CHAPTER 12
QUICKBOOKS SERVICE COMPANY CASE
SECTION 12.1 SATNAV

QB SatNav

QB SETTINGS

Company Settings
Chart of Accounts

QB TRANSACTIONS

> Money in  Money out >

Banking
Customers & Sales
Vendors & Expenses
Employees & Payroll

QB REPORTS

Reports
CHAPTER 12 OVERVIEW

- Set Up a New Company
- Customize Chart of Accounts
- Create Lists
- Record Transactions
- Prepare Trial Balance
- Enter Adjusting Entries
- Prepare Adjusted Trial Balance
- Prepare Reports
SET UP NEW QUICKBOOKS SERVICE COMPANY

Steps to set up a new company

• Complete EasyStep Interview
• Add the People You Do Business With
• Add the Products and Services You Sell
• Add Your Bank Accounts
• Enter Company Information
• Customize Chart of Accounts
• Lists
NEW COMPANY

1. Select Create a new company
2. Select Detailed Start
3. Enter Name
4. Answer EasyStep Interview questions
5. Select Next
6. Answer remaining questions
NEW COMPANY SETUP

1. Add people you do business with
   - Customers
   - Vendors
   - Employees

2. Add the products and services you sell (Item List)

3. Add your bank accounts
QuickBooks automatically creates a Chart of Accounts for industry selected
CUSTOMIZE CHART OF ACCOUNTS

Customize the Chart of Accounts to fit your specific business needs:

• Add accounts
• Edit accounts
• Delete accounts

For each account include:

• Account number
• Tax-Line mapping
CREATE LISTS

Use Lists to track additional information:

- Customer List
- Vendor List
- Item List
- Employee List (if needed)
RECORD TRANSACTIONS

Record transactions for a service corporation including:

1. Owners’ investment

2. Vendor and Expense transactions

3. Customer and Sales transactions
VENDOR AND EXPENSE TRANSACTIONS

For a service company, record vendor and expense transactions:

1. Enter check payment at time goods and products received, use Write Checks icon

2. Enter credit card payment at time goods and products received, use Enter Credit Card Charges icon

3. Record bill received and paid later as two separate entries:
   - Record bill received, use Enter Bills icon
   - Pay bill when due using Pay Bills icon
CUSTOMER AND SALES TRANSACTIONS

Enter sales transactions with customers:

1. Create an invoice to record customer charges using Create Invoices window
2. Record customer payment using Receive Payments window
3. Record deposit in bank using Make Deposits window
TRIAL BALANCE

- Prepare a Trial Balance to verify the accounting system is in balance before making adjusting entries
ADJUSTING ENTRIES

- Use the onscreen Journal to enter adjusting entries to bring accounts up to date at year end
Prepare an Adjusted Trial Balance to verify the accounting system is still in balance after making adjusting entries.
FINANCIAL REPORTS

Prepare financial reports for the year such as:

• Profit & Loss
• Balance Sheet
• Statement of Cash Flows