

Introduction To QuickBooks

San Pedro High School

Form 3



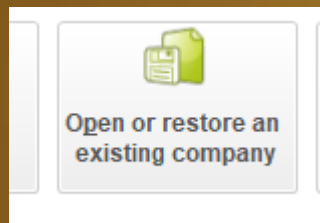


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How To Open A Company File

1. Click on the QB icon
2. Select Open or Restore An Existing Company icon

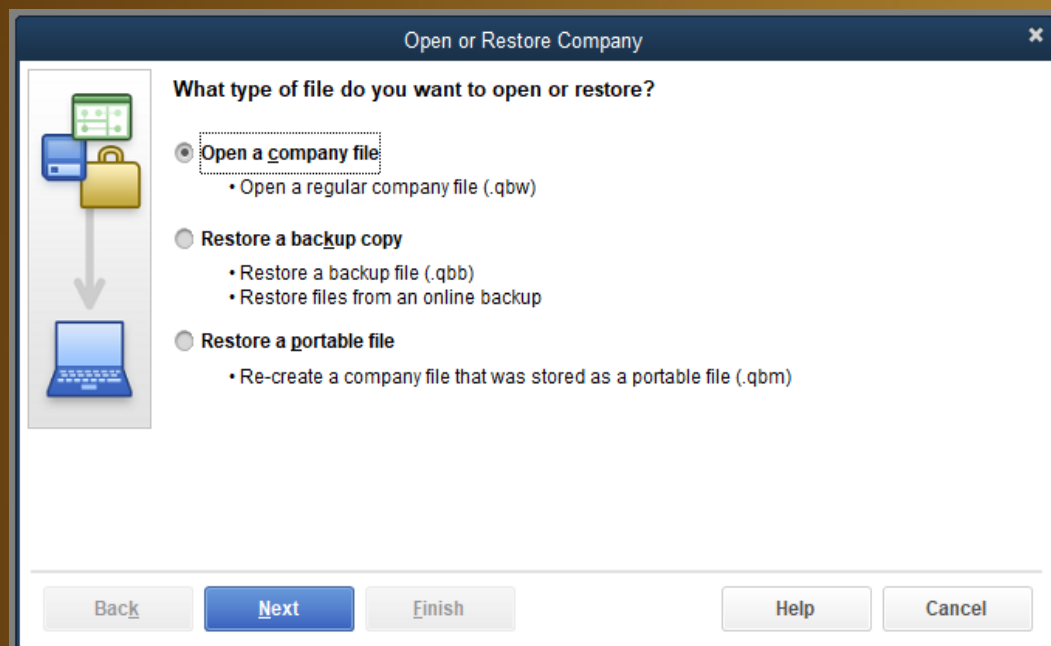




Introduction To QuickBooks

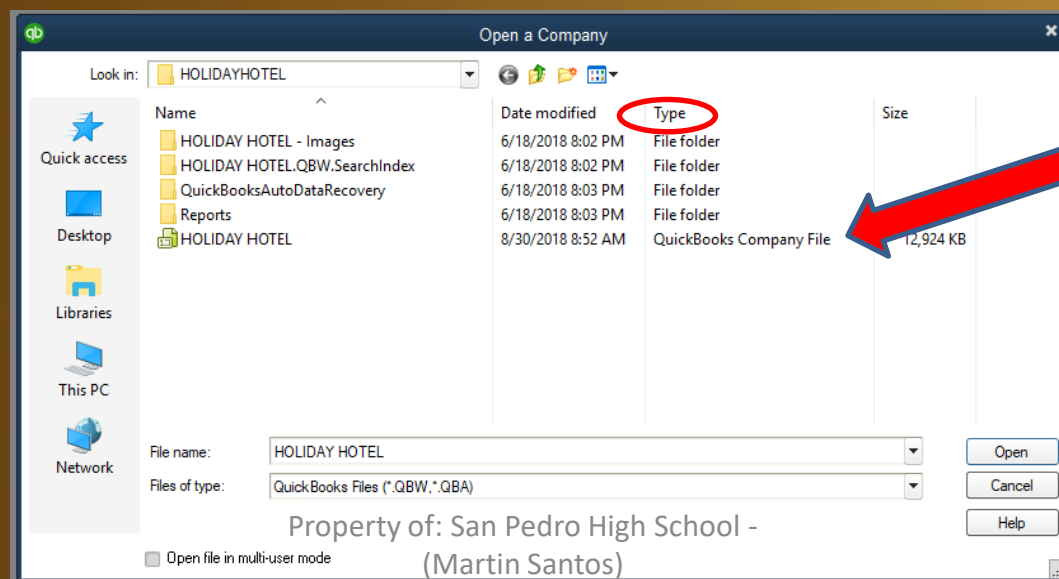


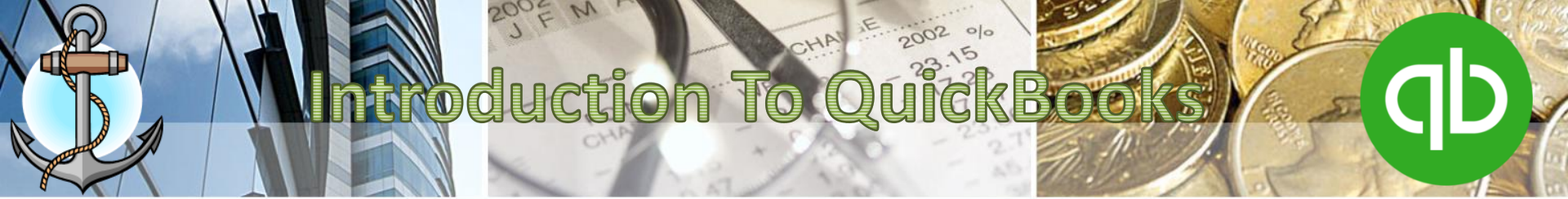
3. Select Open a Company file
4. Click Next





5. Browse to the folder that the file is located in your account. (NEVER OPEN A COMPANY FILE FROM THE DESKTOP).
6. Select the Quickbooks Company File Type and then click on Open.

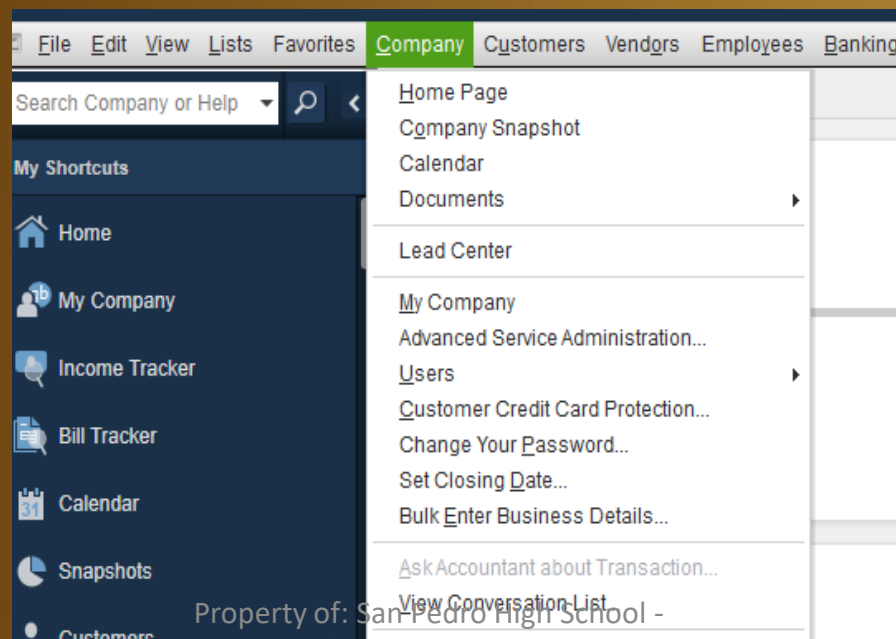


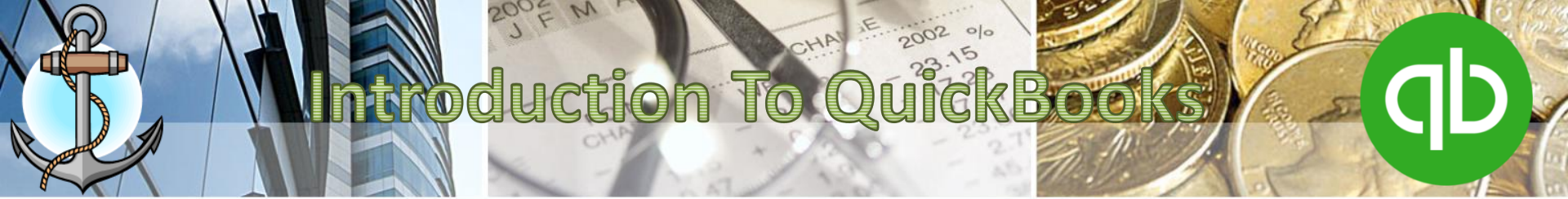


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How To Edit Company Information


1. Go to Company menu, scroll do to My Company






2. Click on the pencil icon in upper right corner of the dialog box. It will allow the user to edit/update the company information

HOLIDAY HOTEL

COMPANY INFORMATION 

Contact Name & Address	HOLIDAY HOTEL Barrier Reef Drive, San Pedro Town, Belize District Other	Legal Name & Address	HOLIDAY HOTEL Barrier Reef Drive, San Pedro Town, Belize District Other
Main Phone	501-226-2014	EIN	
Fax		SSN	
Email	holiday@btl.net	Income Tax Form	
Website	www.sanpedroholiday.com	Payroll Contact	





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3. Enter the Contact Information and then click on OK to confirm the information.

A screenshot of the 'Company Information' window in QuickBooks. The window has a dark blue title bar with the text 'Company Information' and a close button. On the left is a sidebar with a green header 'Contact Information' and four menu items: 'Legal Information', 'Company Identification', 'Report Information', and 'Payroll Tax Form Information'. The main area is titled 'CONTACT INFORMATION' and contains several input fields: 'Company Name' (HOLIDAY HOTEL), 'Address' (Barrier Reef Drive, San Pedro Town, Belize District), 'Country' (Other), 'Phone No.' (501-226-2014), 'Fax No.' (empty), 'E-mail' (holiday@btl.net), and 'Web Site' (www.sanpedroholiday.com). On the right side of the window are four buttons: 'OK' (blue), 'Cancel' (grey), 'Help' (grey), and 'Attach...' (grey with a paper icon). A 'Privacy' link is at the bottom right.

4. On confirm, a Legal Address message appears, Click on NO.



CHART OF ACCOUNTS

Chart of Accounts

is a list of account names with corresponding account numbers.

John Doe Consulting Chart of Accounts		
Account #	Account Name	Account Type
101	Cash	Asset
102	Accounts Receivable	Asset
103	Office Furniture	Asset
104	Computer	Asset
105	Office Supplies	Asset
201	Accounts Payable	Liability
202	Rent Payable	Liability
203	Salaries Payable	Liability
204	Note Payable	Liability
205	Payroll Taxes Payable	Liability
301	John Doe, Capital	Owner's Equity
302	John Doe, Drawing	Owner's Equity
401	Consulting Revenue	Revenue
501	Office Supplies Expense	Expense
502	Rent Expense	Expense
503	Utilities Expense	Expense
504	Payroll Expense	Expense



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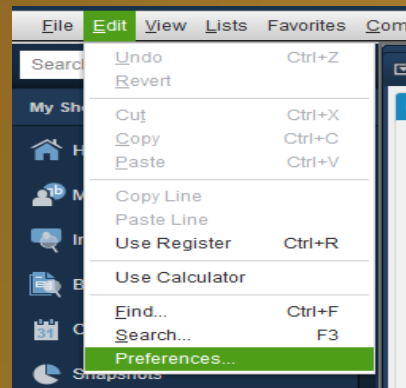
What is Chart of Accounts (COA)?

Chart of Accounts is the complete list of all the company's accounts and balances. In QuickBooks, it represents and organizes the company's assets, liabilities, income, and expense.

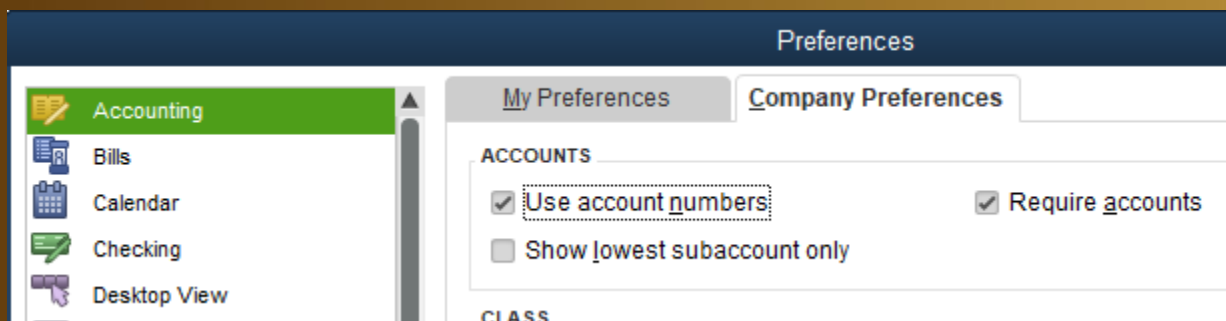


How To Enable Account Numbers in COA

1. Go to Edit - Preferences



2. Select Accounting – Company Preferences. Click on Use account numbers. Click OK

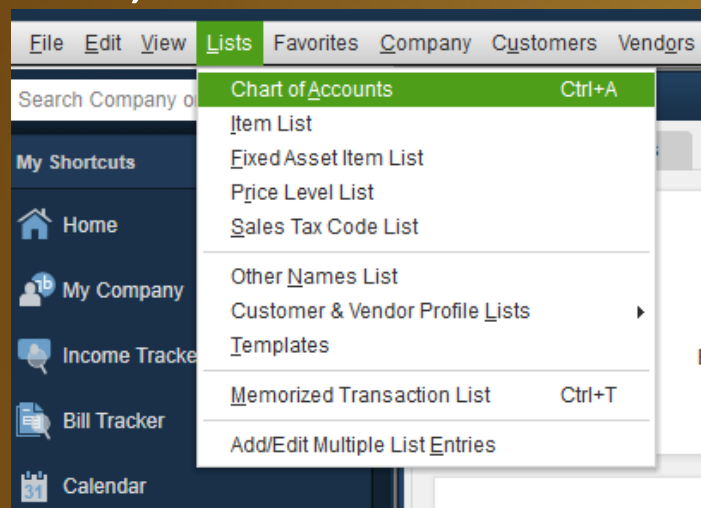




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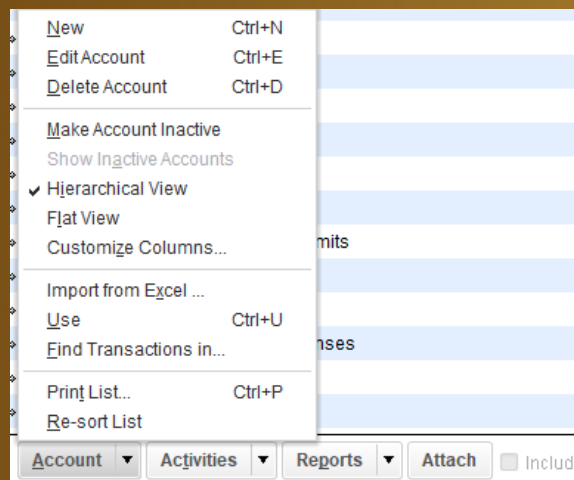
How to Update Chart Of Accounts

1. Go to Lists menu, scroll to Chart of Accounts





2. From the bottom of the Chart of Accounts screen, select Account - New





3. Choose the type of account you want to enter
4. Click on Continue

Choose **one** account type and click Continue.

Categorize money your business earns or spends

☒ Income

☐ Expense

Or, track the value of your assets and liabilities

☐ Fixed Asset (major purchases)

☐ Bank

☐ Loan

☐ Credit Card

☐ Equity

☐ Other Account Types

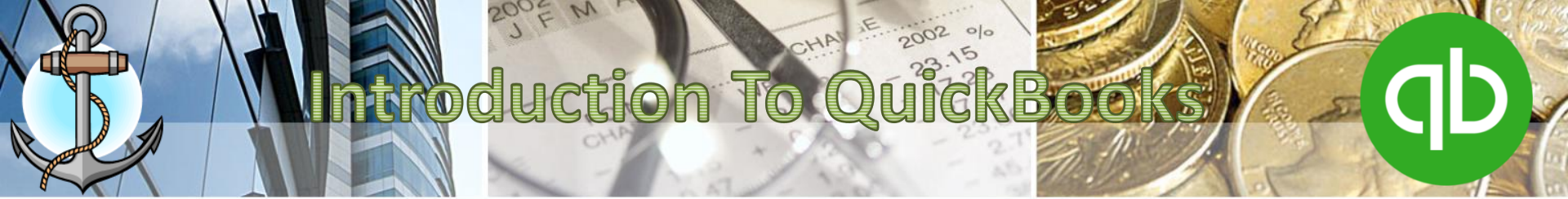
Click an account type on the left to see a description here.

[Help me choose the right account type.](#)



5. Enter the information for the new account. *Note that if it is a subaccount then you must select the subaccount of option.*
6. Select Save & Close if you will only enter one chart of account OR
7. select Save & New if you want to enter another chart of account.

The screenshot shows the 'New Account' window in QuickBooks. At the top, 'Account Type' is set to 'Expense' and 'Number' is an empty field. Below this, 'Account Name' has an empty text box and a 'Select from Examples' button. A 'Subaccount of' checkbox is unchecked, followed by an empty dropdown menu. An 'OPTIONAL' section contains a 'Description' text box and a 'Note' text box. At the bottom, there are three buttons: 'Save & Close', 'Save & New', and 'Cancel'.

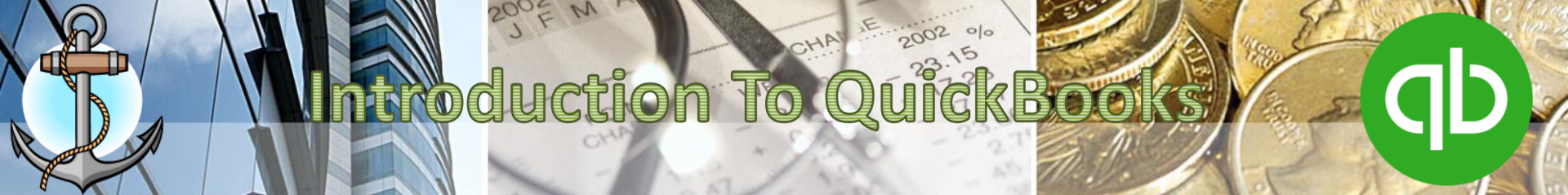



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How to Open Bank Accounts

1. Go to Lists menu, scroll to Chart of Accounts
2. From the bottom of the Chart of Accounts screen, select Account - New
3. Select Bank for the type of account you want to enter then click on Continue
4. Type out the Account Number, Account Name, Description, Bank Acct. No.
5. Click on Enter Opening Balance...



 Account Type Bank Number 10001

Account Name Atlantic Bank Checking Select from Examples

☐ Subaccount of

OPTIONAL


Description Atlantic Bank Checking

Bank Acct. No. 2109785267

Routing Number

Tax-Line Mapping <Unassigned> [How do I choose the right tax line?](#)

Enter Opening Balance... [Should I enter an opening balance?](#)

 Remind me to order checks when I reach check number

☐ Order checks I can print from QuickBooks [Learn more](#)

Save & Close Save & New Cancel



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How to Open Bank Accounts

6. Enter the opening balance in Statement Ending Balance
7. In Statement Ending Date, enter December 31st of the previous year.
8. Click OK to confirm the bank balance
9. Click Save & Close to open the bank account




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Account Name

Enter Opening Balance: Bank Account

Enter the ending date and balance from the last bank statement you received before your QuickBooks start date.

 **Attention:** If this account **did not** have a balance before your QuickBooks start date, click **Cancel** and use a transaction to put money in this account.
[Example transactions](#)

Statement Ending Balance

Statement Ending Date

Remind me to order checks when I reach check number

☐ Order checks I can print from QuickBooks [Learn more](#)



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ITEMS





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What are Items in QuickBooks?

Item is anything that your company sells or resells in the course of business, such as products/services, shipping and handling charges, discounts and sales tax. It shows up as a line on an invoice or credit memo.



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Types of Items

1. Service
2. Inventory Part
3. Non-Inventory Part
4. Subtotal
5. Group
6. Discount
7. Sales Tax Item



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Types Of Items

Service: A service you provide to a customer. You can create services that are charged by the job or by the hour.

Inventory Part: A product you buy for the purpose of reselling. This item type isn't available if you haven't enabled the inventory during the Easy Step Interview or activated inventory on the Items & Inventory section in the Preferences.



Introduction To QuickBooks



Types Of Items

Non-Inventory Part : A product you

- Purchase but do not resell.
- Sell but do not purchase.
- Purchase and resell but do not stock in inventory or track as inventory.

Subtotal: An item type that adds up everything that comes before it. It provides a subtotal before you add shipping charges, sales tax or discounts.



Introduction To QuickBooks



Types Of Items

Group: This item type can be used to enter a group of item (all of which must exist in the Item List) all at once.

Discount: Allows discount to be given on invoices and sales receipt. When entering a discount item, you can indicate a flat rate or percentage.

Sales Tax Item: Create one of these item types for each sales tax authority for which you collect.

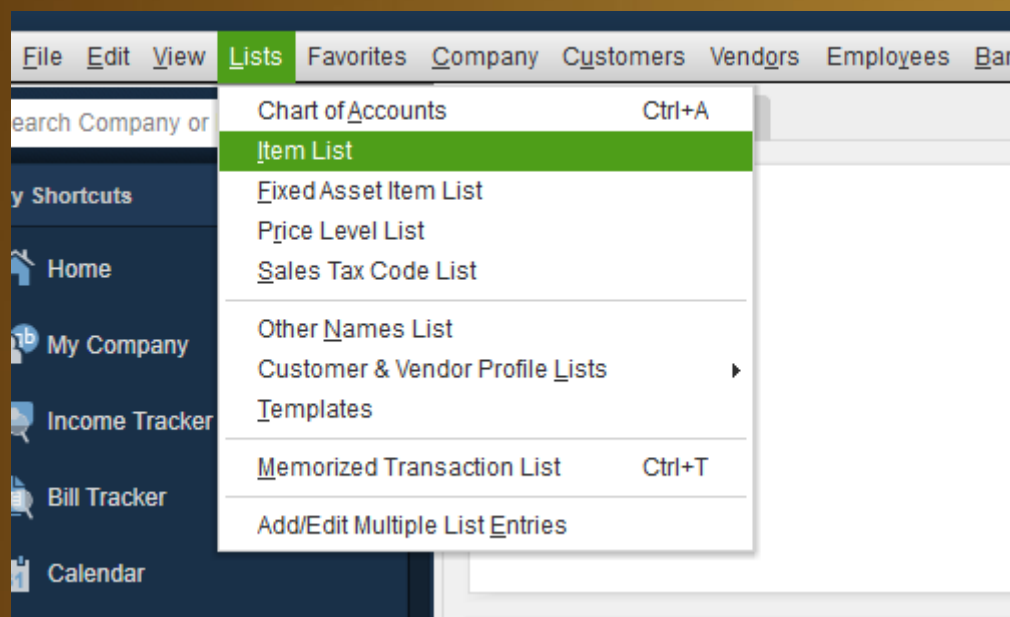


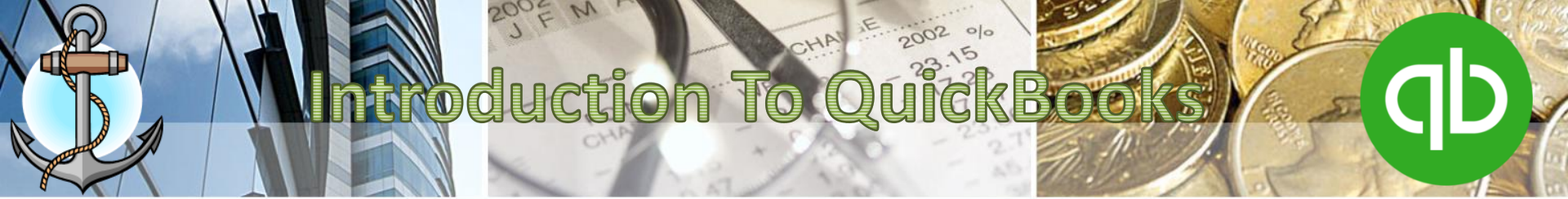
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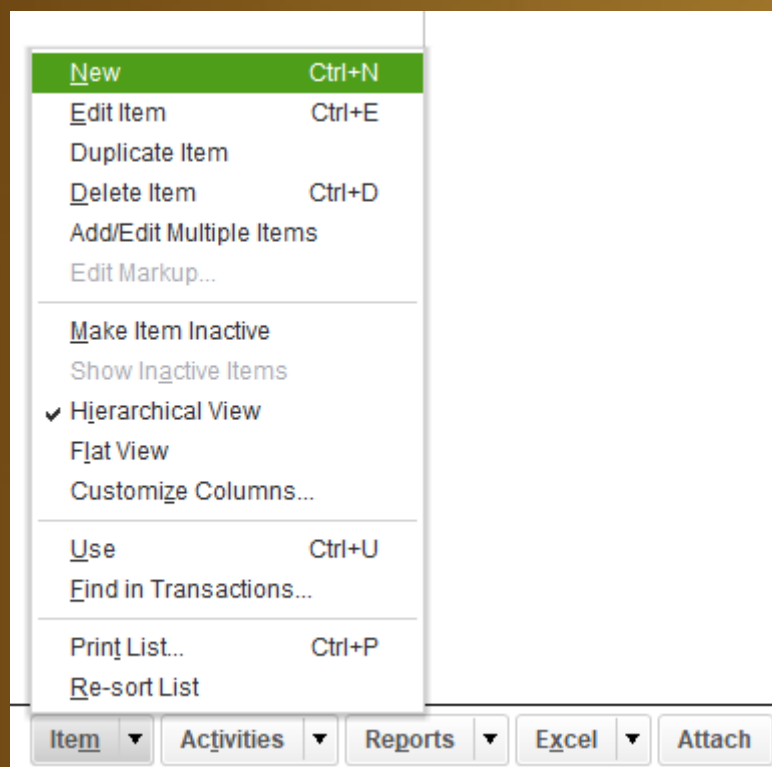
How to Update Items

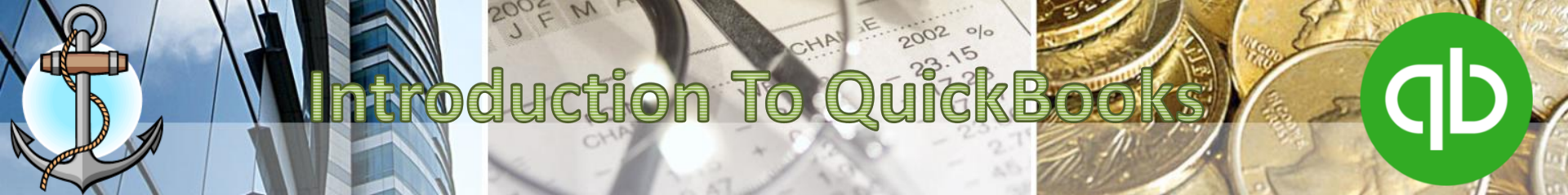
1. Go to Lists menu, scroll to Items List





2. From the bottom of the Item List screen, select Item - New





TYPE

Service Use for services you charge for or purchase, like specialized labor, consulting hours, or professional fees.

Item Name/Number ☐ Subitem of

UNIT OF MEASURE

☐ This service is used in assemblies or is performed by a subcontractor or partner

Description

Rate

Tax Code

Account

☐ Item is inactive

[How can I set rates by customers or employees?](#)



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3. Enter the information for the new item:

Type: Select the type of item you want to create

Item Name/Number: Enter a short name/code for the item that you want to create

Description: Enter a brief description of the item.

Rate: Retail Price of the item been sold.

Tax Code: Tax

Account: The INCOME account to which the item is categorized.

NOTE: Only a DISCOUNT item will use a Discount EXPENSE

Account.

(All other fields are left BLANK)



4. Click OK to confirm the item



How to Add Sales Tax Items

- 1. Go to Lists menu, scroll to Items List
- 2. From the bottom of the Item List screen, select Item – New
- 3. Enter the information for the Tax item:

Type: **Sales Tax Item**

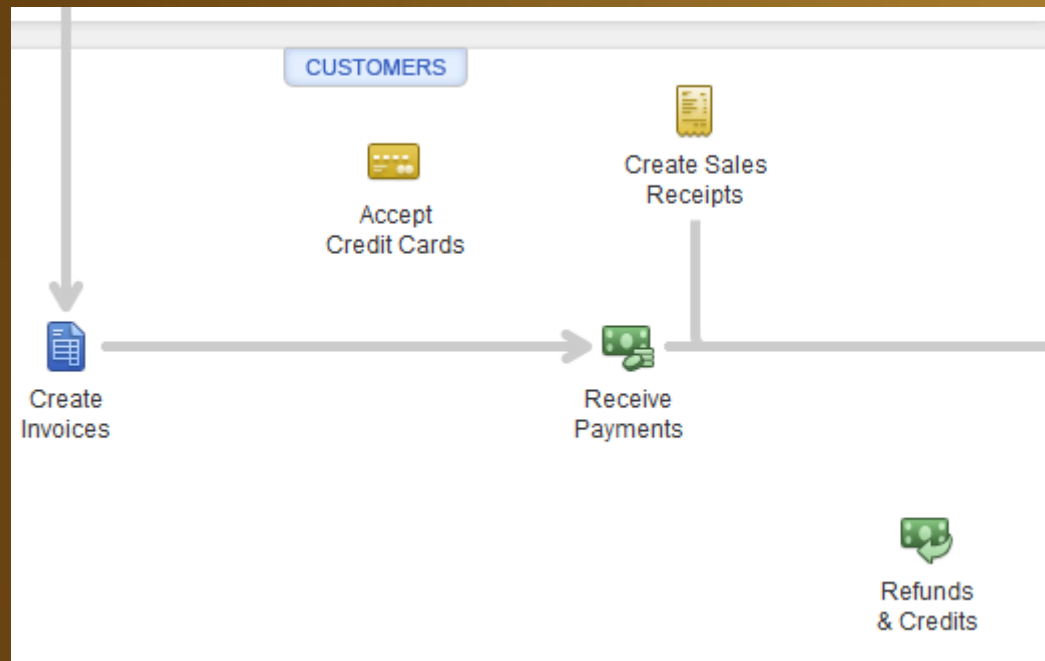
Sales Tax Name:	GST	Hotel Tax	None
Description:	General Sales Tax	Hotel Tax	None
Tax Rate (%):	12.5%	9%	0%
Tax Agency:	GOB	BTB	
	Government of Belize	Belize Tourism Board	

- 4. Click OK to confirm the item





ACCOUNTS RECEIVABLE





ACCOUNTS RECEIVABLE

- In this section, You will learn to create:
 - Customers
 - Invoices
 - Sales Receipts
 - Receive Payments / Bank Deposits
 - Discounts



ACCOUNTS RECEIVABLE

- **Accounts Receivable** is the record of money owed to your business for goods or services; that is, invoices for which your business hasn't received payment yet.
- Accounts Receivable is abbreviated A/R



Invoice vs. Sales Receipt

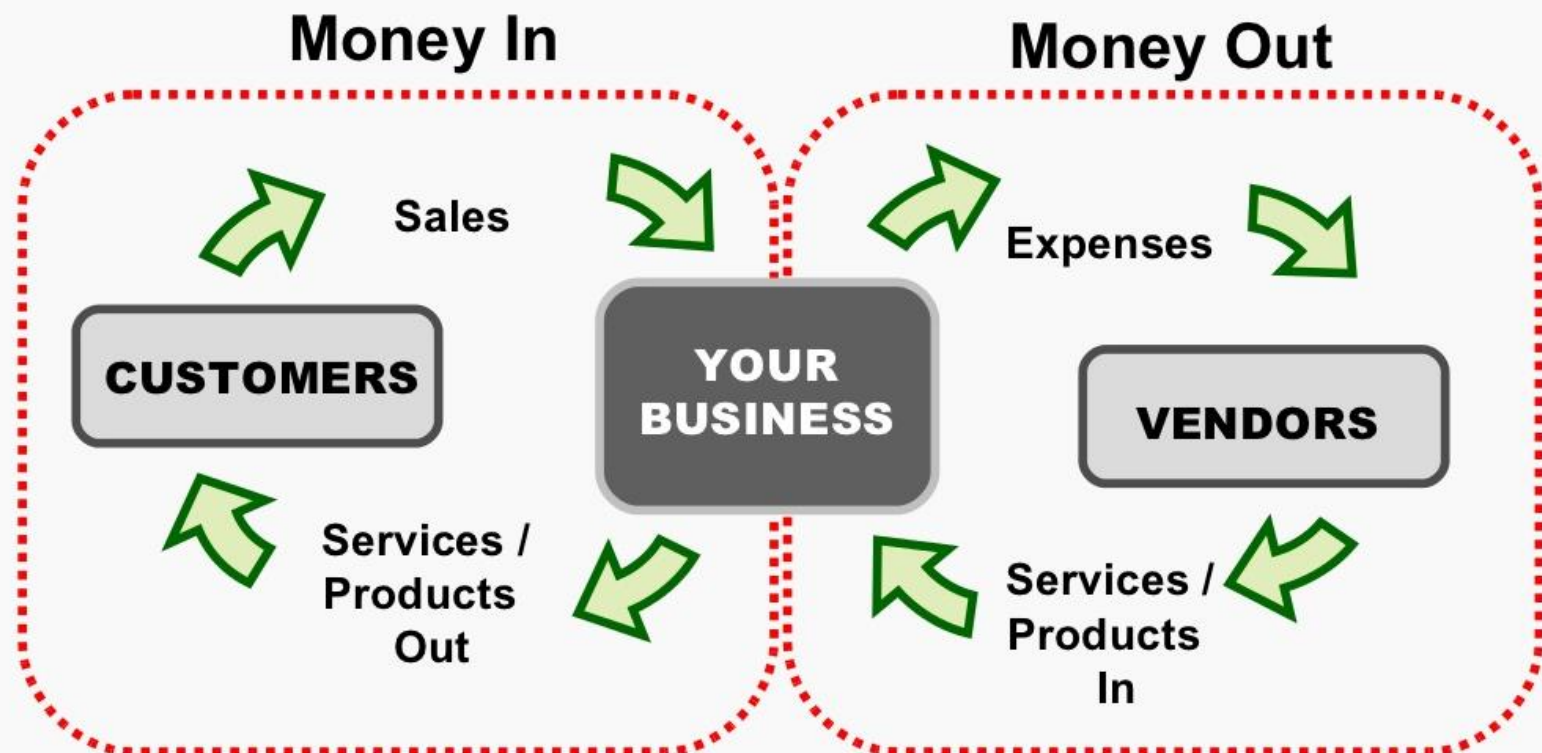
- In QuickBooks, Invoices are issued when a customer receives a product/service and issues payment at a later date (credit).
- Sales Receipt are issued when a customer receives a product/service and needs to make payment immediately. (C.O.D.)



Cash Flow:

Clip slide

Money In and Money Out





Major Account Types

- **Assets**
 - Current (cash, inventory, accounts receivable, etc.)
 - Fixed (property, vehicles, machinery, etc.)
- **Liabilities**
 - Current (within one year)
 - Long Term
- **Equity**
 - Contributed capital: owner's investment
 - Retained earnings (profits)

Everything your business possesses

Everything your business has borrowed

Everything your business owns

$$\text{Assets} = \text{Liabilities} + \text{Equity}$$



QuickBooks For Tourism Industry

- In Tourism Industry, **TWO taxes plus service charge to customers (guest) when they rent a room and charge items to the room.** *We are going to be doing QB for the Tourism Industry as Ambergris Caye has one of the biggest workforce in the Tourism Industry.*
 1. Hotel Tax (9%) is charged only on rooms.
 2. Service Charge (15%) is charged only on rooms.
 3. GST (12.5%) is charged only on the food/beverage/other products/services sold at the hotel.
- **TO CALCULATE QUANTITY ON ROOMS**
 1. Quantity is the number of nights that the customer(guest) stays at the hotel/resort.
 2. The quantity is based on the Check In / Check Out Date. The Check-In Date is counted as a night of stay but the Check-Out is not counted.
 3. For Example: A guest Checks In on September 1, 2018 and Checks Out September 5, 2018. So the following dates are counted as a night of stay: Sep 01, Sept 02, Sep 03, Sep 04 which is 4 days and therefore the Quantity for the room entered in QuickBooks is 4.



How To Enter An Invoice With BTB / GST Taxes

1. Create an Invoice.
2. At bottom, set TAX to NONE
3. Add the rooms as line item(s)
4. Add Subtotal as a line item
5. Add BTB Sales Tax item as a line item
6. Add the non-inventory as line item(s)
7. Add Subtotal as a line item
8. Add GST Sales Tax item as a line item

A screenshot of a software interface. At the top, there is a 'TAX' label followed by a dropdown menu showing 'None' and a '(0.0%)' value. Below this, there is a section with the following labels: 'TOTAL', 'PAYMENTS APPLIED', and 'BALANCE DUE'.

TAX	(0.0%)
None	

TOTAL
PAYMENTS APPLIED
BALANCE DUE



Invoice vs. Sales Receipt

- In QuickBooks, **Invoices** are issued when a customer receives a product/service and issues payment at a later date (**credit**).
- **Sales Receipt** are issued when a customer receives a product/service and needs to make **payment immediately**. (C.O.D.)



Important Fields On QB Invoice/Sales Receipt

CUSTOMER: JOB – This is the cash/credit customer from drop down list. Sales Receipt – CASH SALE CUSTOMER

DATE: The date the guest checked out

INVOICE/SALES RECEIPT#: The numbering sequence of the hotel/resort

P.O. NUMBER: The purchase order number from the corporate customer
(This is not used in Sales Receipt)

TERMS: The number of days credit is extended for. Normal is 30 days – Net 30
(This is not used in Sales Receipt)

REP: The name of the employee that made the invoice

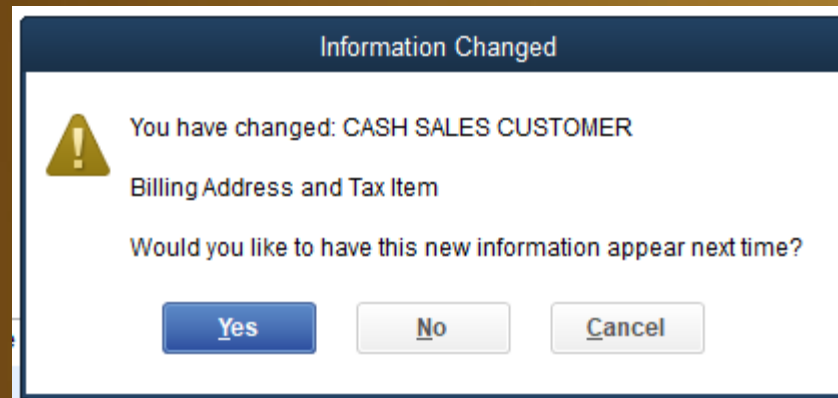
TAX: Normally it is GST (For Hotel/Resorts – Set To None)

CUSTOMER MESSAGE: The customized message for invoices



How To Create A Sales Receipt In QB with BTB / GST Taxes

1. All Sales Receipt Are Set ONLY to one customer – **CASH SALE CUSTOMER**
2. Apply the same method of entering line items as an invoice.



3. On confirming a sales receipt, Select NO for Information Changed



What is Undeposited Funds

Undeposited Funds is an internal other current asset account created by QuickBooks to hold funds until you are ready to deposit them.

It increases when a sales receipt or receive payment from an invoice is done. Note: If you just create an invoice then undeposited funds does not increase.



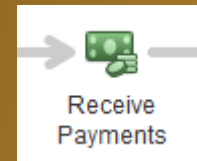
BEHIND THE SCENES

Transaction	Account	Effect
Enter An Invoice	Accounts Receivable (COA)	INCREASE
	Customer Balance	INCREASE
Enter A Sales Receipt	Undeposited Funds (COA)	INCREASE
Receive Payment (Invoice)	Accounts Receivable (COA)	DECREASE
	Customer Balance	DECREASE
	Undeposited Funds (COA)	INCREASE
Make Deposit To Bank	Undeposited Funds (COA)	DECREASE
	Bank Account (COA)	INCREASE



Process Customer Payment in QuickBooks

1. Click on the Receive Payments icon



Customer Payment Form

2. RECEIVED FROM: Select the customer name from the drop down list
3. PAYMENT AMOUNT: Enter the amount of the payment sent in by credit customer.
4. DATE: Enter the date payment was received
5. REFERENCE #: The check number
6. Select the icon for form of payment. (Normally Check)
7. Place a check mark beside the invoice been paid.
8. Click Save & Close





Process Bank Deposits



1. Choose the **Banking** → **Make Deposits** command
2. Use the **Payments to Deposit** dialog box to select the payments you want to deposit.
3. Click **OK**
4. Use the **Deposit To** field to identify the bank for the deposit
5. Use the **Date box** to identify the deposit date
6. (Optional) Provide a memo description
7. Save the deposit transaction



Process Bank Deposits

Payments to Deposit

SELECT VIEW
View payment method type: All types [What are payment method views?](#)
Sort payments by: Payment Method

SELECT PAYMENTS TO DEPOSIT

DATE	TIME	TYPE	NO.	PAYMENT METHOD	NAME	AMOUNT
03/01/2017		PMT	455		Card, Brad Theatre Room	4,500.00
12/16/2016		RCPT	15	Cheque	Greene, Jeremy:Kitchen...	179.15

2 of 2 payments selected for deposit

Payments Subtotal: 4,679.15

Select All Select None OK Cancel Help

Make Deposits

Previous Next Save Print Payments History Attach

Deposit To: Chequing Date: 08/31/2016 Memo: Deposit

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

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
Card, Brad Theatre Room	Undeposited Funds		455		4,500.00
Greene, Jeremy:Kitchen...	Undeposited Funds		1246	Cheque	179.15

Deposit Subtotal: 4,679.15

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

Cash back goes to: Cash back memo: Cash back amount:

Deposit Total: 4,679.15

Save & Close Save & New Clear