAT**).
- Enter the appropriate VAT codes in the Assign VAT Codes area.



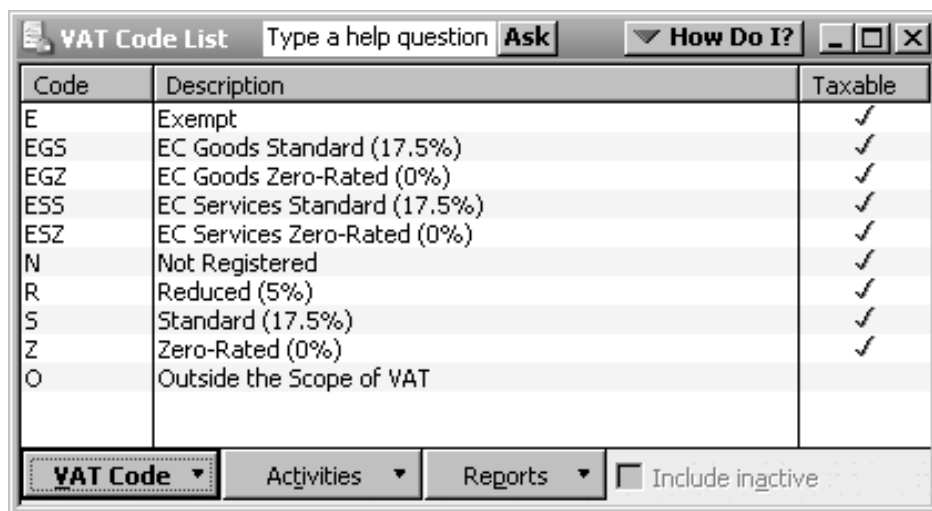
VAT codes

As in previous versions of QuickBooks, by using VAT codes on transactions, you don't have to worry about calculating the VAT amounts.

Several changes have been made to VAT codes: new VAT codes have been introduced, and the way in which you create your own VAT codes is different.

VAT Codes List

To view the VAT codes list, click **VAT** on the **Menu Bar**, and choose **VAT Code List**.



Code	Description	Taxable
E	Exempt	✓
EGS	EC Goods Standard (17.5%)	✓
EGZ	EC Goods Zero-Rated (0%)	✓
ESS	EC Services Standard (17.5%)	✓
ESZ	EC Services Zero-Rated (0%)	✓
N	Not Registered	✓
R	Reduced (5%)	✓
S	Standard (17.5%)	✓
Z	Zero-Rated (0%)	✓
O	Outside the Scope of VAT	

Several new VAT codes are set up in QuickBooks 2008. These are:

- O – outside the scope of VAT, which is for transactions that fall outside of the remit of VAT, such as loan principal repayments, and dividends
- EGS – EC VAT code for standard rated goods
- EGZ – EC VAT code for zero rated goods
- ESS – EC VAT code for standard rated services
- ESZ - EC VAT code for zero rated services

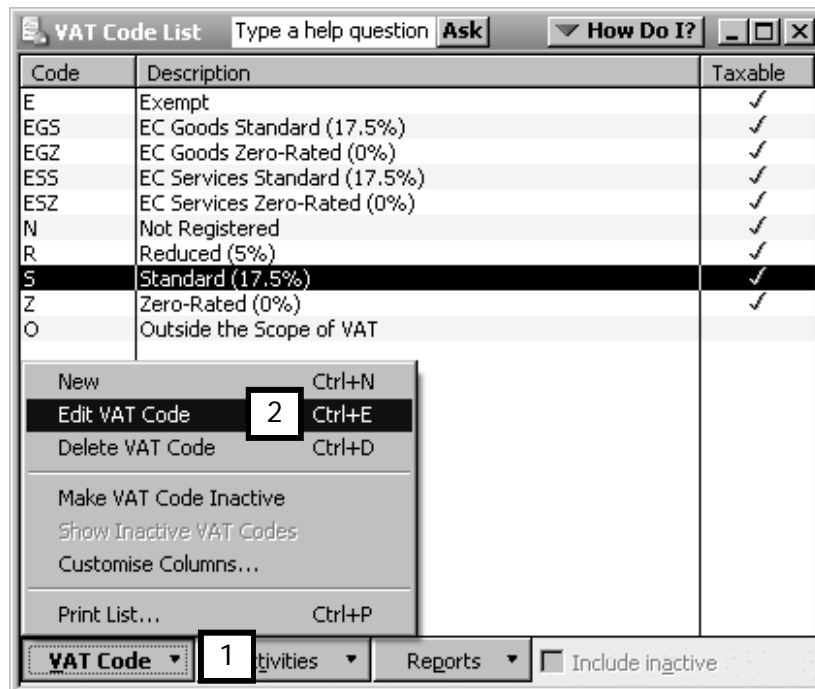
You no longer have to create the EC codes manually; QuickBooks has done it for you.

Using the correct EC VAT code enables QuickBooks to make the distinction between purchases and sales on EC goods and EC services, and automatically include the figures in the correct boxes on your VAT return.

VAT Code details

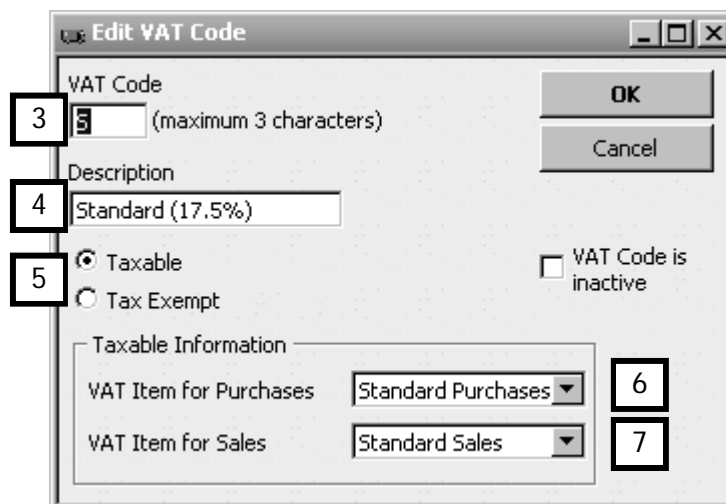
While the VAT Code list looks quite similar to older versions of QuickBooks, the VAT code definitions have changed. To understand this, let's look at the 'S' VAT code:

1. Within the VAT Code list, click the **VAT code** button (1) and select **Edit VAT Code** (2).



2. The 'S' VAT code contains:
- a VAT Code (max 3 characters) (3)
 - a code description (4)
 - if taxable, the Taxable radio button is clicked (5) which activates the Taxable Information drop down boxes
 - VAT item for purchases (6)
 - VAT item for sales (7)

Perhaps you noticed that the VAT rate was not defined in this window. Instead, the rate was determined by the VAT items chosen for purchases and sales (6 and 7, below).



What then, are VAT items? Let's have a look.

VAT Items

In your Items List (**Lists** in Menu bar, then **Items List**), there are a number of VAT items QuickBooks 2008 creates.

This is where the VAT rate is defined.

Each VAT rate has two items to track the VAT – one for tracking VAT on sales the other for tracking VAT on purchases (1). That’s because you can now track this in separate accounts if you wish to do so. (Remember, the accounts in which you track these are defined in the HMRC VAT supplier record.)

◆EC Purch Goods Standard	EC Purch of Goods Standard	VAT Item	VAT Liability	-17.5%	0.00	
◆EC Purch Goods Zero-Rated	EC Purch of Goods Zero-Rated	VAT Item	VAT Liability	0.0%	0.00	
◆EC Purch Services Standard	EC Purch of Services Standard	VAT Item	VAT Liability	-17.5%	0.00	
◆EC Purch Services Zero-Rated	EC Purch of Services Zero-Rated	VAT Item	VAT Liability	0.0%	0.00	
◆EC Sales Goods Standard	EC Sales of Goods Standard	VAT Item	VAT Liability	0.0%	0.00	
◆EC Sales Services Standard	EC Sales of Services Standard	VAT Item	VAT Liability	0.0%	0.00	
◆Exempt Purchases	Exempt Purchases	VAT Item	VAT Liability	0.0%	0.00	
◆Exempt Sales	Exempt Sales	VAT Item	VAT Liability	0.0%	0.00	
◆Not Registered Purchases	Not Registered Purchases	VAT Item	VAT Liability	0.0%	0.00	
◆Not Registered Sales	Not Registered Sales	VAT Item	VAT Liability	0.0%	0.00	
◆Reduced Purchases	Reduced Purchases	VAT Item	VAT Liability	5.0%	0.00	
◆Reduced Sales	Reduced Sales	VAT Item	VAT Liability	5.0%	0.00	
◆Standard Purchases	Standard Purchases	1	VAT Item	VAT Liability	17.5%	0.00
◆Standard Sales	Standard Sales		VAT Item	VAT Liability	17.5%	0.00
◆Zero-Rated Purchases	Zero-Rated Purchases		VAT Item	VAT Liability	0.0%	0.00
◆Zero-Rated Sales	Zero-Rated Sales		VAT Item	VAT Liability	0.0%	0.00
◆EC Purch Goods 0% Group	EC Purch of Goods Zero-Rated Group		VAT Group		0.0%	0.00

Item ▾ Activities ▾ Reports ▾ Excel ▾ Include inactive

Don’t worry, you don’t have to create these yourself, QuickBooks does it for you!

Next, let’s look at what is in a VAT item, such as the standard sales VAT item.

1. Double click on the Standard Sales VAT item to open the item. Each item has:
 - A VAT Item name – this is how you refer to it (2)
 - A description – used to help you identify its role (3)
 - The VAT rate (4)
 - The VAT agency (5)
 - Which Boxes on the VAT return the item reports to (6)

Edit Item Type a help question **Ask** How Do I? _ _ X

Type
 VAT Item Use to calculate a single VAT at a specific rate that you pay to a single VAT agency. **OK**
 Cancel
 Spelling

VAT item Name
 Standard Sales **2**

Description
 Standard Sales **3**

VAT Rate (%) or Amt VAT Agency (the supplier that you collect VAT for)
 17.5% HMRC VAT **5**

Assign this item to a box of the VAT agency's VAT return.
 VAT Return Box Domestic Sales <Box 1,Box 6> **6**
 Need help setting the VAT Return boxes?

Item is inactive

Creating VAT Codes and Items

QuickBooks already has set up the most common VAT codes for you, but if you need to create your own VAT code, it's a three step process, which you should do in this order:

1. In the item list, create a VAT item for tracking the **sales** on that VAT item (defines VAT rate and VAT reporting boxes)
2. In the item list, create a VAT item for tracking the **purchases** on that VAT item (same VAT rate, different VAT reporting boxes)
3. In the VAT Codes list, create a new VAT code (assign a letter to the code, and link it to the VAT items you just created)

If are unsure about how to do this, we advise that you seek the help of a Professional Advisor (refer to Chapter 2).

VAT Liability Reports

On a regular basis, you have to remit to the appropriate agency (usually HMRC) the VAT that you have collected. You can, at any time, view a report that summarises the amount owing (or to be refunded) and details of the transactions that make up that amount.

Regardless of which VAT scheme (Cash or Accrual) you are using, you access the VAT reports in the same way, and file the VAT returns in the same way.

We strongly advise that you review and print each of the reports discussed below to support your VAT submissions and for HMRC VAT audit visits.

VAT 100 Report

To view the VAT 100 report:

1. Click on **VAT** in the **Menu Bar**, and select **VAT 100 (1)**.



2. Displayed below, is a VAT 100 report. This report summarises the figures you will need to complete a VAT return, with the relevant box number indicated. It shows:

- The VAT period of the return (2); but note that the figures on the report include any transactions from prior VAT periods not yet reported
- Boxes 1 – 3: VAT due on sales and EC acquisitions (3)
- Box 4: VAT on purchases (4)
- Box 5: VAT due to be paid or reclaimed (5)
- Box 6: Total net value of sales (6)
- Box 7: Total net value of purchases (6)
- Box 8: Total net value of supplies to EC Member States (7)
- Box 9: Total net value of acquisitions from EC Member States (7)

Port Meadow Locksmiths Ltd		31/12/08	
VAT 100		July through September 2008	
Accrual Basis		Jul - Sep 08	
VAT due			
VAT due on sales (Box 1)	▶ 3,451.44		
Total VAT due from EC acquisitions (Box 2)	0.00		
Total VAT due (Box 3)		3,451.44	3
VAT reclaimed on purchases (Box 4)		2,933.27	4
Net VAT to pay (or reclaim if negative) (Box 5)		<u>518.17</u>	5
Total net value of sales (Box 6)		19,792.50	6
Total net value of purchases (Box 7)		19,244.22	6
Total net value of supplies to other EC Member States (Box 8)		0.00	7
Total net value of acquisitions from EC Member States (Box 9)		0.00	7
Uncategorised Tax Amounts		0.00	8

The uncategorised Tax Amounts figure should be zero (8). If this figure is not zero, check the transactions that make up this amount by QuickZooming. You will need to correct these transactions, and you may need the help of a Professional Advisor to do so.

Note: You may see a figure when you are upgrading your file, for any transactions posted to the VAT Control account which QuickBooks was not sure how to treat (e.g. did not recognise it was a payment or refund from HMRC). Another reason this would not be zero during upgrade is if the VAT control account does not agree with the VAT 100 report for the Accrual VAT scheme, indicating that you had not used the file VAT routine in older versions of QuickBooks, or used it incorrectly. It is strongly advised that you seek the help of a Professional Advisor in this regard().

VAT Detail Report

To view the VAT Detail report:

1. Click on **VAT** in the **Menu Bar**, and select **VAT Detail Report**.

The VAT Detail report lists every transaction on which VAT was charged during the period of the report. (For this example we are only looking at a 10 day period from 1 – 10 July.)

Included on this report are:

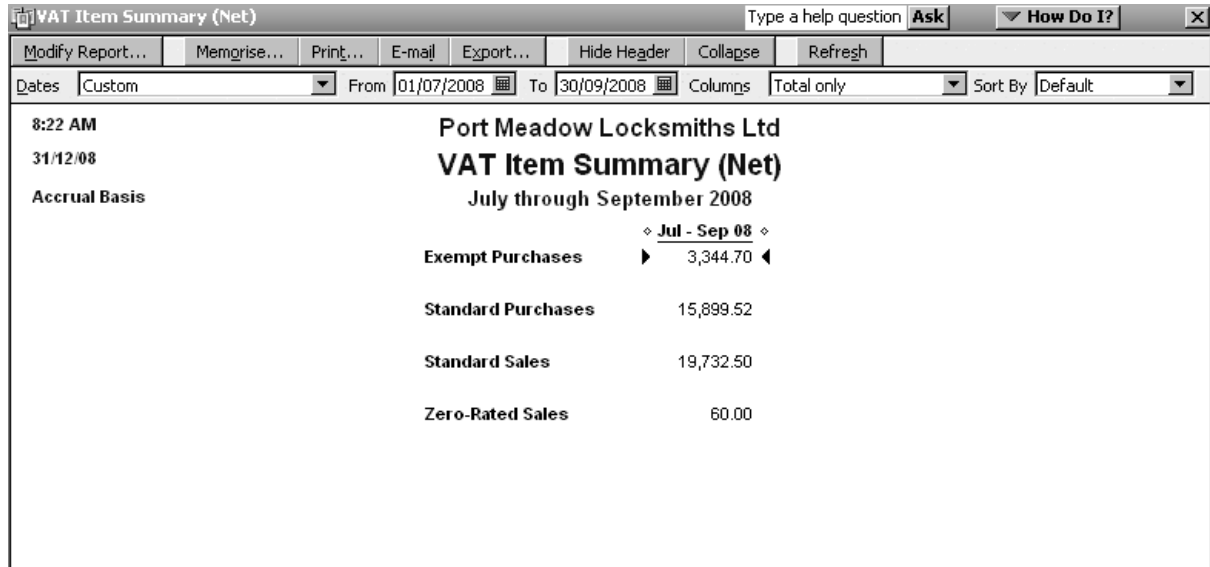
- Transactions by VAT Box (1)
- VAT rate (2)
- Net Amount (3)
- VAT Amounts (4)
- Adjustments made to prior returns (in the form of balances brought forward in the relevant boxes) (5)

VAT Detail Report									
7:45 AM 31/12/08 Port Meadow Locksmiths Ltd									
VAT Detail Report									
As at 10 July 2008									
Type	Date	Num	Source Name	Sales Price	Net Amount	Amount	Balance		
Box 1 VAT due on sales and other outputs									
Invoice	03/07/2008	517	Calver, Robert	17.5%	147.13	25.75	-1.77		
Invoice	08/07/2008	518	Maya Lettings:Abingdon branch	17.5%	1,045.72	183.00	206.98		
VAT due on sales and other outputs						208.75	206.98		
Box 4 VAT reclaimed on purchases									
Credit Card Charge	05/07/2008		FastLock	17.5%	60.00	10.50	161.35		
Cheque	05/07/2008	7	Computer World	17.5%	42.54	7.44	168.79		
Bill	01/07/2008	rent	Stuart Leven	0.0%	1,000.00	0.00	168.79		
Cheque	10/07/2008	SO	Thames Council	0.0%	111.00	0.00	168.79		
VAT reclaimed on purchases						17.94	168.79		
Box 6 Total net value of sales									
Invoice	03/07/2008	517	Calver, Robert		147.13	147.13	147.13		
Invoice	08/07/2008	518	Maya Lettings:Abingdon branch		38.95	116.85	263.98		
Invoice	08/07/2008	518	Maya Lettings:Abingdon branch		147.13	735.65	999.63		
Invoice	08/07/2008	518	Maya Lettings:Abingdon branch		21.61	43.22	1,042.85		
Invoice	08/07/2008	518	Maya Lettings:Abingdon branch		40.00	150.00	1,192.85		
Total net value of sales - The star symbol indicates EC transactions reported in Box 8						1,192.85	1,192.85		
Box 7 Total net value of purchases									
Credit Card Charge	05/07/2008		FastLock	12.00		60.00	60.00		
Cheque	05/07/2008	7	Computer World			42.54	102.54		
Bill	01/07/2008	rent	Stuart Leven			1,000.00	1,102.54		
Cheque	10/07/2008	SO	Thames Council			111.00	1,213.54		
Total net value of purchases - The star symbol indicates EC transactions reported in Box 9						1,213.54	1,213.54		

VAT Item Summary

A third report to review and print is the VAT Item Summary. To view this report:

1. Click on **VAT** in the **Menu Bar**, and select **VAT Item Summary**.



The screenshot shows a software window titled "VAT Item Summary (Net)" for "Port Meadow Locksmiths Ltd". The report covers the period from 01/07/2008 to 30/09/2008. The data is presented as follows:

Port Meadow Locksmiths Ltd	
VAT Item Summary (Net)	
July through September 2008	
Accrual Basis	
◇ Jul - Sep 08 ◇	
Exempt Purchases	3,344.70
Standard Purchases	15,899.52
Standard Sales	19,732.50
Zero-Rated Sales	60.00

This report shows the Net Value of sales and purchases by VAT rate. You can QuickZoom on the figures for details.

Filing a VAT Return

Now that you have reviewed and printed your figures for the VAT return, you are ready to file the VAT. Remember that this process is now the same for Cash VAT or Accrual VAT schemes.

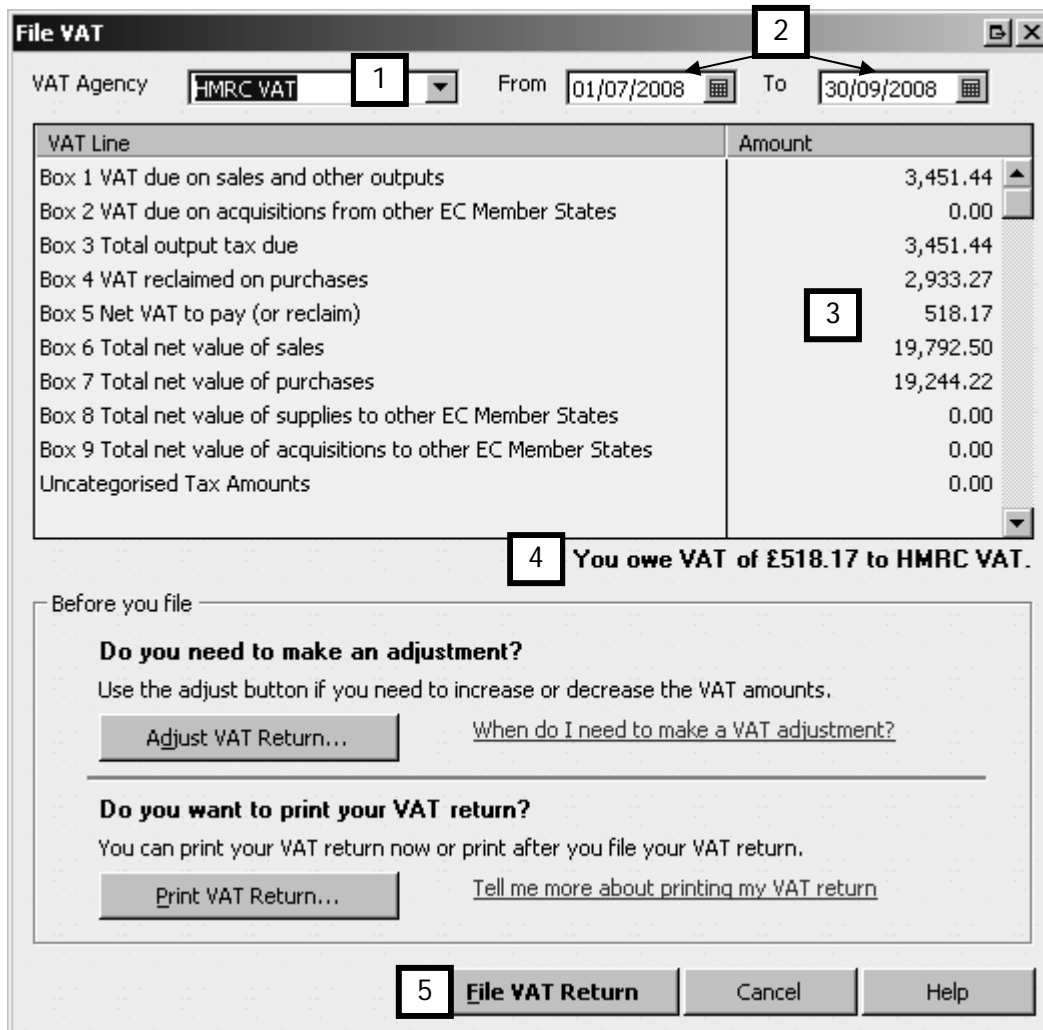
To file the VAT return:

1. Click on **VAT** in the **Menu Bar**, and select **File VAT**.
2. The File VAT window is displayed.

Ensure that the correct VAT agency is selected (1), and that the reporting period dates are correct (2).

The figures shown are the same as those on the VAT 100 report example above. In the File VAT window you can see the VAT figures for each Box on the return (3).

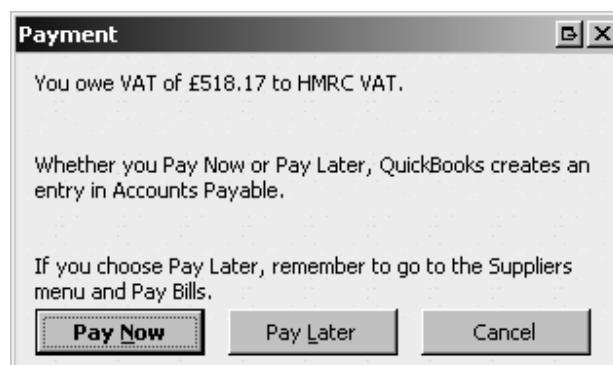
The amount owed (or to be reclaimed) is below this (4).



- To proceed, click the **File VAT Return** button (5).

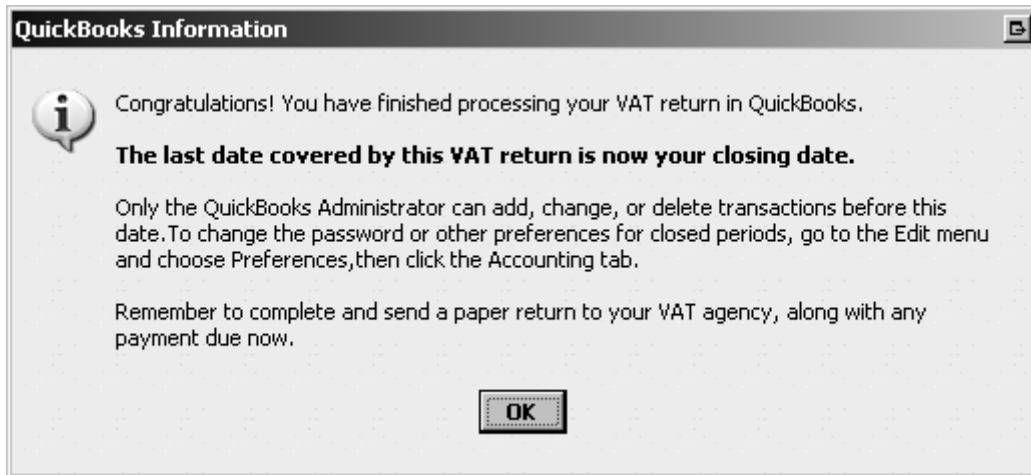
You will be prompted to print your VAT return. If you have not already done so, print it now. **Note:** This only prints the VAT100, not the VAT Detail or VAT Item Summary reports. It is advisable that you print all of these reports before you begin filing the VAT.

- The next window appears:



You can opt to pay now, or pay later (see below). In either case, QuickBooks will mark all the transactions as filed and post the filing date in the VAT Liability Account.

- A confirmation window appears to inform you that you have filed your VAT return successfully:



Closing Date

QuickBooks sets your file closing date to the quarter ending date of the return.

Only the QuickBooks Administrator can change this date, or password protect it, under Preferences (go to **Edit** in the Menu bar, select **Preferences**, click **Accounting** and **Company Preference**). We'll see how to do this in Chapter 12.

It is strongly advised that you do not change the closing date, and that you add password protection (see chapter 11). That way only the Administrator can make changes to closed VAT periods.

VAT Liability Account

When you file the VAT, QuickBooks automatically creates a journal entry dated the last day of your VAT quarter (in our example 30/09/2008) and posts this to the VAT Liability account.

To view this journal entry:

- Click **Company** on the **Menu bar** and choose **Make General Journal Entry**.
- Click the **Previous** button. The journal looks like this:

Make General Journal Entries Type a help question **Ask** **How Do I?**

Previous Next Print... History

Date: 30/09/2008 Entry No.: 5

Account	Debit	Credit	Memo	Name	VAT Item	Billable?
Accounts Payable		518.17	File Sales Tax	HMRC VAT		
VAT Liability	3,451.44			HMRC VAT	Standard Sales	
VAT Liability		2,933.27		HMRC VAT	Standard Purchases	
VAT Liability	0.00			HMRC VAT	Zero-Rated Sales	
VAT Liability	0.00			HMRC VAT	Exempt Purchases	

Notice that the sum of each VAT Item line (standard sales, standard purchases, etc) in the

VAT period is accounted for.

The effect of this journal is to bring your liability down to zero in the VAT Liability account, so you know there is nothing outstanding for that period. The amount you owe can now be found in the Accounts Payable account (where you go to pay supplier bills), and if you had a refund, that amount would be posted to the Accounts Receivable account (where you go to receive customer payments).

In addition, filed transactions have a 'Filed Date' next to them.

To view the VAT Liability Account:

1. Click on **Lists** in the **Menu bar** and choose **Chart of Accounts**. Find the VAT Liability Account and double click to open it.
2. Here is how the VAT Liability account looks:
 - Balance brought to zero on last day of VAT return (1)
 - A filed date appears next to file transactions (2)

Date	Number	Supplier	Due Date	Billed	✓	Paid	Balance
	Type	Account	Filed Date				
29/09/2008	533	HMRC VAT	30/09/2008	41.20			126.90
	INV	Accounts Receivable [split] Standard Sales	30/09/2008				
29/09/2008	533	HMRC VAT	30/09/2008	0.00			126.90
	INV	Accounts Receivable [split] Zero-Rated Sales	30/09/2008				
29/09/2008	534	HMRC VAT	30/09/2008	153.57			280.47
	INV	Accounts Receivable [split] Standard Sales	30/09/2008				
30/09/2008	535	HMRC VAT	30/09/2008	100.63			381.10
	INV	Accounts Receivable [split] Standard Sales	30/09/2008				
30/09/2008	536	HMRC VAT	30/09/2008	137.07			518.17
	INV	Accounts Receivable [split] Standard Sales	30/09/2008				
30/09/2008	5	HMRC VAT				3,451.44	-2,933.27
	GENJRNL	Accounts Payable [split]					
30/09/2008	5	HMRC VAT		2,933.27			0.00
	GENJRNL	Accounts Payable [split]					
30/09/2008	5	HMRC VAT		0.00			0.00
	GENJRNL	Accounts Payable [split]					
30/09/2008	5	HMRC VAT		0.00			0.00
	GENJRNL	Accounts Payable [split] Memo					

Ending balance 0.00

Paying or Reclaiming VAT

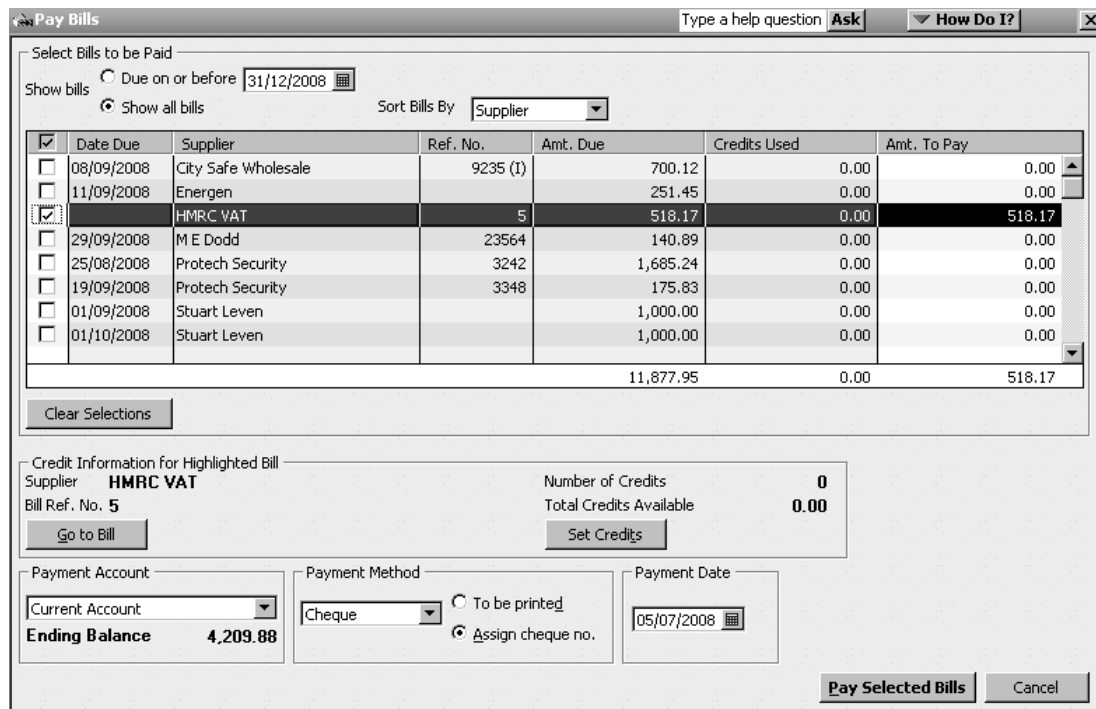
In QuickBooks 2008 it's easy to pay the VAT when you file, or to pay it at a later date, and even by instalments.

Pay Now

If you chose to Pay Now when filing the VAT return, QuickBooks presents you with the Pay Bills window after it has marked all the transactions on the return as filed.

Choose the HMRC VAT supplier and remit the VAT as you would do for a regular supplier.

To pay by instalments, you simply enter the amount you are paying in the Amt. to Pay column. The balance remains in the Pay Bills window until you make the next payment(s).

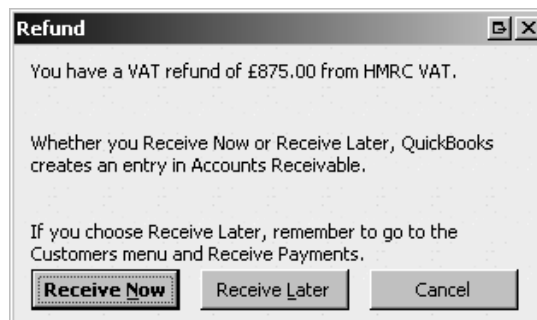


Pay Later

If you chose Pay Later, you will need to go to the Pay Bills window (**Suppliers** in the Menu bar, select **Pay Bills**) when you are ready to make the payment.

Refunds

If you are entitled to a VAT refund, the following window appears when you click the **File VAT return** button (see point 3 of Filing VAT return, above):



You can receive the refund now, or later. Most likely you will receive the refund later, since you may not know the exact date you will receive it.

When you are ready to receive the refund:

1. Go to the Receive Payments form (**Customers** in the **Menu bar**, select **Receive Payments**)
2. In the **Received From** field enter **HMRC VAT – Receivable**. This customer was automatically created by QuickBooks so you can receive the VAT refund.
3. Fill in the details of the refund as you do for customer payments.

Customer Payment

Received From: HMRC VAT - Receivable Customer Balance: 875.00

Amount: 0.00 Date: 31/12/2008

Pmt. Method: Deposit to: Undeposited Funds

Memo: Card No.: Exp. Date: / /

Process credit card payment when saving

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
	31/12/2008	6	875.00	875.00	0.00
Totals			875.00	875.00	0.00

Amounts for Selected Invoices

Amount Due: 0.00
Applied: 0.00
Credits Applied: 0.00

Auto Apply Payment Credits... Save & Close Save & New Clear

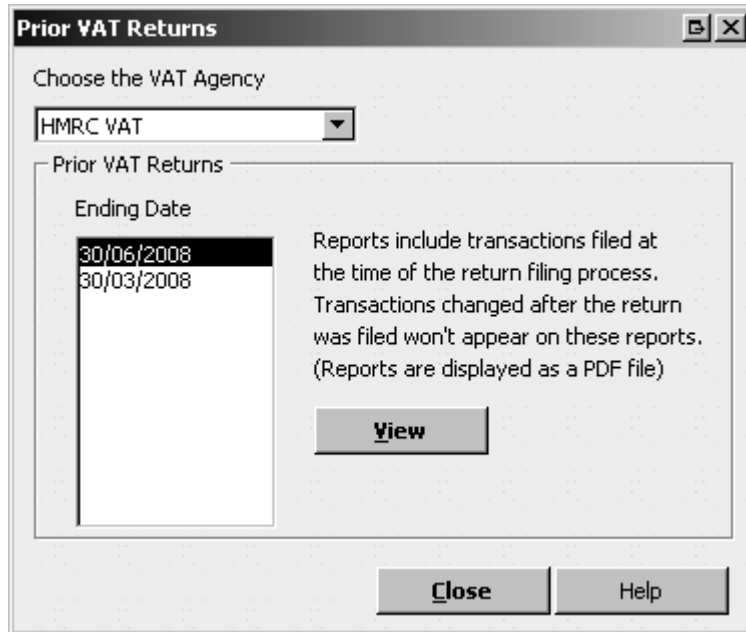
Prior VAT returns

QuickBooks 2008 creates pdf files of the VAT 100 and VAT Detail reports, and stores them within QuickBooks so that you can always view these reports at a later date.

To access prior VAT returns:

1. Click on **VAT** in the **Menu Bar**, and select **Prior VAT Returns**.
2. In the window that appears, choose the **VAT Agency (1)**.

This displays a list of prior VAT returns, starting with the most recent return.



3. Select the return you wish to view, and click the **View** button.

Port Meadow Locksmiths Ltd
VAT Detail Report
 As at 30 September 2008

7:38 PM
 31/12/08
 Accrual Basis

Port Meadow Locksmiths Ltd
VAT 100
 As at 30 September 2008

7:38 PM
 31/12/08
 Accrual Basis

	30 Sep 08
VAT due	
VAT due on sales (Box 1)	3,461.94
Total VAT due from EC acquisitions (Box 2)	0.00
Total VAT due (Box 3)	3,461.94
VAT reclaimed on purchases (Box 4)	2,933.27
Net VAT to pay (or reclaim if negative) (Box 5)	528.67
Total net value of sales (Box 6)	37,102.35
Total net value of purchases (Box 7)	32,044.50
Total net value of supplies to other EC Member ...	0.00

Changes to filed VAT transactions

If you edit a VAT filed transaction:

- The VAT filed date is removed from the transaction.
- The difference in the VAT amount will appear on the next return in boxes 1 – 4. The difference appears as an opening balance for the relevant box (see VAT Detail report, above)
- The Net amounts are not currently being brought across to the VAT 100 or VAT Detail reports; you will have to manually include these figures on the VAT return in boxes 6 and 7. A VAT maintenance release will be released, to address this.
- The transaction will have a new filed date, which is the quarter ending date of the return that contained the amendment.

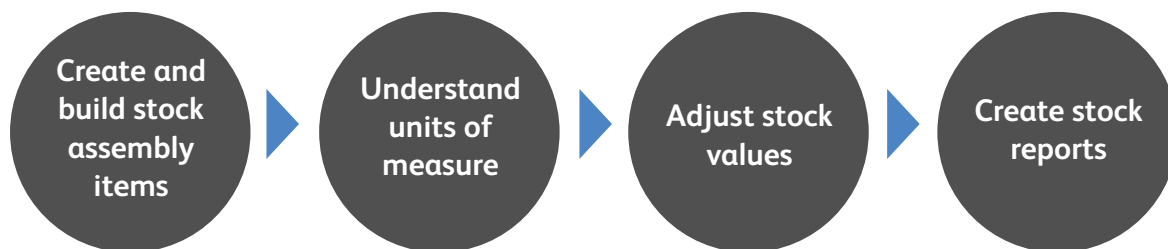
Journal Entries

Adjustments to VAT need to be made through forms such as bills, invoices, and credit notes. In the event you use journal entries to adjust VAT (e.g. fuel scale charges), the VAT amount appears on the return in boxes 1 – 4, however, the Net amounts need to be included on the return manually. This is being reviewed for enhancement in the near future.

Advanced stock techniques

If your business requires slightly more elaborate stock controls than simply a list of stock items, you will need to learn more about how QuickBooks® handles some advanced stock issues. This chapter also explores some additional stock control features in QuickBooks, present in the Premier edition.

By the end of this chapter, you should be able to:



Stock assembly items

If your business is involved in light assembly activities then you might already be wondering how to handle two levels of stock items: the individual components which must be tracked as purchases, and the finished (assembled) products or systems.

The answer is the Stock Assembly feature, which helps you to set up as a stock assembly a single unit made of stock parts.

With QuickBooks' Stock Assembly items, not only can each component be set up as a stock item (which can be sold as part of an assembly or individually), but the assembled product (also called finished goods) is also tracked as a stock item.

Setting up components and assembly items

To demonstrate how assemblies work, we'll assemble a bicycle as an example. To set up the components:

1. From the **Menu bar** click on **Lists** and choose **Item List**.
2. Click on the **Item** button and select **New**.
3. In the New Item window, enter the item details for each component.

Component	Description	Quantity
Frame	Bicycle frame	1
Wheels	24" wheel with tyre	2
Saddle	Leather saddle	1
Chain	16" chain	1
Gears	Gear mechanism	1
Brakes	Brake system	1

The window below illustrates the New Item window for the Frame:

The screenshot shows the 'New Item' window in QuickBooks. The 'Type' dropdown is set to 'Stock Part' and is highlighted with a red box and the number '1'. The 'Sales Price' field is set to '75.00' and is highlighted with a red box and the number '2'. Other fields include 'Item Name/Number' (Frame), 'Cost' (55.00), 'Purch VAT Code' (5), 'COGS Account' (Bike Components), 'Preferred Supplier', 'Description on Purchase Transactions' (Bicycle frame), 'Description on Sales Transactions' (Bicycle frame), 'Sales Price' (75.00), 'Sales VAT Code' (5), 'Income Account' (Bike Sales), 'Asset Account' (Stock), 'Reorder Point', 'On Hand' (0.00), 'Total Value' (0.00), and 'As of' (31/12/2008). Buttons for 'OK', 'Cancel', 'Next', 'Custom Fields', and 'Spelling' are visible on the right side.

Notice that the item type (1) is **Stock Part**.

Even though this is a component ordinarily used in a finished assembly, you can still sell just the component and designate a selling price for it (2).

Once all the components have been set up, the next step is to create an item for the finished assembly (in this example, a bicycle).

1. From the **Menu bar** click on **Lists** and choose **Item List**.
2. Click on the **Item** button and select **New**.
3. In the New Item window, enter the item details for the assembled product.
4. For item type, choose **Stock Assembly** from the drop-down Type menu (3).
5. Enter the finished goods' information (Item Name/Number, Description, Sales Price, etc.) as you would any other item. The Cost price is how much it costs to assemble this product, including labour and overheads.
6. At the bottom of the New Item window is a list called **Components Needed**. Once you have tabbed to or placed your cursor in that field, you will see that the Item column has a drop-down list from which you can choose the components you have already added to the item list. When you select an item, QuickBooks fills in the item and its description; all you have to add is the quantity required for the assembly (4).

Click **Full View** (5) to view the list of components in a larger window.

When finished, click **OK**.

The screenshot shows the 'New Item' window in QuickBooks. The 'Type' dropdown menu is set to 'Stock Assembly', which is highlighted with a box labeled '3'. The 'Item Name/Number' field contains 'Bicycle'. The 'Unit of Measure' is set to 'U/M Set'. The 'Cost' field is 170.00, and the 'COGS Account' is 'Bike Components'. The 'Description' field contains 'Bicycle'. The 'Sales Price' is 225.00, the 'Sales VAT Code' is 'S', and the 'Income Account' is 'Bike Sales'. The 'Bill of Materials' table is visible at the bottom, with columns for Item, Description, Type, Cost, Qty, U/M, and Total. The table lists components: Frame (Bicycle frame, Inv Part, 45.00, 1, U/M, 45.00), Wheels (24" wheel with tyre, Inv Part, 15.00, 2, U/M, 30.00), Saddle (Leather saddle, Inv Part, 20.00, 1, U/M, 20.00), and Chain (16" chain, Inv Part, 9.50, 1, U/M, 9.50). The 'Total Bill of Materials Cost' is 135.50. A box labeled '4' highlights the 'Item' column of the table. To the right of the table, there are buttons for 'Edit Item...' and 'Full View...', with a box labeled '5' highlighting the 'Full View...' button. At the bottom, there is a 'Stock Information' section with fields for 'Asset Account', 'Build Point', 'On Hand', 'Total Value', and 'As of'.

Item	Description	Type	Cost	Qty	U/M	Total
Frame	Bicycle frame	Inv Part	45.00	1	U/M	45.00
Wheels	24" wheel with tyre	Inv Part	15.00	2	U/M	30.00
Saddle	Leather saddle	Inv Part	20.00	1	U/M	20.00
Chain	16" chain	Inv Part	9.50	1	U/M	9.50

Building assembled items in the Build Assemblies window

You'll have to let QuickBooks know when a stock assembly item has been physically assembled. You do this by building an assembled item.

Because the bicycle is an actual item, QuickBooks shows it in the Item List. Although there are enough components in stock to build the bicycle, QuickBooks shows that there are no assembled bicycles in stock.

Name	Description	Type	Account	On Hand	Quantity On Purc...	On Sales Order	Price	Cost
Brakes	Brake system	Stock Part	Bike Sales	4	0	0	25.00	15.00
Chain	16" chain	Stock Part	Bike Sales	2	0	0	15.00	9.50
Frame	Bicycle frame	Stock Part	Bike Sales	1	0	0	75.00	45.00
Gears	Gear mechanism	Stock Part	Bike Sales	3	0	0	36.00	16.00
Saddle	Leather saddle	Stock Part	Bike Sales	4	0	0	45.00	20.00
Wheels	24" wheel with tyre	Stock Part	Bike Sales	8	0	0	28.00	15.00
Bicycle	Bicycle	Stock Assembly	Bike Sales	0	0	0	225.00	170.00
Card fee	Card handling fee	Other Charge	Locks Sales				1.0%	0.00
Fin Chg	Finance Charges on Overdue Balance	Other Charge	Interest R...				6.0%	0.00

To build the bicycle assembly:

1. From the **Menu bar**, click on **Suppliers**, choose **Stock Activities** and then select **Build Assemblies**. In the Build Assemblies window:

Choose the Assembly Item (5).

QuickBooks now displays the Quantity on Hand (6) (at the moment, none).

Also listed are the required components and quantity on hand of each component (7).

Finally, you will see a field telling you the maximum of this assembly you can build from the quantity of components on hand (8).

Build Assemblies

Assembly Item: Bicycle (5)

Quantity on Hand: 6 (6)

Quantity on Sales Order: 0

Quantity Reserved for Other Assemblies: 0

Quantity Available: 0

Components Needed to Build Bicycle

Component Item	Description	Type	Qty On Hand	U/M	Qty Needed
Frame	Bicycle frame	Inv Part	3		2
Wheels	24" wheel with tyre	Inv Part	7 (7)	12	4
Saddle	Leather saddle	Inv Part	6		2
Chain	16" chain	Inv Part	4		2
Gears	Gear mechanism	Inv Part	5		2
Brakes	Brake system	Inv Part	6		2

Maximum number you can build from the quantity on hand: 3 (8)

Quantity to Build: 2 (9)

Date: 30/09/2008

Build Ref. No.: 11

Memo:

Build & Close Build & New Clear

1. All you have to do is enter the quantity you are going to build (which, it's pretty clear, has to be no more than the number shown in field 8!) in the Quantity to Build field (9).
2. Click **Build & New** if you have more than one assembly to record, or **Build & Close**.

QuickBooks automatically, in the background, will increase the On Hand quantity of the assembled item and decrease the quantities of the individual components.

Name	Description	Type	Account	On Hand	Quantity On Purc...	On Sales Order	Price	Cost
Frame	Bicycle frame	Stock Part	Bike Sales	1	0	0	75.00	45.00
Gears	Gear mechanism	Stock Part	Bike Sales	3	0	0	36.00	16.00
Saddle	Leather saddle	Stock Part	Bike Sales	4	0	0	45.00	20.00
Wheels	24" wheel with tyre	Stock Part	Bike Sales	8	0	0	28.00	15.00
Bicycle	Bicycle	Stock Assembly	Bike Sales	2	0	0	225.00	170.00
Card fee	Card handling fee	Other Charge	Locks Sales				1.0%	0.00
Fin Chg	Finance Charges on Overdue Balance	Other Charge	Interest Rec...				6.0%	0.00
Reimb Subt	Reimbursable Expenses Subtotal	Subtotal						0.00
Subtotal	Total of above	Subtotal						0.00

In the example above, two bicycles were built – notice how the quantities of the components have decreased in the item list.

Units of Measure

If your business purchases, stocks and resells stock items in different lots for each activity, you can use the Units of Measure feature to indicate how the different lots are related. **Note:** This feature is only available in QuickBooks Premier 2008.

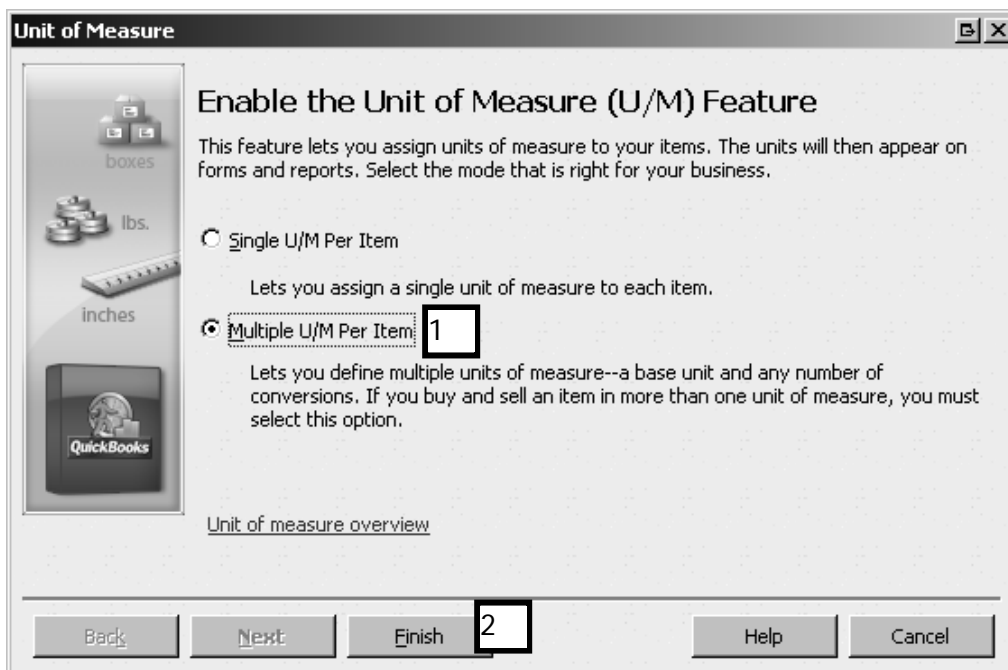
For instance, consider Port Meadow Locksmiths that, among its products, is going to sell replacement door handles. This business purchases the handles by the crate. A crate holds ten cases and each case contains 20 handles, which are resold as individual handles.

Define and assign Units of Measure

To use Units of Measure, you must first enable and define the units of measure:

1. To enable Units of Measure (U/M), click on **Edit** in the **Menu bar** and choose **Preferences**. Click on **Items & Stock**, then the **Company Preferences** tab and under the Units of Measure heading click the **Enable** button.

Choose "Multiple U/M per Item" (1), then click **Finish** (2). Click **OK** to exit Preferences.

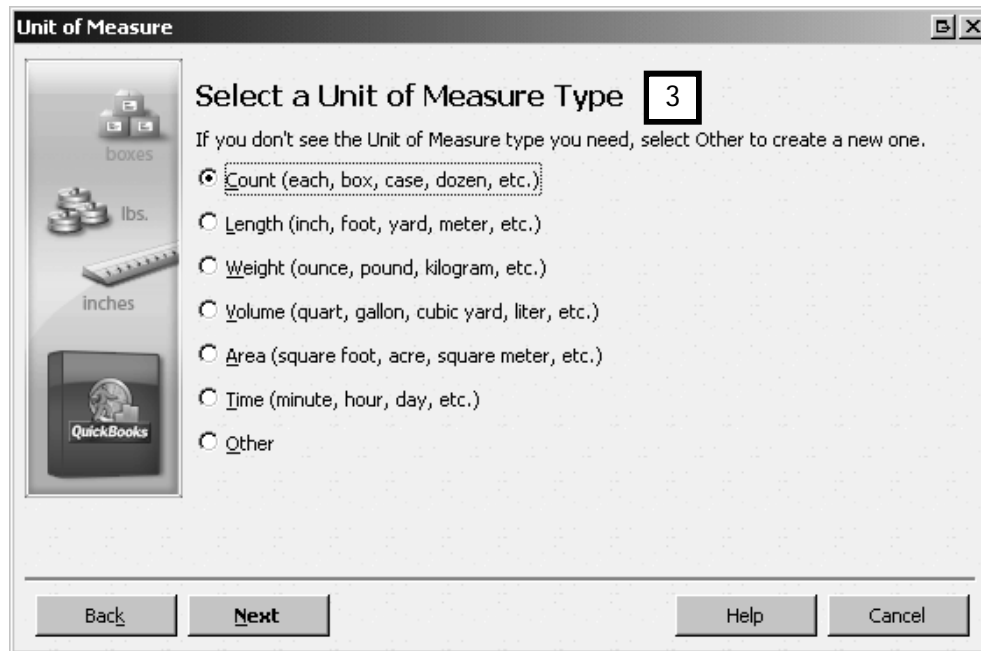


Note: Choose 'single' unit of measure to assign a single unit to an item (e.g. each, or kg, litre, metre, etc). Select 'multiple' if the purchase unit is different from the stocking or selling unit. In this example, we'll choose multiple.

2. Open the Units of Measure List (**Lists** from the **Menu Bar** and select **U/M Set List**).
3. Click the U/M Set button at the bottom left of the list, and select **New**.

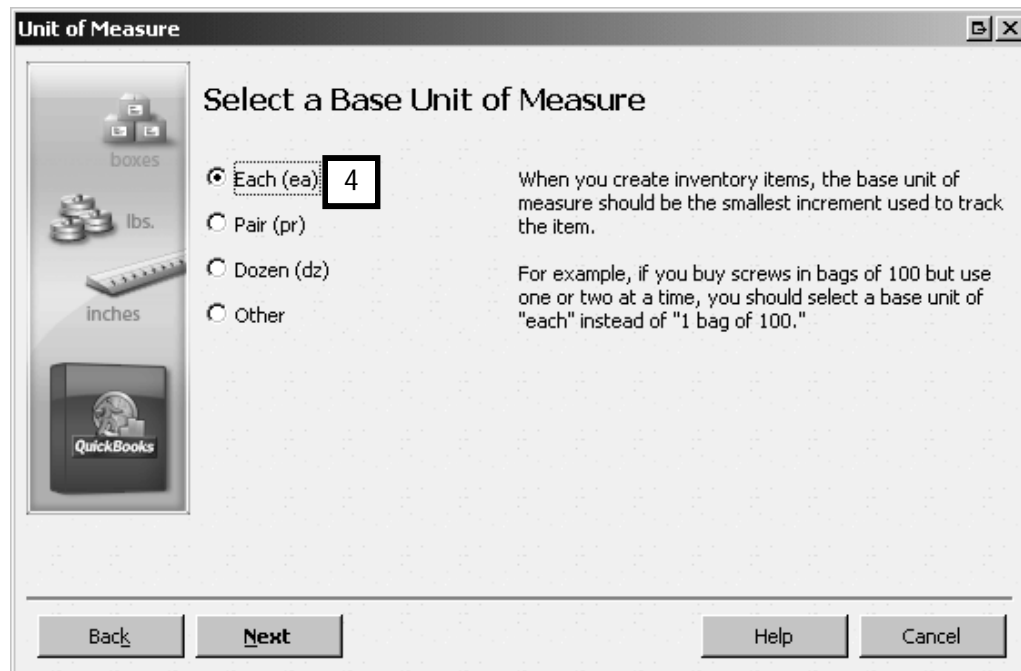
4. Choose the type of measure (3), or create one by selecting Other. In this example we'll select "Count".

Click **Next** to follow the wizard.



5. Select the base unit of measure (4), which is the smallest increment. In this case that's a handle, so choose **Each**.

Click **Next**.



- Now add the related units (5). “Case” is already an option, so we add 20 in the “# of each” column since there are 20 handles in a case. Dropping down to the next blank line, add “crate” as shown below, and an abbreviated unit name (crt). There are 200 handles in a crate (20 handles per case x 10 cases in a crate).

Unit of Measure

Add Related Units

Click the Add field for each related unit you want to add. To define additional units, click on an empty line and fill in the fields.

Base Unit: case

Add	Name	Abbreviation	# of ea
	pair	pr	2
	dozen	dz	12
	package	pkg	
	box	bx	
✓	case	cs	20
✓	crate	crt	200
			5

Buttons: Back, Next, Help, Cancel

Click **Next**.

- Now select the purchase and sales units (6). You could also define a shipping unit of measure here.

Unit of Measure

Select Default Units of Measure

Purchase: Used by default for new line items on purchase forms.

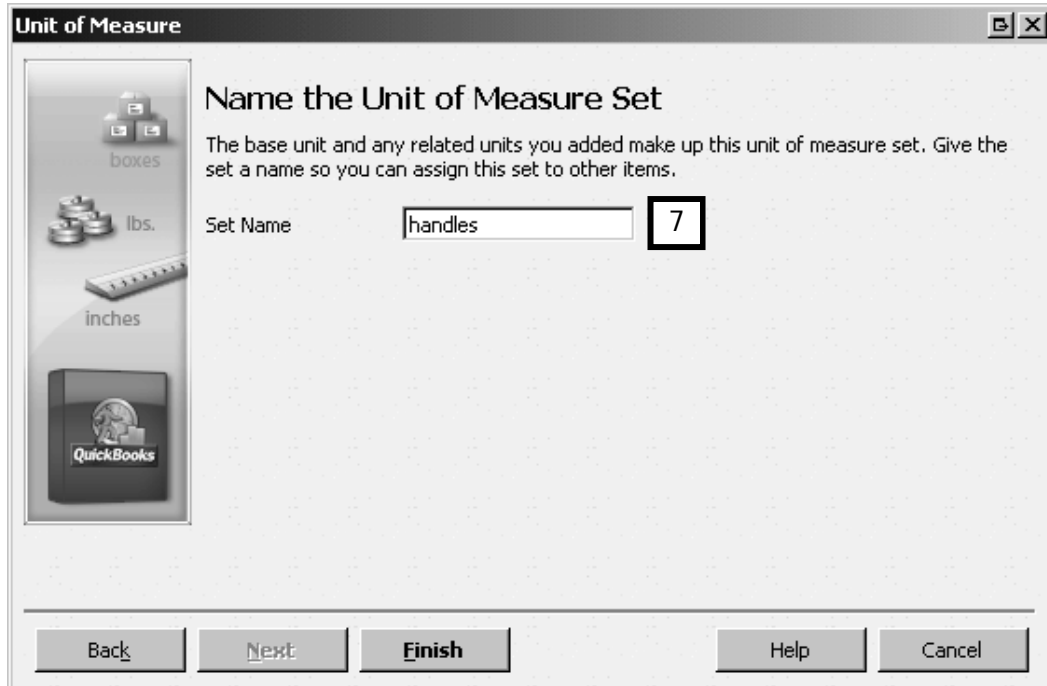
Sales: Used by default for new line items on sales forms.

Shipping: If selected, overrides the unit of measure on sales orders when printing pick lists.

Buttons: Back, Next, Help, Cancel

Click **Next**.

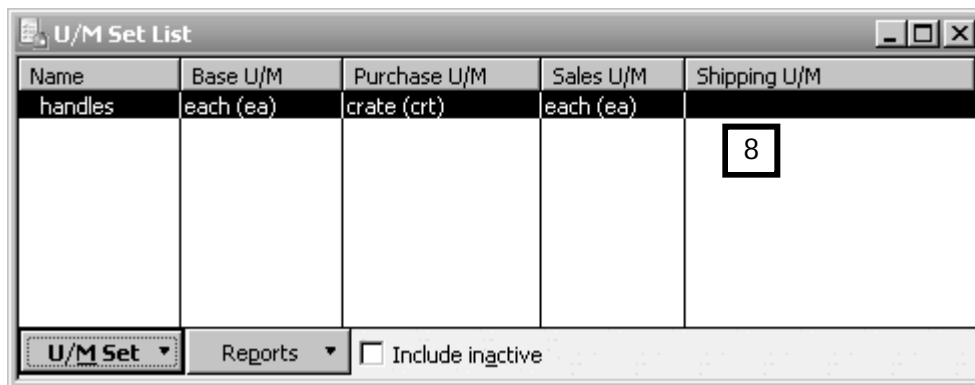
8. Enter a name for this unit of measure (e.g. handles)(7).



The dialog box is titled "Unit of Measure" and contains a sidebar with icons for "boxes", "lbs.", "inches", and "QuickBooks". The main area is titled "Name the Unit of Measure Set" and includes a text box for "Set Name" containing the word "handles" and a numeric input field containing "7". Below the text box is a large text area. At the bottom are buttons for "Back", "Next", "Finish", "Help", and "Cancel".

Click **Finish**.

9. The Units of Measure List has now been updated (8):



Name	Base U/M	Purchase U/M	Sales U/M	Shipping U/M
handles	each (ea)	crate (crt)	each (ea)	
				8

U/M Set Reports Include inactive

The next task is to assign this unit of measure to our new door handles stock item.

10. Create a new stock item (**Lists** from menu bar, then **Item List**, then **New**), which associates the base unit of measure with the item (9). Fill out the rest of the fields as usual.

Note that both the cost and sales units are presented in the base unit (10). It's on the purchase and sales forms that you'll be able to use the related units.

Click **OK** to save the new item.

When the items are purchased, the Items List shows the On Hand quantity according to the base unit of measure. The advantage of using a system that defines a base unit of measure is that it make it easy to compare the price of the same type of items by comparing the cost of the base unit. (You need to customise the columns in the Item List to show the base unit. Right click on the column and choose Customise Columns, then add or remove columns as needed).

Name	Description	Type	Account	On Hand	Base U/M	Cost	Price
2101	Union 5 lever deadlock	Stock Part	Locks Sales	4		12.00	19.50
2242	Union 2242 lock	Stock Part	Locks Sales	3		12.14	18.02
3000	Simplex 3000 lock	Stock Part	Locks Sales	2		95.63	147.13
6688	Door handles (6688)	Stock Part	Handles and Misc	200	each (ea)	5.50	12.50

For example, if purchasing handles from 2 different suppliers who may sell in different units, you can still compare the base cost as long as that base cost is in the same unit.

Units of Measure on Purchase and Sales forms

1. Notice the “crate” unit automatically appears on the bill, with the correct price (200 handles x £5.50 per handle). From the bill you could change the units of measure (see drop down list) (1), if for example you purchased in a different unit, such as 5 cases instead of a full crate of 10 cases.

Expenses		Items							
Item	Description	Qty	U/M	Cost	VAT	Amount	Customer:Job	Billable?	Class
6688	Door handles (6688)	1	cr	1,100.00	5	1,100.00			
			< Add New > Convert 1 crt to 10 cs Convert 1 crt to 200 ea						
			Change 1 crt to 1 cs Change 1 crt to 1 ea						

2. Likewise, individual handles appear as the unit of measure on the sales form. Once again you can change the sales unit of measure on here as well (2).

Qty	Item	Description	U/M	Rate	Amount	VAT
1	6688	Door handles (6688)	ea	12.50	12.50	5
			< Add New > Convert 1 ea to 0.05 cs Convert 1 ea to 0.005 crt			
			Change 1 ea to 1 cs Change 1 ea to 1 crt			

Item availability

To see the number of items available:

1. Highlight the item in the **Item List**, then **right click** to view the options, and select **Current Availability** (1).

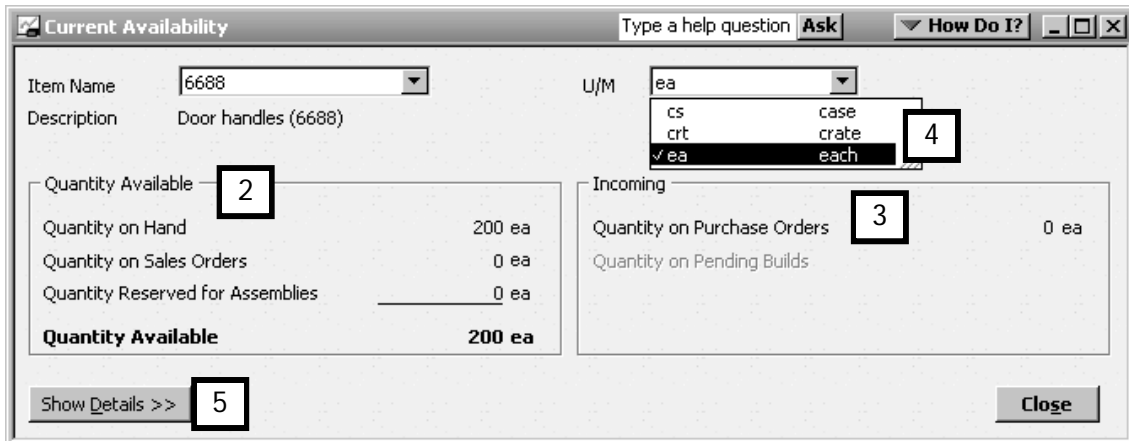
Name	Description	Type	Account	On h
2101	Union 5 lever deadlock	Stock Part	Locks Sales	
2242	Union 2242 lock	Stock Part	Locks Sales	
3000	Simplex 3000 lock	Stock Part	Locks Sales	
3C14	Chubb 3C14 deadlock	Stock Part	Locks Sales	
3K70	Chubb Mortise Lock 3K70	Stock Part	Locks Sales	
6688	Door handles (6688)	Stock Part	Locks Sales	
7004	Unican 7004 digital door lock	Stock Part	Locks Sales	
77	Yale 77 lock with brass cyl...	Stock Part	Locks Sales	
85lux	Yale 85 Basslux lock	Stock Part	Locks Sales	
Call Out	Emergency call out to gai...	Service	Locks Sales	
Card fee	Card handling fee	Service	Locks Sales	
Cut	Key cut	Service	Locks Sales	
Disc5	5% discount	Service	Locks Sales	
EC Purch Goods 0% Group	EC Purch of Goods Zero-R...	Group	Locks Sales	
EC Purch Goods 17.5% Gr...	EC Purch of Goods Group	Group	Locks Sales	
EC Purch Goods Standard	EC Purch of Goods Standard	Group	Locks Sales	
EC Purch Goods Zero-Rated	EC Purch of Goods Zero-R...	Group	Locks Sales	
EC Purch Services 0% Group	EC Purch of Services Zero...	Group	Locks Sales	
EC Purch Services 17.5% ...	EC Purch of Services Group	Group	Locks Sales	
EC Purch Services Standard	EC Purch of Services Stan...	Group	Locks Sales	
EC Purch Services Zero-R...	EC Purch of Services Zero...	Group	Locks Sales	
EC Sales Goods 0% Group	EC Sales of Goods Group	Group	Locks Sales	

Find...
 Refresh
 New
 Edit Item
 Make Item Inactive
 Customise Columns...
 Create Invoices
 Enter Sales Receipt
 Change Prices
Current Availability
 Create Purchase Orders...

2. In the Current Availability window, you can view the Quantity Available (2) as well as Incoming Quantities (3):

You can also change the **Units of Measure** to see the above information in a different unit. (4)

To view more information on Purchase Orders, Sales Orders, or Assemblies, click **Show Details** (5).



Adjusting stock values

Most businesses will, at least at their financial year-end and perhaps more frequently, compare their physical stock (what is actually in the warehouse, shop or storeroom) with the stock figures, known as perpetual stock, reported by QuickBooks. A business will also want to periodically (at least once a year) assess and adjust the value of its stock.

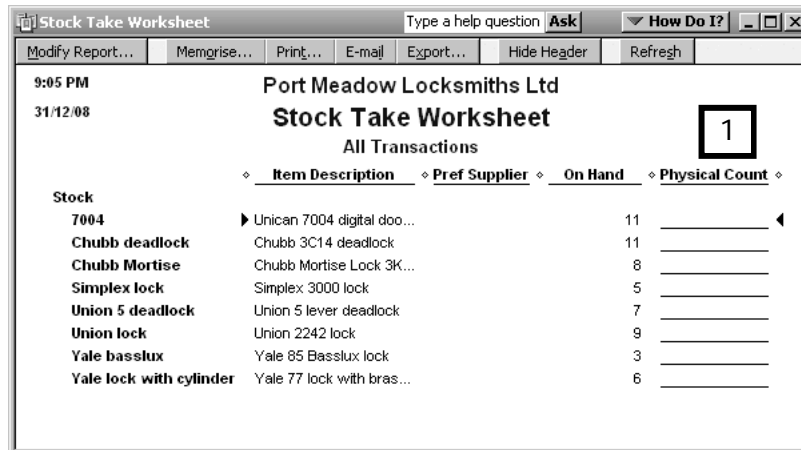
Adjusting stock quantity

It may happen that over time the physical stock quantities change due to spoilage or damage, errors, short-shipment from a supplier, or other causes. When you do your regular physical stock count, the figures may then not agree with the quantities reported by QuickBooks.

When these discrepancies arise you will need to adjust the stock quantities in QuickBooks.

To aid in counting the physical stock, QuickBooks offers the Stock Take Worksheet form. To access the worksheet:

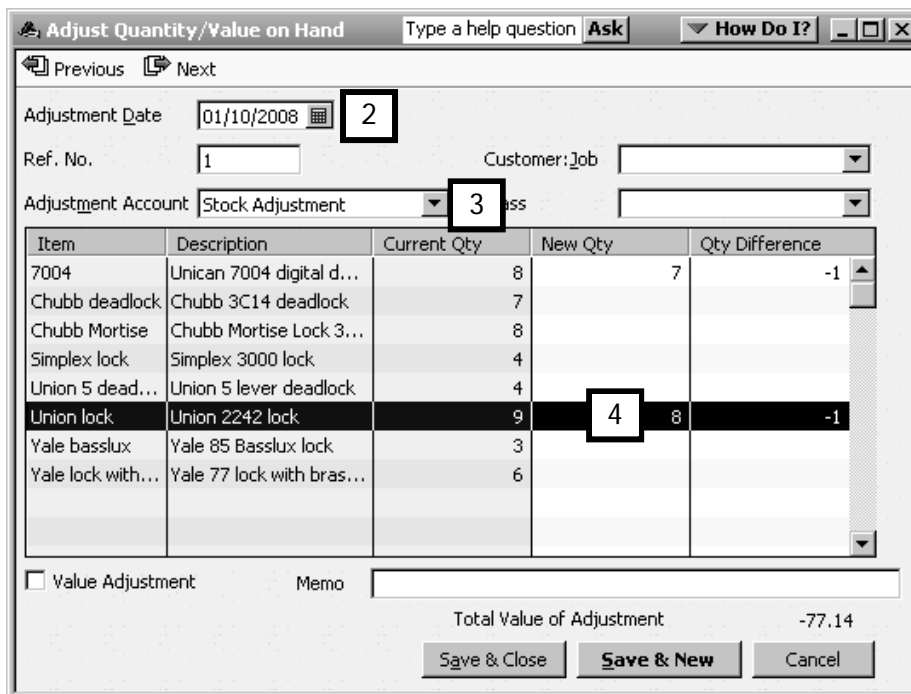
1. From the **Menu bar** choose **Suppliers**, click on **Stock Activities** and select **Physical Stock Worksheet** (1).



The worksheet displays the record held by QuickBooks of the quantity on hand for each stock item as well as an area to manually record the physical count. This makes it easy to see where any differences occur.

Once the physical stock count is completed, you can then adjust any discrepancies in QuickBooks, by adjusting the quantity of the stock items:

1. From the **Menu bar** choose **Suppliers**, click on **Stock Activities** and select **Adjust Quantity/Value on Hand** to see the following window.



2. Ensure that the adjustment date is the date of the physical count (2).
3. In the Adjust Quantity/Value window, in the **New Qty** column, enter the new quantity on hand (3). Notice that QuickBooks adjusts the Qty difference based on the entry in the New Qty field.

4. Select an adjustment account. This should be an expense account. In the example, the account is called **Stock Adjustment (4)**.
5. Click **Save & Close** to record the stock adjustment and close the window.

Adjusting stock value

Stock does not always maintain the same value. From time to time you will need to adjust the total value of stock on hand to reflect depreciation or changes in marketability.

For example, if a newer model of an item you stock is on the market, the value of your stock may decrease.

To adjust stock value, use the same Adjust Quantity/Value on Hand window. Because the quantity on hand is correct:

1. Check the **Value Adjustment** box (1).
2. QuickBooks then creates a **New Value** column. In the New Value column, enter the new value of the stock items on hand (2).
3. Choose an **Adjustment Account** (an expense account) (3).

Click **Save & New** to make another stock value adjustment, or **Save & Close** if you have made all the needed adjustments.

Adjustment Date: 31/10/2008
 Ref. No.: 2
 Adjustment Account: Stock Adjustment (3)
 Customer: Job
 Class:

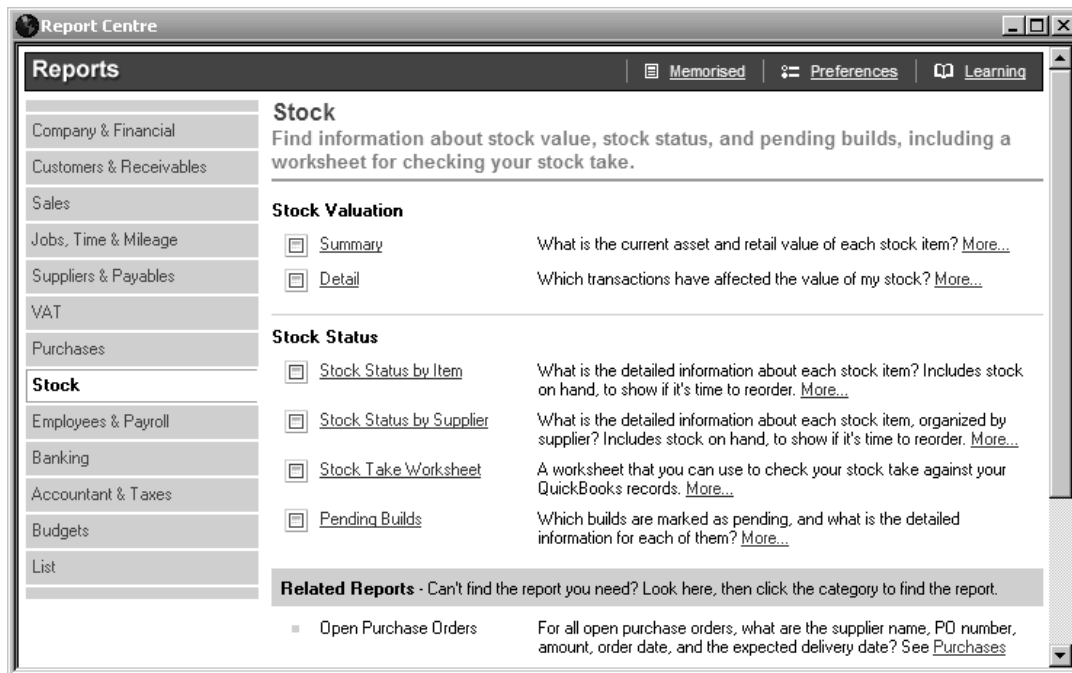
Item	Description	Current Qty	New Qty	Current Value	New Value
7004	Unican 7004 digital d...	11		715.00	660.00
Chubb deadlock	Chubb 3C14 deadlock	11		111.32	
Chubb Mortise	Chubb Mortise Lock 3...	8		191.60	
Simplex lock	Simplex 3000 lock	5		478.15	
Union 5 deadlock	Union 5 lever deadlock	7		84.00	
Union lock	Union 2242 lock	9		109.26	
Yale basslux	Yale 85 Basslux lock	3		66.30	
Yale lock with cylinder	Yale 77 lock with bra...	6		90.18	

Value Adjustment
 Memo:
 Total Value of Adjustment: -55.00
 Buttons: Save & Close, Save & New, Cancel

Stock reports

As part of the ongoing governance of your business, from time to time you will want to generate and study or print reports showing the status and value of your stock.

In addition to the stock take worksheet described in the previous section, QuickBooks offers the following stock reports, available by clicking the **Reports Centre** in the **Navigation Bar** and choosing **Stock**:



Let's examine two of these reports.

Stock Valuation Summary report

Among other information, this report shows you quantities on hand, average cost, total cost and selling value of each item in stock.

The screenshot shows the 'Stock Valuation Summary' report for 'Port Meadow Locksmiths Ltd' as at 31 December 2008. The report includes a table with the following data:

	Item Description	On Hand	Avg Cost	Asset Value	% of Tot Asset	Sales Price	Retail Value	% of Tot Retail
Stock								
7004	Unican 7004 digital doo...	11	65.00	715.00	38.7%	90.79	998.69	35.2%
Chubb deadlock	Chubb 3C14 deadlock	11	10.12	111.32	6.0%	21.61	237.71	8.4%
Chubb Mortise	Chubb Mortise Lock 3K...	8	23.95	191.60	10.4%	38.95	311.60	11.0%
Simplex lock	Simplex 3000 lock	5	95.63	478.15	25.9%	147.13	735.65	26.0%
Union 5 deadlock	Union 5 lever deadlock	7	12.00	84.00	4.6%	19.50	136.50	4.8%
Union lock	Union 2242 lock	9	12.14	109.26	5.9%	18.02	162.18	5.7%
Yale basslux	Yale 85 Basslux lock	3	22.10	66.30	3.6%	40.68	122.04	4.3%
Yale lock with cylinder	Yale 77 lock with bras...	6	15.03	90.18	4.9%	21.61	129.66	4.6%
Total Stock		60		1,845.81	100.0%		2,834.03	100.0%
TOTAL		60		1,845.81	100.0%		2,834.03	100.0%

Stock Valuation Detail report

In addition to the information found in the summary report, the Stock Valuation Detail report itemises the purchases and sales information for each item, indicating the stock movements over the specified dates.

Stock Valuation Detail									
Type a help question Ask How Do I?									
Modify Report... Memgrise... Print... E-mail Export... Hide Header Refresh									
Dates Custom From 01/09/2008 To 30/09/2008 Sort By Default									
10:14 PM									
31/12/08									
Port Meadow Locksmiths Ltd									
Stock Valuation Detail									
September 2008									
Type	Date	Name	Item	Qty	Cost	On Hand	Avg Cost	Asset Value	
Stock									
7004									
Item Receipt	08/09/2008	Linton Letting Agency	23909	3	195.00	9	65.00	585.00	
Item Receipt	08/09/2008	Able Locksmiths	23909	2	130.00	11	65.00	715.00	
Invoice	26/09/2008	Hertford Surgery	530	-3		8	65.00	520.00	
Total 7004						8		520.00	
Chubb deadlock									
Bill	08/09/2008	City Safe Wholesale	9235 (I)	2	20.24	7	10.12	70.84	
Bill	25/09/2008	Prestige Estates:Milton Pharmacies	SI9547	5	50.60	12	10.12	121.44	
Invoice	29/09/2008	Prestige Estates:Milton Pharmacies	534	-5		7	10.12	70.84	
Total Chubb deadlock						7		70.84	
Chubb Mortise									
Invoice	03/09/2008	Hertford Surgery	526	-5		3	23.95	71.85	
Bill	08/09/2008	Linton Letting Agency	9235 (I)	3	71.85	6	23.95	143.70	
Credit Card Charge	09/09/2008	Chubb Locks and Safes		5	119.75	11	23.95	263.45	
Bill	09/09/2008	Protech Security	3348	1	23.95	12	23.95	287.40	
Invoice	09/09/2008	Linton Letting Agency	528	-3		9	23.95	215.55	
Sales Receipt	16/09/2008	Adams, Julie	115	-1		8	23.95	191.60	
Bill	25/09/2008	Prestige Estates:Hannavy Court M...	SI9547	5	119.75	13	23.95	311.35	
Bill	25/09/2008	Prestige Estates:GS Properties	SI9547	7	167.65	20	23.95	479.00	
Bill	25/09/2008	Prestige Estates:Port Meadow Man...	SI9547	7	167.65	27	23.95	646.65	
Bill	25/09/2008	Prestige Estates:Wheat and Barley...	SI9547	5	119.75	32	23.95	766.40	
Invoice	29/09/2008	Prestige Estates:GS Properties	532	-7		25	23.95	598.75	
Invoice	29/09/2008	Prestige Estates:Hannavy Court M...	533	-5		20	23.95	479.00	
Invoice	30/09/2008	Prestige Estates:Port Meadow Man...	535	-7		13	23.95	311.35	
Invoice	30/09/2008	Prestige Estates:Wheat and Barley...	536	-5		8	23.95	191.60	
Total Chubb Mortise						8		191.60	

Chapter summary

This chapter detailed some advanced stock management tasks and features, including:

- How to set up and use stock assembly items.
- How to activate and use units of measure for stock control.
- How to adjust quantity and value of stock items.
- Available stock worksheet and reports.

Advanced supplier transactions

The people or companies from whom you buy items or services are called suppliers. In *A Beginners' Guide to QuickBooks*, you learned some basic supplier transactions: how to pay bills and record cheques and credit card transactions used to pay suppliers. But your business has many other interactions with suppliers that need to be recorded in your company file. Now it is time to build on your basic knowledge by learning some more advanced QuickBooks® techniques and features that will help you record your business dealings with your suppliers.

Upon completing this chapter, you should be able to:



Supplier credits

Supplier credits are typically used when you return a purchased product to your supplier, or when your supplier has accidentally overcharged you for a product or service.

After you notify your supplier of their error they should send you a credit note for the short-shipped item.

To enter this credit:

1. From the **Supplier Centre**, go to **New Transactions** and choose **Enter Bills**.
2. Click on the **Credit** button (1).
3. When you choose the Credit button, QuickBooks identifies your transaction as a credit form, as you see by the change in the title bar (2).
4. Enter the information in all relevant fields just as you would with a bill.

Note: When a stock item is credited in this way, the physical quantity of the stock will be adjusted accordingly.

5. Click **Save & Close** to record your transaction.

The screenshot shows the 'Enter Bills' window in QuickBooks. The window title is 'Enter Bills' and the 'Credit' radio button is selected. A red box highlights the 'Credit' button. Below the form, a table shows one item: 'Union lock' with a cost of 12.14 and a VAT of 5, resulting in an amount of 12.14. A red box highlights the 'Save & Close' button.

Item	Description	Q.	Cost	VAT	Amount	Customer:Job	Billable?	Class
Union lock	Union 2242 lock	1	12.14	5	12.14			

You can look at the Unpaid Bills Detail report to see if there are any credit notes that need to be applied to bills. To do so:

1. From the **Menu bar**, click **Reports** and choose **Suppliers & Payables**.
2. Select the **Unpaid Bills Detail** report.

(A quick look at Chubb Locks and Safes unpaid bills report shows the original supplier bill for £2259.83 and the subsequent credit note for £14.26.)

Type	Date	Num	Due Date	Ageing	Open Balance
Chubb Locks and Safes					
Credit	11/09/2008	3359			-14.26
Bill	25/09/2008	SI9547	25/09/2008	5	2,259.83
Total Chubb Locks and Safes					<u>2,245.57</u>
TOTAL					<u><u>2,245.57</u></u>

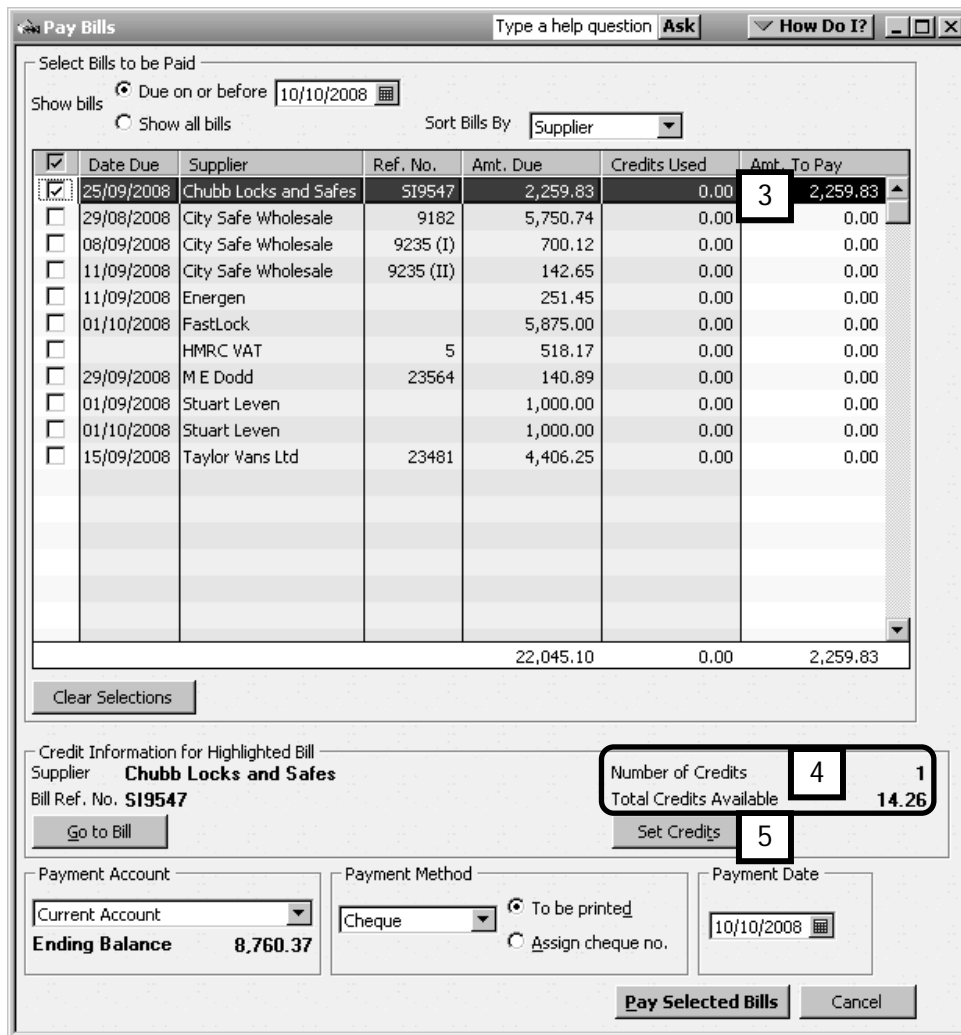
Paying the supplier bill when you have a credit note

When you pay the supplier's bill, you want to take advantage of their credit note.

1. From the **Supplier Centre**, click on **New Transactions** then **Pay Bills**. In the Pay Bills window, find the bill you are paying.

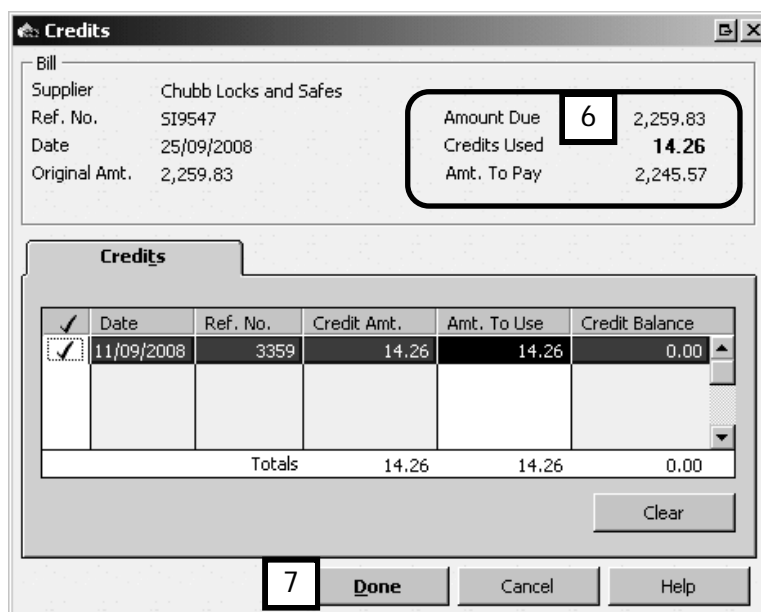
If you don't see it, click on "Show all bills" radio button at the top right.
2. Click beside the bill to be paid. You will see a tick appear, and the line is highlighted (3).
3. In the area of the window titled "**Credit Information for Highlighted Bill**", QuickBooks shows the number of credits and the total value of the credits for this supplier (4).

To apply the credit to the payment, click on the **Set Credits** button (5).



4. You will see the Credits window. QuickBooks displays the amount due, credits used and the amount left to pay on that bill (6).

Verify the information, and click **Done** (7).



- QuickBooks returns you to the Pay Bills screen, and this time, shows that the original amount to pay will be reduced by the credit amount (8). (In this example, £2259.83 is reduced by £14.26).

To process the payment and close the window, click on **Pay Selected Bills** (9).

The screenshot shows the 'Pay Bills' window in QuickBooks. The window title is 'Pay Bills'. At the top, there is a search bar 'Type a help question Ask' and a 'How Do I?' dropdown. Below that, there are options to 'Select Bills to be Paid' and 'Show bills' (radio buttons for 'Due on or before' and 'Show all bills'). The 'Due on or before' date is set to '10/10/2008'. There is also a 'Sort Bills By' dropdown set to 'Supplier'.

<input checked="" type="checkbox"/>	Date Due	Supplier	Ref. No.	Amt. Due	Credits Used	Amt. To Pay
<input checked="" type="checkbox"/>	25/09/2008	Chubb Locks and Safes	519547	2,259.83	14.26	2,245.57
<input type="checkbox"/>	29/08/2008	City Safe Wholesale	9182	5,750.74	0.00	0.00
<input type="checkbox"/>	08/09/2008	City Safe Wholesale	9235 (I)	700.12	0.00	0.00
<input type="checkbox"/>	11/09/2008	City Safe Wholesale	9235 (II)	142.65	0.00	0.00
<input type="checkbox"/>	11/09/2008	Energen		251.45	0.00	0.00
<input type="checkbox"/>	01/10/2008	FastLock		5,875.00	0.00	0.00
<input type="checkbox"/>		HMRC VAT	5	518.17	0.00	0.00
<input type="checkbox"/>	29/09/2008	M E Dodd	23564	140.89	0.00	0.00
<input type="checkbox"/>	01/09/2008	Stuart Leven		1,000.00	0.00	0.00
<input type="checkbox"/>	01/10/2008	Stuart Leven		1,000.00	0.00	0.00
<input type="checkbox"/>	15/09/2008	Taylor Vans Ltd	23481	4,406.25	0.00	0.00
				22,045.10	14.26	2,245.57

Below the table, there is a 'Clear Selections' button. Below that, there is a section for 'Credit Information for Highlighted Bill'. It shows 'Supplier: Chubb Locks and Safes', 'Number of Credits: 0', 'Bill Ref. No.: 519547', and 'Total Credits Available: 0.00'. There are 'Go to Bill' and 'Set Credits' buttons.

At the bottom, there are three sections: 'Payment Account' (Current Account, Ending Balance 8,774.63), 'Payment Method' (Cheque), and 'Payment Date' (10/10/2008). There are also radio buttons for 'To be printed' (selected) and 'Assign cheque no.'. At the bottom right, there is a '9' button, a 'Pay Selected Bills' button, and a 'Cancel' button.

Automating credits

You can automate the process of setting credits, and have QuickBooks automatically allocate them. To do so:

- From the **Edit** menu, select **Preferences**.
- Choose **Bills** from the list on the left.
- On the **Company Preferences** tab, tick the “Automatically use discounts and credits” option.

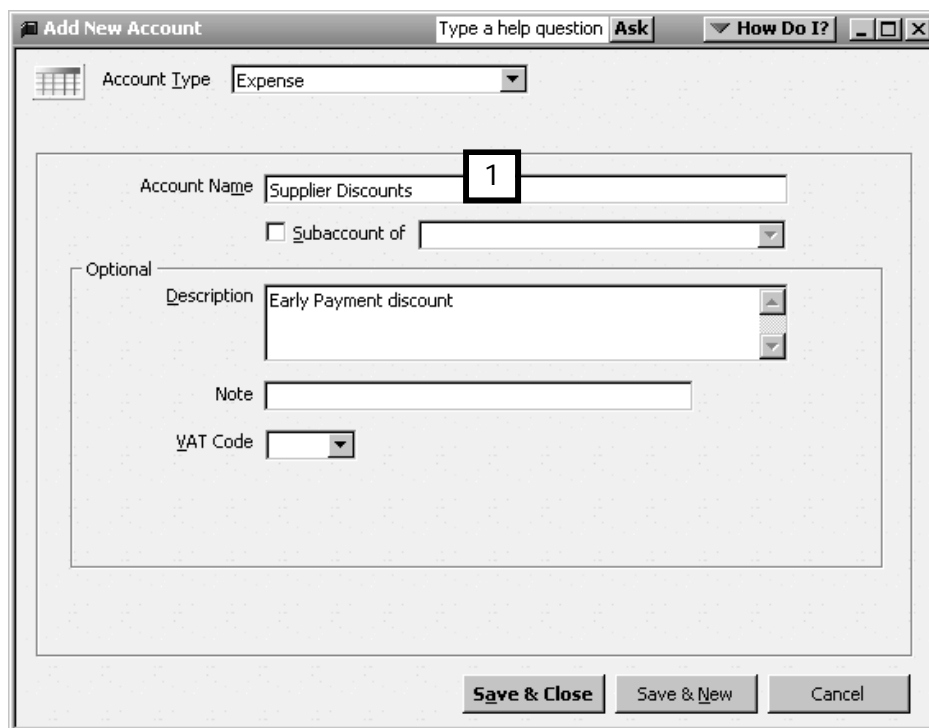
Note: When you set automated credit allocation, QuickBooks will always allocate the available credit to the oldest bill first.

Supplier discounts

Some of your suppliers may offer attractive discount offers, which are usually time-sensitive. You want to ensure that you don't miss a discount, nor pay VAT on the full amount.

HMRC has conditions that mean you need to account for these types of discounts separately. So first of all, you'll need to set up an additional expense account, for example Supplier Discounts.

1. Within the **Chart of Accounts**, click the **Account** button at the bottom left of the list and select **New**. The Add New Account screen opens (not shown). Choose **Expense** as the account type, and click **Continue**.
2. Give the Expense account a name (1), (description is optional) then click **Save & Close**.



The screenshot shows the 'Add New Account' window. At the top, there's a search bar with 'Type a help question' and 'Ask' buttons, and a 'How Do I?' dropdown. The 'Account Type' is set to 'Expense'. The 'Account Name' field is 'Supplier Discounts' and is highlighted with a red box and the number '1'. Below it is a 'Subaccount of' dropdown menu. An 'Optional' section contains a 'Description' field with 'Early Payment discount', a 'Note' field, and a 'VAT Code' dropdown menu. At the bottom are buttons for 'Save & Close', 'Save & New', and 'Cancel'.

Here's how you then process a bill and payment when a supplier allows a discount.

(The illustrations here show a new supplier—WorldClass Supplies—which offers a 2% discount if their customers pay their bills within 10 days of the invoice date.)

1. The first step is to indicate the supplier's credit terms. When setting up the supplier, click on the **Additional Info** (2) tab of the **New Supplier** window, and then on the **Terms** drop-down list. Choose **Add New** (3).

Note: If an existing supplier offers a new discount, use the **Edit Supplier** button in the right hand pane of the **Supplier Centre** to update the supplier's records .

- Set up the terms as follows:

- Give the terms a **name** (4)
- Choose **Standard** type of terms
- In the **Net due in** enter 30 (for 30 days) (5)
- **Discount percentage** is 2% (6)
- **Discount if paid within** field is 10 (10 days) (7)
- Click **OK** to save these terms.

- Click **OK** to update the supplier record.
- When you enter a bill for this supplier, QuickBooks automatically selects the proper payment terms and discount date (8).
 - Enter two separate lines on the bill: the discounted amount with the usual VAT code and the discount line without any VAT (9)

Enter Bills Type a help question **Ask** **How Do I?**

Previous Next Find History

Bill Credit Bill Received

Bill

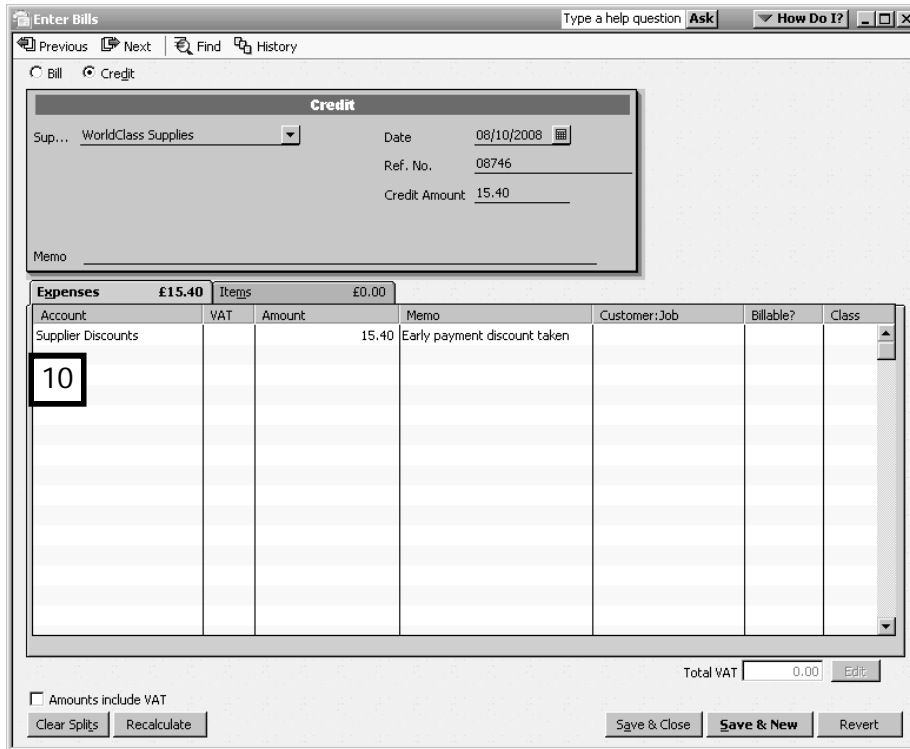
Supplier: WorldClass Supplies Date: 01/10/2008
 Address: [Empty] Ref. No.: 08746
 Amount Due: 752.00
 Bill Due: 31/10/2008
 Terms: 2% 10 Net 30 Discount Date: 11/10/2008 **8**
 Memo: [Empty]

Expenses		Items				
£642.29		£0.00				
Account	VAT	Amount	Memo	Customer:Job	Billable?	Class
Printing and Reproduction	5	626.89	Leaflets and flyers			
Supplier Discounts	9	15.40	Early payment discount			

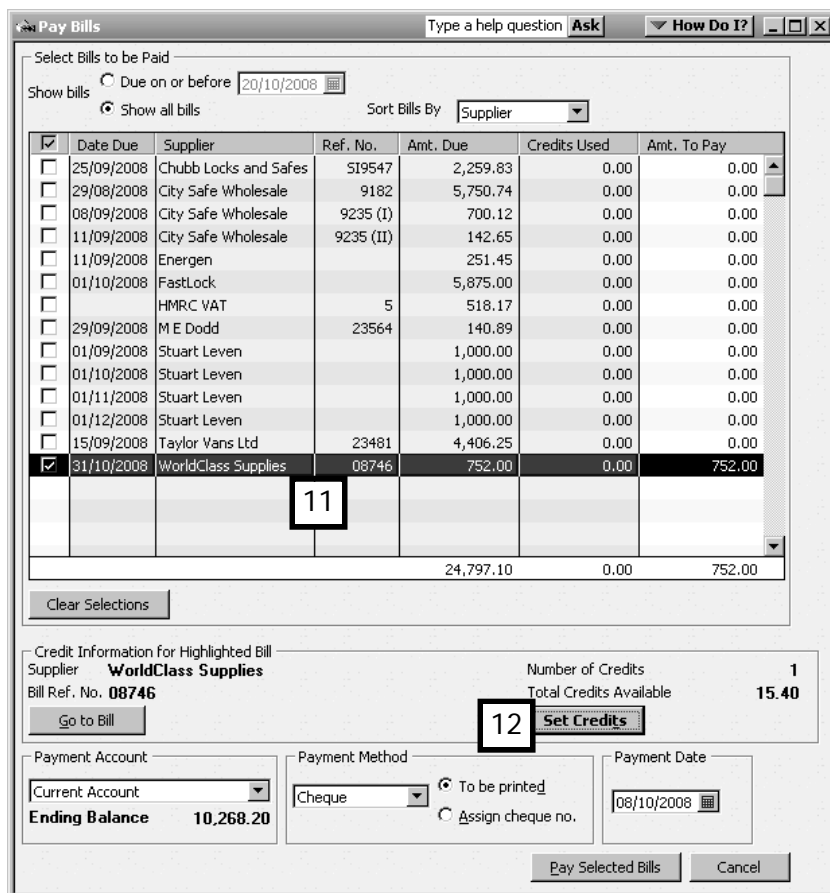
Total VAT: 109.71

Amounts include VAT

- If paying the bill in time to take advantage of the discount, record a credit against the supplier for the amount of the discount (in this example £15.40), with no VAT, using the Supplier Discounts expense account that you set up earlier (10).



- In the Pay Bills window (Suppliers in the menu bar, then Pay Bills), select and place a tick next to the supplier's bill (11). To apply the credit for the discounted amount click **Set Credit** (12) and follow the process of applying the credit, shown earlier.



Allocating purchases (items, expenses & time) to customers

Depending on the nature of your business you may, either on a regular basis or on occasion, have to purchase an item or contract a service specifically for a customer. For instance, you may get a consulting contract for which you not only bill your time but also wish to record and recharge any out of pocket disbursements you incur. If this occurs on a regular basis, keeping track of the initial expenses and the subsequent customers to bill can be tricky. Happily, QuickBooks gives you an easy solution to this.

The following activities may seem more closely related to your customer tasks, but they are tasks involving a supplier from whom you are purchasing something (items, services, time) on behalf of a customer. This is why they are classified as supplier tasks.

Tracking expenses incurred from a supplier on behalf of a customer

If you incur expenses on behalf of a customer, you need a way to charge these expenses back to the customer. This is done by adding the information to the Enter Bills form.

In the Enter Bill window, enter all the expense information in the usual way.

Now, in the Customer:Job column, choose your customer's name from the drop-down list available (1). This tells QuickBooks that the expense will eventually be charged back to this customer, which is indicated by the tick mark displayed in the Billable column (2).

(In this example, we'll add a special order delivery charge to Cornell & Sons for a part ordered especially for them.)

The screenshot shows the 'Enter Bills' window. At the top, there are navigation buttons: Previous, Next, Find, and History. Below that, there are radio buttons for 'Bill' (selected) and 'Credit', and a checked box for 'Bill Received'. The main form area is titled 'Bill' and contains the following fields:

- Supplier: ExpressDeliveries (dropdown)
- Date: 01/10/2008 (calendar icon)
- Address: (empty text box)
- Ref. No.: 2341
- Amount Due: 75.00
- Bill Due: 01/10/2008 (calendar icon)
- Terms: Due on receipt (dropdown)
- Discount Date: (empty)
- Memo: (empty)

Below the form, there are two summary boxes: 'Expenses £63.83' and 'Items £0.00'. The main table has the following columns: Account, VAT, Amount, Memo, Customer:Job, Billable?, and Class. The first row is:

Account	VAT	Amount	Memo	Customer:Job	Billable?	Class
Postage and Delivery	5	63.83	Special delivery of part number	Cornell & Sons	<input checked="" type="checkbox"/>	

At the bottom right, there is a 'Total VAT' field with the value 11.17 and an 'Edit' button. At the bottom left, there is a checkbox for 'Amounts include VAT' and buttons for 'Clear Splits' and 'Recalculate'. At the bottom right, there are buttons for 'Save & Close', 'Save & New', and 'Clear'.

Tracking items specifically purchased from a supplier for a customer

Now we'll also add the item we ordered especially for Cornell & Sons.

In this case, you fill in the top half of the Enter Bills window as usual, then click on the Items tab to add the items and put the customer's name in the Customer:Job column (3).

Item	Description	Qty	Cost	VAT	Amount	Customer:Job	Billable?	Class
Simplex lock	Simplex 3000 lock	2	95.63	5	191.26	Cornell & Sons	<input checked="" type="checkbox"/>	

Tracking time billable to a customer

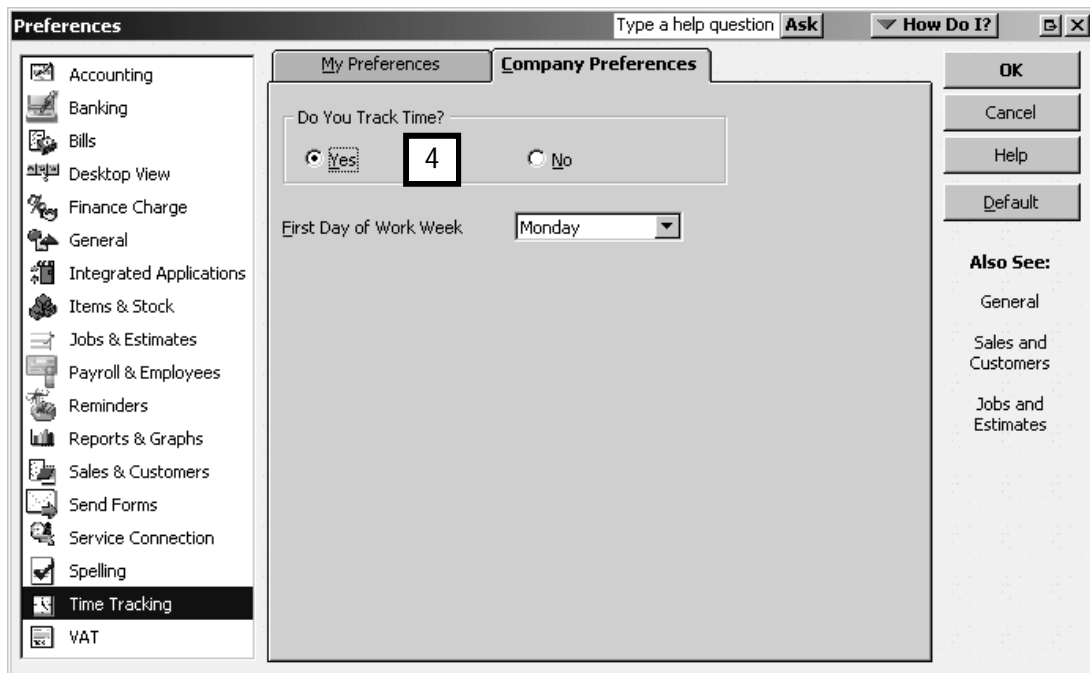
From time to time you may purchase a service from a subcontractor on behalf of a customer, by subcontracting part of a project. In this case, you will need to record not only the service involved, but the time the subcontractor (your supplier in this instance) has billed you.

To track time billable to a customer, you must turn on the time-tracking feature of QuickBooks.

By now you are familiar with **Edit, Preferences**.

Select the **Time Tracking** icon from the list on the left, and on the **Company Preferences** tab click **Yes** (4).

If your company work week starts on a different day from Monday (the default), choose the correct day.

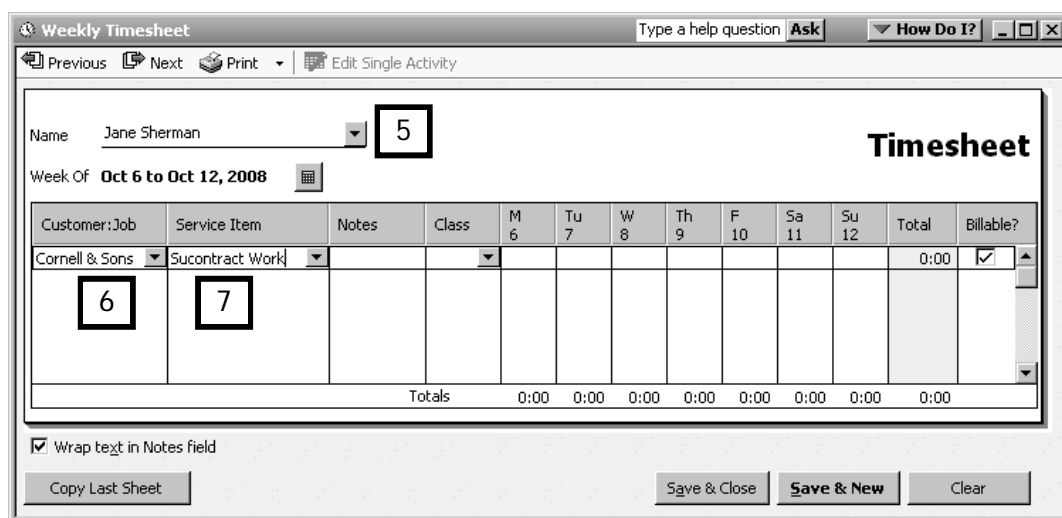


Now that you have turned on time tracking, QuickBooks gives you access to the elements that make up the feature.

To keep track of time and amount billable, use QuickBooks' Timesheet window.

1. From the **Menu bar**, click on **Customers, Enter Time** and select **Use Weekly Timesheet**.

You will see the Weekly Timesheet window. If the supplier is not already in the supplier list, QuickAdd them, choosing Supplier as the type of name to add.



2. In the Timesheet window, enter or select from drop-down lists (as appropriate):
 - The **subcontractor's name** (5).
 - The **customer's name** (6).
 - The **service item** (7).

Press the **Tab** key.

- If the service item doesn't exist, QuickBooks will ask you to set up this item. Click Yes, and in the New Item window:

- Ensure that the Type is **Service** (8).
 - Tick the box that reads “**This service is performed by a subcontractor, owner or partner**” (9).
 - Enter the **purchase** information, including description, cost, and the expense account to which you wish to assign this service (10).
 - Enter the **sales** information: description, price, VAT code and income account (11).
 - Click **OK**.
- QuickBooks now re-displays the Timesheet window. Enter the hours worked by the subcontractor (12).

Customer:Job	Service Item	Notes	Class	M 6	Tu 7	W 8	Th 9	F 10	Sa 11	Su 12	Total	Billable?
Cornell & Sons	Sucontract Work			4:00	4:00						8:00	<input checked="" type="checkbox"/>
Totals				4:00	4:00	0:00	0:00	0:00	0:00	0:00	8:00	

- Place a **tick mark** in the **billable column** (13) indicating the time is ready to be charged on to the customer.
- Click **Save & Close**.

What next?

You have successfully recorded the purchase of expenses, items, time and services. The next chapter will illustrate how QuickBooks allows you to quickly and easily transfer these costs to a customer's invoice. Meanwhile, we will finish the subject of supplier activities by looking at some examples of the many supplier reports available in QuickBooks.

Supplier reports

QuickBooks contains many informative supplier reports. Some of them have already been displayed in prior sections of this chapter. Illustrated below are further useful supplier reports.

Also remember that you can view a wealth of information in the Supplier Centre, such as a transaction history for each supplier in the Suppliers tab, and a list of transactions for all suppliers in the Transactions tab, as shown on the Basic Course.

Unbilled Costs by Job report

To see a report of expenses incurred for and items bought for, but not yet billed to, the client:

1. Click **Reports** (menu bar), choose **Jobs Time & Mileage**, then **Unbilled Costs by Job**.

8:51 PM
31/12/08

Port Meadow Locksmiths Ltd
Unbilled Costs by Job
All Transactions

Accrual Basis

Type	Date	Source Name	Account	Billing Status	Amount
Calver, Robert					
Credit Card Charge	15/08/2008	Keymaster Security	Locks and Safes Purchases	Unbilled	79.00
Total Calver, Robert					79.00
Cornell & Sons					
Bill	08/09/2008	City Safe Wholesale	Stock	Unbilled	180.36
Bill	01/10/2008	ExpressDeliveries	Postage and Delivery	Unbilled	63.83
Bill	01/10/2008	Keymaster Security	Stock	Unbilled	191.26
Total Cornell & Sons					435.45
Linton Letting Agency					
Bill	11/09/2008	City Safe Wholesale	Stock	Unbilled	121.40
Total Linton Letting Agency					121.40
TOTAL					635.85

Time by Job Detail report

To view time charged but not yet billed to the client:

1. Click **Reports** (menu bar), choose **Jobs, Time & Mileage**, and select the **Time by Job Detail** report.

Date	Name	Billing Status	Duration
Cornell & Sons			
Sucontract Work			
06/10/2008	Jane Sherman	Unbilled	4:00
07/10/2008	Jane Sherman	Unbilled	4:00
Total Sucontract Work			8:00
Total Cornell & Sons			8:00
TOTAL			8:00

Transaction List by Supplier report

To display all supplier transactions within a specified period, whether paid or not:

1. Click **Reports** (menu bar), choose **Suppliers & Payables**, and select the **Transaction List by Supplier** report.

Type	Date	Item	Memo	Account	Ctr	Split	Amount
Able Locksmiths							
Credit Card Charge	07/08/2008			Credit Card Account		-SPLIT-	-247.93
Purchase Order	04/09/2008	6		Purchase Orders		-SPLIT-	-480.58
Item Receipt	08/09/2008	23909	Received items (b...	Accounts Payable		-SPLIT-	-480.58
B-Link							
Cheque	30/07/2008	8		Cash Account		-SPLIT-	-35.50
Banbury Locks and Latches							
Purchase Order	10/09/2008	7		Purchase Orders		-SPLIT-	-431.35
Chubb Locks and Safes							
Bill Pmt -CCard	11/07/2008			Credit Card Account		Accounts Payable	-261.03
Credit Card Charge	09/09/2008			Credit Card Account		-SPLIT-	-408.23
Credit	11/09/2008	3359	Return of goods	Accounts Payable		-SPLIT-	14.26
Purchase Order	22/09/2008	9		Purchase Orders		-SPLIT-	-2,259.83
Bill	25/09/2008	SI9547		Accounts Payable		-SPLIT-	-2,259.83
City Safe Wholesale							
Bill Pmt -Cheque	09/07/2008	100017		Current Account		Accounts Payable	-2,774.18
Bill	19/07/2008	9093		Accounts Payable		-SPLIT-	-123.62
Bill Pmt -Cheque	02/08/2008	100021		Current Account		Accounts Payable	-123.62
Purchase Order	22/08/2008	4		Purchase Orders		-SPLIT-	-5,750.74
Credit Card Charge	27/08/2008			Credit Card Account		-SPLIT-	-140.71

Expenses by Supplier Detail

This report shows supplier expenses, regardless of whether they were recorded as items or account names.

1. Click **Reports** (menu bar), choose **Company & Financial**, and select **Expenses by Supplier Detail**.

8:56 PM
31/12/08
Port Meadow Locksmiths Ltd
Expenses by Supplier Detail
September 2008

Type	Date	Item	Memo	Account	Clr	Split	Amount	Balance
City Safe Wholesale								
Bill	08/09/2008	9235 (I)	Security Safe	Locks and Safes Purc...		Accounts Payable	202.00	202.00
Total City Safe Wholesale							202.00	202.00
Energen								
Bill	04/09/2008		Period 1 June ...	Utilities		Accounts Payable	214.00	214.00
Total Energen							214.00	214.00
John Dodd Hire								
Cheque	21/09/2008	9	Van hire while ...	Motor Expense		Cash Account	59.57	59.57
Total John Dodd Hire							59.57	59.57
Petrol								
Credit Card Charge	23/09/2008		Petrol	Motor Expense		Credit Card Acc...	51.11	51.11
Total Petrol							51.11	51.11
Stuart Leven								
Bill	01/09/2008		Monthly rent	Rent & Rates		Accounts Payable	1,000.00	1,000.00
Total Stuart Leven							1,000.00	1,000.00
Thames Council								
Cheque	10/09/2008	SO	Rates for 2007...	Rent & Rates		Current Account	111.00	111.00
Total Thames Council							111.00	111.00
TOTAL							1,637.68	1,637.68

Accounts payable sorted by time owing: the A/P Ageing Summary report

This report displays, at your chosen date, the amounts owing to all your suppliers, sorted by age. 'Age' refers to the length of time the accounts have been overdue, based on each supplier's credit terms.

1. Click **Reports**, choose **Suppliers & Payables**, and select **A/P Ageing Summary**.

9:00 PM
31/12/08
Port Meadow Locksmiths Ltd
A/P Ageing Summary
As at 30 September 2008

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Able Locksmiths	0.00	480.58	0.00	0.00	0.00	480.58
Chubb Locks and Safes	0.00	2,245.57	0.00	0.00	0.00	2,245.57
City Safe Wholesale	0.00	842.77	5,750.74	0.00	0.00	6,593.51
Energen	0.00	251.45	0.00	0.00	0.00	251.45
HMRC VAT	518.17	0.00	0.00	0.00	0.00	518.17
M E Dodd	0.00	140.89	0.00	0.00	0.00	140.89
Stuart Leven	0.00	1,000.00	0.00	0.00	0.00	1,000.00
Taylor Vans Ltd	0.00	4,406.25	0.00	0.00	0.00	4,406.25
TOTAL	518.17	9,367.51	5,750.74	0.00	0.00	15,636.42

Chapter summary

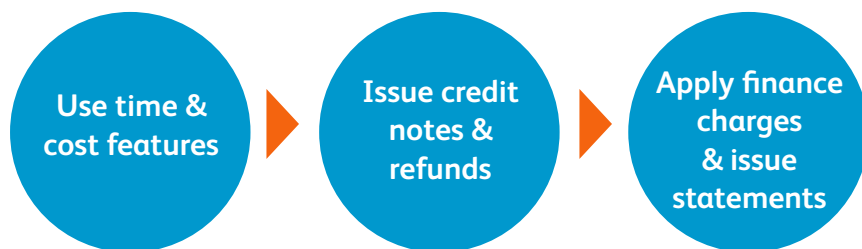
Now that you have completed this chapter, you should be familiar with some of the advanced features of QuickBooks supplier transactions. You should know how to:

- Receive supplier credits and apply credits to a bill you are paying.
- Record and apply supplier discounts.
- Allocate supplier bills for items, services and time to a customer.
- Display a number of supplier reports.

Advanced customer transactions

Basic customer transactions were introduced in the first guide in this series. Now it is time to look at some of the more advanced QuickBooks® tasks you need to do to keep track of customer activities and transactions.

Upon completing this chapter, you should be able to:



Adding billable time and cost expenses to customer invoices

In the last chapter you learned how QuickBooks could keep track of items purchased, expenses incurred or time contracted on behalf of a client.

Now it is time to learn how to invoice the customer for these costs. Sometimes you may want to simply pass the expenses on directly to the customer, while in other cases you may want to add a surcharge or markup. All of these activities are taken care of by using the Time/Cost feature.

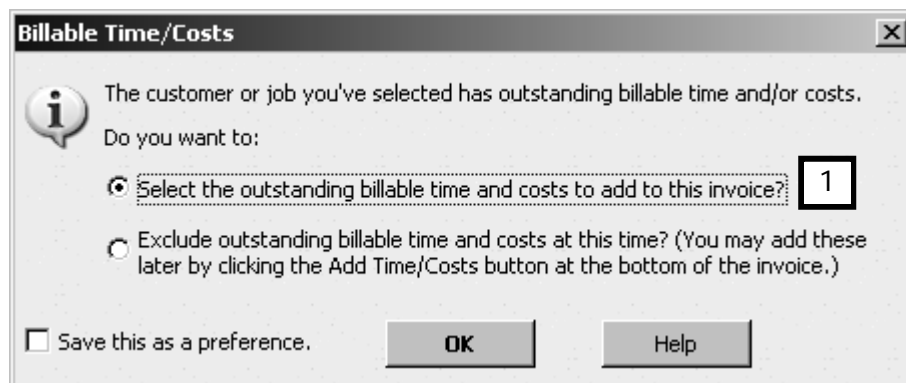
The illustrations which follow continue the example of a project contracted by Port Meadow Locksmith's client Cornell & Sons, for which items, services, and subcontracted time were purchased.

Preparing a customer invoice including billable expenses

1. Open the Invoice form , and choose the customer's name from the drop-down list in the Customer:Job field.

QuickBooks displays the Billable Time/Costs window to advise you that there are outstanding billable time or costs for this customer. Click the **“Select the outstanding billable time and costs to add to this invoice?”** option (1).

Click **OK**.



2. QuickBooks displays the “Choose Billable Time and Costs” window. The top line names the customer for whom time and costs were incurred (2). The window has four tabs:

Choose Billable Time and Costs

Time and Costs For: **Cornell & Sons** (2)

Time (3) £0.00 Expenses (4) £0.00 Mileage (5) £0.00 Items (6) £0.00

Select All

Click on Options... to customise how information from timesheets is brought into QuickBooks invoices

✓	Date	Employee	Service ...	Hours	Rate	Amount	Notes	Hide
	06/10/2008	Jane Sherman	Sucontra...	4:00	85.00	340.00		
	07/10/2008	Jane Sherman	Sucontra...	4:00	85.00	340.00		

Print selected time and costs as one invoice item

Total billable time and costs 0.00

OK Cancel Help

- The Time tab (3) displays the unbilled time purchased from a contractor supplier on behalf of the customer. (In this example, eight hours of work was done by Jane Sherman, a subcontractor.)
- The Expenses tab (4) displays the expenses incurred on the customer’s behalf. (In the example, the special delivery arranged through ExpressDeliveries.)
- The Mileage tab (5) would display any billable mileage incurred. None applies in this example.
- The Items tab (6) lists the product or products to be billed to the customer. (In the example, it’s the Simplex lock purchased from Keymast Security.)

- In the **Time** tab, click the **Select All** button to bill all the time that appears in the window (7), or tick only the time entries you want to include on the invoice.

Choose Billable Time and Costs Type a help question **Ask** **How Do I?**

Time and Costs For: **Cornell & Sons**

Time £680.00 Expenses £0.00 Mileage £0.00 Items £0.00

Select All **7** Click on Options... to customise how information from timesheets is brought into QuickBooks invoices Options...

✓	Date	Employee	Service Item	Hours	Rate	Amount	Notes	Hide
✓	06/10/2008	Jane Sherman	Sucontract Work	4:00	85.00	340.00		
✓	07/10/2008	Jane Sherman	Sucontract Work	4:00	85.00	340.00		

Print selected time and costs as one invoice item Total billable time and costs 680.00

OK **Cancel** **Help**

- If you don't want to list all the daily entry details on the invoice, click the **Options** button (8).

In the Options window that appears, select the option "Combine activities with the same service items" (9).

Options for Transferring Billable Time

When transferring billable time to an invoice:

Enter a separate line on the invoice for each activity **8**

Transfer activity notes

Transfer item descriptions **9**

Transfer both notes and descriptions

Combine activities with the same service items

OK **Cancel** **Help**

Click **OK** to return to the Choose Billable Time and Costs window.

- Click on the **Items** tab, and click on the items to be billed to the customer. A tick appears to the left of the Date column (10). If you are selecting all the items in a list, click the **Select All** button.

Note that the amount about to be billed to the customer is based on the selling price of the item (11) as it was set up in the Item List - New Item window.

Choose Billable Time and Costs

Time and Costs For: **Cornell & Sons**

Time £0.00 Expenses £63.83 Mileage £0.00 **Items £553.58**

Select All

✓	Date	Item	Description	Qty	Rate	Amount	Hide
✓	08/09/2008	Yale lock with cylinder	Yale 77 lock with brass cylinder	12	21.61	259.32	
✓	01/10/2008	Simplex lock	Simplex 3000 lock	2	147.13	294.26	

Print selected time and costs as one invoice item

Total billable time and costs 617.41

OK Cancel Help

- Click on the **Expenses** tab, and click to select an expense (12), or use **Select All**.

Note that QuickBooks displays the cost price paid to the supplier who sold the service (13). That's because a service expense isn't set up in the same way as an item, with a cost and a selling price. Instead, an expense account is used to record the expense on the bill, and this expense may then be reimbursed by the customer.

Choose Billable Time and Costs

Time and Costs For: **Cornell & Sons**

Time £0.00 **Expenses £63.83** Mileage £0.00 Items £553.58

Select All Markup Amount or % 0.0% Markup Account

✓	Date	Payee	Memo	Amount	Hide
✓	01/10/2008	ExpressDeliveries	Special delivery of part nu...	63.83	

Total Selected Charges 63.83

Selected expenses are taxable

Total expenses with markup 63.83

Print selected time and costs as one invoice item

Total billable time and costs 617.41

OK Cancel Help

Marking up expenses

In some cases you may have an agreement with your customer that you will mark up, for administrative and overhead reasons, some or all of the expenses you incur on their behalf.

The next steps in the invoicing process are to record that markup and assign an account to track it.

Still on Expenses tab in the Choose Billable Time and Costs window, continue as follows:

7. Enter a markup percentage (or amount) in the **Markup field** (14).
8. In the **Markup Account** field select an income account that will track, in the chart of accounts, the markup amount (15).
9. If the expenses and the mark-up are **taxable**, tick the “Selected expenses are taxable” box (16). By default QuickBooks will assign an “S” (standard-rated) VAT code to each expense, but you can change the VAT code for individual expenses on the invoice.
10. QuickBooks displays the amount that will be added to the customer’s invoice (17). (In the example, all expenses were marked up by 10%.) If you want the invoice to show the expense and markup as one line item, click “Print selected time and costs as one invoice item” (18).

Choose Billable Time and Costs

Type a help question Ask How Do I?

Time and Costs For: Cornell & Sons

Time £0.00 Expenses £70.21 Mileage £0.00 Items £553.58

Select All Markup Amount or % 10.0% Markup Account Markup Income

✓	Date	Payee	Memo	Amount	Hide
✓	01/10/2008	ExpressDeliveries	Special delivery of part nu...	63.83	

Total Selected Charges 63.83

16 Selected expenses are taxable Total expenses with markup 70.21

18 Print selected time and costs as one invoice item Total billable time and costs 623.79

OK Cancel Help

You have now completed your entries in the Choose Billable Time and Costs window.

Click **OK** at the bottom of the window.

- QuickBooks will transfer the selected items and expenses to the items list in the Creating Invoices (19). Review the invoice for accuracy. If you are satisfied, click **Save & Close** to record the invoice and close the form.

Tip: If you want to make the invoice easier to read, you can use the keyboard shortcut of “Ctrl + Insert” to add blank lines between line items.

The screenshot shows the 'Create Invoices' window in QuickBooks. The customer is 'Cornell & Sons'. The invoice is dated 31/12/2008 and has invoice number 539. The 'Invoice To' address is 'Cornell & Sons, 12 Hall Lane, Oxford, OX2 3PP'. The invoice table lists items: 8 units of 'Sucontract Work' (Bespoke installation) at 85.00 each, 12 units of 'Yale lock with cy...' (Yale 77 lock with brass cylinder) at 21.61 each, and 2 units of 'Simplex lock' (Simplex 3000 lock) at 147.13 each. There are also rows for 'Reimb Group' (Special delivery of part number) at 63.83, 'Reimb Subt' (Total Reimbursable Expenses) at 63.83, 'Markup' (10.0%) at 6.38, and another 'Total Reimbursable Expenses' at 70.21. The total VAT is 228.16 and the total amount is 1,531.95. A box with the number '19' is overlaid on the 'Simplex lock' row. At the bottom, there are buttons for 'Add Time/Costs...', 'Apply Credits...', 'Payments Applied', 'Balance Due', 'Memo', 'Save & Close', 'Save & New', and 'Clear'.

Credit notes and refunds

Issuing credit notes

Credit memos are issued for those times when customers were over-billed for the products or services they purchased. Credit Memos can also be issued when a client returns defective or unneeded items.

To issue a credit memo:

- From the **Customer Centre**, click **New Transactions** and choose **Credit Notes/Refunds**.

The credit memo form (1) closely resembles an invoice form. The only visible difference is the Credit Note heading. To prepare the credit note, enter the customer's name, date, etc. and also enter the item being credited.

(In this example, Cornell & Sons have returned one of the Chubb Mortise locks sold to

them earlier.)

Customer: Job
Cornell & Sons

Template: Credit Note Compact

Print Preview

Tax Date: 10/10/2008
Credit No.: 540

Credit Note

1

Customer
Cornell & Sons
12 Hall Lane
Oxford
OX2 3PP

Item	Description	Qty	Rate	Amount	Tax
Chubb Mortise	Chubb Mortise Lock 3K70	1	38.95	38.95	S
				Total VAT	6.82
				Total	45.77

Customer Message: []

Remaining Credit: 45.77

To be printed
 Amounts include VAT

Memo: []

Buttons: Save & Close, Save & New, Revert

2. Once you've recorded the credit memo by clicking on **Save & Close**, QuickBooks will ask you what you would like to do with the available note (2):

Available Credit

2

This credit note or refund has a remaining balance which you may use.

What would you like to do with this credit?

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

OK

- Retain as a credit - lets you apply to an invoice at a later point
- Give a refund – creates the refund cheque
- Apply to an invoice – apply the credit note now

We'll select the first option.

Because this is a credit for a stock item—QuickBooks returns the item to stock, and, as shown on the Open Invoices report (3), reduces the amount owing on the customer’s account.

Type	Date	Item	Terms	Due Date	Qty	Open Balance
Cornell & Sons						
Invoice	28/07/2008	521		28/07/2008	156	1,151.70
Invoice	31/08/2008	FC 1		31/08/2008	122	6.44
Credit Note	10/10/2008	540		31/12/2008		-45.77
Invoice	01/10/2008	539		31/12/2008		1,531.95
Total Cornell & Sons						2,644.32
TOTAL						2,644.32

(To view the Open Invoices report, click on **Reports** in the **Menu Bar**, select **Customers & Receivables** and then choose **Open Invoices**).

Settling credit memos

To process a customer payment and settle the credit:

1. Click on **New Transactions** in the **Customer Centre**, then **Receive Payments**. Enter the customer’s name and the date payment was received.

Although QuickBooks shows the customer balance as the total of all their original invoices (3), there is also an outstanding credit shown under Available Credits (4).

Customer Payment

Received From: Cornell & Sons Customer Balance: 2,690.09

Amount: [] Date: 20/10/2008

Pmt. Method: Cheque Cheque #: []

Memo: [] Where does this payment go?: []

Process credit card payment when saving

Find a Customer/Invoice...

Date	Number	Orig. Amt.	Amt. Due	Payment
28/07/2008	521	1,151.70	1,151.70	0.00
31/08/2008	FC 1	6.44	6.44	0.00
01/10/2008	539	1,531.95	1,531.95	0.00
Totals		2,690.09	2,690.09	0.00

This customer has credits available. To apply credits click Credits...

Available Credits: 45.77

Amounts for Selected Invoices

Amount Due: 0.00

Applied: 0.00

Credits Applied: 0.00

Auto Apply Payment Credits...

Save & Close Save & New Clear

- Enter the payment amount (5) (In this case Cornell & Sons is paying off the account, so they are paying £2644.32: £2690.09 less £45.77 for the credit note.)

QuickBooks allocates the payment to all the invoices, and informs you of the underpayment of £45.77 (6), and that credits are available to be applied. (7).

Highlight the invoice against which you are applying the credit (8), and click the **Credits** button (9).

Customer Payment

Received From: **Cornell & Sons** Customer Balance: **2,690.09**

Amount: **2,644.32** (5) Date: **20/10/2008**

Pmt. Method: **Cheque** Cheque #: **9874**

Memo: **Where does this payment go?**

Date	Number	Orig. Amt.	Amt. Due	Payment
28/07/2008	521	1,151.70	1,151.70	1,151.70
31/08/2008	FC 1	6.44	6.44	6.44
01/10/2008	539	1,531.95	1,531.95	1,486.18
Totals		2,690.09	2,690.09	2,644.32

This customer has credits available. To apply Credits... (7) click

Underpayment £45.77. When you finish, do you want to: (6)

Leave this as an underpayment

Write off the extra amount

Available Credits: **45.77**

Amounts for Selected Invoices:

Amount Due	2,690.09
Applied	2,644.32
Credits Applied	0.00

Buttons: **Un-Apply Payment**, **Credits...** (9), **Save & Close**, **Save & New**, **Clear**

The Credits window opens. QuickBooks displays available credits (10), and any previously applied credits (11). Click on **Done** to close this window.

Credits

Invoice

Customer: Job **Cornell & Sons**

Number **539** Amount Due **1,531.95**

Date **01/10/2008** Credits Used **45.77**

Original Amt. **1,531.95** Balance Due **1,486.18**

Credits

Available Credits

Date	Credit No.	Credit Amt.	Amt. To Use	Credit Balance
10/10/2008	540	45.77	45.77	0.00
Totals		45.77	45.77	0.00

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

Previously Applied Credits

Date	Credit No.	Credit Amt.	Amt. To Use	Credit Balance
Totals		0.00	0.00	0.00

Buttons: **Done**, **Cancel**, **Help**

- Back in the Receive Payments window, the credit is applied against the invoice (12) and details of the payments and credits applied are shown in the “Amounts for Selected Invoices” box (13).

Click on **Save & Close** to record the payment.

Customer Payment

Received From: **Cornell & Sons** Customer Balance: **2,690.09**

Amount: **2,644.32** Date: **20/10/2008**

Pmt. Method: **Cheque** Cheque #: **9874**

Memo: **Where does this payment go?**

Process credit card payment when saving

✓	Date	Number	Orig. Amt.	Amt. Due	Credits	Payment
✓	28/07/2008	521	1,151.70	1,151.70	0.00	1,151.70
✓	31/08/2008	FC 1	6.44	6.44	0.00	6.44
✓	01/10/2008	539	1,531.95	1,531.95	45.77	1,486.18
Totals			2,690.09	2,690.09	45.77	2,644.32

Available Credits: **0.00**

Amounts for Selected Invoices:

Amount Due	2,690.09
Applied	2,644.32
Credits Applied	45.77

Buttons: Un-Apply Payment, Credits..., Save & Close, Save & New, Clear

Issuing refunds

If the customer does not have invoices against which to apply a credit note, you can simply issue a refund. To do so:

- Find the credit note you raised, and click the **Refund** icon (1) to display a drop down list.

Select **Give refund**.

Create Credit Notes/Refunds

Customer: **Job**

Cornell & Sons

Give refund **1**

Apply to invoice

- The Issue a Refund window appears. Here you can select:

- the refund method (2) (e.g. cheque, BACS, cash, etc)
- the account from which refund is drawn (3)
- the date of the refund (4)
- any memo you wish to add (5)

Click OK to create the refund.

3. The Credit Note window re-appears, with “Refunded” stamped across it.

Item	Description	Qty	Rate	Amount	Tax
Chubb Mortise	Chubb Mortise Lock 3K70	1	38.95	38.95	5
				Total VAT	6.82
				Total	45.77

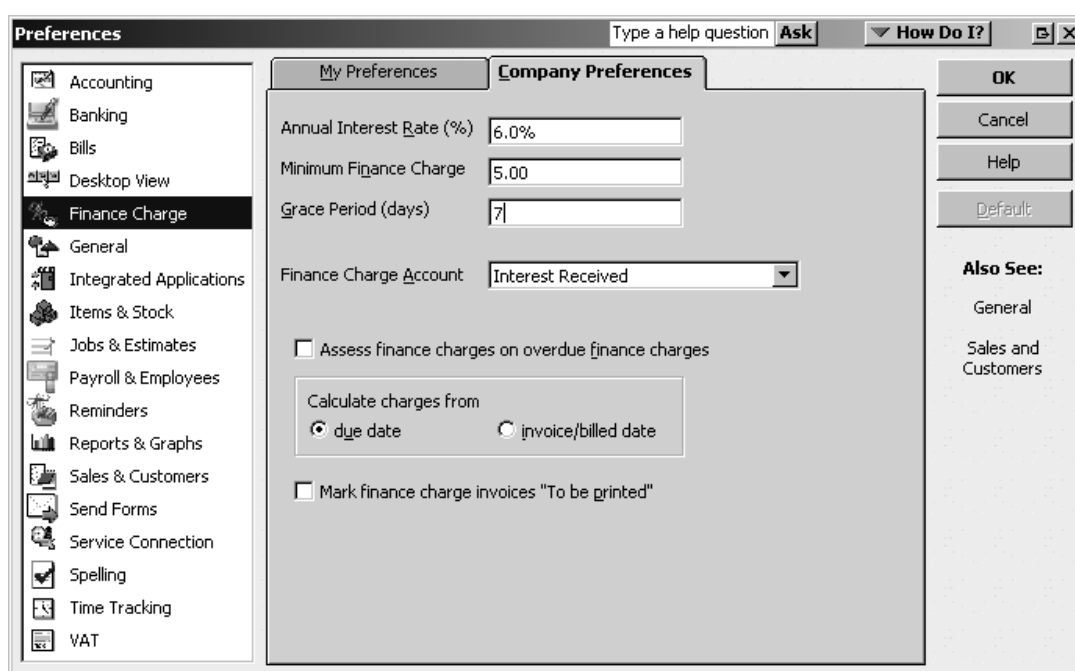
Finance charges

For various reasons most business owners will have clients who will be late in remitting their payments. To minimise these late receipts and to encourage prompt payment, QuickBooks allows you to assess finance charges—interest—on overdue payments.

Setting up finance charges

The first step in preparing your company file for finance charges is to enable the preferences.

1. From the **Menu bar**, click on **Edit, Preferences**. Select **Finance Charge** and click on the **Company Preferences** tab. Decide on and enter the following preferences:



- **Annual Interest Rate:** The annual interest rate at which you want QuickBooks to calculate finance charges.
- **Minimum Finance Charge:** QuickBooks will assess the greater of the actual finance charge or the minimum amount specified in this field.
- **Grace Period:** The number of days that QuickBooks will wait before assessing finance charges. Once this grace period is over, QuickBooks will still calculate finance charges based on the full overdue period.
- **Finance Charge Account:** The account that will track the interest collected.
- **Assess on finance charges:** If you tick this box, on future bills QuickBooks will assess finance charges on unpaid previous finance charges.
- **Calculate charges from:** You can choose to calculate finance charges on the period that the invoice amount is overdue, or calculate the charges from the original invoice date.
- **To be printed:** Tick this box if you want to print an invoice for the finance charges.

Assessing finance charges

To discover if any of your clients are late remitting their payments:

2. Call up the Accounts Receivable Ageing Summary report (**Reports** in **Menu bar**, then **Customers & Receivables and A/R Ageing Summary**) and review the ageing columns (1).

These columns show the age of the debt in terms of amount due and the days overdue from the customer's specific credit terms.

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Business Security Ltd ▶	0.00	0.00	4,642.04	0.00	0.00	4,642.04
Cornell & Sons	1,531.95	0.00	0.00	6.44	1,151.70	2,690.09
Hertford Surgery	0.00	1,007.88	357.79	0.00	0.00	1,365.67
Linton Letting Agency	0.00	0.00	788.60	0.00	0.00	788.60
Maddox, Henry	0.00	0.00	361.03	0.00	0.00	361.03
Maya Lettings	0.00	0.00	653.72	0.00	0.00	653.72
Prestige Estates	0.00	3,139.03	0.00	0.00	0.00	3,139.03
St Andrews School	0.00	0.00	1,371.09	0.00	0.00	1,371.09
TOTAL	1,531.95	4,146.91	8,174.27	6.44	1,151.70	15,011.27

If you decide to assess finance charges on the overdue amounts you have discovered:

3. From the **Customers** menu (**Menu Bar**), select **Assess Finance Charges**.

In the Assess Finance Charges window, QuickBooks displays the overdue balances and calculates the finance charge.

Ass...	Last FC	Customer	Overdue Bal.	Finance Charge
✓	31/08/2008	Cornell & Sons	1,151.70	11.55
✓		Hertford Surgery	1,365.67	5.90
✓		Linton Letting Age...	788.60	5.00
✓	30/09/2008	Maddox, Henry	356.03	5.00
		Maya Lettings	0.00	
✓		Witney branch	653.72	5.00
		Prestige Estates	0.00	
		G5 Properties	175.28	
		Hannavy Court ...	336.63	

Tick the ones you want to assess (2).

To tell QuickBooks you want to print the finance charge invoices, tick “Mark Invoices ‘To be printed’” (3).

Click **Assess Charges**.

4. QuickBooks then assesses the charges and prepares finance charge invoices for you to send to your customers (4).

The screenshot shows the 'Create Invoices' window in QuickBooks. The customer is 'Hertford Surgery'. The invoice is titled 'Finance Charge' and is dated 31/10/2008. The invoice number is 'FC 5'. The invoice is addressed to Hertford Surgery, 136 London Road, Chesham, Bucks HP2 6PL. The invoice contains one line item: 'Fin Chg' with a description 'Finance Charges on Overdue Balance Invoice #526 for 357.79 on 03/09/2008' and an amount of 5.90. The total amount is 5.90. The 'To be printed' checkbox is checked. The memo field contains 'Finance Charge'. The window has a toolbar with buttons for Previous, Next, Print, Send, Find, Spelling, History, Letters, and Customise. There is also a search bar and a 'How Do I?' button.

Item	Description	Amount
Fin Chg	Finance Charges on Overdue Balance Invoice #526 for 357.79 on 03/09/2008	5.90
Total		5.90

Customer statements

QuickBooks can create two types of statements:

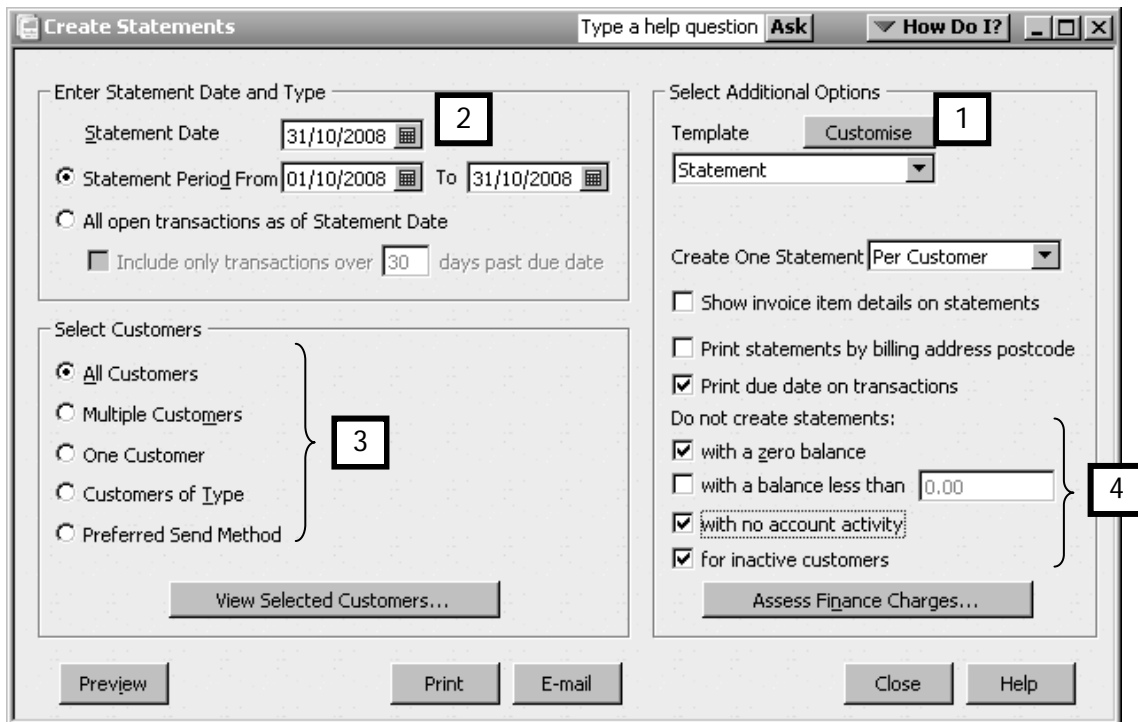
- monthly billing summaries which you can send to your customers on a regular basis, detailing account activity for that month
- statements which show all the outstanding balances on that account, regardless of time period.

To create and send statements:

1. Click on **Customers, Create Statement** from the **Menu bar**.

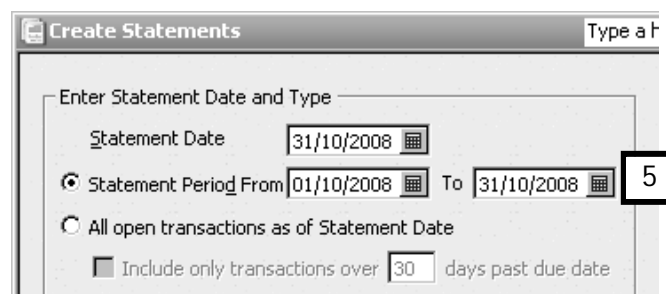
QuickBooks displays the Create Statements window.

This window allows you to modify and filter the customers and to select the charges that appear on your statements. In addition, you can determine how the statement displays information (omit zeroes, show details, etc). You can also customise the appearance of the statement template, by clicking the Customise button (1).



Enter the statement date (2) and select the appropriate clients (3). Decide in which instances a statement is unnecessary (4).

2. If you send monthly statements, select the option 'Statement Period From/To', and select the last statement date as your start date (5).



When this option is selected, the statement displays the opening balance as carried forward from the previous statement plus all of the current month's transactions.

Port Meadow Locksmiths Ltd
2 Cranston Road
Oxford
OX4 3LS

Statement
Date
31/10/2008

To:
Cornell & Sons
12 Hall Lane
Oxford
OX2 3PP

		Amount Due	Amount Enc.		
		£2,701.64			
Date	Transaction	Amount	Balance		
30/09/2008	Balance forward		1,158.14		
01/10/2008	INV #539 Due 31/12/2008.	1,531.95	2,690.09		
10/10/2008	CREDNOTE #540.	-45.77	2,644.32		
15/10/2008	CHQ	45.77	2,690.09		
31/10/2008	INV #PC 4 Due 31/10/2008. Finance Charge	11.55	2,701.64		
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
1,543.50	0.00	0.00	6.44	1,151.70	£2,701.64

3. If you do not send reminder statements on a regular basis, select “All open transactions as of Statement Date” (6).

Create Statements Type a h

Enter Statement Date and Type

Statement Date

Statement Period From To

All open transactions as of Statement Date 6

Include only transactions over days past due date

With this option selected, the statement displays all open transactions as of the statement date.

Port Meadow Locksmiths Ltd
2 Cranston Road
Oxford
OX4 3LS

Statement
Date
31/10/2008

To:
Hartford Surgery
136 London Road
Chesham
Bucks HP2 6PL

		Amount Due	Amount Enc.		
		£1,365.67			
Date	Transaction	Amount	Balance		
03/09/2008	INV #526 Due 17/09/2008. Orig. Amount £357.79.	357.79	357.79		
26/09/2008	INV #530 Due 11/10/2008. Orig. Amount £1,007.88.	1,007.88	1,365.67		
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00	1,007.88	357.79	0.00	0.00	£1,365.67

Customer reports

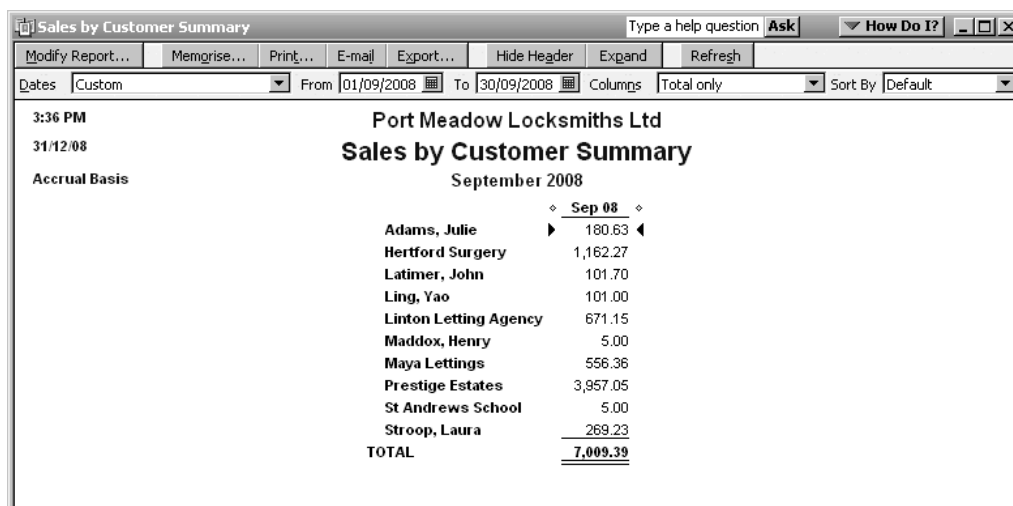
In addition to the reports already discussed in this chapter, here are a few additional examples of the many customer reports available in QuickBooks Pro.

All the reports can be accessed either by clicking on the Report Centre icon in the Navigation bar, or, by clicking on Reports in the menu bar. For supplier reports we demonstrated using the Reports menu, this time we'll use the Report Centre instead.

Remember that you can also use the Customer Centre to view the transaction history of each customer in the Customers & Job tab, and display all the transactions by type (eg invoices, received payments, etc) in the Transactions tab. This was explained in full on the Basic Course.

Sales by Customer Summary and Sales by Customer Detail reports

To view a simple summary of all your customer sales, with the **Report Centre** click on **Sales**, then **Sales by Customer Summary**.



3:36 PM
31/12/08
Accrual Basis

Port Meadow Locksmiths Ltd
Sales by Customer Summary
September 2008

	◊ Sep 08 ◊
Adams, Julie	180.63
Hertford Surgery	1,162.27
Latimer, John	101.70
Ling, Yao	101.00
Linton Letting Agency	671.15
Maddox, Henry	5.00
Maya Lettings	556.36
Prestige Estates	3,957.05
St Andrews School	5.00
Stroop, Laura	269.23
TOTAL	<u>7,009.39</u>

Sales by Item Detail report

You may wish to see the same report sorted by items sold.

Sales by Item Detail displays your product and service sales within a specified period, sorting first by item and then by customer.

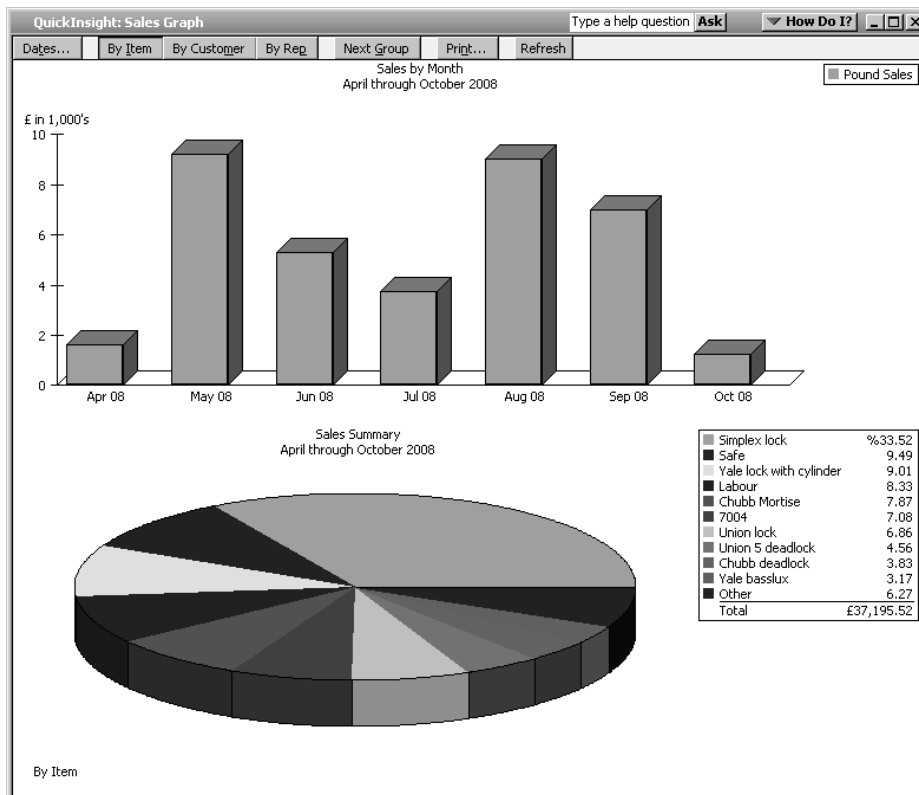
To view, click **Report Centre**, choose **Sales**, then **Sales by Item Detail**.

Port Meadow Locksmiths Ltd							
Sales by Item Detail							
September 2008							
Type	Date	Item	Name	Qty	Sales Price	Amount	Balance
Stock							
7004							
Invoice	26/09/2008	530	Hertford Surgery	3	90.79	272.37	272.37
Total 7004						272.37	272.37
Chubb deadlock							
Invoice	29/09/2008	534	Prestige Estates:Milton Pharmacies	5	21.61	108.05	108.05
Total Chubb deadlock						108.05	108.05
Chubb Mortise							
Invoice	03/09/2008	526	Hertford Surgery	5	40.90	204.50	204.50
Invoice	09/09/2008	528	Linton Letting Agency	3	38.95	116.85	321.35
Sales Receipt	16/09/2008	115	Adams, Julie	1	38.95	38.95	360.30
Invoice	29/09/2008	532	Prestige Estates:GS Properties	7	38.95	272.65	632.95
Invoice	29/09/2008	533	Prestige Estates:Hannavy Court Management	5	38.95	194.75	827.70
Invoice	30/09/2008	535	Prestige Estates:Port Meadow Management Co	7	38.95	272.65	1,100.35
Invoice	30/09/2008	536	Prestige Estates:Wheat and Barley Pub	5	38.95	194.75	1,295.10
Total Chubb Mortise						1,295.10	1,295.10
Simplex lock							
Sales Receipt	23/09/2008	116	Stroop, Laura	1	147.13	147.13	147.13
Invoice	29/09/2008	532	Prestige Estates:GS Properties	4	147.13	588.52	735.65
Invoice	29/09/2008	534	Prestige Estates:Milton Pharmacies	4	147.13	588.52	1,324.17
Invoice	29/09/2008	536	Prestige Estates:Wheat and Barley Pub	4	147.13	588.52	1,912.69
Total Simplex lock						1,912.69	1,912.69
Union lock							
Invoice	09/09/2008	528	Linton Letting Agency	5	18.02	90.10	90.10
Invoice	25/09/2008	529	Maya Lettings:Witney branch	2	18.02	36.04	126.14

Sales graph

For those who prefer reports delivered more colourfully, this graph displays sales over a specific period, broken down by Items (shown), Customers, or Sales Rep. You can drill down on any aspect of the report (graph bars, or pie chart) by QuickZooming.

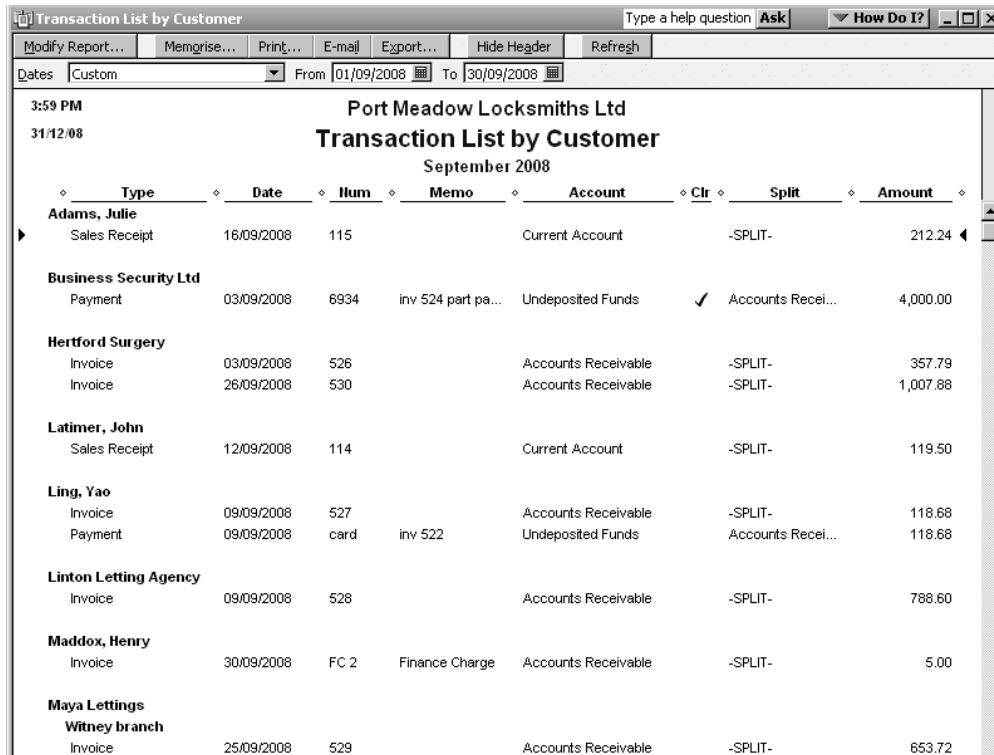
To view, from the **Reports Centre** choose **Sales**, then select **Sales Graph**.



Transaction List by Customer report

This report displays all customer transactions within a specified period, whether paid or not.

To create it, click **Customers & Receivables** in the **Reports Centre**, then select **Transaction List by Customer**.



3:59 PM
31/12/08

Port Meadow Locksmiths Ltd
Transaction List by Customer
September 2008

Type	Date	Num	Memo	Account	Clr	Split	Amount
Adams, Julie							
Sales Receipt	16/09/2008	115		Current Account		-SPLIT-	212.24
Business Security Ltd							
Payment	03/09/2008	6934	inv 524 part pa...	Undeposited Funds	✓	Accounts Recei...	4,000.00
Hertford Surgery							
Invoice	03/09/2008	526		Accounts Receivable		-SPLIT-	357.79
Invoice	26/09/2008	530		Accounts Receivable		-SPLIT-	1,007.88
Latimer, John							
Sales Receipt	12/09/2008	114		Current Account		-SPLIT-	119.50
Ling, Yao							
Invoice	09/09/2008	527		Accounts Receivable		-SPLIT-	118.68
Payment	09/09/2008	card	inv 522	Undeposited Funds		Accounts Recei...	118.68
Linton Letting Agency							
Invoice	09/09/2008	528		Accounts Receivable		-SPLIT-	788.60
Maddox, Henry							
Invoice	30/09/2008	FC 2	Finance Charge	Accounts Receivable		-SPLIT-	5.00
Maya Lettings Witney branch							
Invoice	25/09/2008	529		Accounts Receivable		-SPLIT-	653.72

Chapter summary

After working through this chapter, you are now familiar with:

- Using the time and cost feature to invoice customers for billable expenses, with or without markups.
- Issuing and settling credit memos.
- Setting up, assessing and billing for finance charges.
- Issuing reminder statements.
- A variety of customer reports and graphs found in the Report Centre.

Using advanced reports features

The unique ability of QuickBooks to manipulate, sort, store and display reports is just one of the many features that make QuickBooks® so user-friendly.

Most chapters within this guide have made use of reports in one way or other. In those chapters, reports were shown only when related to the topic under discussion. They were not discussed at a fundamental level, which we will now explain in this chapter in more detail. This chapter illustrates the various ways in which you can manage, customise, deliver and save a QuickBooks report.

Upon completing this chapter, you should be able to:



Modifying and memorising reports

Through a variety of menu options and choices, QuickBooks allows you to change the way you see and use reports, and to set up custom reports that are always available for your use.

The reports menu bar

Let's look again for a moment at the **Sales by Customer Summary** report presented in a previous chapter.

This time, we're looking at the feature that appears on almost every QuickBooks report window—the menu bar at the top of the report. This menu bar contains feature options that will unlock the power and flexibility of QuickBooks reports.



In the following sections, we'll show you what happens when you use some of these options.

Modifying reports

Clicking on the **Modify Report** button opens the Modify Report window, where you will find a range of options arranged on four tabs:

- Display
- Filters
- Header/Footer
- Fonts & Numbers.

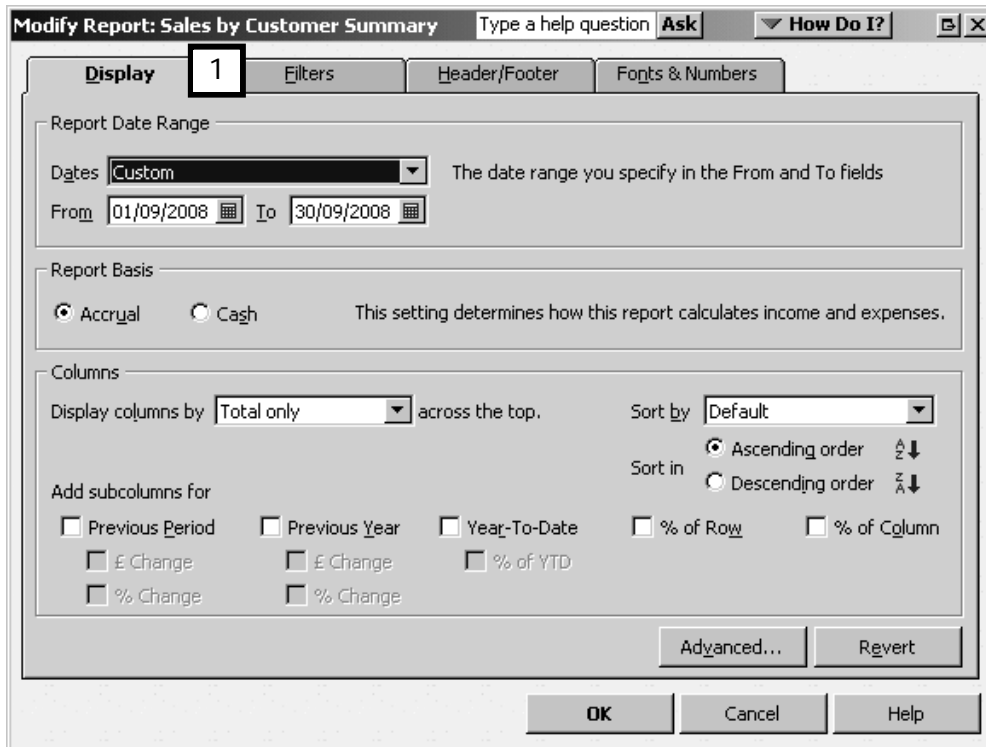
Some of these options will change depending on the report you choose to run. Almost any report can be modified, and the options are always as easy to understand and use as in the examples below.

Please experiment with the various display and filtering tools embedded in most reports. They're easy to learn, and you'll find it's simple to tailor the information to your company's specific needs.

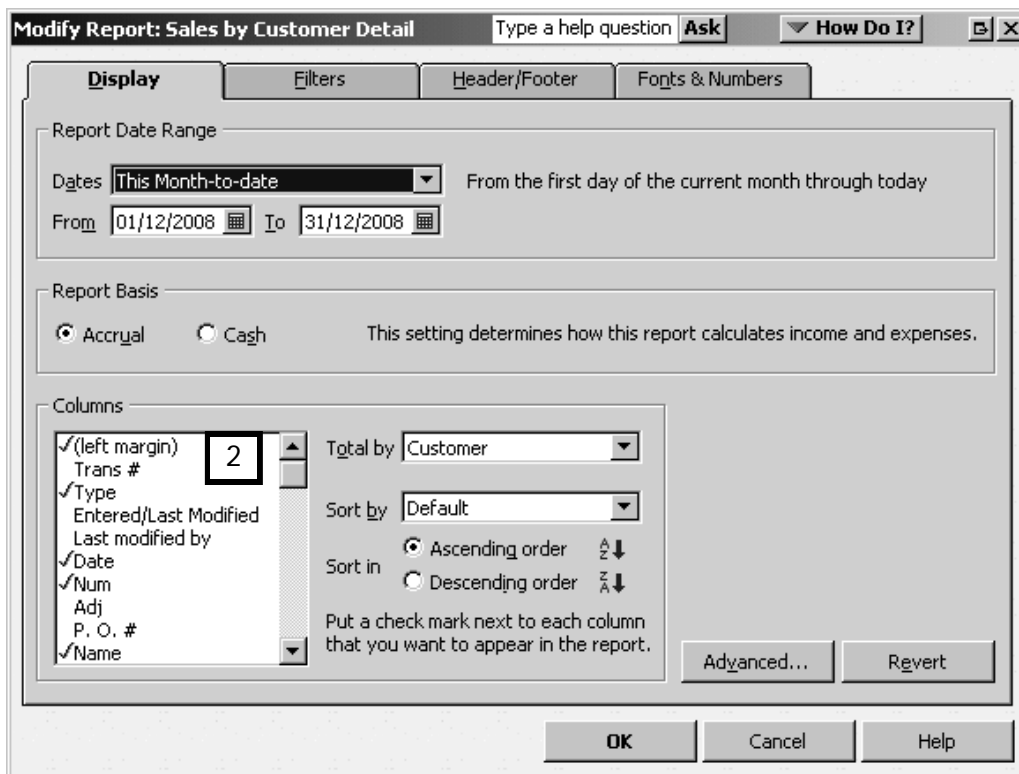
Display tab

Depending on the report being viewed, the **Display** tab (1) offers a variety of display options, allowing you to include, from an extensive range of criteria, the exact information that you require.

With the Sales by Customer Summary report, for example, the display tab allows you to view comparative summary report, with or without percentages, over certain date ranges, and on accrual or cash basis. In addition, you can choose columns and how to display them, and then decide how to sort your data.



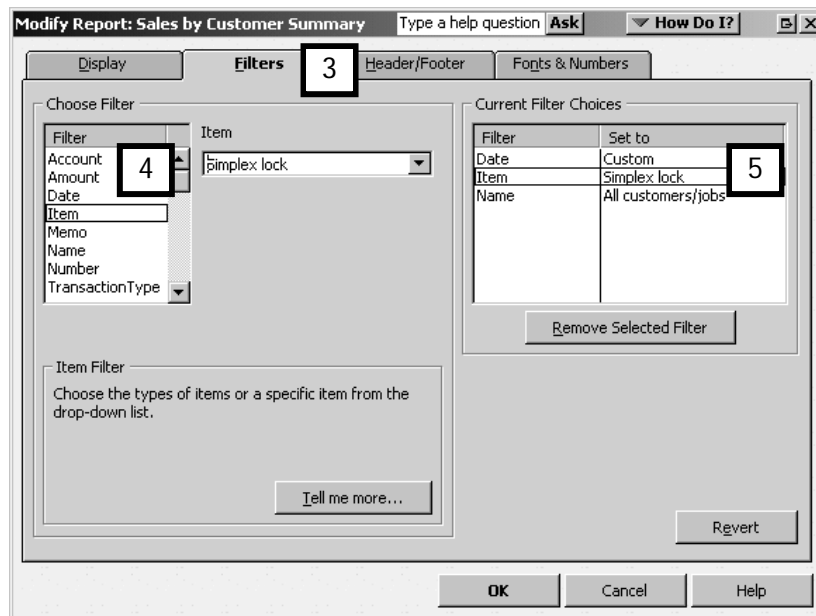
Below you see how the Display tab changes for the Sales by Customer Detail report. On this type of report simply click on the desired item in the column box (2) and QuickBooks adds it to the report.



Filters tab

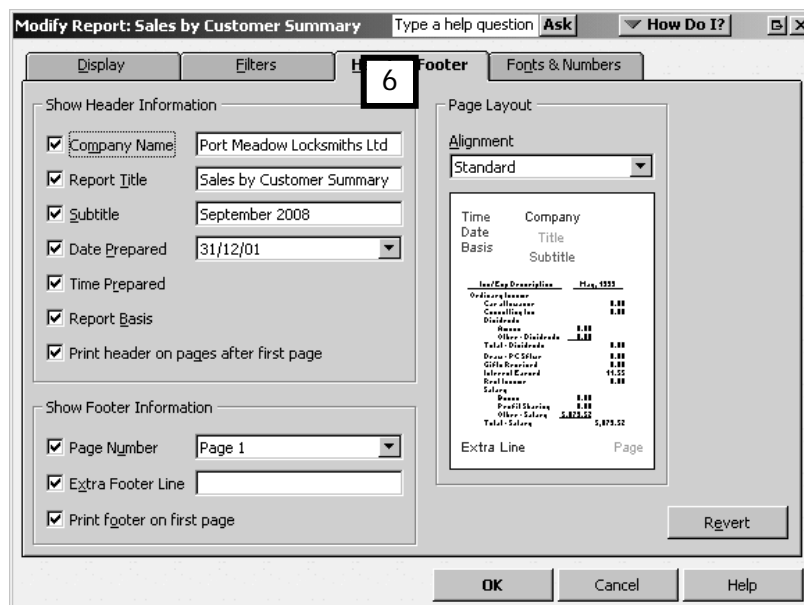
If a displayed report is showing too much information, the options on the **Filters** tab (3) help you narrow the scope of the report.

You can add information by selecting a category from an extensive list of filtering criteria on the left (4). The fields on the list on the right side are those already on the report you have chosen to modify (5). Click on them to modify or delete them.



Header/Footer tab

The Header/Footer tab (6) gives you the option of modifying a report's title and subtitle (headers), the report alignment and page layout, and the footers to appear at the bottom of the page.

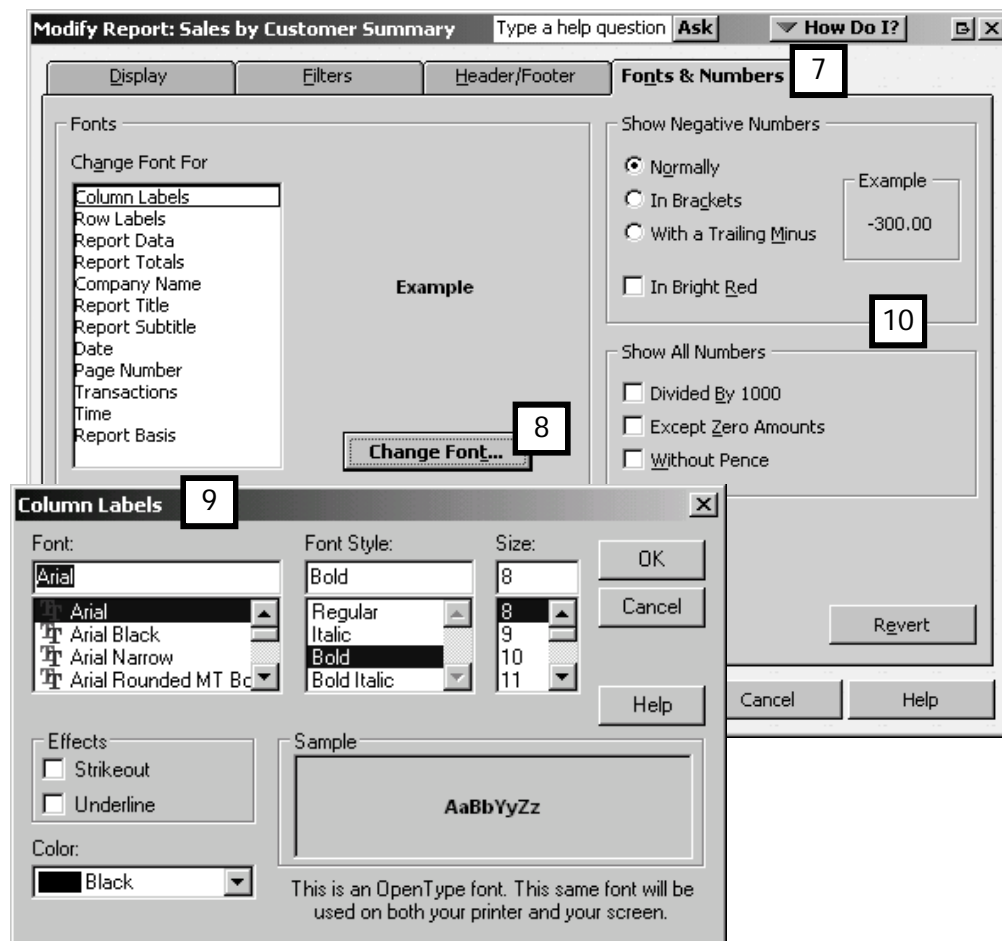


Fonts & Numbers tab

On the Fonts & Numbers tab (7), you can change fonts and font sizes by clicking on

Change Font (8) and opening the Fonts window (9).

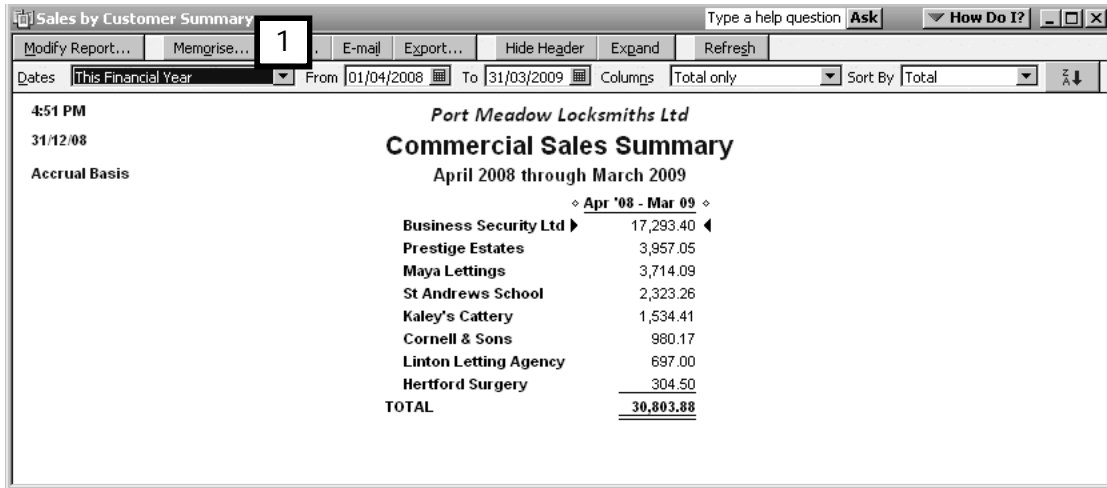
You can also set financial information parameters (10): how to display negative numbers, how to show all numbers, and whether to display zero amounts.



Memorising reports

Once you have modified a report, you can save the modified report with a specific name. This saves you the work of going through the display and filtering options the next time you need the same report.

1. In the following example, assume that you have:
 - Modified the Sales by Customer Summary to show the period “This Financial Year”.
 - Sorted the customers by total, in descending order.
 - Filtered the report so that only the Commercial class is displayed
 - Changed the title of the report in the header
 - Selected a different font for the Company Name.

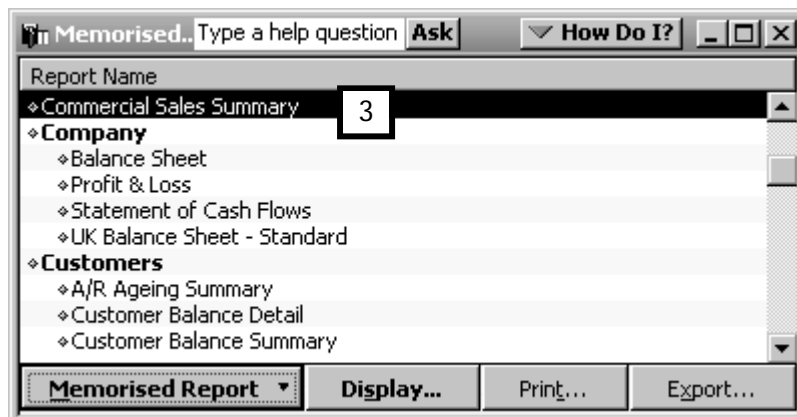


- To save the modifications and filtering criteria, click on the **Memorise** button (1). In the Memorise Report dialogue box that appears, the default name is shown, which is taken from the original report title (2).

To identify this as your modified version, you may wish to enter a personalised name for the report. Click **OK**.



- The next time you'd like to display the modified report, click on the **Memorised** link within the **Report Centre**, and you'll see the memorised report towards the top of the list (3).



Save in a memorised report group

By clicking on the Save in Memorised Report Group in the Memorise Report window, you can also save the report in one of the groups that appear on the memorised report list. If you do so, when looking for the report, you will have to look for the report within the group in which you saved it.

For instance, an option in the example above would have been to save the new Commercial Sales Summary report on the Customers group menu.



Add report to a memorised report group

To move a report that is not in a group, to a group at a later time:

1. **Highlight** the report (click on it) and **right click** to display a drop-down menu.
2. Select **Edit Memorised Report**.
3. In the window that opens, tick the “**Save in Memorised Report Group**” box, and choose the group in which you would like the report to belong.

Tip: Do take advantage of the ability to save a report within a group, especially if you are saving a lot of reports. Your reports will be easier to find if they are grouped according to the area of company activity to which they refer. Also, you will avoid creating an extremely long menu list in the main memorised reports menu, and thus it will be quicker for you to find the reports you need. As an example, you may wish to prepare several Memorised Reports which are run at the end of each month as a checklist for financial reporting purposes.

Modify a memorised report group

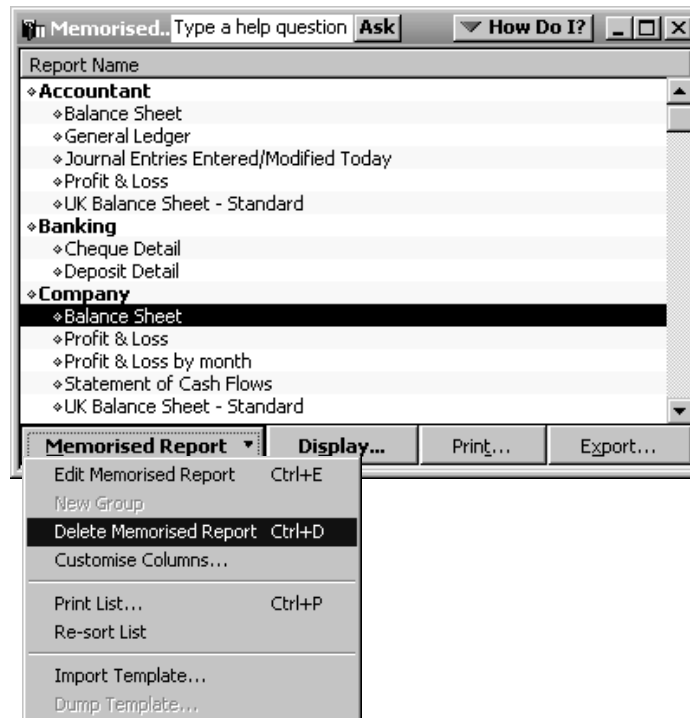
You can also modify and delete from the list of reports in a memorised report group menu.

This is useful if you are not using the originally listed reports in their default form. You will be able to view all your relevant reports with just one mouse-click and no clutter!

To do this:

1. Click the **Memorised** link in the **Report Centre**, to open the **Memorised Report List**.
2. Highlight (select) the report you are not using or have already modified, click on the Memorised Report drop-down menu and select **Delete Memorised Report**.

This does not make the ability to create the report itself go away, just the shortcut to the version of the report you no longer require.



Your group will now contain only the reports you want to use to display the activities for that group.

Create a new memorised report group

You can also create a brand new group by choosing New Group from the Memorised Report List's Memorised Report menu, and naming the group whatever you choose (not illustrated).

You can then add reports to the new group the same way you do to any other memorised report group.

Tip: If you have already saved one of these reports into another group, you could move it into the new memorised report group by clicking on the diamond next to the report name and dragging it with the mouse.

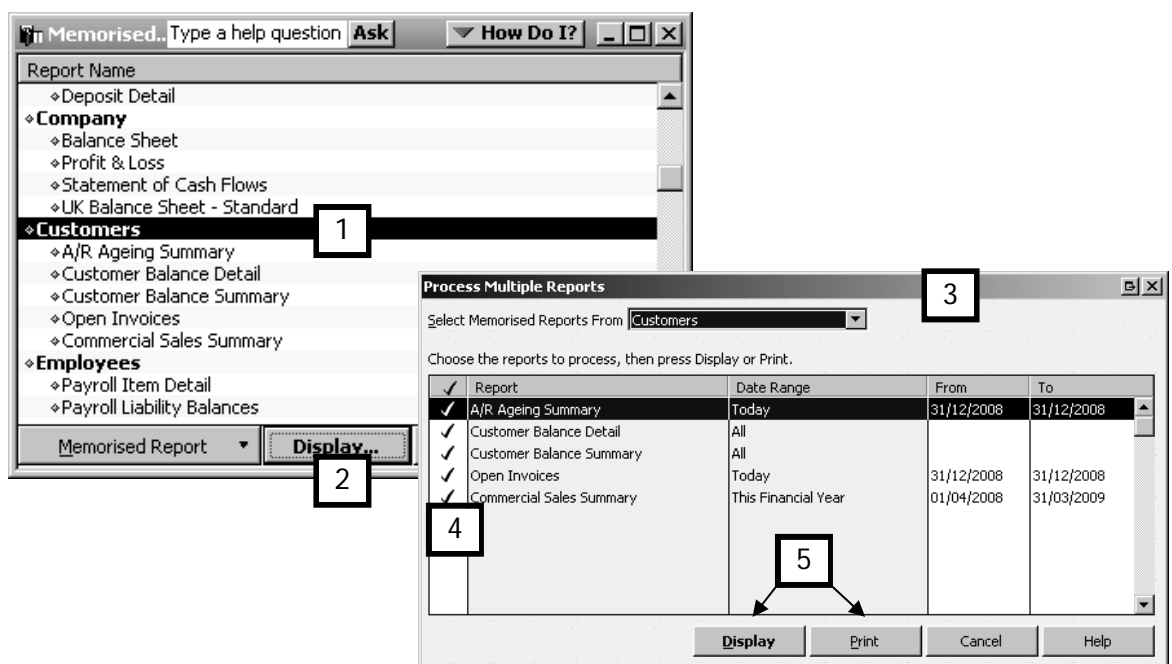
Ways to display memorised reports

There are several ways to display memorised reports.

- For single reports, click the **Memorise** link within the **Report Centre** and double click on the report you want to display.
- You may also wish to work with more than one report at once. Click the **Memorise** link within the **Report Centre**, and highlight the group of reports you wish to open (1), then click on **Display** button (2) at the bottom of the window. QuickBooks opens the Process Multiple Reports window (3).

Tick the reports you want to see or print (4).

Click **Display** or **Print** (5), and QuickBooks prepares and displays or prints all these reports.



Graphical reports

For those who have a fondness for pie charts and bar graphs, QuickBooks offers half-a-dozen graphical reports. These reports are listed below with an explanation of the information provided and under what topic on the Reports menu it can be found.

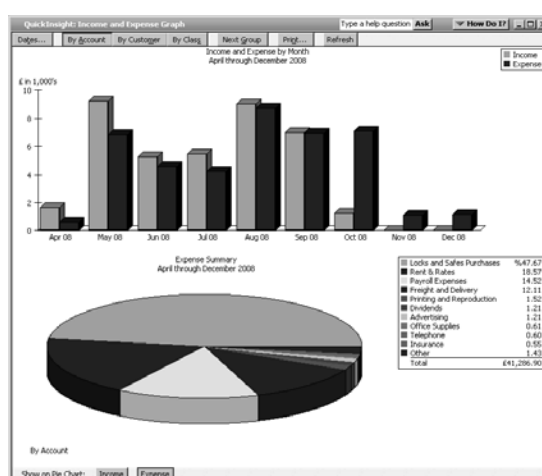
Type of graph...	found under...	explained...
Income & Expense	Company & Financial	Essentially a graphically rendered P&L report. Also shows a percentage breakdown of revenue and expenses.
Net Worth	Company & Financial	A type of balance sheet. Shows graphical representation, on a monthly basis, of assets, liabilities and net worth (equity).
Accounts Receivable	Customers & Receivables	Displays bar charts of the aged receivables plus the percentage breakdown of receivables by customer.
Sales	Sales	Displays bar charts of sales per month plus item, customer or sales reports.
Accounts Payable	Suppliers & Payables	Similar to the A/R graph. Shows bar charts of the ageing period plus percentage A/P by supplier.
Budget vs. Actual	Budgets	Shows bar charts for the budgeted and actual accounts, jobs or classes; also monthly favourable or unfavourable comparisons.

Customising graphs

Across the top of a QuickBooks graphical report there is a menu bar, just as with any other kind of QuickBooks report.

This menu allows you to choose the dates of the report and which criteria to show on the graph. As with any report in QuickBooks, these options depend on the type of graph displayed. In some instances, the **Next Group** button on some graphs allows you to cycle through the options offered and see each version of the report.

All graphs offer you the Print option.



The sample graph shown here is the Income and Expense graph.

Exporting reports

Every report (with the exception of graphs) can be exported to Excel or similar spreadsheet, or any other application that can read comma-separated (also known as comma-delimited or csv) files.

Why export QuickBooks reports?

There are a number of reasons for exporting reports. A few non-exhaustive examples follow:

- Format or group the financial information in ways that QuickBooks cannot accommodate.
- Incorporate a report into a document with financial or other information that didn't originate in QuickBooks.
- Consolidate monthly reports (Profit & Loss statements, for example) on separate sheets of one Excel workbook.

Basic exporting

To export a report:

1. Open the report.
2. From the report menu bar, click the Export button (1) to open the Export Report window.



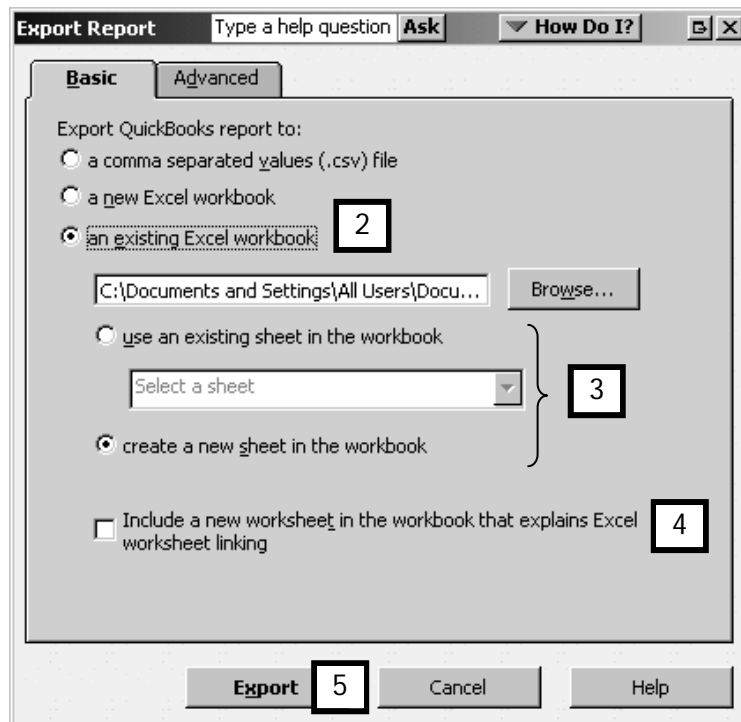
3. From the Basic tab, you can specify whether to export the report as a comma-separated (.csv) file, or export it to either a new Excel workbook or an existing Excel workbook.

If you select an existing Excel workbook (2), use the Browse button to point QuickBooks to the file where the report will be saved.

You can tell QuickBooks whether to insert the report on an existing sheet in the workbook (3) or to create a new sheet.

You can also instruct QuickBooks to insert a sheet that explains how QuickBooks and Excel link files (4).

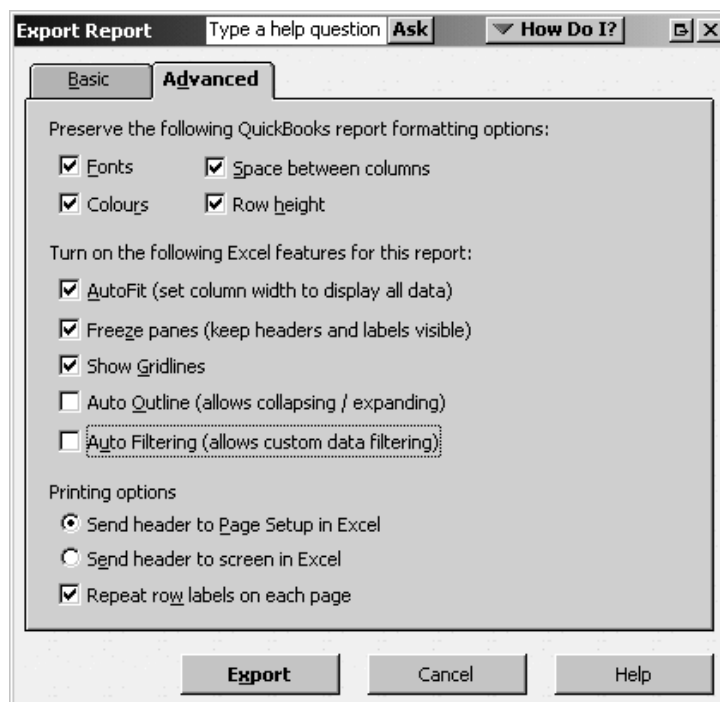
4. To send the report to Excel, click Export (5).



Advanced exporting

In the Export Report window, the Advanced tab provides you with a host of formatting options.

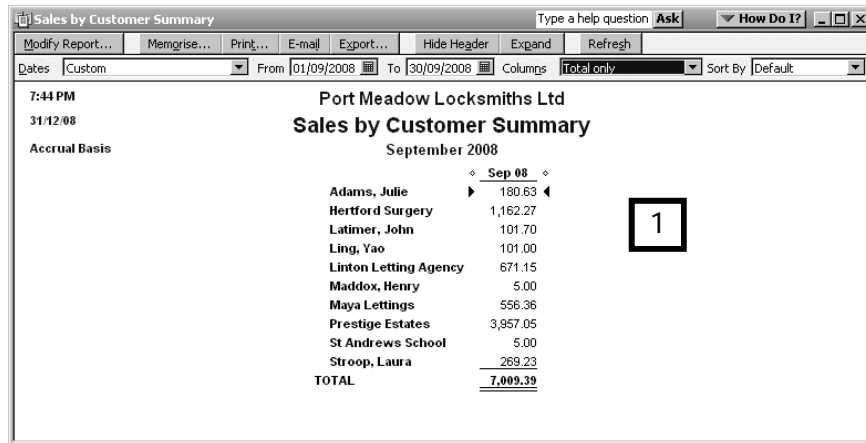
You can decide to keep or change the default QuickBooks format for Fonts, Colour, etc. and you can also to turn on Excel features such as gridlines, pane freezes and AutoFit. Finally, you can elect to send header information and row labelling for each page.



Example of an exported report

Imagine you are going to export the Sales by Customer Summary report illustrated below (1).

1. You click the Export button and see the Export Report shown above.

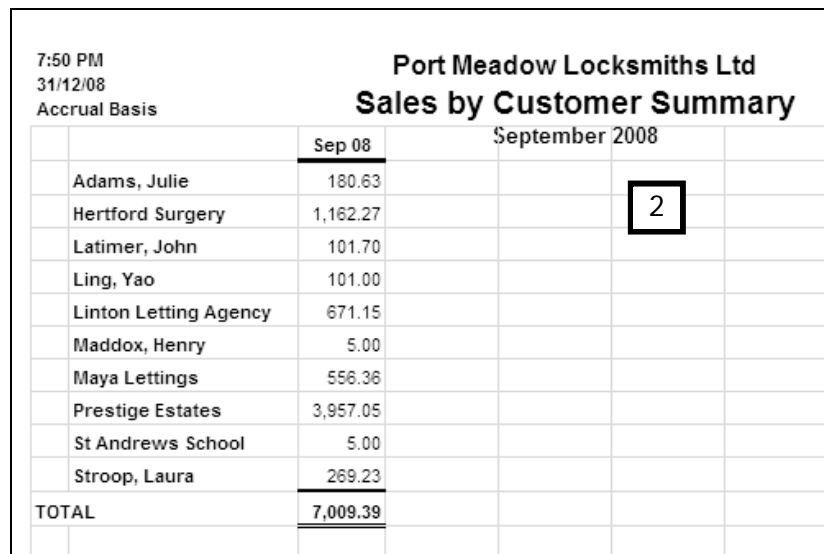


7:44 PM
31/12/08
Accrual Basis

Port Meadow Locksmiths Ltd
Sales by Customer Summary
September 2008

	Sep 08
Adams, Julie	180.63
Hertford Surgery	1,162.27
Latimer, John	101.70
Ling, Yao	101.00
Linton Letting Agency	671.15
Maddox, Henry	5.00
Maya Lettings	556.36
Prestige Estates	3,957.05
St Andrews School	5.00
Stroop, Laura	269.23
TOTAL	<u>7,009.39</u>

2. On the Basic tab, choose New Excel workbook.
3. Click Export. Excel opens with the file displayed (2).



7:50 PM
31/12/08
Accrual Basis

Port Meadow Locksmiths Ltd
Sales by Customer Summary
September 2008

	Sep 08
Adams, Julie	180.63
Hertford Surgery	1,162.27
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TOTAL	<u>7,009.39</u>

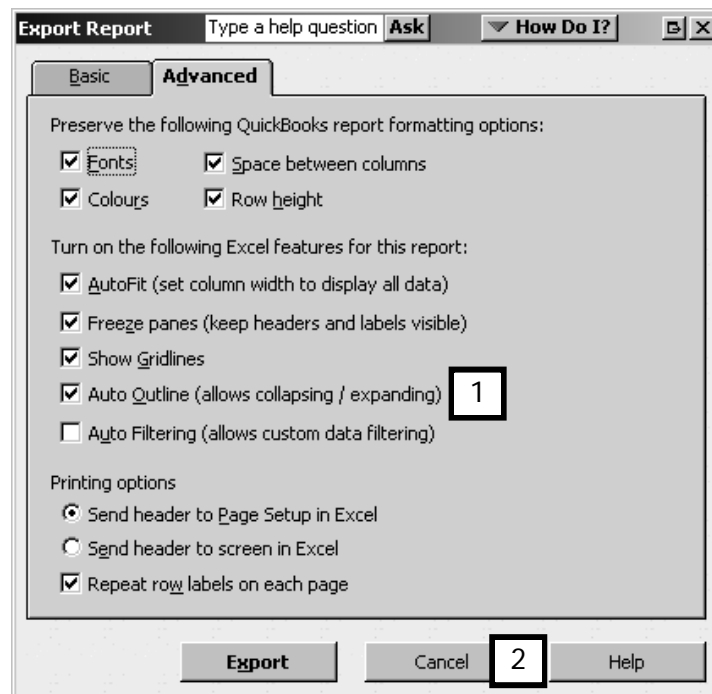
Note: QuickBooks also exports the formulas that calculate report totals. Therefore if you change an amount in Excel, the total will also change, just as it would in QuickBooks.

The Auto Outline Feature

The Outline feature in Excel is a terrific way to 'roll-up' selected data so rows and columns are quickly hidden and unhidden as required when you are reviewing and analysing data.

When exporting to Excel it is possible to have the Outline feature automatically enabled so that sub-accounts are rolled up in their respective main accounts. The advantage of using this approach rather than QuickBooks' built in Expand/Collapse function is that Outline allows individual groupings of sub-accounts to be selectively expanded or collapsed, whereas the built-in function only allows simultaneous expanding and collapsing of all sub-accounts.

1. To export financial statements with Excel's Outline feature enabled, open the desired report in QuickBooks, click the **Export** button and select the **Advanced** tab. Tick the **Auto Outline** box (1), and click **Export** (2).



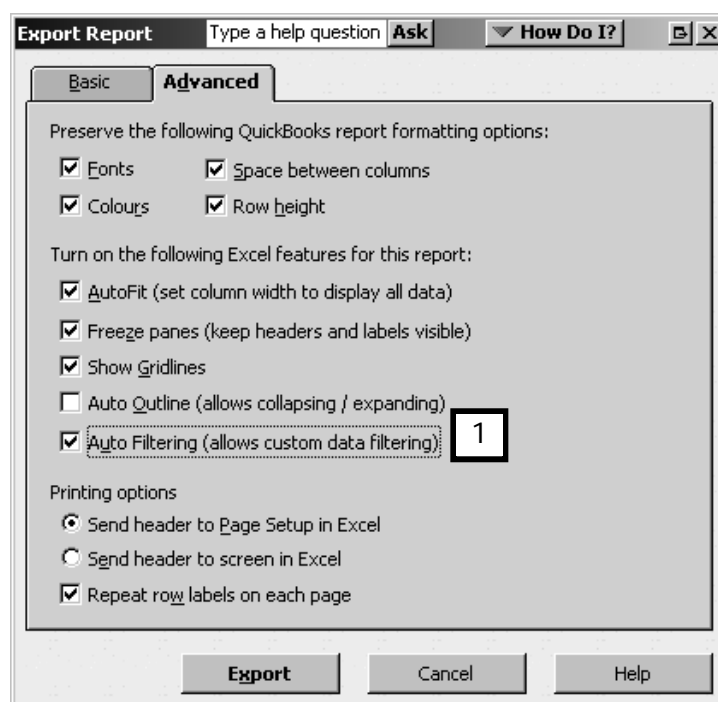
2. In Excel, sub-accounts can be collapsed and expanded as necessary by selecting the appropriate outline levels in the upper left hand corner of the window (3), or by clicking the appropriate '+' and '-' keys next to each level in the body of the report (4).

3		1	2	3	4	5	6	A	B	C	D	E	F
		1										31 Dec 08	
		2	ASSETS										
		3	Fixed Assets										
		4	Plant & Equipment										
		5	Cost Plant & Equip										850.00
		6	Total Plant & Equipment										850.00
		7	Computer equipment										
		8	Cost Computer Equip										600.00
		9	Total Computer equipment										600.00
		10	4 Vehicles										
		11	Cost Vehicles										3,750.00
		12	Total Vehicles										3,750.00
		13	Total Fixed Assets										5,200.00
		14	Current Assets										
		15	Other Current Assets										
		16	Stock										1,287.44
		17	Total Other Current Assets										1,287.44

The Auto Filters Feature

When exporting a report to MS Excel, it's possible to export with Auto-Filters automatically enabled. This allows you to sort the report data and filter based on any field within the report, such as a particular name, date, or amount.

1. To export financial statements with Excel's Auto-filters feature enabled, open the desired report in QuickBooks, click the **Export** button and select the **Advanced** tab. Tick the **Auto Filtering** box (1), and click **Export**.



- The drop down arrow in each column header (2) facilitates the sorting and filtering of report data.

2

Type	Date	Num	Memo	Name	Item	Qty	Sales Price
Invoice	03/03/2008	501	Simplex 3000 k		Simplex lock	2.00	147.13
Invoice	03/03/2008	501	Union 2242 loc		Union lock	2.00	18.02
Invoice	03/03/2008	501	Yale 77 lock w		Yale lock with cylinder	1.00	21.61
Invoice	03/03/2008	501	Labour Charge		Labour	1.00	40.00
Sales Receipt	10/03/2008	105	Keys Cut		Cut	1.00	6.95
Sales Receipt	10/03/2008	105	Spare Keys		Spares	3.00	2.05
Sales Receipt	10/03/2008	105	Emergency cal		Call Out	1.00	69.00
Sales Receipt	10/03/2008	105	Labour Charge		Labour	0.50	40.00
Invoice	12/03/2008	502	Security Safe		Safe	3.00	101.00
Invoice	12/03/2008	502	Card handling f		Card fee		1.0%
Sales Receipt	26/03/2008	106	Key cut		Cut	1.00	6.95
Sales Receipt	26/03/2008	106	Spare Keys		Spares	4.00	2.05
Sales Receipt	26/03/2008	106	Chubb Mortise		Chubb Mortise	1.00	38.95
Sales Receipt	26/03/2008	106	Spare Keys		Spares	2.00	5.00
Sales Receipt	26/03/2008	106	Emergency cal		Call Out	1.00	69.00
Sales Receipt	26/03/2008	106	Labour Charge		Labour	1.00	40.00
Invoice	27/03/2008	503	Chubb 3C14 de		Chubb deadlock	2.00	21.61
Invoice	27/03/2008	503	Key cut	Calver, Robert	Cut	1.00	6.95
Invoice	27/03/2008	503	Spare Keys	Calver, Robert	Spares	8.00	3.50
Invoice	27/03/2008	503	Labour Charges	Calver, Robert	Labour	0.50	40.00
Invoice	27/03/2008	503	Security Safe	Calver, Robert	Safe	1.00	101.00

TIP: exporting the Audit Trail report with Auto-Filters enabled allows you to quickly and easily filter transactions for specific users.

E-mailing reports

You can send any report electronically to a designated recipient by clicking the E-mail button on the report's menu bar.

Once you click the E-mail button, QuickBooks saves the report in PDF format (.pdf) and opens your e-mail application, showing a new message with the report as an attachment.

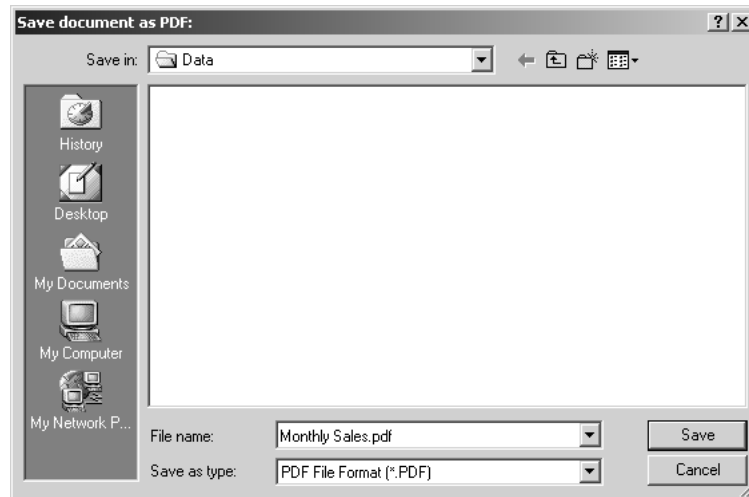
Note that QuickBooks also provides a default message as shown in the example below. You can alter or replace this message if you like, or simply choose your e-mail recipient and then send as you would any other e-mail message.



Saving a PDF file without e-mailing it

If you want to save a report as a PDF without emailing it, from any displayed report, click on **File (Menu bar)** then **Save as PDF**.

In the File name field, enter the name of the file and click Save.



Your report is now saved as a PDF file.

Chapter summary

This chapter looked at the versatility and functionality of reports, and how to use the power of QuickBooks reports in your own company file.

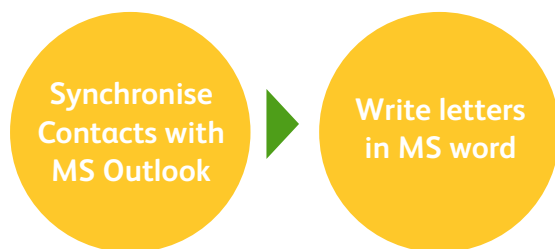
You now know how to:

- Use the reports menu bar.
- Modify reports.
- Memorise reports.
- Create, modify and memorise a report group.
- Find and display memorised reports using several methods.
- Create and customise graphs.
- Export reports using basic and advanced setting
- Use the AutoFilter and AutoOutline features
- E-mail reports.
- Save a report as a PDF file.

Integration with MS Outlook and Word

This chapter explains how you can integrate QuickBooks 2008 with MS Outlook, and MS Word (versions 2000 and higher).

Upon completing this chapter, you should be able to:



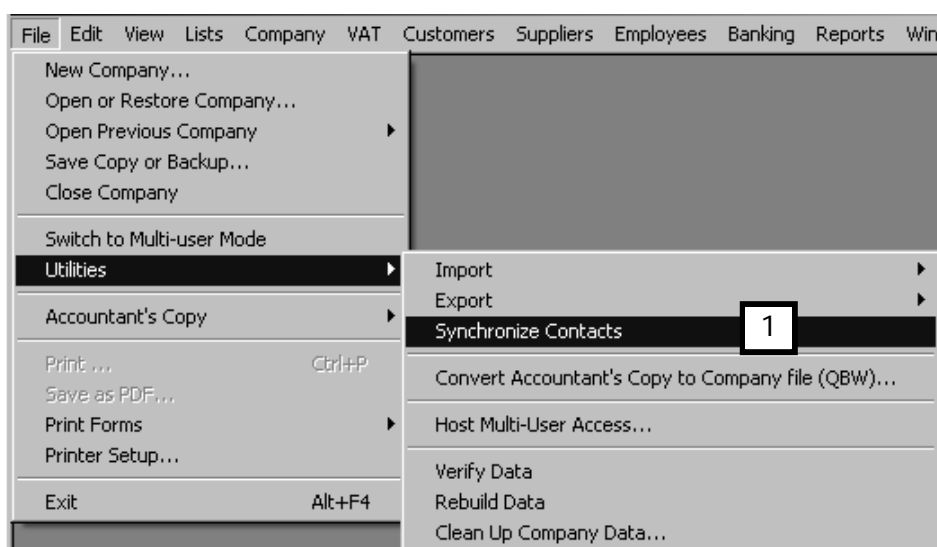
Integration with MS Outlook 2000 and higher

QuickBooks integrates with Microsoft Outlook. It is important to note that the synchronisation process is a *two-way* process. Changes/additions/deletions made in QuickBooks are updated in Outlook and changes/additions/deletions made in Outlook are updated in QuickBooks.

Synchronisation of QuickBooks customers, jobs, and suppliers with Outlook contact lists occurs through **QuickBooks Contact Sync for Outlook**. This is a free add-in which you can download from www.quickbooks.com/contact_sync. The add-in works with QuickBooks 2008 only and Outlook 2000 or higher. You must be running Windows 2000 or higher as the operating system in order to use this tool.

You can also access the download page for the free add-in tool from within QuickBooks.

1. Click on **File** in the **Menu bar**, select **Utilities**, then **Synchronise Contacts** (1).

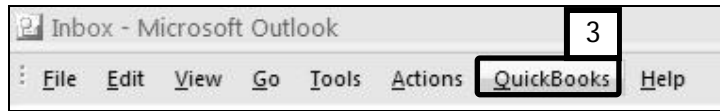


2. The Synchronise Contact window asking you whether you want to be taken to the download page.

Click **OK** (2).



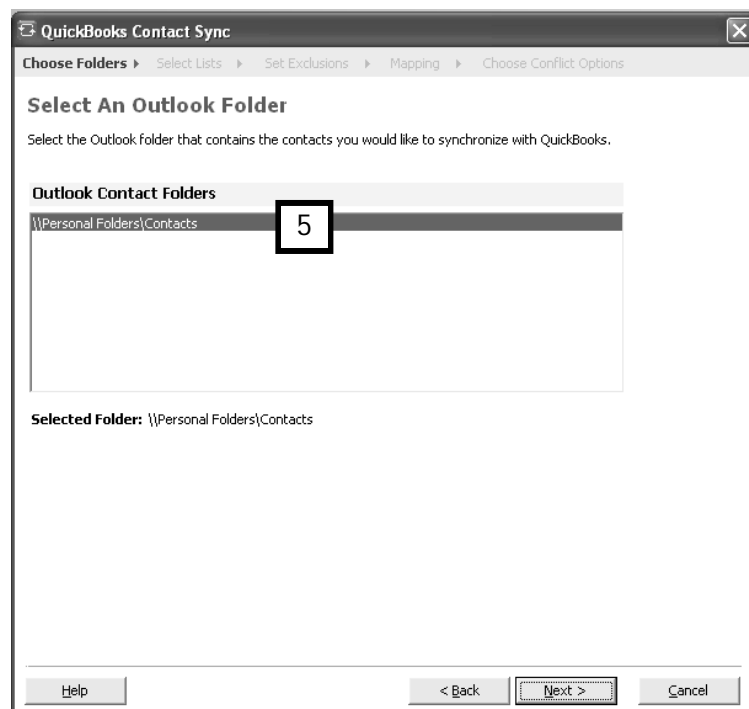
- Once downloaded and installed, the add-in installs as an additional menu in **Outlook**:



- Click the **QuickBooks** button (3) to launch the QuickBooks Contact Sync window (4). Click **Setup** to begin.

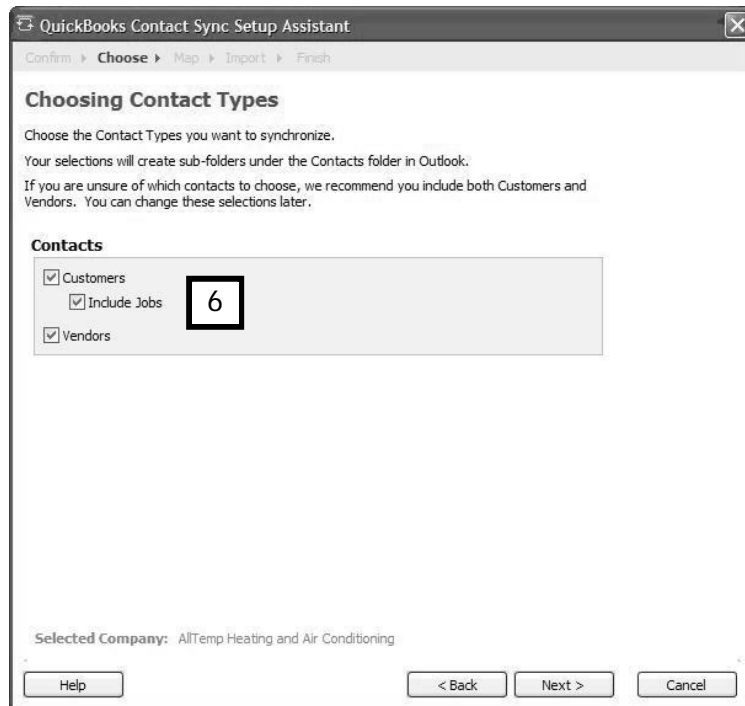


- Select the desire Outlook Contact Folder for integration (5)



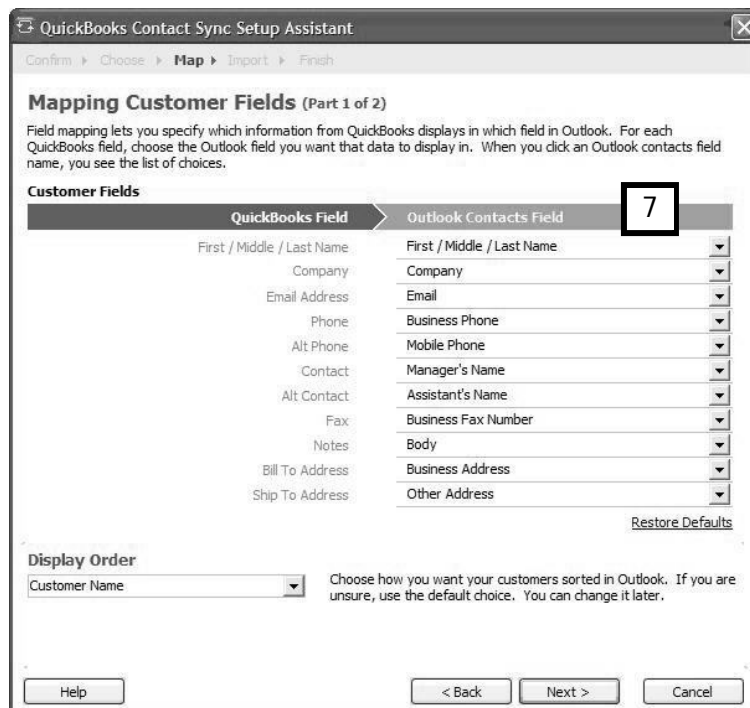
Click **Next** (5).

6. Select the types of contacts you wish to integrate with Outlook (6).



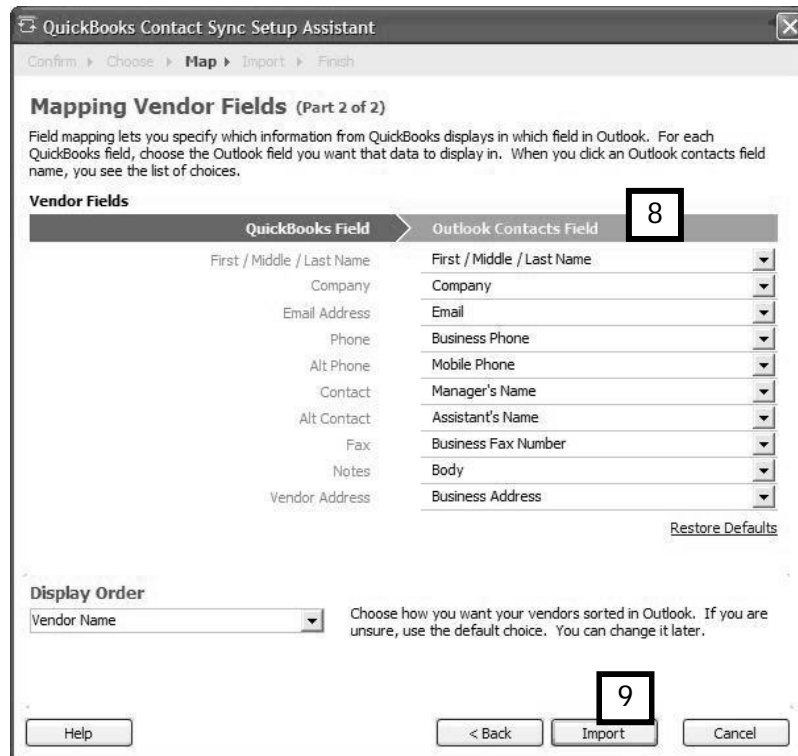
Note: synchronisation is a two way process. Click **Next**.

7. Map the customer fields in QuickBooks with those in Outlook (7).



Click **Next** to proceed.

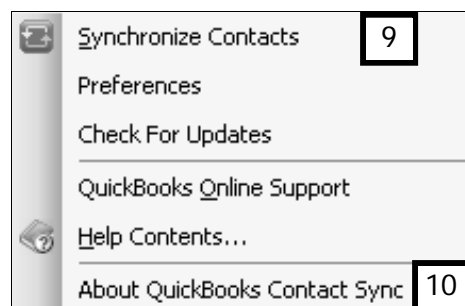
8. Do the same for vendors (suppliers) (8). Click **Import** (9) to finish.



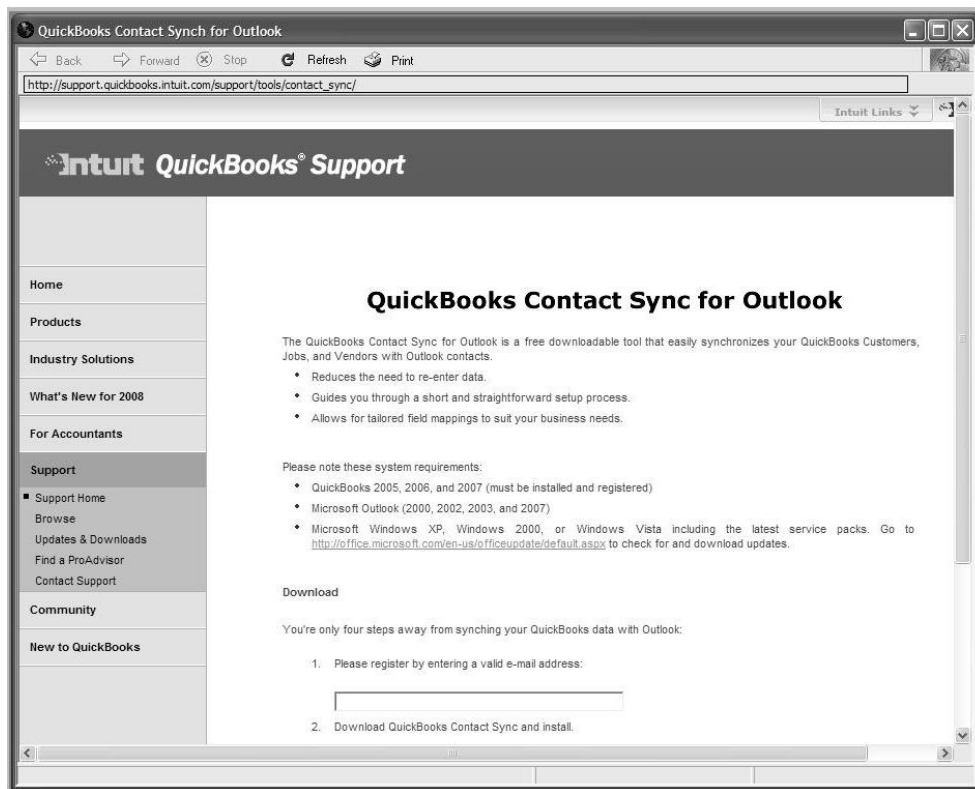
9. Once all the synchronisation options are established, clicking **Import** launches the initial synchronisation of QuickBooks 2008 and Outlook.

Upon completion, two new Contact Lists are established in Outlook – one for Customers, and one for Suppliers.

After initial synchronisation is complete, you can launch subsequent synchronisations within Outlook by clicking on the QuickBooks menu and selecting Synchronize Contacts (9).



10. To find out more information you can click on **About QuickBooks Contact Sync...(10)**, to bring up the QuickBooks support site.



Integration with MS Word 2000 or higher

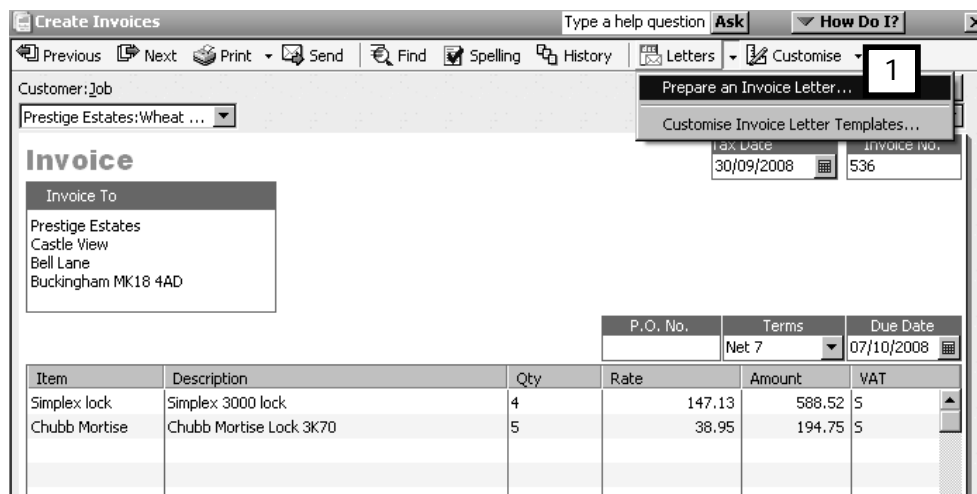
QuickBooks provides extensive integration with MS Word.

In addition to mail-merging information from various QuickBooks lists into MS Word to create letters to your customers, you can also export summaries or details of your invoices into MS Word. This requires MS Word 2000 or higher.

Exporting a QuickBooks Invoice to MS Word

To turn a QuickBooks invoice into a letter:

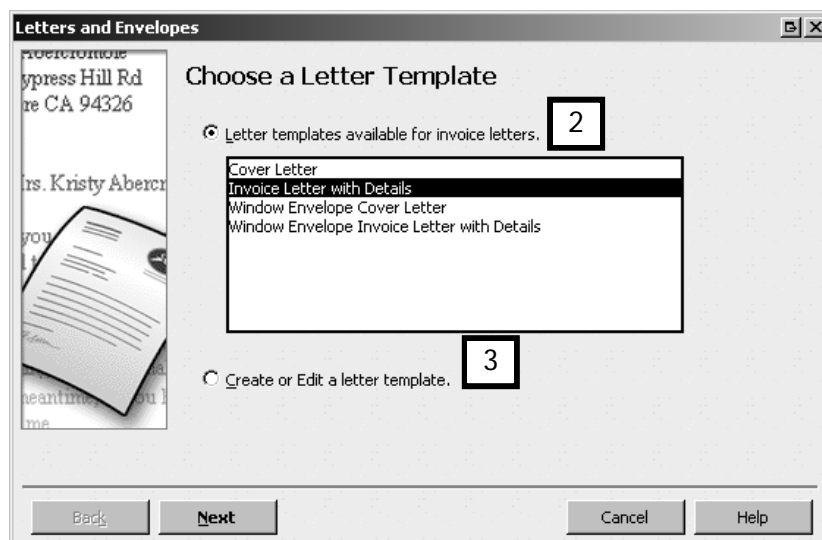
1. From within an invoice, click the **Letters** button, then **Prepare an Invoice Letter** (1).



2. Choose a letter template (2) or create your own (3).

For this example, let's select **Invoice Letter with Details**.

Click **Next**.



3. Enter a signature name and title (4).

Click **Next**.

Letters and Envelopes

Enter a Name and Title

For letters with fields for signature and title, enter how you want to sign off.

Name: 4

Title:

When you click Next:

- Letters will be created in a single Microsoft Word Document
- Each letter will start on a new page
- Editing your letters will not affect the original letter template
- You can continue working in QuickBooks and choose to print envelopes

Back Next Cancel Help

4. QuickBooks creates the letter for you, based on QuickBooks invoice information.

Once the invoice has been prepared in MS Word, it can be edited as necessary (5).

Port Meadow Locksmiths Ltd
2 Cranston Road
Oxford
OXON
OX4 3LS

31 December 2008

Prestige Estates
Castle View
Bell Lane
Buckingham MK18 4AD

Dear Penny,

This table summarizes your current invoice activity. Please review this information and let us know if you have any questions.

Invoice Job	Wheat and Barley Pub
Invoice Number	536
Invoice Date	30/09/2008
Invoice Due Date	07/10/2008
Invoice Amount	£920.34
Invoice Balance	£920.34

Itemized charges are shown below:

Item	Description	Qty	Rate	Amount	Tax
Simplex lock	Simplex 3000 lock	4	147.13	588.52	S
Chubb Mortise	Chubb Mortise Lock 3K70	5	38.95	194.75	S

Thank you for choosing Port Meadow Locksmiths Ltd. We hope to work with you again in the future.

Yours sincerely

Jane Sherman
Director
Port Meadow Locksmiths Ltd

Merging QuickBooks data into MS Word

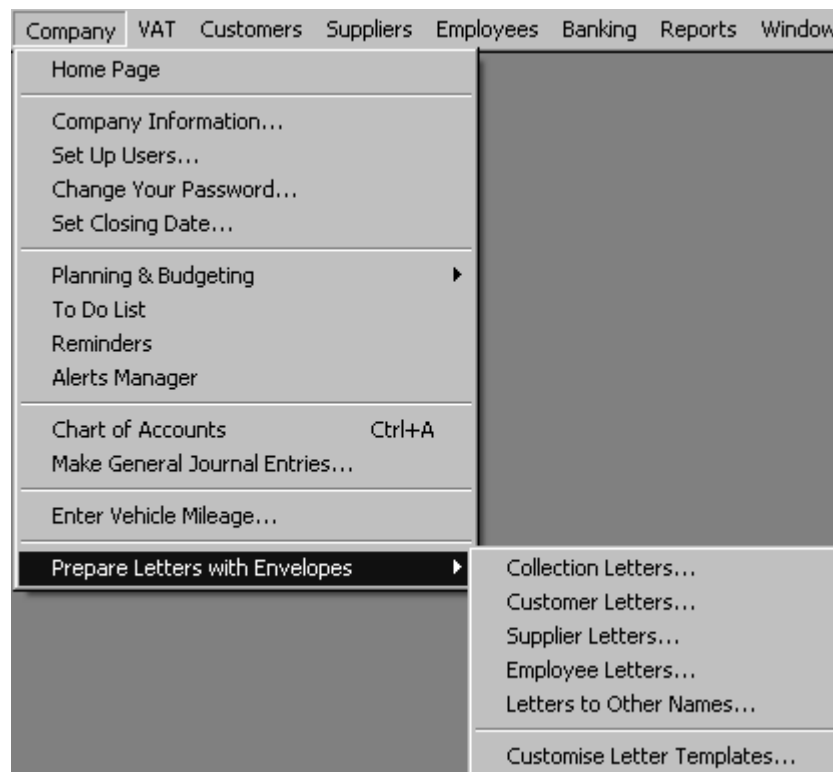
In addition to creating documents in MS Word, QuickBooks also provides you with the option of quickly and easily mail-merging information in QuickBooks lists with a letter in MS Word.

Letters can be prepared with information from the Customers & Jobs list, Supplier List, Employee List, or Other Names list, and based on:

- A predefined template supplied with QuickBooks
- A predefined template that has been modified
- Your own template created from scratch

1. Click **Company** in the **Menu Bar** and select **Prepare Letters with Envelopes**. Choose the type of letter you want to write.

The Letter Writing wizard will guide you through the rest of the process.



Chapter summary

This chapter looked at the how you can integrate QuickBooks with MS Outlook and Word, to make the most of your software.

You now know how to:

- Synchronise with MS Outlook 2000 and higher.
- Export invoice details or summaries to MS Word 2000 or higher.
- Mail-merge QuickBooks fields with MS Word document to create your own letters.

Memorised transactions reminders and budgets

This chapter introduces you to the memorised transaction and reminder features in QuickBooks® that make your life easier by automating repetitive tasks and ensuring you don't forget important due dates and tasks.

As your year-end approaches, you will also want to start budgeting for the coming business year. QuickBooks' budget tool allows you to prepare quick, easy, comprehensive budgets.

Upon completing this chapter, you should be able to:



Memorised transactions

If you frequently enter and record the same transactions, you can speed up these tasks by memorising them.

To memorise a transaction, you must first enter it on the appropriate form. For instance, let's say that on the first of every month you pay your insurance premium. In this case you would record a standing order cheque like the example below.

The screenshot shows the 'Write Cheques - Current Account' window. The 'Bank Account' is 'Current Account' with an 'Ending Balance' of '10,974.43'. The cheque is for 'Epswich Insurance' dated '01/10/2008' for '£ 45.00'. The amount is written in words as 'Forty-five and 00/100'. The 'Expenses' table below the cheque form has the following data:

Account	VAT	Amount	Memo	Customer:Job	Billable?
Insurance	E	45.00	Monthly premium		

The 'Total VAT' is '0.00'. Buttons at the bottom include 'Clear Splits', 'Recalculate', 'Save & Close', 'Save & New', and 'Revert'.

Before clicking on Save & Close, click **Edit** and choose **Memorise Cheque** from the menu bar.

In the Memorise Transaction window that appears:

The 'Memorise Transaction' dialog box shows the following settings:

- Name: Epswich Insurance
- Remind Me: (selected)
- How Often: Monthly
- Next Date: 01/11/2008
- Number Remaining: 11
- Days In Advance To Enter: 0
- Group Name: <None>

1. Enter a Name for the memorised transaction (QuickBooks automatically names the memorised transaction using the Payee field on the cheque).
2. Choose a reminder method from the list on the left:
 - Remind Me — to include the transaction in your reminder list
 - Don't Remind Me
 - Automatically Enter — to have QuickBooks enter the transaction automatically. Enter the next date, and if there are a fixed number you can specify the number of remaining transactions and how far in advance to enter each transaction.
 - With Transactions in Group — include in a group of transactions.

3. Choose a frequency from the drop-down list in the How Often field.
4. Indicate the date of the next transaction.
5. Click **OK**.

QuickBooks returns to the form you were preparing. Click **Save & Close** to record the initial transaction.

Reminders

You can train QuickBooks to remind you when it's time to pay bills, print forms, print cheques, deposit money, enter memorised transactions, or act on overdue invoices. QuickBooks keeps track of these reminders on the Reminders list.

To view your reminder list:

1. From the **Menu bar** click on **Company** and choose **Reminders**.

Due Date	Description	Amount
	Money to Deposit	4,760.72
	Bills to Pay	-18,703.66
	Overdue Invoices	8,891.69
	Cheques to Print	-45.77
	Invoices/Credit Notes to Print	1,921.28
	Purchase Orders to Print	-10,645.67

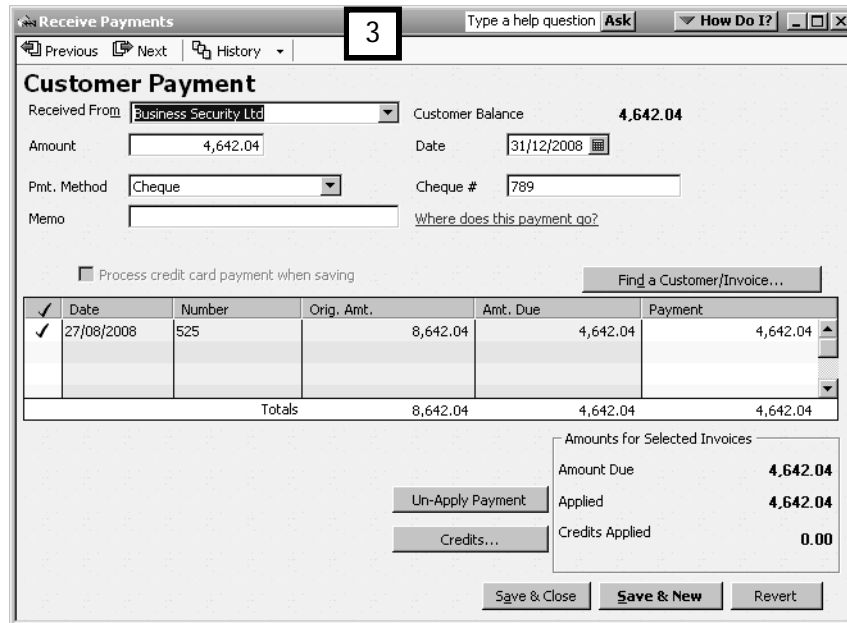
Custom View Collapse All **Expand All** 1

2. You can see details of all the reminders by clicking on the **Expand All** button (1). To see details of only one reminder, double click on that line to drill down on that reminder (2).

Due Date	Description	Amount
	Money to Deposit	4,760.72
09/09/2008	Ling, Yao	118.68
31/12/2008	Business Security Ltd	4,642.04
	Bills to Pay	-18,703.66
29/08/2008	City Safe Wholesale	-5,750.74
01/09/2008	Stuart Leven	-1,000.00
08/09/2008	City Safe Wholesale	-700.12
11/09/2008	Energen	-251.45
11/09/2008	City Safe Wholesale	-142.65
15/09/2008	Taylor Vans Ltd	-4,406.25
25/09/2008	Chubb Locks and Safes	-2,259.83
29/09/2008	M E Dodd	-140.89
01/10/2008	Stuart Leven	-1,000.00
01/10/2008	ExpressDeliveries	-75.00

Custom View Collapse All **Expand All** 2

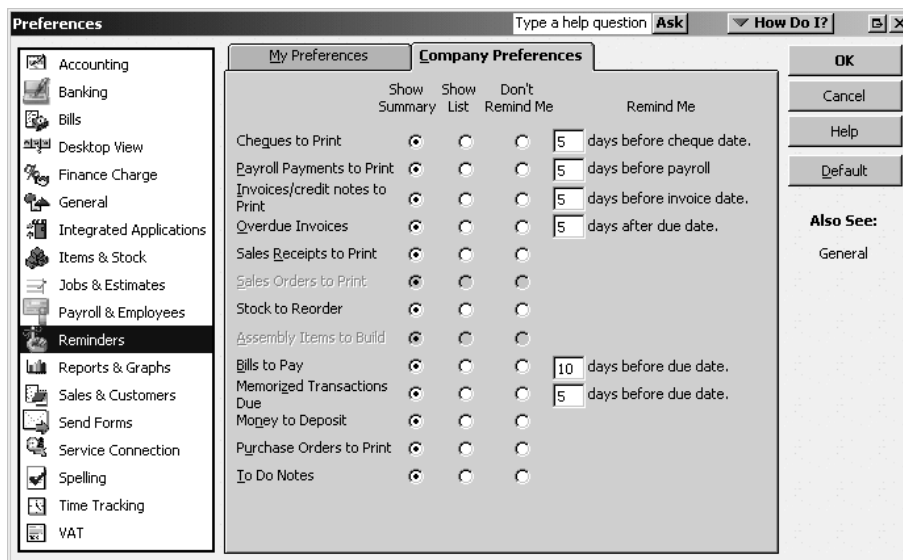
- The original transaction is displayed (3), in this case a customer payment from Business Security Ltd.



You can control how and when reminders appear by setting the reminders preferences:

- On the **Edit** menu choose **Preferences**, select the **Reminders** icon and click on the **Company Preferences** tab.

For each task that appears in the Reminders Preferences window, you can set the option of seeing a task summary or the details of the task, or choose not to be reminded about that task. On time-sensitive tasks, you can also specify the lead-time (in days) for the reminder.



If you want the Reminders List to be displayed as soon as you start QuickBooks, click the My Preferences tab in the reminders preferences window and tick the option Show Reminders List when opening a Company file.

Budgeting in QuickBooks

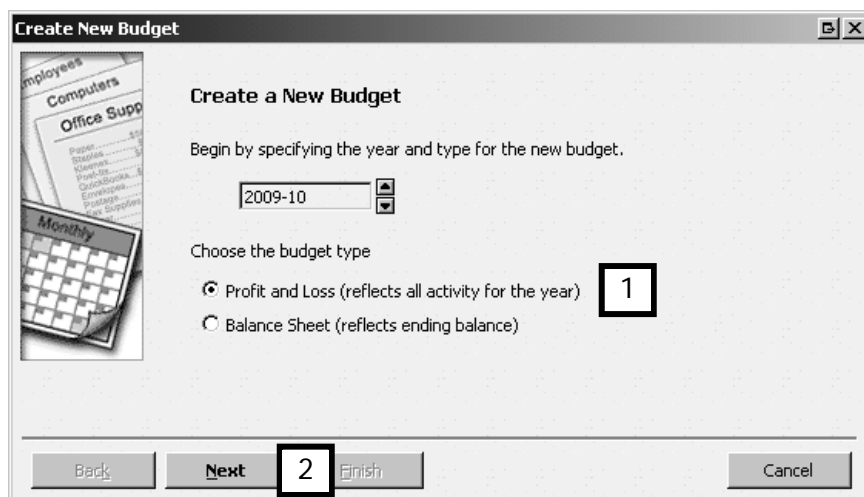
Although not part of the statutory financial year-end reporting tasks, an important strategic task that all business owners should perform is budgeting for the upcoming year. The QuickBooks budgeting tool makes this task easy and, as you will see, also offers many time-saving features that allow you to prepare a budget in almost no time at all.

Creating a budget

To create a budget:

1. Choose **Company** on the **Menu bar**, click **Planning & Budgeting**, and choose **Set Up Budgets**.
2. If this is your first budget, the Create New Budget window appears.

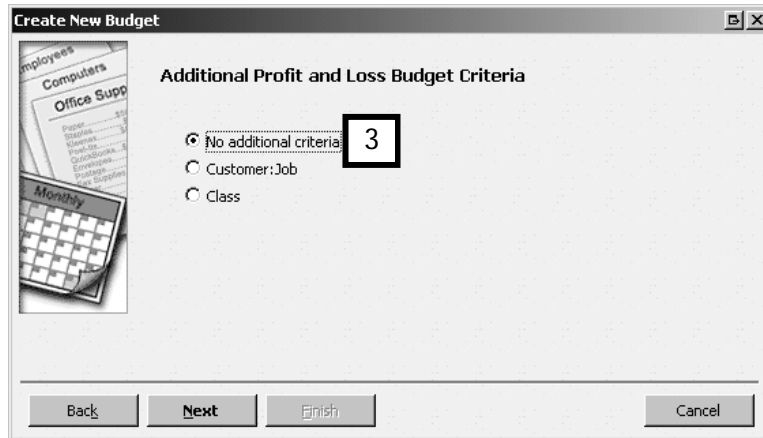
Enter the year for which you will be preparing a budget and select the type of budget that you want to prepare (1). In most cases you will choose Profit and Loss, as this budget allows you to enter projected revenue and expenses for the forthcoming year).



Click Next (2).

3. In the second screen of the Create New Budget window (3), you choose whether you want to prepare revenue and expense projections for each customer (the Customer:Job option). If you have set up classes, you will also have the option to budget by class.

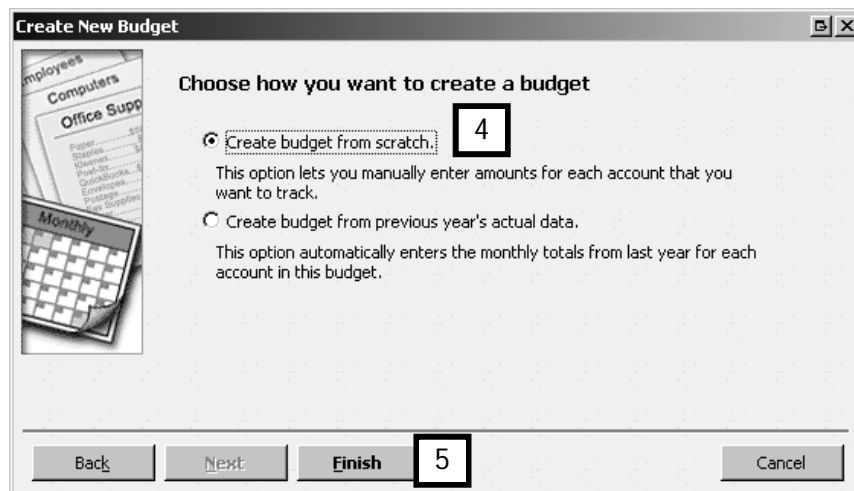
The option you will most likely use is No additional criteria, which you select when you intend to prepare an overall budget.



Click **Next**.

4. Still in the Create New Budget window, you are asked to choose whether to enter your own revenue and expenses—in essence, to create a budget from scratch—or to start with the actual revenue and expenses from the previous financial year.

For this example, select Create budget from scratch (4).



Click **Finish** (5).

5. QuickBooks now displays a blank budget template.
6. You can enter any amount on the template by clicking on the line item, and typing in the amount.

To place a unique amount for a line item in each month column—for instance in a case where you know that monthly expenses will be variable and cannot be determined by a formula, simply click on the line and month cell and enter the amounts. However, if you want the same amount in each month columns, or you want the amounts to increase according to a fixed increase rate, there are easy shortcuts.

Sometimes you want a fixed expense entered in each month's column. (In the example, insurance expense is adjusted to £85 per month.) You would:

- Enter the budgeted expense in the first month's column (6).
- Click on Copy Across (7).
- QuickBooks fills in the amount for the remaining eleven months (8), and totals the amount in the Annual Total column (9).

Account	Annual ...	Apr09	May09	Jun09	Jul09	Aug09	Sep09	Oct09	Nov09	Dec09	Jan10	Feb10	Mar10
Markup Income													
Locks and Safes Sales	84,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Subcontractors	4,800.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00
Locks and Safes Pu...	30,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Stock Adjustment													
Advertising	500.00			200.00				300.00					
Bank Service Charges													
Books and Publicati...													
Cash Discounts													
Contract Labour													
Depreciation Expense													
Dues and Subscripti...	240.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Equipment Rental	255.00		80.00		120.00			55.00					
Freight and Delivery													
Gifts and Donations													
Insurance	85.00	85.00											

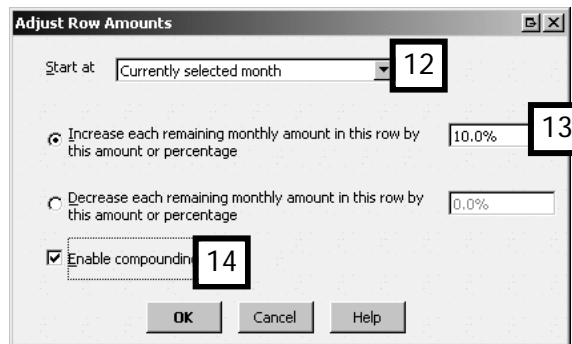
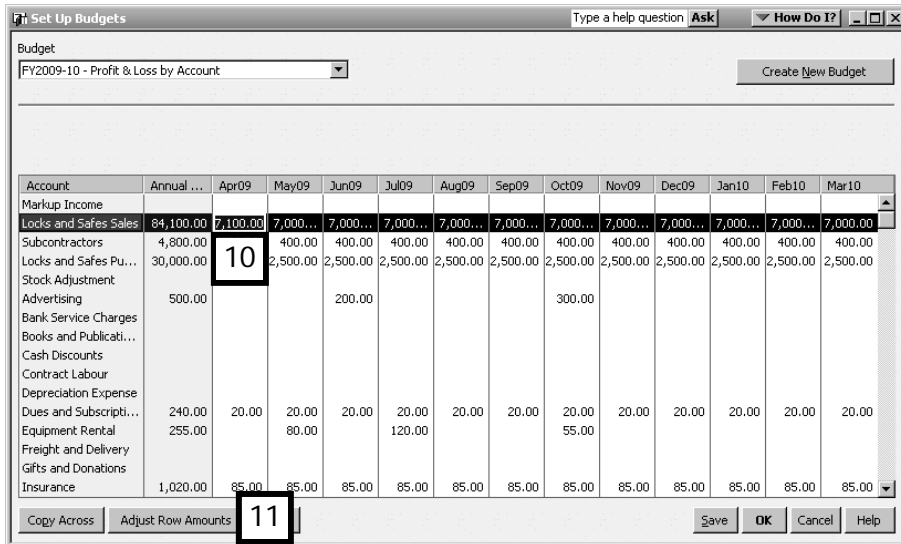
7. Alternatively, there are cases where you want to enter a different figure for each month, based on a model of regular growth (by amount or percentage).

(In the example, the Locks and Safes Sales line is too low. In fact we're forecasting that the revenue for April 2009 will be £7,1000 and that it will increase by 10% per month, compounded.)

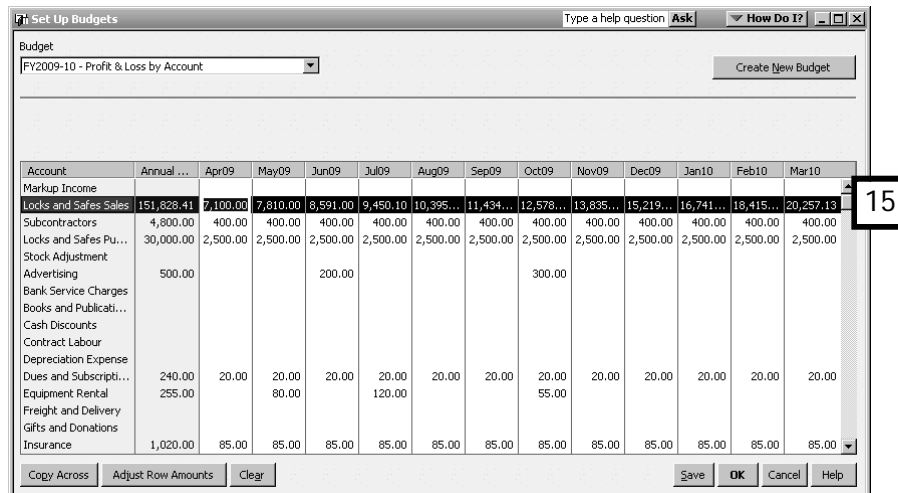
To create a row which increases by a fixed amount or percentage each month:

- Enter the first month's amount in the first column (10).
- Click on **Adjust Row Amounts** (11).
- QuickBooks opens the Adjust Row Amounts window. Make sure you select "Currently selected month" in the Start at field (12).
- Enter the monetary or **percentage increase** (13) or decrease.
- Click on the **Enable Compounding** box (14).
- Click **OK**.

Note: you must select Currently selected month in the Start at field for the Enable compounding option to be displayed.



- QuickBooks once again displays the budget template showing the revised amounts (in the example, locks and safes sales revenue projections, 15).



Click **Save** to record the budget.

Tip: Having separate buttons for Save, OK and Close lets you save your budget often—as a precaution, it's wise to save after each addition or alteration—without having to close and re-open the window.

- Click **OK** to close the Budget window.

Budget Overview report

You can view the overall budget by clicking on **Reports** in the **Menu Bar**, choosing **Budgets** and selecting **Budget Overview**.

The window below displays the Budget Overview for Port Meadow Locksmiths Ltd, the sample company used throughout this manual, for the April – June 2008 quarter.

The screenshot shows a software window titled "Profit & Loss Budget Overview" for Port Meadow Locksmiths Ltd. The report covers the period from 01/04/2008 to 30/06/2008. The data is presented in a table with columns for April 08, May 08, June 08, and a Total column for April through June 08. The report is categorized into Ordinary Income/Expense, Cost of Goods Sold, and Expense.

	Apr 08	May 08	Jun 08	TOTAL Apr - Jun 08
Ordinary Income/Expense				
Income				
Locks and Safes Sales	2,500.00	5,000.00	5,500.00	13,000.00
Total Income	<u>2,500.00</u>	<u>5,000.00</u>	<u>5,500.00</u>	<u>13,000.00</u>
Cost of Goods Sold				
Locks and Safes Purchases	1,200.00	3,000.00	3,300.00	7,500.00
Total COGS	<u>1,200.00</u>	<u>3,000.00</u>	<u>3,300.00</u>	<u>7,500.00</u>
Gross Profit	<u>1,300.00</u>	<u>2,000.00</u>	<u>2,200.00</u>	<u>5,500.00</u>
Expense				
Advertising	100.00			100.00
Insurance		250.00		250.00
Motor Expense	60.00	60.00	60.00	180.00
Payroll Expenses			850.00	850.00
Rent & Rates		1,111.00	1,111.00	2,222.00
Total Expense	<u>160.00</u>	<u>1,421.00</u>	<u>2,021.00</u>	<u>3,602.00</u>
Net Ordinary Income	<u>1,140.00</u>	<u>579.00</u>	<u>179.00</u>	<u>1,898.00</u>
Profit for the Year	<u>1,140.00</u>	<u>579.00</u>	<u>179.00</u>	<u>1,898.00</u>

Budget Performance report

You can also prepare a report comparing actual financial performance to your budget.

To view this report, click on **Reports** in the **Menu Bar**, **Budgets**, then **Profit & Loss Budget Performance**.

Set the dates of the report (in this case June 2008) and see the comparison of actual figures against budget, and this year to date actual and budget figures.

The screenshot shows a software window titled "Profit & Loss Budget Performance" for Port Meadow Locksmiths Ltd. The report is for June 2008 and compares actual performance against the budget. The data is presented in a table with columns for June 08, Budget, Apr - Jun 08, YTD Budget, and Annual Budget. The report is categorized into Ordinary Income/Expense, Cost of Goods Sold, and Expense.

	Jun 08	Budget	Apr - Jun 08	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Locks and Safes Sales	5,291.43	5,500.00	16,137.54	13,000.00	73,500.00
Total Income	<u>5,291.43</u>	<u>5,500.00</u>	<u>16,137.54</u>	<u>13,000.00</u>	<u>73,500.00</u>
Cost of Goods Sold					
Locks and Safes Purchases	2,573.32	3,300.00	8,567.72	7,500.00	45,900.00
Total COGS	<u>2,573.32</u>	<u>3,300.00</u>	<u>8,567.72</u>	<u>7,500.00</u>	<u>45,900.00</u>
Gross Profit	<u>2,718.11</u>	<u>2,200.00</u>	<u>7,569.82</u>	<u>5,500.00</u>	<u>27,600.00</u>
Expense					
Advertising	0.00		0.00	100.00	600.00
Dues and Subscriptions	0.00		12.50		
Insurance	0.00		227.83	250.00	250.00
Interest Expense	59.25		59.25		
Motor Expense	0.00	60.00	28.09	180.00	720.00
Office Supplies	0.00		178.72		
Payroll Expenses	884.32	850.00	1,768.64	850.00	14,600.00
Rent & Rates	1,000.00	1,111.00	1,000.00	2,222.00	12,221.00
Software Expense	0.00		34.03		
Telephone	84.71		160.08		
Total Expense	<u>2,028.28</u>	<u>2,021.00</u>	<u>3,469.14</u>	<u>3,602.00</u>	<u>28,391.00</u>

Chapter summary

After working through this chapter, you should now be familiar with ways to speed up your work, and you should be able to do the following tasks in your own company file:

- Memorise transactions.
- Use reminders to keep up to date.

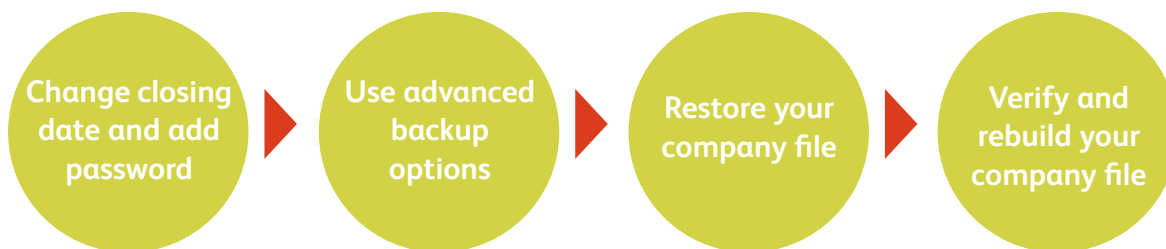
You have also been introduced to the QuickBooks budget tool and now know how to:

- Prepare a budget in QuickBooks.
- Review and report on your budget against actual operations.

Housekeeping

QuickBooks® is one of the few software products on the market that does not ask you to close your books at each year-end (although you can protect a previous year with a password). This simplifies the period-end routines, makes it easy for you to identify and repair errors, and saves you a great deal of time.

You will also learn the vital housekeeping activities that you must do to protect the integrity of the company data file which is at the heart of your QuickBooks, and to guard against the nightmare of data file loss. After you have worked through this chapter, you will be able to:



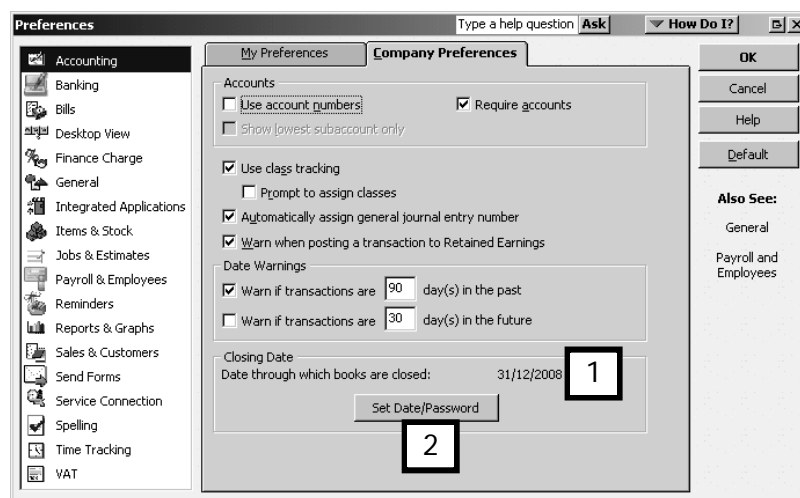
Setting and password-protecting closed periods

As mentioned in the introduction to this chapter, with QuickBooks there is no need to run any complicated year-end book-closing routines. You can, at any time, enter transactions dated in the future financial year, and you can also alter and record transactions for any prior financial year that has not yet been finalised.

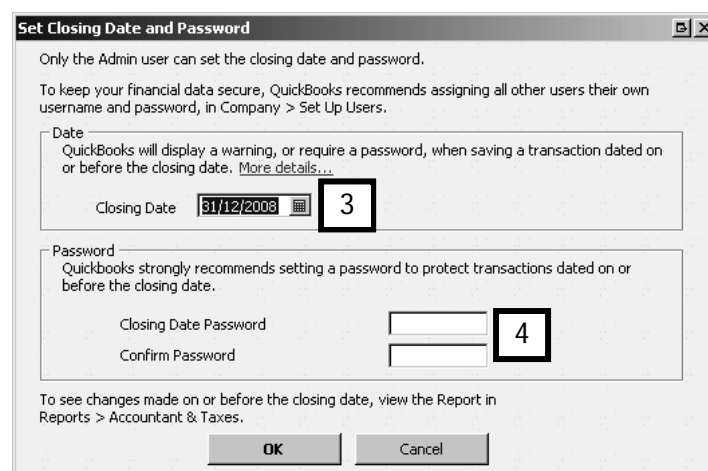
Of course, if all accounts are reconciled and if year-end statements and income taxes were prepared and filed for a given financial year, then it's prudent to ensure that no further transactions are recorded for this "closed period".

You can close such a period by setting the Closing Date preference.

1. From the Menu bar, click on **Edit, Preferences**, select **Accounting** and click on **Company Preferences**.

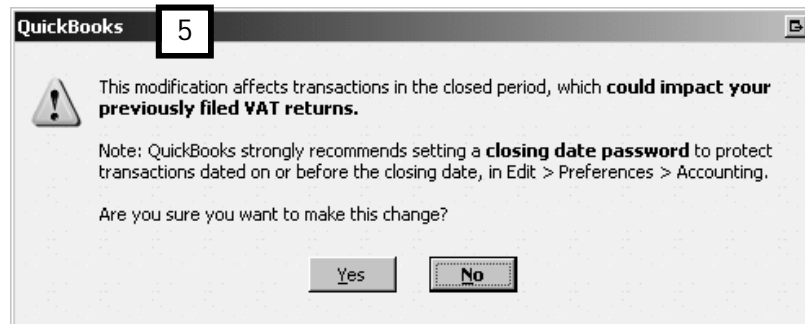


2. Notice that QuickBooks has already set a closing date, based on the last VAT return you filed (1).
3. Click the **Set Date/Password** button (2), and in the "Set Closing Date and Password window", change the date (3), and add a password (4).



Implications of not having a closing date password

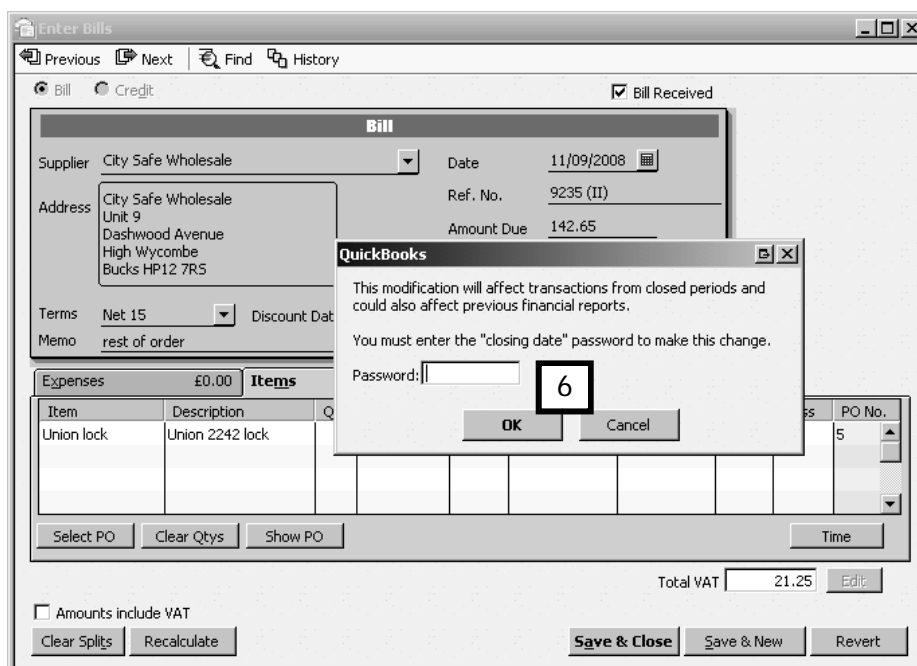
The closing date password, which is distinct from the user passwords, introduces an additional element of security. If you don't set a closing date password and try to post a transaction in a closed period, QuickBooks displays the "soft" warning shown below (5).



If you clicked Yes, QuickBooks would then record the transaction.

As can sometimes happen, it's quite easy for someone who's slightly inattentive or pressed for time to misread the warning and click Yes, thereby recording a transaction that leads to incorrect financial information.

By creating a password QuickBooks will open a window requesting that the password is entered before it will allow you to make a correction (6).



Backing up your company file

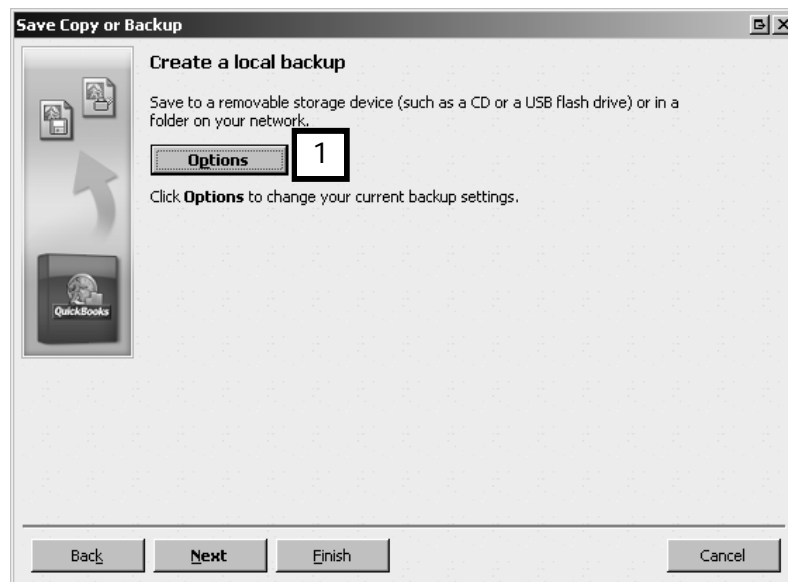
The most crucial thing you can do to prevent data loss is back up your company file. Remember that because QuickBooks tracks all of your financial years in one file, a failed computer could result in your losing all of your company's financial information. You should back up your data at the end of each session or each day. It is wise to keep backups on an external drive or storage device rather than on your hard disk – if you back up onto your hard disk and then your computer has problems you'd lose the backup as well.

In the Basic Course you learned how to do a full backup (to QBB format) and a portable file backup (to QBM format). In this chapter we'll see the two ways in which you can schedule full backups.

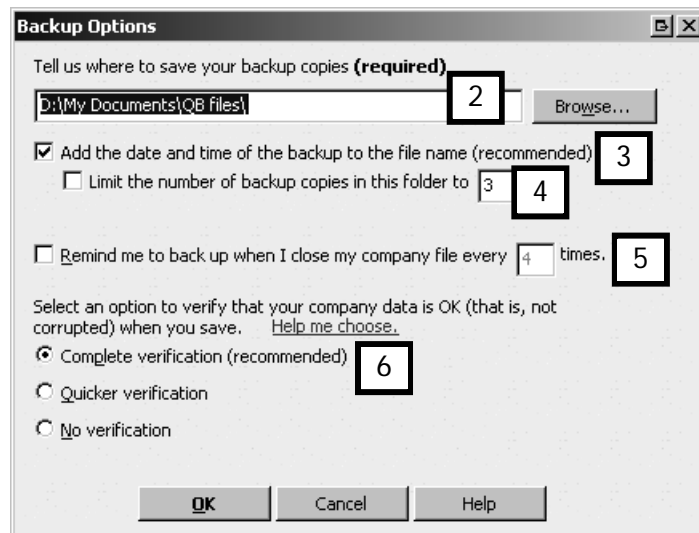
Automatically back up the data file when closing QuickBooks

With this method, QuickBooks automatically saves the backup to the program folder on your computer's hard drive either every time or some of the times that you close your company file or exit QuickBooks. You choose the frequency.

1. From the **File** menu, choose the **Save Copy or Backup...** option.
2. Select **Backup Copy** and click **Next**.
3. Click **Options** (1) to let QuickBooks know your default backup settings.

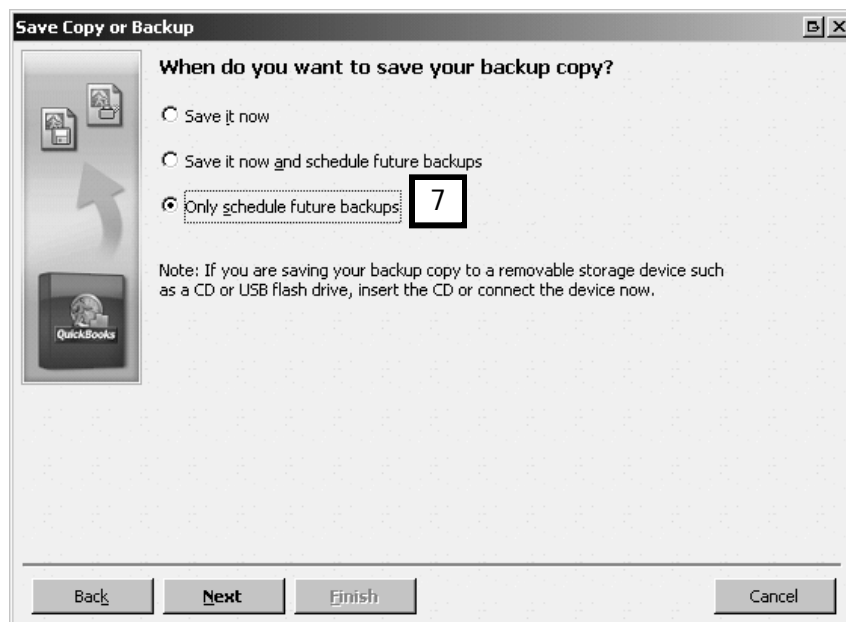


Choose a backup location (2), add a date and time stamp to the backup (3), and limit the number of backup copies to this location (4). You can also ask QuickBooks to remind you to back up (5). It's highly recommended that you do a complete verification every time you backup (6).



Click **OK** to return to the Save Copy or Backup window, then click **Next..**

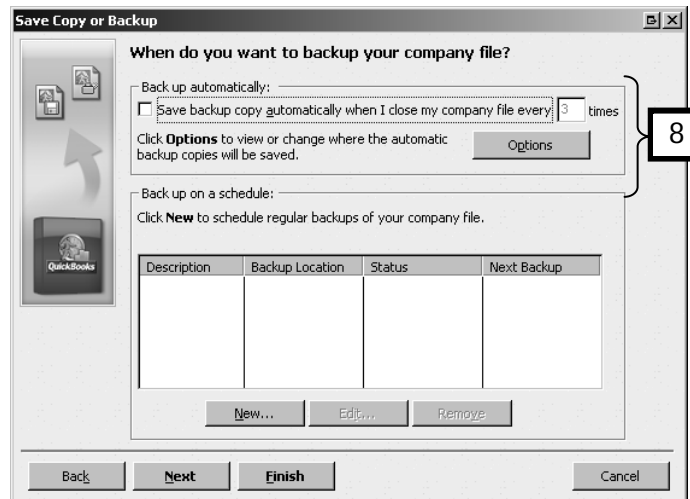
4. QuickBooks asks you when you want to save your backup. Choose one of the options.
 - **Save Now** – choosing this means you just save this one backup. Click **Finish** to start the back up.
 - **Save now and schedule for future backups** – asks you to set up a backup schedule and then backs up your file.
 - **Only schedule future backups** – asks you to set up a backup schedule but does not back up the file at this time.



Let's choose the last option, "**Only Schedule future backups**" (7).

- In the Choose Backup automatically area, tick the box “**Save backup copy automatically when I close my company file every....times**”, and enter the number of times QuickBooks closes before it takes a backup copy (8). This backs up automatically every 3rd time you close the file, if ‘3’ times is chosen.

Notice that you can change the backup options you defined earlier, or view them, by clicking the Options button.

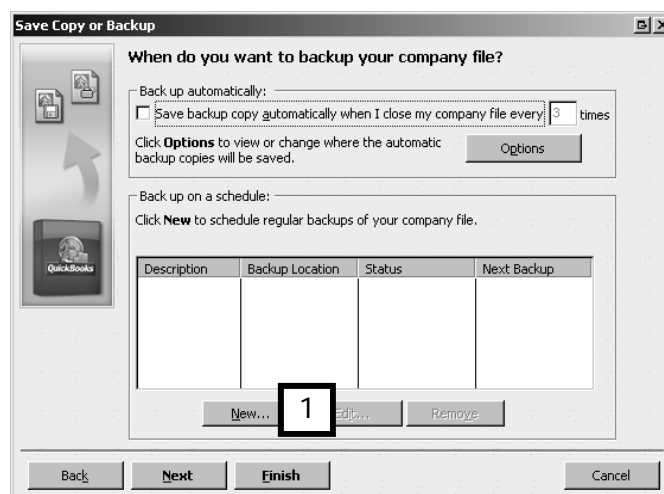


Note: since the backup is made to your hard drive, if your computer crashes you will lose the back up data as well.

Schedule automated and unattended backups

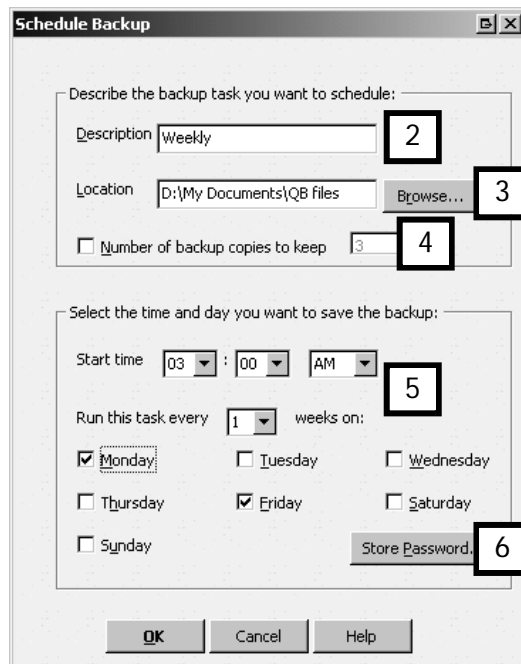
With this method, QuickBooks automatically saves the backup at a scheduled time to the program folder on your computer’s hard drive or onto an external backup device. For the backup to be made, your computer must be running and your company data file closed.

- Follow the steps 1 -4 above. On step five, click the **New** button (1), to create a new schedule.

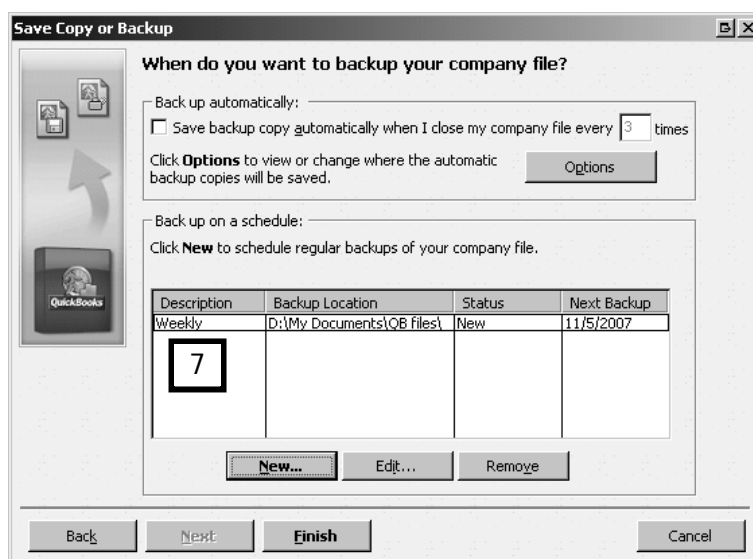


- In the fields of the Schedule a Backup window which appears:

- Enter a description (name) for your scheduled backup (2).
- Specify a location. You can specify a remote location (another computer on a network) or use a removable storage medium (CD, USB, etc.) Use Browse to find an existing location or type in the path (3).
- (Optional) If you want to keep more than one backup, select Number of backups to keep and specify how many (4).
- Select the time and day you want the backup to run (5).
- If necessary, enter your Windows log-in password by using Store password (6).



3. Click **OK**. QuickBooks adds the backup to the scheduled backup list (7).



Restoring your company file

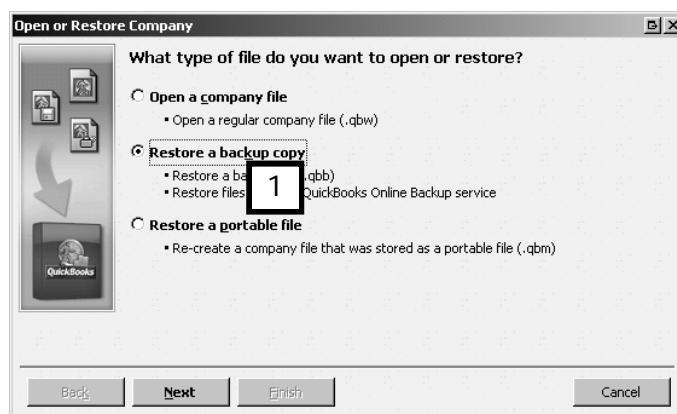
Not all situations where you must restore a company file are emergencies! Maybe you purchased a new computer, or replaced the hard drive on your current computer. But there is the occasional catastrophic equipment failure or case of driver error which results in a damaged or lost company file. If you have used one or more of the backup methods above, you need not panic. You can easily restore your QuickBooks data file from a backup copy.

As the QuickBooks backup file is a special compressed copy of your company file, you must use the Restore command from the File menu to bring data back into QuickBooks from a backup file.

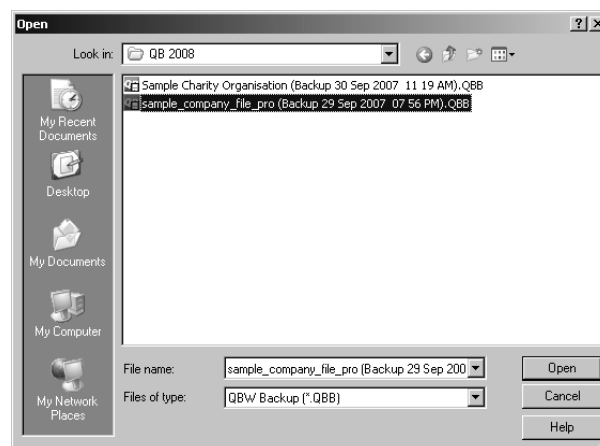
How to restore your company file from a full backup

This section deals with restoring a file from a manual or scheduled backup file.

1. Place storage medium on which you have saved the backup company file (CD, floppy, USB memory key, etc.) into your computer's drive.
2. From the **File** menu, choose **Open or Restore Company**.
3. In the Open or Restore window, select **Restore a backup copy** (1)



4. QuickBooks now prompts you to navigate to the location where your backup file resides. Highlight the file, and click **Open**.



5. You are returned to the Open or Restore Company window, which now informs

you that you are about to choose the location where you want to restore the file (not shown).

6. Browse to the location on your computer where you wish to restore the file.



7. Click **Save**. QuickBooks will restore the company file to the chosen location and you can now work with the restored file normally after verifying it (see next section). If a copy of the file already exists, you will be prompted twice to overwrite it – the first time you are asked if you are sure, the second time you have type in “yes” to confirm.

Note: in the process of restoring your file, you are deleting your existing company file and replacing it with the restored version.

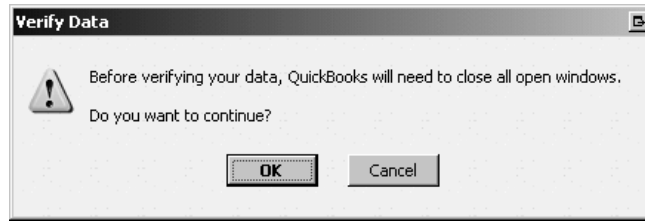
Note: Remember, in the case of a file damaged or lost, you will have to re-enter any transactions you entered into your company data file *after* you backed it up and *before* you suffered the file loss.

Verifying your company file

The Verify Data utility detects and reports any data errors in your company file.

If you have restored your company file, you should always verify your data file to ensure its integrity.

1. To start the verification process, click on **File**, choose **Utilities**, then select **Verify Data**.
2. QuickBooks will display the Verify Data window advising that all open QuickBooks windows will be closed. Click OK.



3. QuickBooks will then, most probably, display the following message, indicating that no errors were found in your company file.



You can also use this utility to verify your company file, to satisfy yourself that the file has not developed any data errors. It is advisable to run the utility from time to time, especially if you are using scheduled backups.

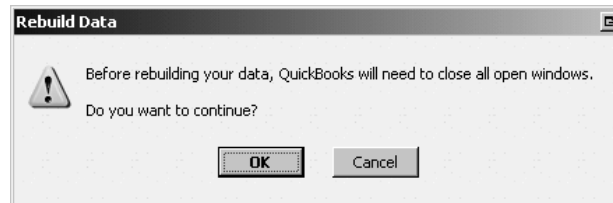
You can verify and back up your file at the same time. In the Backup Options (above) two of the choices are to have Complete Verification (recommended) or Quicker Verification.

While the Complete Verification option takes a little more time, it is strongly advised that you use it regularly to ensure the ongoing integrity of your company file.

Rebuilding a damaged company file

Should QuickBooks report data errors, the Rebuild utility can usually correct those errors.

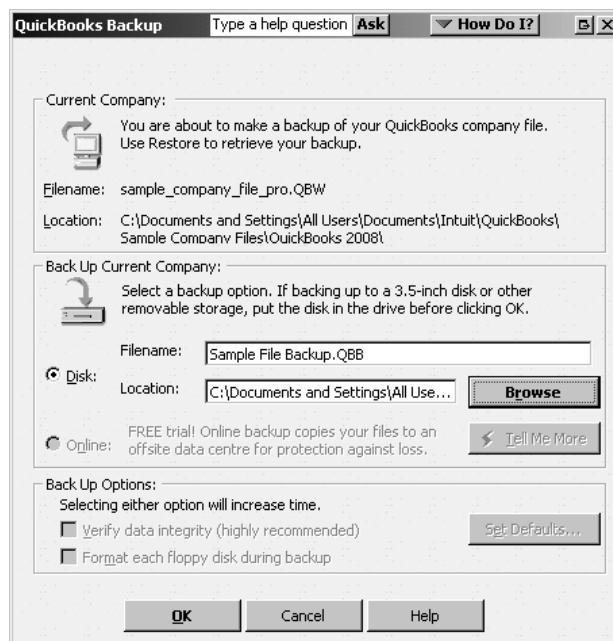
1. Click on **File, Utilities** then **Rebuild Data**. QuickBooks will display the Rebuild Data window advising that all open QuickBooks windows will be closed. Click **OK**.



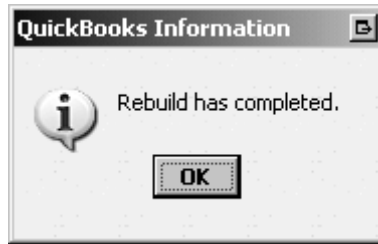
2. QuickBooks will then ask you to approve the making of a backup of your company file. Once more click **OK**.



3. Choose the Filename and location of the backup, then click **OK**.



4. QuickBooks backs up the file and proceeds with the data rebuild. Finally, QuickBooks advises that the rebuild process has been completed. Click **OK** to close the window.



5. Verify your file once again to check that the errors have been fixed. If they have, you may work with your company file as usual. If it has not, please contact Intuit for further help.

Chapter summary

This chapter introduced important housekeeping tasks which protect the integrity of your data file. You now know how to:

- Set a closing date and password to prevent accidental entries to closed periods.
- Back up your company file using a schedule.
- Restore your company file from a backup if necessary.
- Verify your company file.
- Rebuild a damaged company file if necessary.

Resources

This chapter contains useful information, and is for your own reference.

It includes:

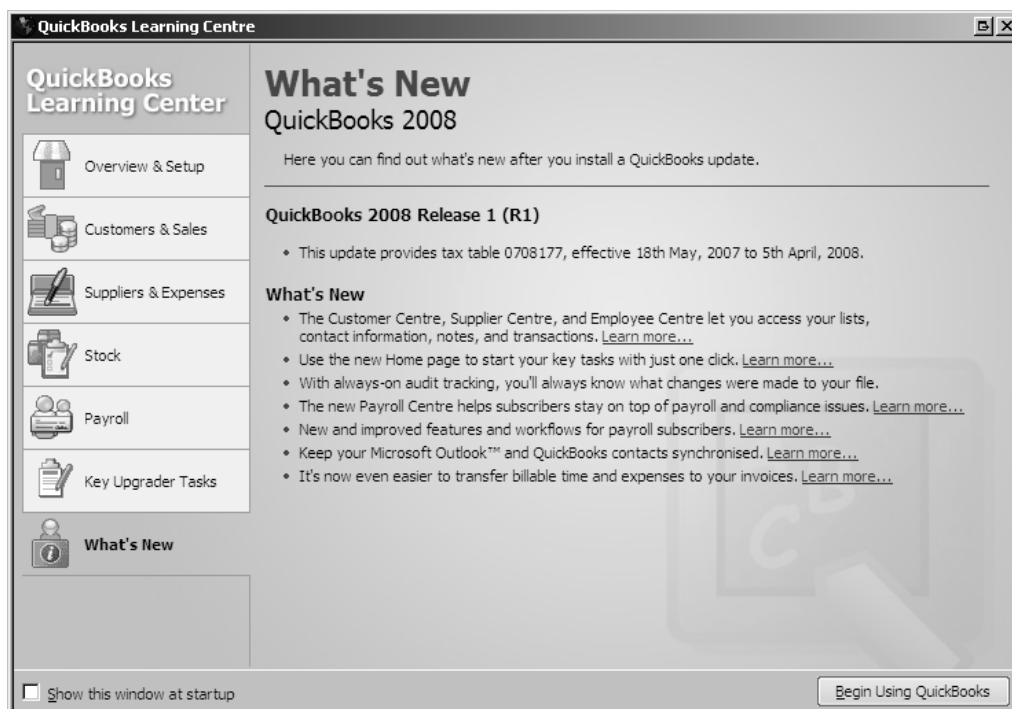


QuickBooks Learning Centre

The QuickBooks Learning Center is a good place to find out more information about how QuickBooks works.

To access the Learning Centre:

1. From the **Menu bar**, click on **Help**.
2. Then select **Learning Centre**.
3. Click the topics on the left side of the screen to learn more about that topic.



Using Help

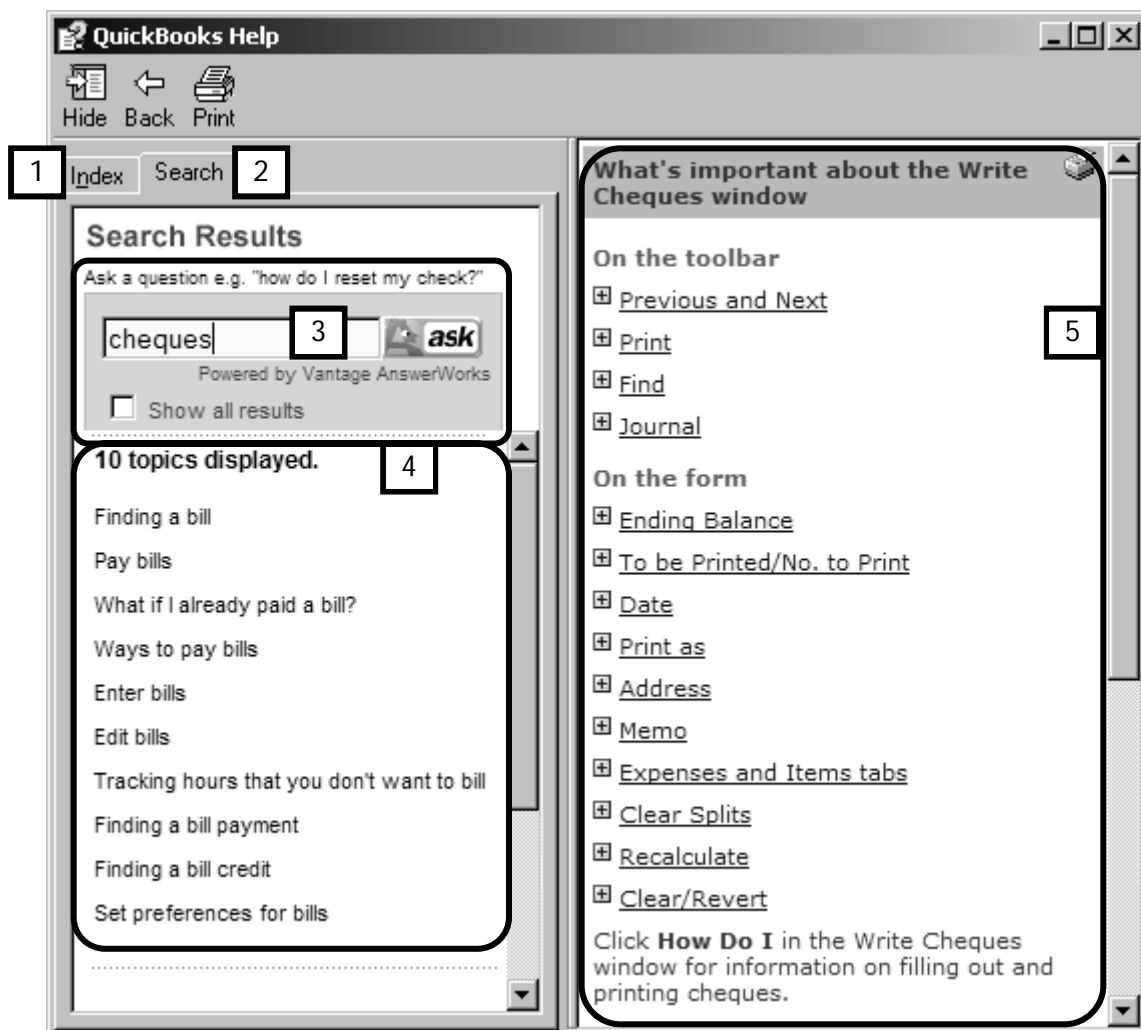
At times you will need to refer to the QuickBooks Help to learn more about a feature or check that you are doing things correctly.

To access Help within QuickBooks:

1. From the **Menu bar**, click on **Help**.
2. Then select **QuickBooks Help** (you can also press the F1 key to bring up Help).
3. The Help has two tabs – an Index tab (1) and a Search tab (2). Click on the Search tab.

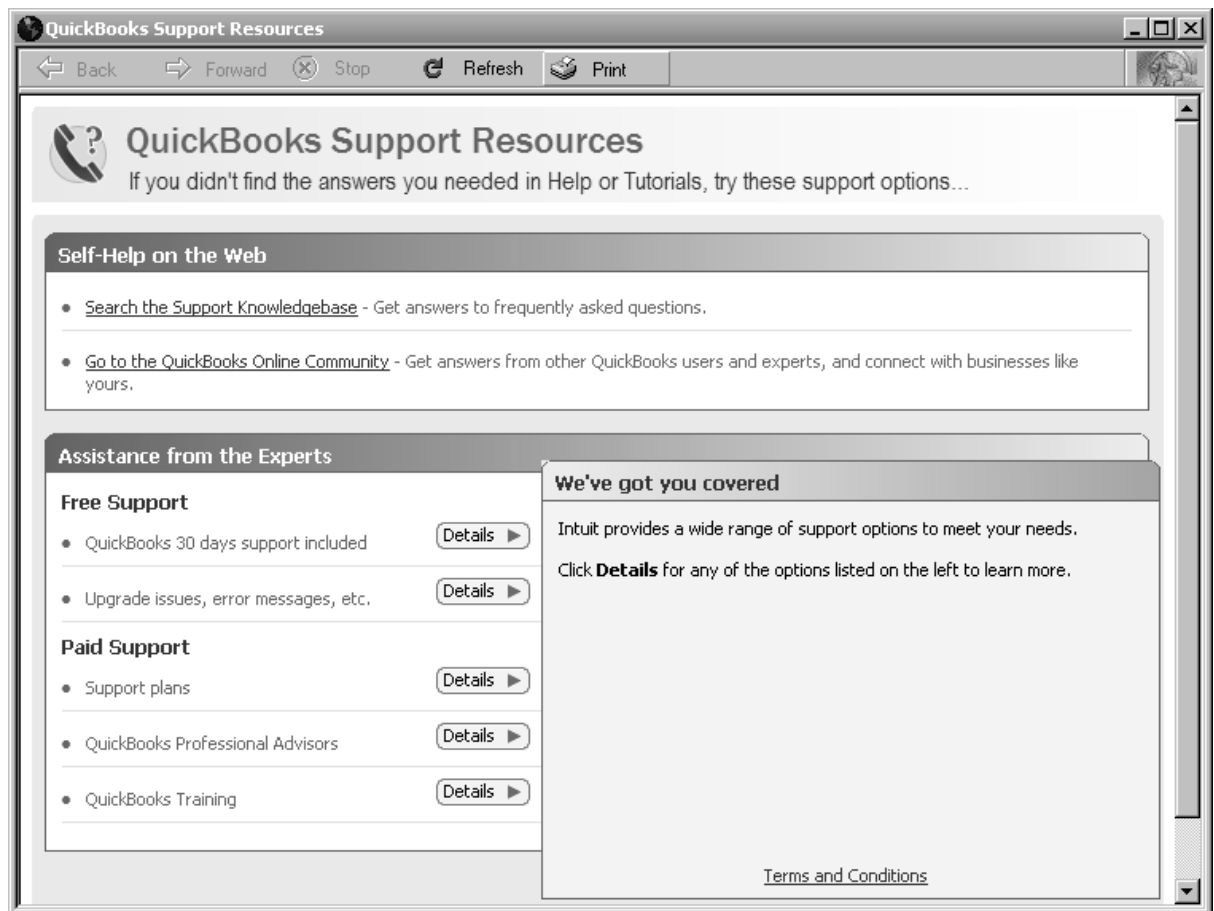
On the left side, enter your search word or phrase (3) and then press **Ask.**, The search results are displayed below (4).

Click on a results topic to display the Help documentation in the right pane (5).



QuickBooks 2008 Support Centre

You can access the Support Resources in QuickBooks 2008, from the **Help** Menu (click Help in the Menu Bar). Select **Contact Support**.

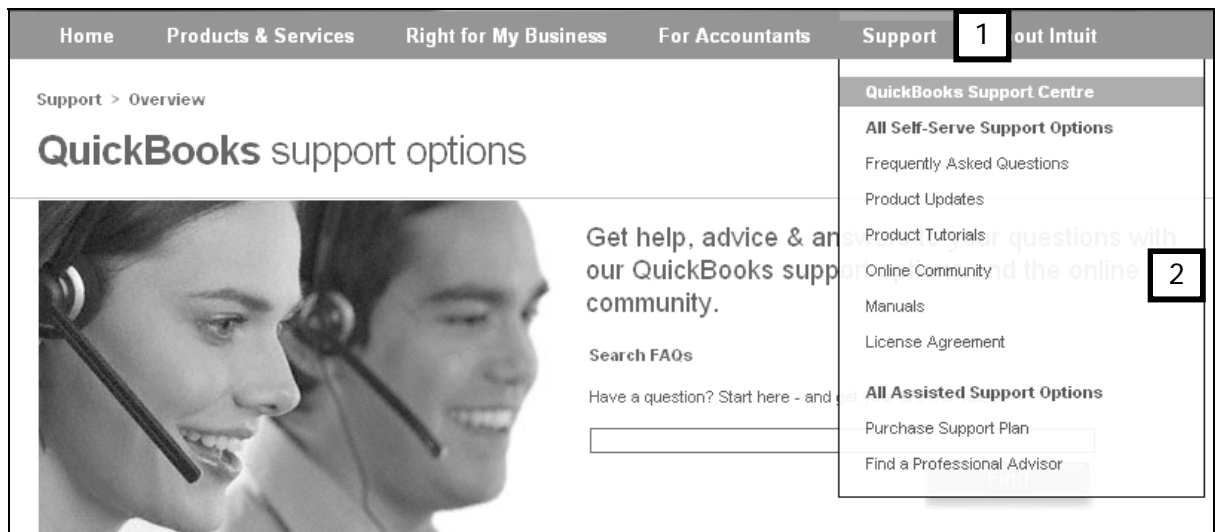


From here you can access various support options:

- The Knowledgebase
- The Online Community
- Free Support through Intuit (within 30 days of Product Registration)
- Paid Support through Intuit Support Plans and Professional Advisors
- QuickBooks Training

Online Support and Resources

The same support options can also be found online at www.quickbooks.co.uk. Click the Support link (1) then choose one of the options in the drop down menu (2)



The screenshot displays the QuickBooks website's navigation bar and a dropdown menu. The navigation bar includes links for Home, Products & Services, Right for My Business, For Accountants, Support (marked with a '1'), and Out Intuit. The dropdown menu, also marked with a '2', lists the following options:

- QuickBooks Support Centre
- All Self-Serve Support Options
 - Frequently Asked Questions
 - Product Updates
 - Product Tutorials
 - Online Community
 - Manuals
 - License Agreement
- All Assisted Support Options
 - Purchase Support Plan
 - Find a Professional Advisor

The main content area of the page features a banner with the text "QuickBooks support options" and "Get help, advice & answers from our QuickBooks support community." Below this is a search bar for FAQs and a call to action: "Have a question? Start here - and get help from our support team."

QuickBooks Online Community and Knowledge Base

Another useful tool is the Online Community and Knowledge Base. You can reach this from the Support Centre within QuickBooks 2008....

Self-Help on the Web

- [Search the Support Knowledgebase](#) - Get answers to frequently asked questions.
- [Go to the QuickBooks Online Community](#) - Get answers from other QuickBooks users and experts, and connect with businesses like yours.

... or online.

Support About Intuit

QuickBooks Support Centre

All Self-Serve Support Options

Frequently Asked Questions

Product Updates

Product Tutorials

Online Community

Manuals

License Agreement

All Assisted Support Options

Purchase Support Plan

Find a Professional Advisor

It's a great place to get answers on QuickBooks specific (1) or even general business (2) questions from fellow users and from Professional Advisors. Intuit moderates this site and if an answer is not provided within 2 weeks of posting, they will post a reply.

▶ **QuickBooks UK Community Home Page**

Top Posters	Forums In This Section																															
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ipcentral	262																															
joe	236																															
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