

Quickbooks

By

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Contents

Quickbooks..... 1

 All the accounting you need to know 3

Cash versus accrual bookkeeping: 3

Measuring business profitability..... 4

General journal transactions: 4

Adding Customers..... 4

 To add a job for a customer 5

Adding vendors 7

Adding a new account..... 8

 To add an income account..... 8

Adding items 10

Writing A Quickbooks Check..... 11

Using Bank Account Registers..... 11

Entering a Handwritten Check 13

Reconciling Checking Accounts..... 14

Marking Cleared Transactions 14

Using Sales Forms 15

 For Payment at the Time of Sale..... 16

Memorizing a Sale..... 17

 To recall a memorized sale 17

Generating Reminder Statements 19

Recording Payment In Full For A Single Job 20

Entering A Partial Payment 21

We will open the products based sample business

All the accounting you need to know

- Chart of accounts
 - The chart of accounts is a complete list of your business' accounts and their balances
- When you keep books for a company, you want to track:
 - Where the income comes from
 - Where you put it
 - What the expenses are for
 - And what you use to pay them
- You track this flow of money through the chart of accounts

About assets, liabilities, and equity:

- Assets
 - Include what you have and what people owe you
 - The money people owe you is called your accounts receivable, or A/R for short. Quickbooks uses an accounts receivable account to track the money owed you.
 - The rest of your company's assets may include checking accounts, savings accounts, petty cash, fixed assets (such as equipment), inventory, and undeposited funds.
- Liabilities
 - What your company owes to other people
 - The money you owe for unpaid bills is your accounts payable, or A/P for short. Quickbooks uses an accounts payable account to track the money you owe different people for bills.
 - A liability can be a formal loan, an unpaid bill, or sales and payroll taxes you owe to the government.
- Equity
 - Equity is the difference between what you have and what you owe
 - $Equity = Assets - Liabilities$

Cash versus accrual bookkeeping:

- Cash basis
 - Incoming is recorded when money (sales) is received and expenses when money (bills) are paid.
- Accrual basis
 - Income is recorded when at the time of the sale and expenses when you receive the bill

Note: When you create reports in Quickbooks, you can switch between cash and accrual reports at any time, regardless of which bookkeeping method you have chosen for tax purposes.

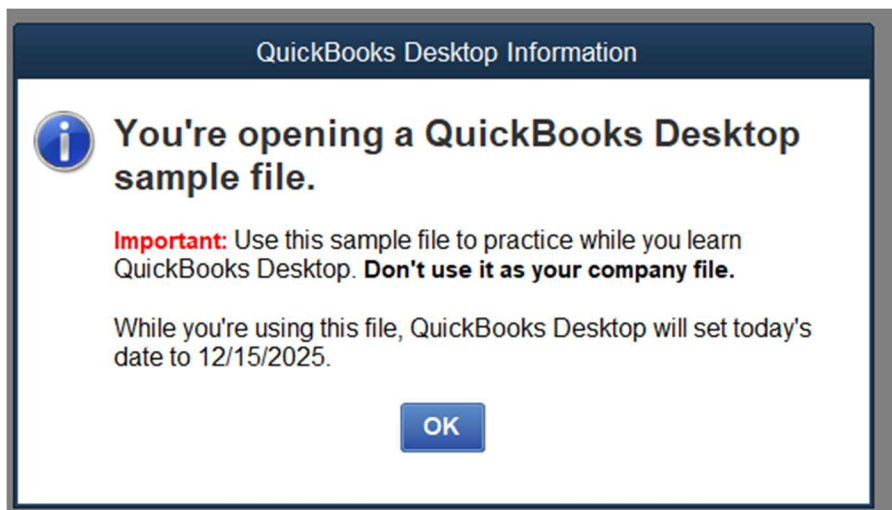
Measuring business profitability

- The balance sheet
 - A snapshot of your company on one date. It shows:
 - What you have (assets)
 - What people owe you (accounts receivable)
 - What your business owes (liabilities and accounts payable)
 - The net worth of your business (equity)
- The profit and loss statement
 - A profit and loss statement or income statement shows income, expenses, and net profit or loss
- Statement of cash flows
 - Shows receipts and payments during a specific accounting period

General journal transactions:

- Traditional accounting method
- Known as double-entry accounting
- Total amount in the Debit column equals the total amount in the Credit column
- Each amount is assigned to an account in the chart of accounts
- To view the journal entry for a transaction, select the transaction and press Ctrl-Y
- Modify the report and choose to display the Credit and Debit columns

Open up the Employee Greg Schneider and hit Ctrl-Y



Adding Customers

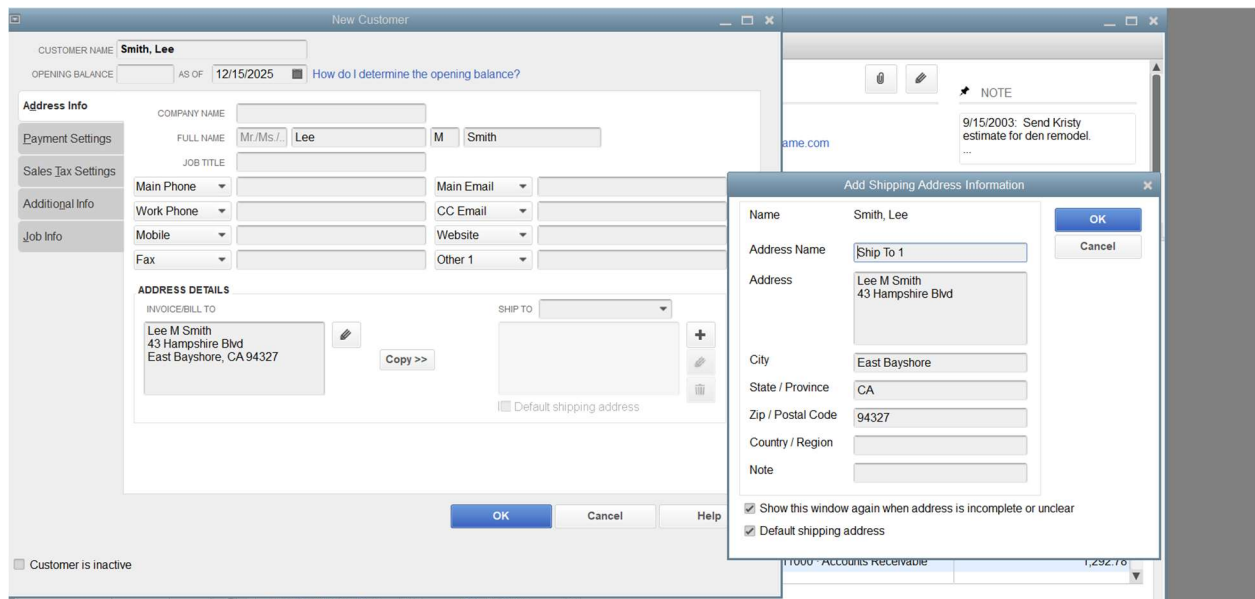
In order to bill customers with Quickbooks, you need to add your customers

1. Click Customer Center in the icon bar
2. Click the New Customer & Job menu button, and then choose New Customer

3. If the New Feature screen for Add/Edit Multiple List Entries appears, click the box for “Do not display this message in the future” and click OK.
4. In the Customer Name field, enter the name of the customer as you'd like it to appear on your Customers & Jobs list. For this exercise, type Smith, Lee, and then press Tab. You want the list to show last names first.
5. Press Tab in the Opening Balance field to leave this field blank.

The Opening Balance field tells you how much each customer owes you on your start date so that when you enter the rest of your transactions from your start date to today, all balances since your start date will be accurate. For now, leave this field blank. Lockhart Design is planning to set up one or more jobs for this customer. QuickBooks will calculate and track the overall balance for this customer from the balances you enter for the individual jobs.

6. In Address Info tab, click in the First Name field and type Lee.
7. Press tab and type M. as the middle initial and in the Last Name field, type Smith.
8. Press Tab to go to the Address field, and then press Enter after Lee M. Smith.
9. Type 43 Hampshire Blvd and press Enter.
10. Type East Bayshore, CA 94327.
11. Click the Copy button to copy the address to the Ship To field. Click OK in the Add Shipping Address Information window. You can have and use more than one Ship To address per customer or job, but Lee Smith uses only one address.



To add a job for a customer

1. In the Customers & Jobs list, right-click Smith, Lee and choose Add Job. The New Job window looks similar to the Customer window. QuickBooks has already filled in several fields for you for Lee Smith.
2. In the Job Name field, type Patio Addition, and press Tab.
3. In the Opening Balance field, type 862 and press Tab.

You want to keep track of the balances for each job. QuickBooks calculates and tracks the overall balance for this customer from the balances you enter for the individual jobs. You want to keep track of the balances for each job.

Note: The information QuickBooks fills in comes from your customer's record. If you make any changes here, the changes affect only this job. For example, if your customer's billing address is different for this job, you can enter the job address without affecting the customer's main address.

4. Enter 12/15/2025 in the As Of field to indicate that this was the balance outstanding for this job as of the QuickBooks start date.
5. Click the Job Info tab and choose "In Progress" from the Job Status drop-down list.

Job status information is for your records—it gives you a way to keep track of each job. When you create a customer list report, QuickBooks includes the status of each job on the report. You can also see the status of a job by clicking a job in the Customers & Jobs list and looking in the Job Information area.

6. For the Start Date, type 12/15/25 and press Tab.
7. In the Projected End date, type 3/15/26 and press Tab.

The dates help you track how long each job takes and how well you are able to estimate the length of a job. When you create a customer:job list report, you can add columns that show the start date, your projected end date, and the actual end date for each job. Your screen should resemble the following graphic:

The screenshot displays a software interface with two main sections. On the left is a 'Customers & Jobs' sidebar with a list of customers and their balances. The main area is titled 'Job Information' and shows details for a job named 'Patio Addition' by customer 'Smith, Lee'. Below this is a 'Transactions' table with columns for TYPE, NUM, DATE, ACCOUNT, and AMOUNT. A single transaction is visible: an invoice for 862.00 on 12/15/2025 to account 11000 - Accounts Receivable.

Customers & Jobs

NAME	BALANCE	ATT...
◊ Sage, Robert	0.00	
◊ Remodel	0.00	
◊ Samuels Art S...	0.00	
◊ Remodel	0.00	
◊ Sauler, Lyn	0.00	
◊ Home Rem...	0.00	
◊ Smallson, Fran	0.00	
◊ Office rem...	0.00	
◊ Smith, Lee	862.00	
◊ Patio Addit...	862.00	
◊ Patio	0.00	
◊ Teichman, Tim	0.00	
◊ Kitchen	0.00	
◊ Teschner, Anton	565.95	
◊ Sun Room	565.95	
◊ Tony's Barber ...	0.00	
◊ Remodel	0.00	
◊ Vasquez, Ana...	0.00	
◊ Basement ...	0.00	
◊ Violette, Mike	4,732.23	

Job Information

Job Name: **Patio Addition**
 Customer Name: **Smith, Lee**
 Job Status: **In progress**
 Main Phone: **415-555-3151**
 Main Email: **lsmith@samplename.com**
 Bill To: **Lee M Smith**
431 Hampshire Blvd
East Bayshore CA 94327

Transactions

TYPE	NUM	DATE	ACCOUNT	AMOUNT
Invoice		12/15/2025	11000 - Accounts Receivable	862.00

Adding vendors

In order to pay your bills with QuickBooks, you need to add your vendors. Nearly everyone you pay, other than employees, is a vendor.

You can add new vendors at any time. QuickBooks uses the Vendors list to hold information about the people and companies you do business with; for example, this list could include the phone company, your office supplies vendor, and your tax board.

To add a vendor (May already be in there):

1. Click **Vendor Center** in the icon bar.
2. Click the **New Vendor** menu button, then choose **New Vendor**.
3. In the Vendor Name field, enter the name of the vendor as you'd like it to appear on your Vendor list. For this exercise, type **Fay, Maureen Lynn, CPA**, and then press Tab.
4. In the Opening Balance field, type **350**, which is the amount you owed this vendor as of the start date. Press Tab.
5. In the As Of field, enter **12/15/25**.
6. In the Address Info tab, click in the First Name field and type **Maureen**.
7. Press tab and type **L.** as the middle initial and in the Last Name field, type **Fay**.
8. Press Tab to go to the Address field, and then press Enter after **Maureen L. Fay**.
9. Type **200 Royal Rd.** and press Enter.

10. Type Bayshore, CA 94326.

VENDOR NAME **Fay, Maureen Lynn, CPA**

OPENING BALANCE **350.00** AS OF **12/15/2025** [How do I determine the opening balance?](#)

Address Info

COMPANY NAME

FULL NAME **Mr./Ms./, Maureen** **L** **Fay**

JOB TITLE

Main Phone Main Email

Work Phone CC Email

Mobile Website

Fax Other 1

ADDRESS DETAILS

BILLED FROM

Maureen L Fay
200 Royal Road
Bayshore, CA 94326

SHIPPED FROM

Maureen L Fay
200 Royal Road
Bayshore, CA 94326

Copy >>

Vendor is inactive

OK Cancel Help

Adding a new account

You may need to add one or more of the following accounts:

- Income accounts to track new sources of income.
- Expense accounts to track new types of expenses.
- Bank accounts when you open new checking, savings, or money market accounts at your bank.
- Credit card accounts when you acquire new credit cards.
- Other kinds of balance sheet accounts to track specific assets, liabilities, or equity.

For example, you may need to add a fixed asset account to track the depreciation of a new equipment purchase, a long term liability account to track a business loan, or an equity account to track the investment from a new business partner.

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

To add an income account

1. From the Lists menu, choose Chart of Accounts.
2. Click the Account menu button and choose New.

3. In the Add New Account window, choose Income, and then click Continue.
4. Click in the Account Name field, and type Consulting.
5. From the Tax-Line Mapping drop-down list, choose "Income: Other income."

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 <select>

Income Account

Categorizes money earned from normal business operations, such as:

- Product sales
- Service sales
- Discounts to customers

[More...](#)

Help me choose the right account type.

Account Type: Income Number: []

Account Name: Consulting

Subaccount of []

OPTIONAL

Description: []

Note: []

Tax-Line Mapping: Income: Other income [How do I choose the right tax line?](#)

Account is inactive

Adding items

In QuickBooks, an item is anything that your company buys, sells, or resells in the course of business, such as products, shipping and handling charges, discounts, and sales tax (if applicable). You can think of an item as something that shows up as a line on an invoice or other sales or purchase form.

Items help you fill out the line item area of a sales or purchase form quickly. When you choose an item from your Item list, QuickBooks fills in a description of the line item and calculates its amount for you.

While they provide a quick means of data entry, a much more important role for items is to handle the behind-the-scenes accounting. When you create an item, you link it to an account; when the item is used on a form, it posts an entry to that account and another entry to the appropriate accounts receivable, accounts payable, checking, fixed asset, or other account.

When creating items, consider how much detail you want on your invoices or statements and set up items with that level of detail in mind. For example, if you are a seamstress who creates and sells home accessories, you can set up a single item and charge a flat rate for a certain size of couch pillow, or you can break that pillow down further into labor and materials.

QuickBooks provides several different types of items. Some—such as the service item or the inventory part item—help you record the services and products your business sells. Others—such as the subtotal item or discount item—are used to perform calculations on the amounts in a sale.

1. From the Lists menu, choose Item List.
QuickBooks displays the Item List.
2. Click the Item menu button, and choose **New**.
3. In the New Item window, choose **Service** from the Type drop-down list.
4. Click in the Item Name/Number field and type **Initial Design Consultation**.
5. In the Description field, type **Initial design consulting**.
The description will appear on sales forms when you use the item.
6. Click in the Rate field, and type **40**.
7. In the Tax Code field, choose “**Non-Taxable Sales**” from the drop-down list.
8. In the Account field, choose **Consulting**.

The screenshot shows the 'New Item' window in QuickBooks. The 'TYPE' dropdown is set to 'Service'. The 'Item Name/Number' field contains 'Initial Design Consultat...'. The 'UNIT OF MEASURE' dropdown is set to 'U/M Set'. The 'Description' field is empty. The 'Rate' field contains '40.00'. The 'Tax Code' dropdown is set to 'Non'. The 'Account' dropdown is set to 'Consulting'. There are buttons for 'OK', 'Cancel', 'Next', 'Notes', 'Custom Fields', and 'Spelling'. A checkbox for 'Item is inactive' is present.

Writing A Quickbooks Check

To write a check:

1. In the Banking area of the Home page, click **Write Checks**.
2. In the **Pay to the Order of** field, type *Cal Telephone*. (We may have an unpaid bill)
3. Press **Tab** to move to the **Amount** field.
4. Type *156.91*, and press **Tab**.

Write Checks - Checking

Main Reports

Find New Save Delete Memorize Create a Copy Print Print Later Pay Online Attach File Select PO Enter Time Clear Splits Recalculate Reorder Reminder Order Checks

BANK ACCOUNT: 10100 - Checking ENDING BALANCE: 46,969.10

NO. 491 DATE 12/15/2025

PAY TO THE ORDER OF Cal Telephone \$ 156.91

One hundred fifty-six and 91/100* ***** DOLLARS

ADDRESS
Cal Telephone
P.O. Box 1100
Middlefield CA 94482

MEMO

Expenses \$156.91 Items \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER.J...	BI...	CLASS
	156.91				

Save & Close Save & New Clear

5. Click in the **Account** column on the **Expenses** tab, and then choose **Utilities: Telephone**.
6. Click **Save & Close**.
7. From the **Banking** menu, choose **Use Register**.

12/15/2025	PMI	11000 - Accounts Receivable				
	491	Cal Telephone		156.91		79,809.71
12/15/2025	CHK	65100 - Utilities:05120 - Telephone				
12/15/2025	501	Wheeler's Tile Etc.		625.00		79,184.71

Using Bank Account Registers

To open a register (when no form is open):

1. From the Lists menu, choose Chart of Accounts.

Chart of Accounts

Look for account name or number

NAME	TYPE	BALANCE TOTAL	ATTACH
10100 · Checking	Bank	46,812.19	
10300 · Savings	Bank	17,910.19	
10400 · Petty Cash	Bank	500.00	
11000 · Accounts Receivable	Accounts Receivable	93,869.93	
12000 · Undeposited Funds	Other Current Asset	2,440.00	
12100 · Inventory Asset	Other Current Asset	30,683.38	
12800 · Employee Advances	Other Current Asset	832.00	
13100 · Pre-paid Insurance	Other Current Asset	4,050.00	
13400 · Retainage Receivable	Other Current Asset	3,703.02	
15000 · Furniture and Equipment	Fixed Asset	34,326.00	
15100 · Vehicles	Fixed Asset	78,936.91	
15200 · Buildings and Improvements	Fixed Asset	325,000.00	
15300 · Construction Equipment	Fixed Asset	15,300.00	
16900 · Land	Fixed Asset	90,000.00	
17000 · Accumulated Depreciation	Fixed Asset	-110,344.60	
18700 · Security Deposits	Other Asset	1,720.00	
20000 · Accounts Payable	Accounts Payable	26,638.92	
20500 · QuickBooks Credit Card	Credit Card	94.20	
20600 · CalOil Credit Card	Credit Card	382.62	
Subcontracted Federal WH	Other Current Liability	0.00	
20700 · Due to Owner	Other Current Liability	0.00	
24000 · Payroll Liabilities	Other Current Liability	5,404.45	

Account Activities Reports Attach Include inactive

2. In the Chart of Accounts, double-click the Savings account.

10300 · Savings

Go to... Print... Edit Transaction QuickReport Download Transactions

DATE	NUMBER	PAYEE	PAYMENT	DEPOSIT	BALANCE
	TYPE	ACCOUNT			
12/30/2024	DEP	70200 · Interest Income	Interest	72.39	15,881.03
03/30/2025	DEP	70200 · Interest Income	Interest	87.03	15,968.06
06/30/2025	DEP	70200 · Interest Income	Interest	72.93	16,040.99
09/30/2025	DEP	70200 · Interest Income	Interest	69.20	16,110.19
10/14/2025	TRANSFR	10100 · Checking	Funds Transfer	15,000.00	1,110.19
11/25/2025	TRANSFR	10100 · Checking		42,300.00	43,410.19
12/05/2025	TRANSFR	10100 · Checking	Funds Transfer	25,000.00	18,410.19
12/15/2025	TRANSFR	10100 · Checking	Funds Transfer	500.00	17,910.19
2/15/2025	Number	Payee	Payment	Deposit	
	Account	Memo			

Spplits 1-Line

Sort by Date, Type, Number/Ref

ENDING BALANCE **17,910.19**

3. Review features common to all registers:

- The register shows every transaction that affects an account's balance and lists them in chronological order (unless another order is chosen in the Sort by drop-down box in the lower left corner of the register window).

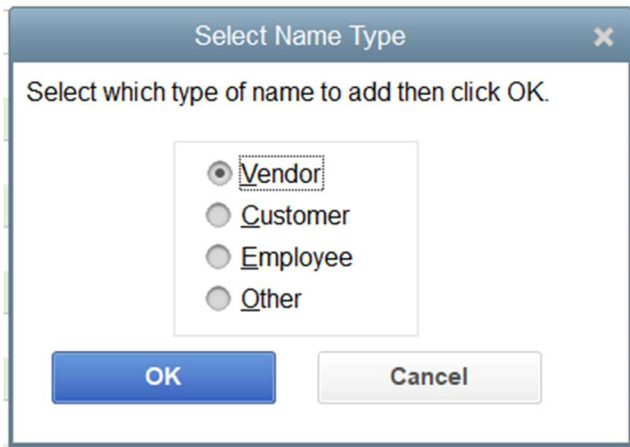
- b. The columns in the register give specific information about the transaction.
- c. On every transaction line, QuickBooks shows the account's running balance.
- 4. Close the Savings register window.
- 5. Close the Chart of Accounts.

Entering a Handwritten Check

Sometimes you need to write a check on the spot for items or services you did not plan to purchase. QuickBooks lets you write the check, and then enter it later in the checking account register or on the check form.

To enter a handwritten check in the checking account register:

- 1. From the Banking menu, choose Use Register.
- 2. Click OK to accept Master Checking Account.
- 3. Click in the Number field in the blank transaction at the bottom of the register, and then double-click to highlight the number that QuickBooks prefills.
- 4. Type 1204, then press Tab.
- 5. In the Payee field, type Bayshore Office Supply, and then press Tab.
- 6. Click Quick Add.



- 7. Click OK
- 8. In the Payment field, type 99.95, and then press Tab.
- 9. In the Account field, type Of, and press Tab (QuickBooks fills in Office Supplies).
- 10. In the Memo field, type Office chair.

DATE	NUMBER	ACCOUNT	PAYEE	MEMO	PAYMENT	DEPOSIT	BALANCE
12/15/2025	514	Sloan Roofing			5,700.00		56,590.27
	BILLPMT	20000 - Accounts Payable					
12/15/2025	515	Vu Contracting			1,000.00		55,590.27
	CHK	54000 - Job Expenses:54500 - Subcontractors					
12/15/2025	516	State Board of Equalization			1,629.27		53,961.00
	TAXPMT	-split-	ABCD 11-234567				
12/15/2025	1204	bayshore office supplies			99.95		53,861.05
	CHK	63000 - Office Supplies	Office Chair				
12/15/2025	10073	Dan T. Miller			1,299.60		52,561.45

11. Click Record.
12. Close the Checking account register.

When you record the transaction, QuickBooks creates a journal entry.

Reconciling Checking Accounts

Your bank sends you a statement for each of your accounts each month. The statement shows all the activity in your account since the previous statement:

- Opening balance
- Ending balance
- Amount of interest earned
- Service charges
- Checks that have cleared the bank
- Deposits made
- Other transactions affecting the balance of the account

Marking Cleared Transactions

To begin reconciling an account, you need to tell QuickBooks which account you want to reconcile. Then you can provide information from the top part of your bank statement.

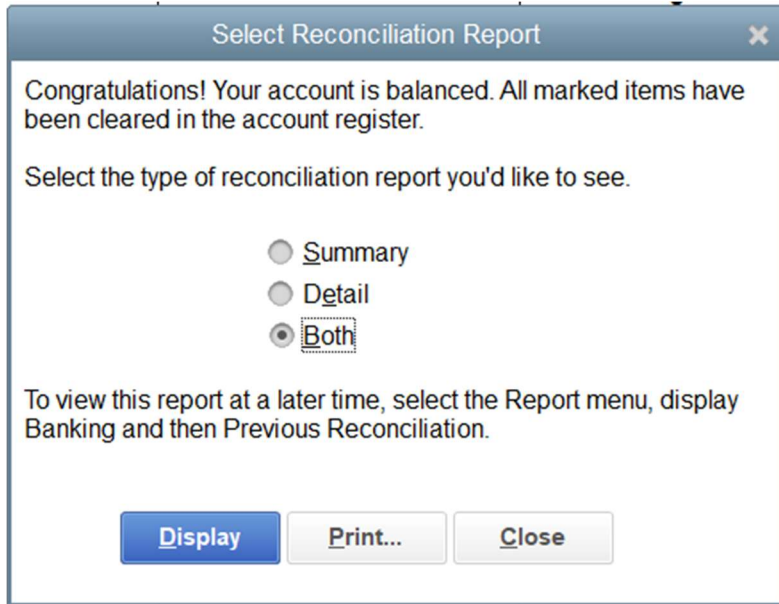
1. From the Banking menu, choose Reconcile.
2. In the Account field, make sure Master Checking Account (10100) is selected.
3. In the Statement Date field, type 11/30/2025.
4. In the Ending Balance field, type 105932.53
5. Click Continue.

Checks and Payments				Deposits and Other Credits			
DATE	CHK #	PAYEE	AMOUNT	DATE	CHK #	PAYEE	AMOUNT
10/31/2025	433	Sergeant Insurance	712.56	11/30/2025	41077	Melton, Johnny:Dental o	4,135.50
10/31/2025	436	Bayshore Water	24.00	12/02/2025		DEP	4,708.01
11/14/2025	451	Larson Flooring	3,200.00	12/03/2025		PMT	1,200.00
11/19/2025	480	City of Bayshore	225.00	12/05/2025		TRANSFR	25,000.00
11/28/2025	484	Hopkins Construction Rentals	300.00	12/05/2025	56321	Teschner, Anton:Sun Ro.	5,000.00
11/28/2025	485	Keswick Insulation	500.00	12/10/2025		DEP	1,000.00
11/28/2025	486	McCain Appliances	600.00	12/10/2025	3008	Keenan, Bridget:Sun R...	102.65
11/28/2025	467	Lew Plumbing	800.00	12/12/2025		DEP	4,936.12
11/28/2025	488	Timberloft Lumber	6,790.00	12/14/2025		DEP	4,700.00
11/28/2025	489	Sloan Roofing	2,000.00	12/15/2025		PMT	7,633.28
11/28/2025	470	Washuta & Son Painting	500.00	12/15/2025	SEND	TRANSFR	500.00
11/30/2025	471	Bayshore Water	24.00	12/15/2025	42000	Natiello, Ernesto:Kitchen	13,660.39
11/30/2025	472	Patton Hardware Supplies	686.23				
11/30/2025	473	Wheeler's Tile Etc.	686.00				
11/30/2025	474	Dianne's Auto Shop	218.00				
11/30/2025	475	Bank of Anycity	2,710.90				
12/01/2025	476	Abercrombie, Kristy:Remodel ...	711.15				
12/01/2025	477	Larson Flooring	2,700.00				
12/01/2025	478	Gregg O. Schneider	62.00				
12/01/2025	10070	Dan T. Miller	1,325.15				
12/01/2025	10071	Elizabeth N. Mason	890.57				

Highlight Marked

Beginning Balance	71,452.58	
Items you have marked cleared		0.00
5 Deposits and Other Credits	40,041.51	
7 Checks and Payments	5,561.56	
		105,932.53
		-105,932.53

 Service Charge 0.00
 Interest Earned 0.00
 Ending Balance 0.00
 Cleared Balance 105,932.53
 Difference -105,932.53



Using Sales Forms

For payments in the future

Any time you make a sale in your business, you record it in QuickBooks on a sales form. A sales form can be an invoice (when you expect payment to come later), a sales receipt (when you expect payment at the time you make the sale), or a credit memo.

The type of sales form you use depends on whether you expect payment in the future or at the time of the sale. If you expect to receive payment at some future date, you enter an invoice.

To display a completed invoice form in QuickBooks:

1. Click the Create Invoices icon on the Home page.
2. Click Previous to display the previously created invoice

CUSTOMER: **Cook, Brian Kitchen** [Kitchen Upgr.] CLASS **Remodel** TEMPLATE **Rock Castle Invoice**

Invoice

DATE: 12/15/2025 INVOICE #: 1098

BILL TO: Brian Cook, 345 Cherry Lane, Middlefield CA 94482

SHIP TO: Ship To 1, Brian K. Cook, 345 Cherry Lane, Middlefield, CA 94482

TERMS: Net 30 DUE DATE: 01/14/2027

ITEM	DESCRIPTION	QUANTITY	U/M	RATE	AMOUNT	TAX
Appliance	Gas Rangetop			247.50	247.50	Tax
Appliance	Double oven			350.00	350.00	Tax
Appliance	Dishwasher			450.00	450.00	Tax
Window	Greenhouse Window			475.00	475.00	Tax
Subtotal	Subtotal				1,522.50	
LABOR						
Removal	Removal labor	0		45.50	0.00	Non
Framing	Framing labor	0		66.00	0.00	Non
Installation	Installation labor	0		38.50	0.00	Non
Subs: Tile & C...	Install tile or counter	0		1,320.00	0.00	Non

TAX: San Domingo (7.5%) 114.19
 TOTAL: 1,636.69
 PAYMENTS APPLIED: 0.00
 BALANCE DUE: 1,636.69

Buttons: Save & Close, Save & New, Revert

For Payment at the Time of Sale

If you receive full payment at the time you make a sale—either by cash, check, or credit card—you fill out a sales receipt instead of an invoice. Like the invoice, the QuickBooks sales receipt includes information about the items or services purchased, but it also includes information about how payment was made.

To display a completed sales receipt in QuickBooks:

1. Click Create Sales Receipts on the Home page.
2. If the Integrated Payment Process window appears, click No Thanks or Show me later.
3. Click Previous to view the previously entered sale

CUSTOMER: **Keenan, Bridget Sun Room** CLASS **New Construction** DEPOSIT TO: 10100 - Checking TEMPLATE **Custom Sales Receipt**

Sales Receipt

DATE: 12/10/2025 SALE NO.: 3008

SOLD TO: Bridget Keenan, 213 Fern Lane, East Bayshore CA 94327

CHECK NO.: 1245

Payment Method: CASH, CHECK, CREDIT DEBIT, e-CHECK

ITEM	DESCRIPTION	QTY	U/M	RATE	AMOUNT	TAX
Fluorescent Ce...	Florescent Lights	1		95.00	95.00	Tax

TAX: E. Bayshore/Co... (8.05%) 7.65
 TOTAL: 102.65

CUSTOMER MESSAGE: Thank you for your business.

Buttons: Save & Close, Save & New, Revert

Memorizing a Sale

Many of the sales you make in your business are ones you repeat again and again. For example, you may have a standing monthly order from a customer, or you may perform essentially the same services for more than one client. QuickBooks lets you memorize sales forms so that you don't have to retype the information.

To memorize the invoice:

1. Make sure you have the invoice you want to memorize displayed on your screen.
2. From the Edit menu, choose Memorize Invoice.
3. In the Name field, type a description that helps you recognize the memorized invoice, or keep the default description QuickBooks has provided.
4. Click OK.
5. Close the Create Invoice, Accounts Receivable, and the Chart of Accounts windows.

The screenshot shows the 'Memorize Transaction' dialog box. The 'Name' field is set to 'Kitchen'. The 'How Often' dropdown menu is open, displaying a list of frequency options: Never, Daily, Weekly, Every two weeks, Twice a month, Every four weeks, Monthly, Every two months, Quarterly, Twice a year, and Annually. The 'Add to my Reminders List' radio button is selected. The 'OK' and 'Cancel' buttons are visible on the right side of the dialog box. The background shows a portion of an invoice with items like 'Dishwasher', 'Kitchen Window', and 'Total'.

To recall a memorized sale

1. From the Lists menu, choose Memorized Transaction List.
2. Double-click the transaction you just added.
3. Click Save & Close to record the invoice.
4. Press the Esc key to close the Memorized Transaction list

TRANSACTION NAME	TYPE	SOURCE ACCOUNT	AMOUNT	FREQUENCY	AUTO	NEXT DATE
↳ Kitchen	Invoice	11000 - Accounts Receivable		1,636.69	Never	
↳ Overhead	General Journal	13100 - Pre-paid Insurance		675.00	Never	
↳ Recurring Depr Entry - Monthly	General Journal	54000 - Job Expenses:54599 Le...		19.60	Monthly	12/31/2025
↳ Sergeant Insurance	Check	10100 - Checking		675.00	Monthly	01/15/2026

Entering a New Service Item

When you begin using your own QuickBooks company file, you'll need to create your own line items to include on your invoices. In the next exercise, you'll see how to add information to the Item list.

To create a new service item:

1. From the Customers menu, choose Item List.
2. Click the Item menu button, and then choose New.
3. In the Type field, select Service from the drop-down list.
4. In the Item Name/Number field, type Plumbing.
5. Click the Subitem of checkbox to select it.
6. In the drop-down list below the Subitem of field, select Repairs.

The screenshot shows the 'Item List' window in QuickBooks. At the top, there is a search bar with 'Look for' and 'in All fields' dropdowns, and 'Search' and 'Reset' buttons. Below the search bar is a table with columns: NAME, DESCRIPTION, TYPE, ACCOUNT, TOTAL QUANTITY, PRICE, and ATTACH. The table lists various service items under a 'Subs' category, including Carpet, Drywall, Duct Work, Electrical, Insulating, Metal Wrk, Painting, Plumbing, Roofing, Tile & Co..., Cabinets, and Light Pine. The 'Plumbing' item is highlighted. At the bottom of the window, there are menu options: Item, Activities, Reports, Excel, Attach, and a checkbox for 'Include inactive'.

NAME	DESCRIPTION	TYPE	ACCOUNT	TOTAL QUANTITY	PRICE	ATTACH
↳ Subs	Subcontracted services	Service	40100 - Constr...		0.00	
↳ Carpet	Install carpeting	Service	40100 - Constr...		0.00	
↳ Drywall	Install drywall	Service	40100 - Constr...		0.00	
↳ Duct Work	Heating & Air Conditioning Duct Work	Service	40100 - Constr...		0.00	
↳ Electrical	Electrical work	Service	40100 - Constr...		0.00	
↳ Insulating	Install insulation	Service	40100 - Constr...		0.00	
↳ Metal Wrk	Metal Work	Service	40100 - Constr...		0.00	
↳ Painting	Painting	Service	40100 - Constr...		0.00	
↳ Plumbing	Plumbing	Service	40100 - Constr...		0.00	
↳ Roofing	Roofing	Service	40100 - Constr...		0.00	
↳ Tile & Co...	Install tile or counter	Service	40100 - Constr...		0.00	
↳ Cabinets	Cabinets	Inventory P...	40100 - Constr...	0	0.00	
↳ Cabinet ...	Cabinet Pulls	Inventory P...	40100 - Constr...	423	0.00	
↳ Light Pine	Light pine kitchen cabinet wall unit	Inventory P...	40100 - Constr...	6	1,799.00	

Generating Reminder Statements

Reminder statements summarize a customer's account with a company by listing recent invoices, credit memos, and payments received. You can use reminder statements when you bill through invoices but want to remind your customers about delinquent payments.

Reminder statements are different than other “forms” in QuickBooks such as invoices, sales receipts, or checks. Because QuickBooks already has all the information you need to create reminder statements, you don't have to fill them out. Instead, you review the information that will appear on each statement, decide whether to add finance charges, and print them.

To generate reminder statements:

1. Click Home to display the Home page, then click Statements.
2. In the Enter Statement Date and Type section of the window, select the All open transactions as of Statement Date option.
3. Click to select the Include only transactions over checkbox.
4. Leave the number of days past due field entry at 30.
5. In the Select Customers section, select All Customers.
6. In the Select Additional Options section, click to select the Show invoice item details on statements checkbox.

SELECT STATEMENT OPTIONS

Statement Date:

Statement Period From: To:

All open transactions as of Statement Date

Include only transactions over days past due date

SELECT CUSTOMERS

All Customers

Multiple Customers

One Customer

Customers of Type

Preferred Send Method

SELECT ADDITIONAL OPTIONS

Template:

Create One Statement:

Show invoice item details on statements

Print statements by billing address zip code

Print due date on transactions

Do not create statements:

with a zero balance

with a balance less than

with no account activity

for inactive customers

Recording Payment In Full For A Single Job

If you're receiving payment at the time of a sale, and you fill out a sales receipt, QuickBooks records a customer payment. When you invoice a customer, and you receive payment later, you enter the payment in the QuickBooks Receive Payments window.

To record a payment in full:

1. From the Customers menu, choose Receive Payments.
2. If the QuickBooks Payment Interview window displays, close it.
3. In the Received From field, select Violette, Mike: Workshop from the drop-down list.
4. Press Tab to move to the Amount field.
5. In the Amount field, type 4732.23 and press Tab. In the Payment Method field, select Check from the drop-down list and then press Tab.
6. In the Check # field, type 6745
7. Click Save & New

Customer Payment

CUSTOMER BALANCE 4,732.23

RECEIVED FROM: **Violette, Mike**

PAYMENT AMOUNT: 4,732.23

DATE: 12/15/2025

CHECK #: 6745

Where does this payment go?

CASH CHECK CREDIT DEBIT e-CHECK MORE

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
12/05/2025	W... 1089		5,732.23	4,732.23
Totals			5,732.23	4,732.23

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE	4,732.23
APPLIED	4,732.23
DISCOUNT AND CREDITS APPLIED	0.00

Entering A Partial Payment

To enter a partial payment:

1. In the Received From field, select Ecker Designs: Office Repairs from the drop-down list.
2. Press Tab to move to the Amount field and type 1000, then press Tab again.
3. In the Pmt. Method field, leave Check selected.
4. In the Check # field, type 5678.
5. In the Payment column, type 1000 as the amount you want to apply to the second invoice, and then press Tab.
6. Leave the Leave this as an underpayment option selected.
7. Click Save & New to record the partial payment and clear the window

Customer Payment

CUSTOMER BALANCE 1,468.30

RECEIVED FROM: **Ecker Designs: Office ...**

PAYMENT AMOUNT: 1,000.00

DATE: 12/15/2025

CHECK #: 5678

Where does this payment go?

CASH CHECK CREDIT DEBIT e-CHECK MORE

DATE	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
11/30/2025	1086		1,468.30	1,468.30
Totals			1,468.30	1,468.30

UNDERPAYMENT \$ 468.30.

WHEN FINISHED:

LEAVE THIS AS AN UNDERPAYMENT

WRITE OFF THE EXTRA AMOUNT

VIEW CUSTOMER CONTACT INFORMATION

MEMO

Save & Close Save & New Clear

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE	1,468.30
APPLIED	1,000.00
DISCOUNT AND CREDITS APPLIED	0.00

Applying One Payment To Multiple Jobs

To apply one payment to multiple jobs:

1. In the Receive Payments window, select Cook, Brian from the Received From drop-down list.

2. Press Tab to move to the Amount field.
3. In the Amount field, type 7812.63 and then press Tab.
4. In the Pmt. Method drop-down list, confirm that Check is selected.
5. In the Check # field, type 375.
6. Click Save & New

Customer Payment

RECEIVED FROM: Cook, Brian CUSTOMER BALANCE: 7,812.63

AMOUNT: 7,812.63 DATE: 12/15/2015

PMT. METHOD: Check CHECK #: 375

Where does this payment go?

✓	DATE	JOB	NUMBER	ORIG. AMT.	AMT. DUE	PAYMENT
✓	10/15/2015	Kitchen	42	3,100.00	700.00	700.00
✓	11/25/2015	Kitchen	57	1,636.69	466.69	466.69
✓	11/25/2015	2nd story addition	58	5,418.00	5,003.30	5,003.30
Totals				11,797.33	7,812.63	7,812.63

AMOUNTS FOR SELECTED INVOICES

AMOUNT DUE: 7,812.63

APPLIED: 7,812.63

DISCOUNT AND CREDITS APPLIED: 0.00

MEMO: Process payment when saving

Save & Close Save & New Clear

Entering Overpayments

If a customer sends you an overpayment, you simply enter the amount in the Receive Payments window, and QuickBooks keeps track of the additional payment. When the customer has future invoices, you can apply the overpayment to those amounts—you can even apply the credit directly to the invoice.

To enter the payment:

1. In the Received From field of the Receive Payments window, select Pretell Real Estate:75 Sunset Rd. from the drop-down list.
2. Press Tab and type 12500 in the Amount field.

3. Press Tab again.
4. Select the Refund the amount to the customer option.
5. Click Save & New.

The screenshot shows the 'Issue a Refund' dialog box. The 'A refund is due to' field is populated with 'Pretell Real Estate:75 Sunset Rd.'. The 'Issue this refund via' dropdown is set to 'Check'. The 'Refund Amount' is '\$ 87.82'. The 'Account' dropdown is set to 'MASTER CHECKING ACC'. The 'Date' is '12/15/2015'. The 'Ending Balance' is '41,167.12'. The 'Address' field contains 'Pretell Real Estate, 222 Middlefield Ave, Middlefield CA94482'. The 'Memo' field is empty. The 'To be printed' checkbox is checked. The 'OK' and 'Cancel' buttons are visible at the bottom right.

6. In the Issue a Refund window, click OK.

Handling Down Payments & Prepayments

If a customer makes a payment before you've invoiced him for services (for example, he may be making a down payment or paying a retainer fee), you can still record the payment at the Receive Payments window. However, because you don't have any invoices to which to apply the payment, QuickBooks records the payment as an unused payment (just like an overpayment).

QuickBooks holds the unapplied amount with the customer's name. The next time you enter that customer in the Receive Payments window, QuickBooks displays the credit amount in the Unused Credits area. The customer's balance also reflects the credit amount.

To enter the down payment you've received:

1. In the Received From field, select Abercrombie, Kristy: Kitchen from the drop-down list and then press Tab.

2. Type 1000 in the Amount field and then press Tab.
3. In the Pmt. Method field, make sure Check is selected.
4. In the Check # field, type 4321.
5. Leave the Leave the credit to be used later option selected.
6. Click Save & Close
7. Click OK in the message that displays.

Invoice

DATE: 12/15/2015
 INVOICE #: 104

BILL TO: Kristy Abercrombie
 5647 Cypress Hill Rd
 Bayshore CA 94326

TERMS: Net 30
 DUE DATE: 01/14/2016

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	TAX
Removal	40	Removal labor	35.00	1,400.00	N.L.

TAX: San Tomas (7.75%) 0.00
 TOTAL: 1,400.00
 PAYMENTS APPLIED: 0.00
 BALANCE DUE: 1,400.00

ONLINE PAY: Off
 CUSTOMER MESSAGE: [Empty]
 MEMO: [Empty]
 CUSTOMER TAX CODE: Tax

Buttons: Save & Close, Save & New, Clear

Customer: Transaction

SUMMARY

Phone: 415-555-6579
 Email: kristy@samplename.com
 Open balance: -1,000.00
 Active estimates: 1
 Sales Orders to be invoiced: 0

RECENT TRANSACTION

12/15/15 Payment: 1,000.00
 12/01/15 Estimate: 4,792.00

NOTES

To create an invoice for a customer who made a down payment:

1. From the Customers menu, choose Create Invoices.
2. In the Customer:Job field, select Abercrombie, Kristy: Kitchen from the drop-down list.
3. QuickBooks displays the Available Estimates window. You don't want to create the invoice from the estimate listed, so click Cancel.
4. From the Template drop-down list, choose Custom Invoice.
5. Click in the Item column, select Removal from the Item drop-down list, and then press Tab.
6. In the Quantity column, type 40 and press Tab.

7. Notice that the \$1000 payment you entered appears in the Recent Transactions list of the Customer Snapshot.
8. Click Apply Credits to apply the down payment amount made earlier toward this invoice.
9. Click Yes at the message that displays to save changes.

Apply Credits
✕

INVOICE

Customer:Job	Abercrombie, Kristy:Kitchen		
Number	104	Amount Due	1,400.00
Date	12/15/2015	Discount Used	0.00
Original Amt.	1,400.00	Credits Used	1,000.00
		Balance Due	400.00

Credits

AVAILABLE CREDITS

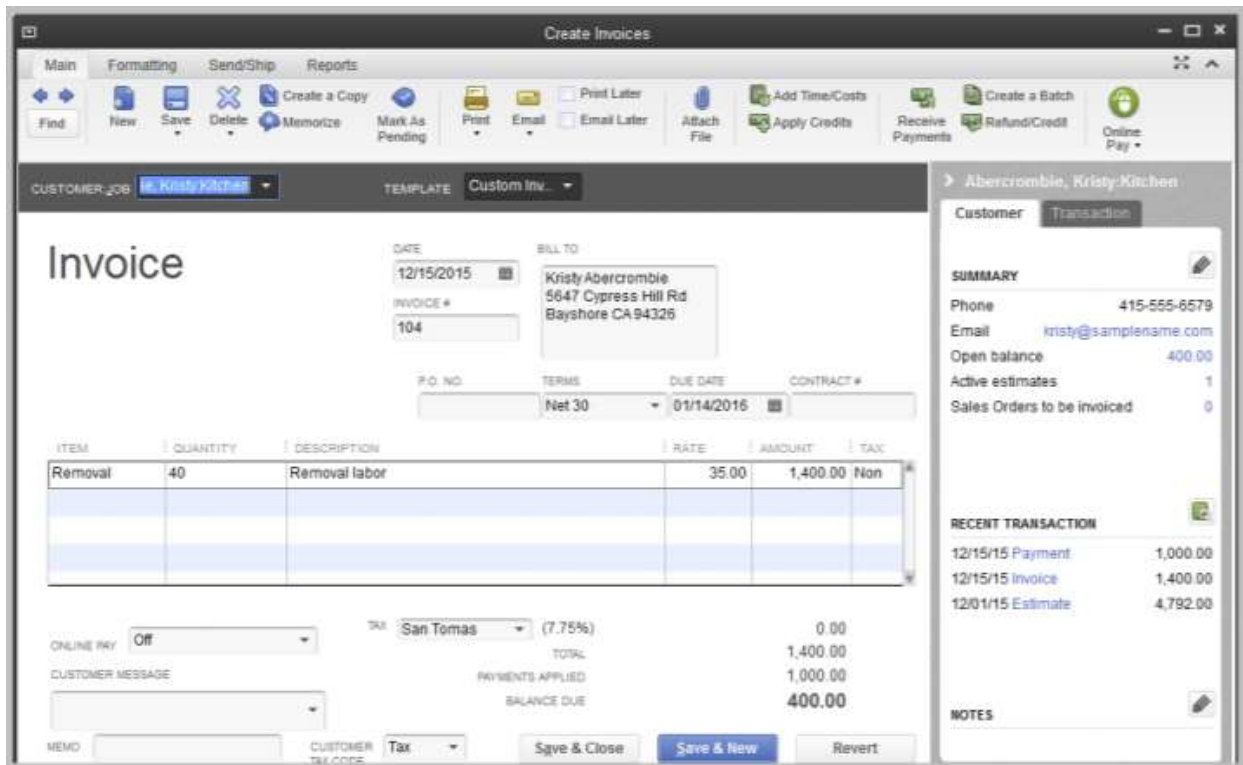
	✓ DATE	CREDIT NO.	CREDIT AMT.	AMT. TO USE	CREDIT BALANCE
✓	12/15/2015	4321	1,000.00	1,000.00	0.00
Totals					
			1,000.00	1,000.00	0.00

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

PREVIOUSLY APPLIED CREDITS

	✓ DATE	CREDIT NO.	CREDIT AMT.	AMT. TO USE	CREDIT BALANCE
Totals					
			0.00	0.00	0.00

- 10 This is the credit that you want to apply to the invoice, so click Done



11. Click Save & Close to record the transaction.

Making Deposits

When you use the Enter Sales Receipt window (for a sales receipt where you receive payment on the spot), the Receive Payments window (for payments on invoices), or a payment item on an invoice, QuickBooks keeps track of the money you've received until you deposit it in the bank. When you receive payments from customers, you can either deposit each payment directly into a QuickBooks bank account or you can group payments together into an account called Undeposited Funds to be moved to that bank account at a later time. QuickBooks allows you to choose the method you prefer for depositing payments.

To select payments to deposit:

1. From the Banking menu, choose Make Deposits

Xxx

2. Click to select the payments you want to bring to the bank.

Xxx

3. Click OK.
QuickBooks displays the Make Deposits window, which shows the payments you just selected.
4. In the Deposit To field, make sure that Master Checking Account is selected.

If you have money to deposit that is not the result of a payment you received for a sale, you can enter it in the detail area of the window. For example, if you received a premium refund from your insurance vendor, you would enter it here.

5. Click Save & Close to record the deposit.

How Quickbooks Handles The Deposit

To view the Undeposited Funds account:

1. From the Lists menu, choose Chart of Accounts.
2. In the Chart of Accounts, double-click the Undeposited Funds account.
3. Close the account register window.
4. In the Chart of Accounts, double-click the checking account. (Note the amounts in the balance column may be different than what is shown in the image below).
5. Close the checking account register and the Chart of Accounts.