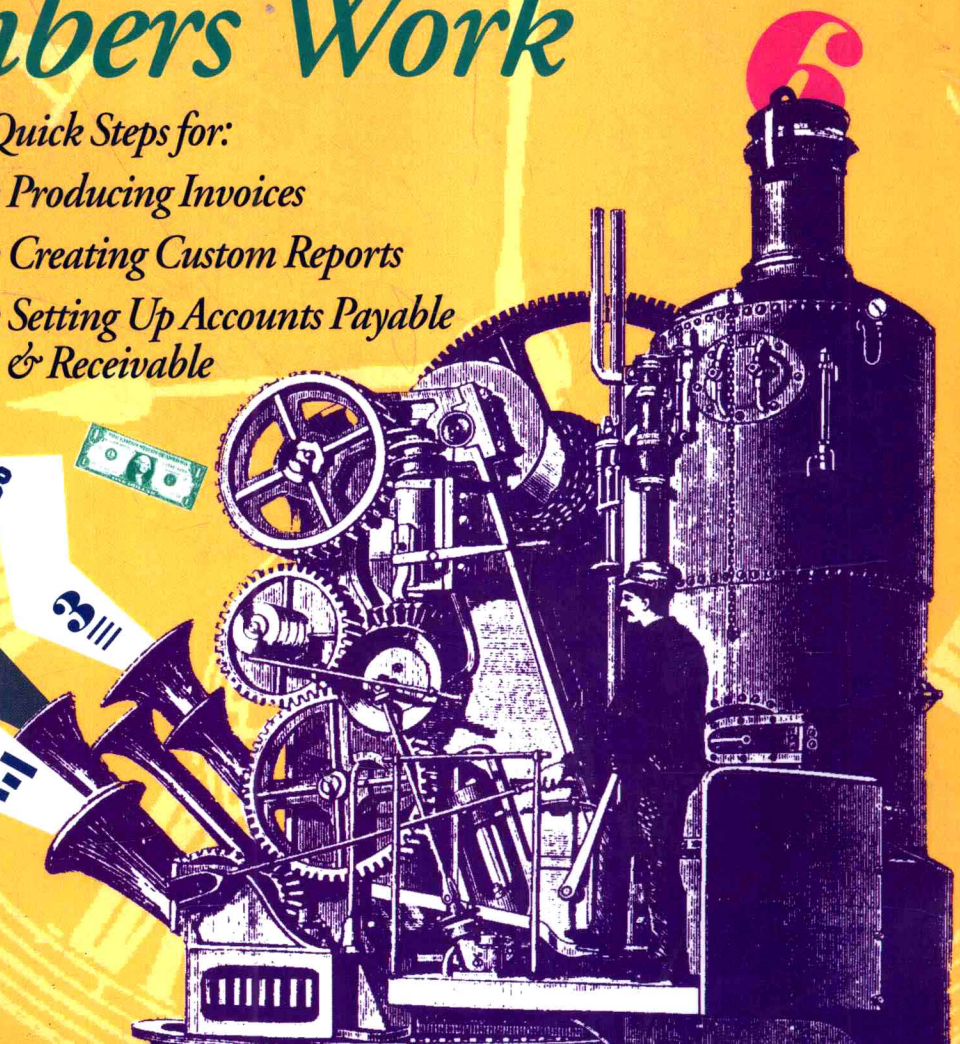


# QUICKBOOKS for PROFIT:

## *Making the Numbers Work*

*Quick Steps for:*

- *Producing Invoices*
- *Creating Custom Reports*
- *Setting Up Accounts Payable  
& Receivable*



**David Campbell  
& Mary Campbell**

# QUICKBOOKS FOR PROFIT: MAKING THE NUMBERS WORK

*David Campbell and Mary Campbell*

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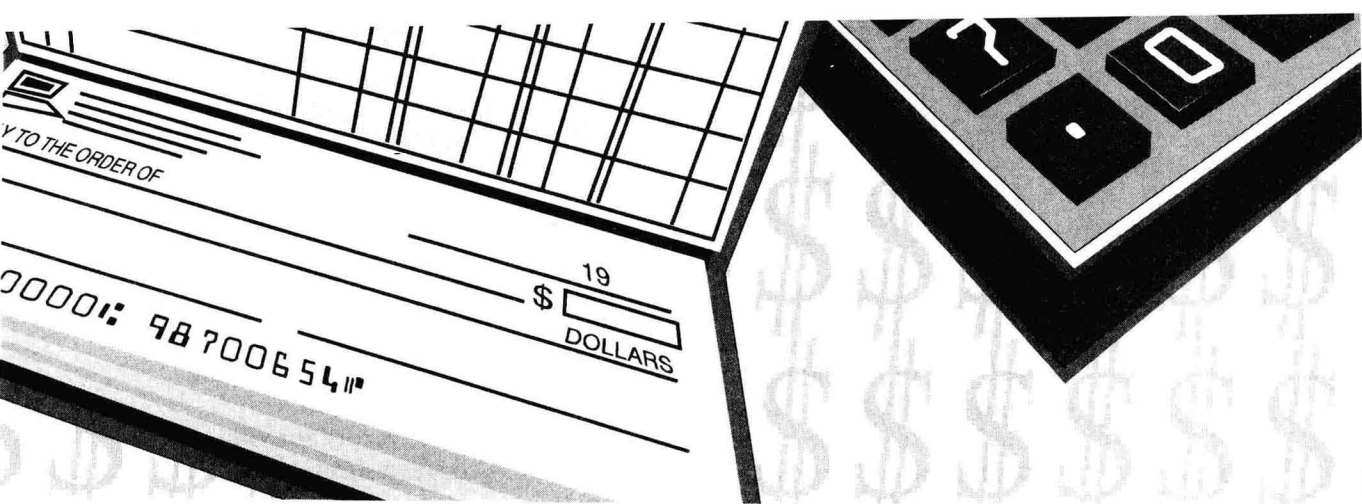
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## INTRODUCTION

If you are trying to run a business *and* deal with all the financial issues, QuickBooks can make your job more manageable. Whether your business is a home-based enterprise or one with several offices and employees, QuickBooks provides the capabilities you need to manage expenses, analyze your cash flows, look at the profit and loss picture, or put together a budget. QuickBooks' ability to handle the recording of payroll information makes it easy to monitor your federal and state tax withholding, FICA, and other payroll-related costs. You can use QuickBooks with QuickPay for an even more sophisticated approach that will handle all of your payroll computations. Although it is not quite the same as having an accountant on your payroll, QuickBooks makes an otherwise unmanageable job manageable by allowing you to perform all of the necessary tasks without learning accounting jargon or complicated procedures.

### About This Book

*QuickBooks for Profit: Making the Numbers Work* is designed to get you started using QuickBooks features immediately so you can apply them to your own business needs. The book covers the essential features that you will need, regardless of the type of business you are running. As you work through the chapters you will find many tips and practical examples to make you feel as though you have seasoned computer pros and fellow business users guiding you each step of the way.

The book offers more than instruction on using QuickBooks features; the examples given are based on the authors' actual business transactions. Although the names of banks, customers, employees, and suppliers have been changed, all of what you read is based on transactions similar to the ones that you will need to record for your own business. You must, of course, evaluate each suggestion to determine its usefulness for *your* business.

Throughout the book you will find numerous tips. When we started our business twelve years ago, we had to learn many things the hard way. We also invested a considerable amount of time trying to find information on federal and state tax filing requirements. We have included as much of this information as possible to save you time and frustration.

## **How This Book Is Organized**

This book is divided into five parts that allow you to focus on basic skills, accounts receivable, payables, reporting, or miscellaneous topics. Part I covers topics that you will use throughout the rest of the book, such as setting up the program, writing checks, making register entries, and working with budgets. If you have never used QuickBooks you will want to begin here to build a base of skills with which to master other areas of the product.

Chapter 1 introduces the product and explains the basics of its use from the user's standpoint. It lets you know what the product can do for you. Chapter 2 explains the basic techniques for working with the package. Also, this chapter explains the importance of selecting the correct chart of accounts and tells you how to create lists for vendors, employees, customers, and other information. You will use these lists throughout your work in QuickBooks. Chapter 3 covers writing and printing checks, as well as the end-of-month reconciliation procedure. Chapter 4 teaches you how to record transactions for quick entries and how to split transactions to record as much detail as possible. Chapter 5 shows you how to make budget entries and adjustments and how to print a budget report.

Part II provides the information you need to handle your accounts receivable. In Chapter 6 you learn how to create invoices and the labels to mail them out. Chapter 7 teaches you how to match payments with

invoices as they are received and how to manage your collectibles using QuickBooks' reports.

Part III focuses on the management of payables. You learn how to use your cash as long as possible yet still pay within a discount period where applicable. Chapter 8 provides all the detail you need to set up the required payroll accounts and write payroll checks. Chapter 9 shows you how to set up liability accounts for mortgages and vendor accounts and also how to monitor account activity and keep track of what you owe.

Part IV shows you how to get information from your system. Inventory valuation, asset depreciation, and owners' equity are covered in Chapter 10. All of these adjustments are necessary to allow you to see an accurate picture of how the company is doing. In Chapter 11 you learn how to create QuickBooks' standard and custom reports. Chapter 12 discusses year-end activities and tells you how to complete them. You learn how QuickBooks' reports can provide the information you need to complete state and federal tax forms required at the end of the year.

Part V contains appendixes that cover installation, backup procedures, a glossary of terms, Quicken conversion, and customizing options.

## Conventions Used in This Book

Throughout the book you will find many procedures for accomplishing QuickBooks tasks. The same conventions are used in all of these procedures to make them easy for you to follow. Menu selections are shown with the number of the menu option preceding the selection, for example:

Choose 7 Setup/Customize from the Main Menu.

This makes it easier to make the correct selection using either the keyboard or the mouse.

The names of keys, such as **F2**, **Enter**, and **Tab**, are shown in key capsules. In situations where two keys must be pressed at the same time, they are joined by a hyphen, as in **Ctrl-Enter**.

Information that you should type in is shown in **boldface**. In addition, the names of menus, windows, and reports are shown using the same capitalization as QuickBooks for consistency.

In some cases you will find that there are several ways to accomplish the same task. Rather than confuse you with several approaches, we have selected the approach that is most efficient for a beginner.

## **QuickBooks and Your Business**

QuickBooks provides the help you need to organize all of your business finances. With it, you can establish accounts for monitoring your business checking account, as well as other assets and liabilities. You can record all of your financial information with QuickBooks, and you will quickly master features like the ones used for monitoring your accounts receivable and accounts payable. QuickBooks can also assist you with gathering information for tax preparation, budgeting, and assessing the financial health of your firm.

It is hoped that some of the tips and ideas you find in this book will help to spur your problem-solving creativity as you develop strategies to meet the challenges of your business. Consult your accountant to ensure that what you want to do adheres to conventional accounting practices.

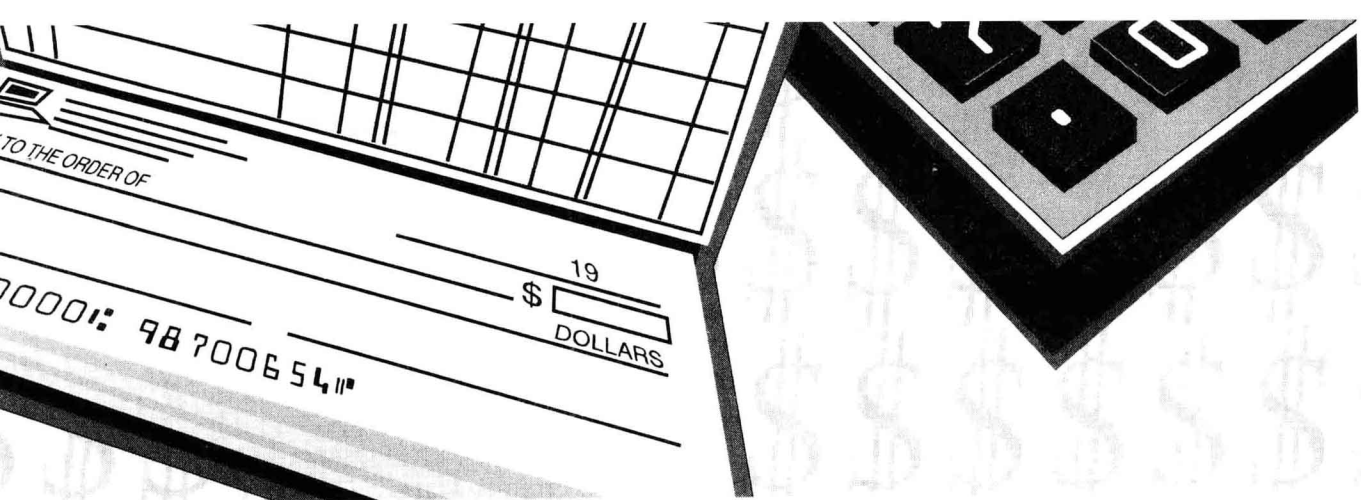




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