

LESSON 1

Introducing QuickBooks Pro

QuickBooks has become the software of choice for many owners of small- and medium-sized businesses. No doubt, this is due to the multitude of functions and features that it offers the smaller company. In this lesson, you will explore the various editions of QuickBooks and determine what is right for you. You will also examine what goes on behind the scenes and why it is so important for you to have a basic understanding of accounting. Finally, you will be

introduced to some QuickBooks basics that are vital to your success as a QuickBooks user.

LESSON OBJECTIVES

After studying this lesson, you will be able to:

- Understand basic accounting tasks
- Manage basic QuickBooks files
- Work with the QuickBooks window
- Back up a company file
- Open a portable company file

Presenting QuickBooks Pro

QuickBooks is a software program that allows companies to:

- Keep track of customers, vendors, employees, and other important entities
- Process sales transactions and cash receipts
- Process purchase transactions and payments to vendors
- Run payroll
- Track and sell inventory
- Track assets (what you own) and liabilities (what you owe)
- Keep track of bank accounts
- And do so much more

Types of Companies That Use QuickBooks Pro

QuickBooks Pro works well for different types of companies in a variety of industries. Ideally, your company should not have more than twenty employees and two million dollars of annual revenue if you plan to use QuickBooks Pro (these are not strict rules, but guidelines). If your company is larger, you may want to consider using QuickBooks Enterprise Solutions. One type of business that QuickBooks Pro is not suited for is manufacturing, but Intuit has produced both Premier and Enterprise editions of QuickBooks especially for the manufacturing industry.

Aside from these issues, QuickBooks Pro can be customized and works well for many businesses, including not-for-profit organizations.

Editions of QuickBooks

Before you purchase your copy of QuickBooks, you should evaluate what you need QuickBooks to do for you. There are several editions of QuickBooks, all of which perform the basic tasks required for small-business bookkeeping. This book requires the use of QuickBooks Pro or higher because Jobs, Estimates, and Time Tracking are features that are not available in QuickBooks Basic.

Versions, as Compared to Editions

Now don't let yourself become confused by the difference between editions and versions of QuickBooks. Intuit creates a new version of QuickBooks each year (such as QuickBooks 2006, 2007, or 2008). Each new version provides additional features that are new for that year. This book is designed for QuickBooks 2008, but once you learn how to use the features QuickBooks offers, it will be easy to switch between versions as your needs change.

With each version, Intuit creates a multitude of editions from which a company may choose (such as QuickBooks Basic, QuickBooks Pro, and QuickBooks Premier). There is also an online edition of QuickBooks available that, for a monthly fee, allows you to access your company QuickBooks files via the Internet. Take a look at this book's website to determine which edition will work best for your company (labpub.com/learn/qb8_QC1/).

The Online Edition of QuickBooks

Many companies are now using the online edition of QuickBooks. The online version looks very similar to the traditional desktop editions but has some unique features, such as:

- The ability to access it from any computer with Internet access
- A way for users in multiple or remote locations to utilize a single file
- Automatic online backups

In addition, there is no need to worry about technological problems associated with desktop product installation and support when using QuickBooks online.

All of the users of a company file can access it through the web with a username and password, and all users work with the same up-to-date company file. It is recommended that you have a high-speed Internet connection to utilize this edition. The online edition, as with the desktop editions, allows you to set up users and determine the access level for each one.

The online interface is very similar to that of QuickBooks Pro, so once you learn the basics of the program in this book, you will be able to transfer your knowledge to the online edition. It is similar to learning to drive a Ford and then driving a Toyota—you will just need to familiarize yourself with the differences before you take off! You also have the ability to import your company data from a desktop edition of QuickBooks into your online account. You do not purchase software for the online edition but instead pay a monthly fee. Not all features are available in the online edition, though, so it is best to compare the different editions on the Intuit website in order to determine which is best suited for your company needs. You can find a link to the online edition comparison as well as current pricing on this book's website at labpub.com/learn/qb8_QC1/.

QuickBooks Add-Ins

There are many add-ins created by Intuit and additional third parties that can make your life easier when using QuickBooks. There are products out there that can assist with tasks such as order entry, customer management, credit card processing, collections, payroll, check printing, and many more! You can also find add-ins that have been developed for specific industries such as construction, retail, and farming, to name a few. If you wish to explore add-ins that may be helpful to you, check out the Intuit website or use an Internet search engine to search for third-party options.

Types of Tasks

There are many types of tasks you can perform with QuickBooks. The tasks can be broken down into two main categories: those that affect the accounting behind the scenes (activities and company setup) and those that do not (lists and reporting). The following table lists the four basic types of tasks covered in this book.

Task	Function
List (Database)	A list allows you to store information about customers, vendors, employees, and other data important to your business.
Activities	This feature affects what is happening behind the scenes. Activities can be easily entered on forms such as invoices or bills.
Company Setup	This feature takes you through the steps necessary to set up a new company in QuickBooks.
Reports	QuickBooks provides many preset reports and graphs that are easily customizable to meet your needs.

Understanding Basic Accounting

Many business owners use QuickBooks to keep their own books and attempt to just learn the software. QuickBooks is quite intuitive, but you will find yourself running into problems if you don't understand the accounting basics on which QuickBooks is based.

An Accountant's Worst Nightmare (or Greatest Dream?)

Picture yourself as an accountant who has just received a QuickBooks file from a client. The client has no idea how accounting works and, to him, debit and credit are just types of plastic cards he carries in his wallet. In his file you find duplicate accounts in the Chart of Accounts, accounts created as the wrong type, items posted to incorrect accounts, accounts payable inaccuracies, and payroll inaccuracies (to name just a few).

Now, as an accountant, you can consider this a nightmare as you will have to run numerous diagnostics to find all the mistakes (which could have been easily avoided if your client learned how to use QuickBooks properly in the first place) or a dream as the billable hours increase at a rapid rate.

This scenario is exactly the reason why you, as the client, need to learn what happens behind the scenes in QuickBooks, as well as how to use the day-to-day functions of the software. By having a better understanding of the accounting and how to do things properly in the program, you will reduce the number of hours your accountant will have to spend and thereby save yourself the accountant fees in the end!

Introducing "Behind the Scenes"

Throughout this book, you will see a special section called Behind the Scenes whenever you are learning about an activity performed within QuickBooks. This section will go over the accounting that QuickBooks performs for you when you record a transaction.

Accrual vs. Cash Basis Accounting

There are two ways that companies keep the books. The method you choose to implement depends on the nature of your business. QuickBooks makes it easy for you to produce reports utilizing either method, and your data entry will be the same regardless of which method you choose. Talk to your accountant or tax advisor to determine which method you have been using (for an existing business) or should use (for a new business).


Accrual Basis

In the accrual basis of accounting, income is recorded when the sale is made and expenses recorded when accrued. This method is often used by firms and businesses with large inventories.

Cash Basis

In the cash basis of accounting, income is recorded when cash is received and expenses recorded when cash is paid. This method is commonly used by small businesses and professionals.

Where to Find More Help

 **NOTE!** *You can learn more about accounting fundamentals in Appendix B, Need to Know Accounting at the back of this book. It provides some basic definitions, theories, and a webpage with online resources.*

In Appendix B, Need to Know Accounting, you will find information on:

- The accounting equation
- Debits and credits
- Types of accounts and normal balances

Introducing the Integrative Case Study: Skortis Landscaping

Throughout this book, you will follow the operations of a company called Skortis Landscaping. Skortis Landscaping provides landscape planning and consultation for residential and commercial customers. In the first half of this book, Justin Skortis will be operating a service-based business. In the second half, Justin will begin to stock inventory to sell to his customers, and you will examine how QuickBooks deals with inventory issues.

This book does not begin by teaching you how to set up a company but rather by teaching you how to perform the basic tasks in QuickBooks. This solid foundation will allow you to have a better understanding of the software and how it works so you can more efficiently set up a company in Lesson 5, Creating a Company.

All of the Hands-On exercises you will perform for Skortis Landscaping are set in the time frame of May through August 2008. Each exercise step that includes a date will have you set the correct date within this time frame.

The Skill Builder and Assessment exercises will offer you an opportunity to work with additional company types. Skill Builders will be based on a dental practice, and Assessments will be based on a fishing charter business.

Managing Basic QuickBooks Files

Before you can begin working with a QuickBooks file, you need to understand some basic file management operations. This section will cover how to launch the program, store files, and open QuickBooks portable company files.

Launching the Program

There is more than one way to do everything on a computer, and launching QuickBooks is no exception. Each computer is set up a little differently and may have different options for launching the program depending on shortcuts that have been created. Ask your instructor how he wishes for you to launch QuickBooks in your computer lab. Depending on the version of Windows you are running, QuickBooks will be found in the All Programs or Programs menu accessed via the Start button. Or there may be a shortcut to QuickBooks on the Windows Desktop.

! TIP! *“There is more than one way to do everything on a computer” is not meant to confuse you. You will be introduced to various ways to perform tasks in QuickBooks—choose whichever methods work best for you and stick with them!*

Where Your QuickBooks Files Are Stored

QuickBooks keeps your information in a company file. Your company file can be stored anywhere on your computer. The QuickBooks default storage location is the QuickBooks folder for the current version you are using.

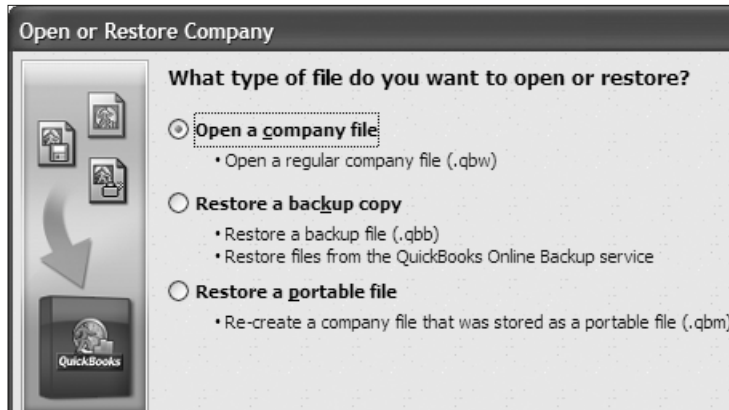
Storing Your Exercise Files

Throughout this book, you will be referred to files in your “file storage location.” You can store your exercise files on various media, such as a on a USB flash drive, in the My Documents folder, or to a network drive at a school or company. While some figures may display files on a USB flash drive, it is assumed that you will substitute your own location for that shown in the figures. See Appendix A, Storing Your Exercise Files, for additional information on downloading, unzipping, and storing the exercise files for this book.

! NOTE! *If you have not copied the student exercise files to your local file storage location, follow the instructions in Appendix A for your file storage media. The student exercise files will need to be in place before you begin the first exercise.*

Decompressing QuickBooks Files

QuickBooks doesn't save files as other programs like word processing programs do. When you enter transactions, they are saved automatically to the QuickBooks file. To save a QuickBooks file for backup purposes, you create a compressed file. Two types of compressed files are available for you to use in QuickBooks: backup files and portable company files. Portable company files are much smaller than backup files, enabling you to email or transport them more easily. The act of decompressing a backup or portable company file for use is called restoring.



Notice the three different types of files in which you can store your QuickBooks data: company files, backup files, and portable company files. This is the window that will appear when you choose to open or restore a file from the file menu.



QUICK REFERENCE: OPENING AND RESTORING QUICKBOOKS DATA

Task	Procedure
Open a QuickBooks company file	<ul style="list-style-type: none"> ■ Choose File→Open or Restore Company from the menu bar. ■ Choose Open a company file, and then click Next. ■ Locate the file you wish to open, and then click Open.
Restore a backup file	<ul style="list-style-type: none"> ■ Choose File→Open or Restore Company from the menu bar. ■ Choose Restore a backup copy, and then click Next. ■ Choose where the backup copy you wish to restore is located, either locally or online, and then click Next. ■ Locate the backup copy you wish to restore, and then click Open. ■ Click Next, choose the location to which you want the restored company file to be saved, and then click Save.
Restore a portable company file	<ul style="list-style-type: none"> ■ Choose File→Open or Restore Company from the menu bar. ■ Choose Restore a portable file, and then click Next. ■ Locate the portable file you wish to restore, and then click Open. ■ Click Next, choose the location to which you want the restored company file to be saved, and then click Save. ■ Be patient, as it does take longer for portable company files to be restored than backup copies! Click OK to acknowledge the successful restoration.



Hands-On 1.1 Restore a Portable Company File

In this exercise, you will restore a QuickBooks portable company file.

Before You Begin: If you have not done so already, please turn to the Downloading the Student Exercise Files section of Appendix A for instructions on how to retrieve the student exercise files for this book from the Labyrinth website and how to copy the files to your file storage location for use in this and future lessons.

NOTE! *In the following step, you may see one of two editions of QuickBooks installed on your computer: Pro or Premier. This book works with both of these versions, so choose whichever version is installed.*

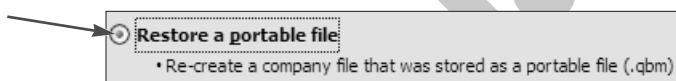
1. Click the Start button, choose All Programs, choose QuickBooks, and then choose QuickBooks 2008.
A “splash screen” displays the version of QuickBooks you are launching and opens the program window.

2. Choose File from the menu bar, and then choose the Open or Restore Company command on the menu.

NOTE! *In the future, a menu bar command like this will be written as Choose File → Open or Restore Company from the menu bar. (See the Visual Conventions section in the front matter for further details on similar conventions used in this book.)*

QuickBooks displays the Open Company: Type window.

3. Click in the circle to the left of Restore a portable file.



4. Click Next.

5. Follow these steps to restore your file:

A Depending on where your student exercise files are stored, navigate to the My Documents folder or to your file storage location and open the QB 2008 Files folder. This folder contains all of the files that you downloaded while following the directions in Appendix A.



B Click to select the Hands-On Lesson 1 (Portable) file.

C Click the Open button.

- Click Next, and then follow these steps to determine where the resulting company file will be located:

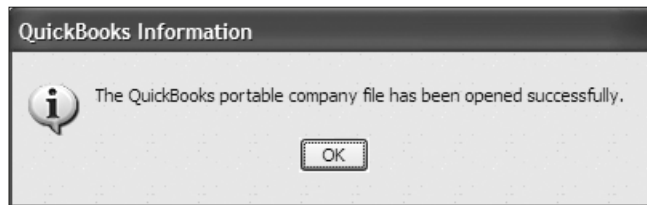
A Navigate to your file storage location.

B Click in front of Hands-On Lesson 1 and replace Justin's name with your own.

C Click the Save button.

D Click Cancel if the Create a Backup window appears.

It may take a few moments for the portable company file to open. After a pause, QuickBooks displays a prompt that the file was opened successfully.



- Click OK to dismiss the prompt, if necessary.
The QuickBooks window opens with your Hands-On Lesson 1 file ready. Leave this window open for the next exercise.

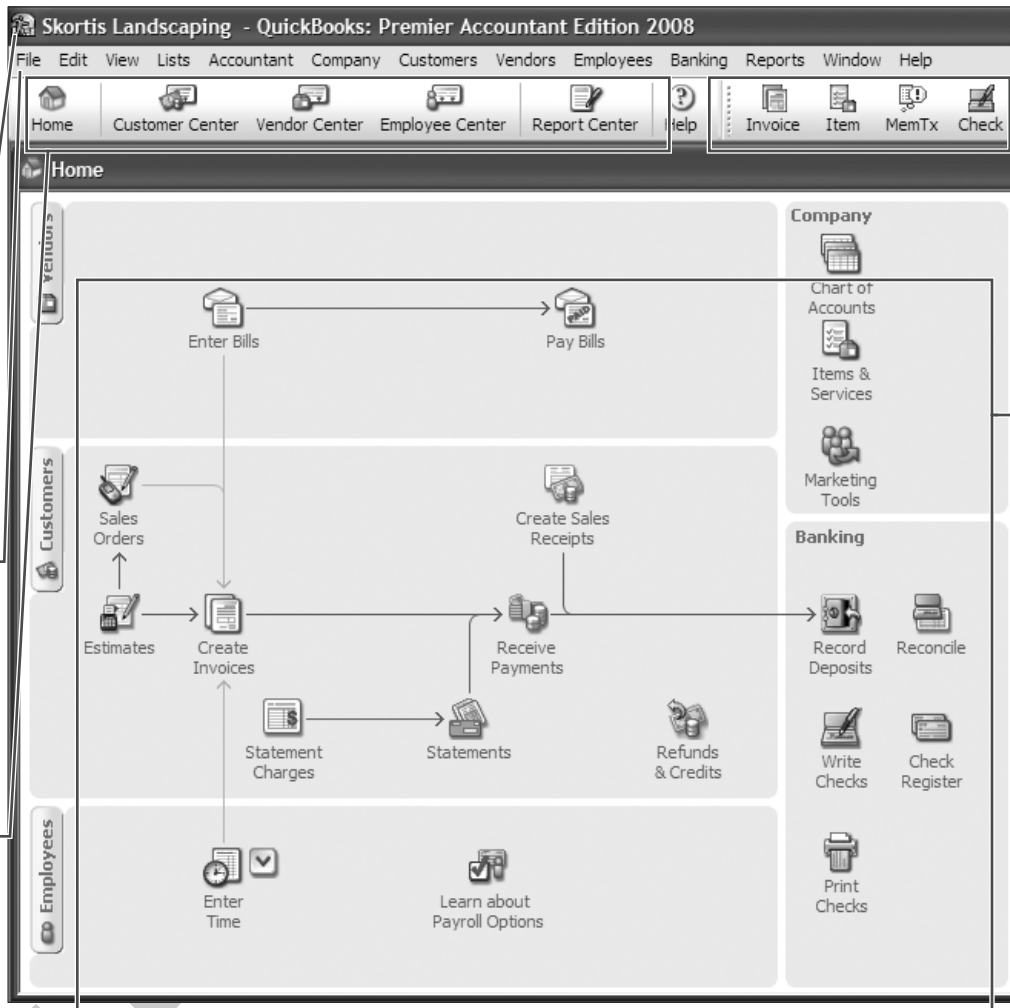
Working with the QuickBooks Window

There are many screen elements with which you are probably familiar if you have ever worked with a Windows-based PC. Many of the elements remain very similar regardless of the program in which you are operating; the elements in common are the title bar and quick sizing buttons. In addition, many programs utilize menu and tool/icon bars that you can see in QuickBooks.

The title bar tells you the name of the company you are working with as well as the version and edition of QuickBooks you are using.

Click a button on the menu bar to see a drop-down menu of options specific to that button.

The navigation bar allows you to either return to the Home page or travel to one of the QuickBooks centers quickly.



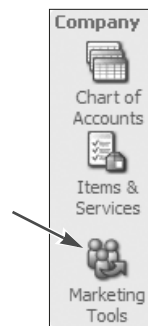
The icon bar displays icons that allow you to access common activities and lists with a single click of the mouse.

Notice the workflow diagram on the Home page. The arrows show the "normal" order of tasks performed in QuickBooks, although you are not restricted to performing tasks in this order.

TIP! All commands accessible on the icon bar can be found through the menu bar, but not all menu bar commands can be located on the icon bar (it would be a bit too crowded).

Marketing Tools

On the QuickBooks Home page, you can now access a variety of marketing tools, such as Weblistings and Google AdWords. Some of the tools are free of charge, while others require a fee. To learn more about these tools, click the Marketing Tools link on the Home page.



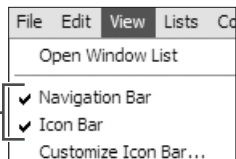
The Marketing Tools link can be found in the Company area of the Home page

Controlling the QuickBooks Display

If you cannot see the icon bar, navigation bar, or Open Windows list, you can turn them on through the View menu. To show or hide the icon bar, choose View→Icon Bar from the menu bar. To show or hide the Open Windows list, choose View→Open Window List from the menu bar.

TIP! You can switch between windows by clicking them in the Open Windows list, much the same as you switch between windows by clicking buttons on the Windows taskbar.

The checkmarks next to Navigation Bar and Icon Bar on the View menu tell you that these items are currently displayed on the screen.



TIP! To single-click or double-click, that is the question... In QuickBooks you will single-click most of the time. Make it a rule to always single-click first, and then double-click only if the single-click doesn't work. Most students are "happy double-clickers," and this can get you into trouble sometimes (especially if you are double-clicking a toggle button, which would be like flipping a light switch up and down and then wondering why the light didn't stay on). Remember, you always single-click a button!

Exiting QuickBooks

When you are finished working with QuickBooks, you will need to close the company file and the program. This can be accomplished by clicking the Close button at the top-right corner of the QuickBooks window or by selecting File→Exit from the menu bar.



Hands-On 1.2 Explore QuickBooks

In this exercise, you will have a chance to explore the QuickBooks window.

Explore the QuickBooks Window

1. Click the Customers button on the Home page.

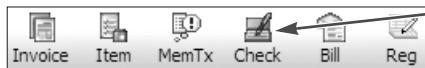
The Customer Center will open, where you can work with the customers on your list and manage various customer transactions.

2. Choose Lists→Chart of Accounts from the menu bar.

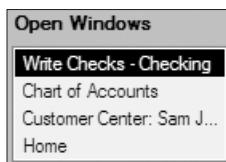
The Chart of Accounts window opens. This is an example of a list in QuickBooks. It lists the various accounts this company utilizes.

3. Click the Check icon on the icon bar.

The Write Checks window opens. This form looks like a paper check. QuickBooks often uses a screen that looks like a paper form to simplify data entry.



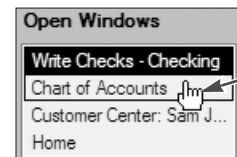
4. Choose View→Open Window List from the menu bar.



Notice that all four of the windows that are open are listed.

5. Click the Chart of Accounts item on the Open Windows list as shown at right.

The Chart of Accounts window appears on top of the other windows and becomes the active window. Look at the windows you have opened within QuickBooks and notice that each one has its own set of quick sizing buttons. You can use these buttons to control the display of each window within the QuickBooks program window.



6. Click the Close button for the Chart of Accounts window.

The window will close and no longer appear on the Open Windows list.

7. Taking care not to close the QuickBooks program window, close all of the other windows within the QuickBooks program window, including the Open Windows list.

NOTE! The Open Windows list can be closed either by choosing View→Open Window List from the menu bar or by clicking the "X" at the top-right corner of the list. You may need to close the Open Windows List first in order to view the Close buttons for all of the windows since they may have been shifted to the right and off of the screen.

8. Choose View→Icon Bar from the menu bar.

QuickBooks no longer displays the icon bar. The navigation bar to the left of the icon bar will still be visible.

Close and Reopen QuickBooks

9. Choose File→Exit from the menu bar.
The QuickBooks window closes. If the QuickBooks Update Service window appears, click No to close it.
10. Open QuickBooks by choosing Start→All Programs→QuickBooks→QuickBooks 2008.
Notice that QuickBooks opens the file that you were last working on and that the icon bar is not visible. The Home page will be visible, though, as it is set to open whenever QuickBooks is launched. This is a preference that can be changed, if desired.
11. Choose View→Icon Bar from the menu bar.
The icon bar reappears.

Backing Up Your Company File

You have already learned how to restore a portable company file. Now you will learn how to create a backup file. If you have ever lost a file or had your computer “crash” on you, you can understand the importance of backing up your data!

When working in QuickBooks, you cannot save your file as you may be used to doing in programs such as Microsoft® Word. Transactions are automatically saved to your company file as you enter them, so the backup operation will back up the entire file.

How often you back up your file is up to you, but you should not let too much time go between backups. If you lose your company file and are forced to restore the backup copy, you will have to enter all of the transactions since your last backup.

This is a company file. Notice how large it is.

This is a network data file that contains important configuration data. Do not delete this file!

Here is a backup file. Notice the size in the ScreenTip.

This is a portable company file. Notice how much smaller than the backup file it is.

Transaction logs help you to recover any data entered after the last backup operation.

Justin Hands-On Lesson 1 QuickBooks Company File 7,676 KB	Hands-On Lesson 1 (Portable) QuickBooks Portable Company... 309 KB
Justin Hands-On Lesson 1.QBW QuickBooks Network Data File. 1 KB	Justin Hands-On Lesson 1.QBW tigFile 192 KB
Justin Hands-On Lesson 1 (Backup Oct 11, 2007 10 32 AM) QuickBooks Company Backup File	
Type: QuickBooks Company Backup File Date Modified: 10/11/2007 10:33 AM Size: 4.24 MB Archived with: QuickBooks 2008	

When QuickBooks creates either a backup or portable company file, it compresses all the data stored in the company file. This is why these files are substantially smaller than the company file. Notice how much smaller the portable company file is than the backup file. This is why portable company files are great for sending by email.

Backup Location

Do not back up your company file to your hard drive or where your main company file is stored. Choose an alternate backup location such as a network drive, USB drive, CD-RW, or the QuickBooks' online backup option. If you back up your file to a USB drive or some other removable media, make sure to store the backup copy someplace other than where the original file is physically located (for instance, do not set the backup disc on the PC where the original file is, just in case something such as a fire or water damage occurs at the physical location).

When to Save a Backup Copy

In QuickBooks 2008, you have the opportunity to choose when you wish to back up your company file. QuickBooks allows you to choose between three options:

- Immediately
- Immediately and schedule future backups
- Only schedule future backups

The future backup options make it easy to back up your company file on a regular basis without having to remember to physically issue the command. If you choose scheduled backups, make sure that your selected backup location is available to QuickBooks at the scheduled times. For instance, ensure that you have your USB flash drive available if it is your backup location.



QUICK REFERENCE: CREATING PORTABLE COMPANY FILES AND BACKUP FILES

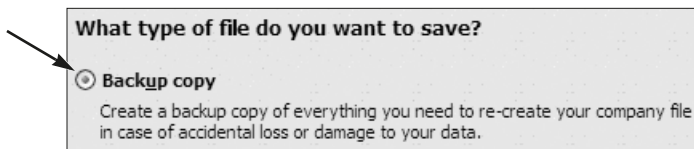
Task	Procedure
Create a portable company file	<ul style="list-style-type: none"> ■ Choose File→Save Copy or Backup from the menu bar. ■ Choose Portable company file, and then click Next. ■ Choose the location in which to store the portable company file, and then click Save. ■ Click OK to allow QuickBooks to close and reopen your file. ■ Click OK to acknowledge the portable company file creation.
Create a backup file	<ul style="list-style-type: none"> ■ Choose File→Save Copy or Backup from the menu bar. ■ Choose Backup copy, and then click Next. ■ Choose whether you wish to create a local or online backup. ■ Choose when you wish to create the backup copy. ■ Choose the location in which to store the backup file, and then click Save. ■ Click OK to acknowledge the backup file creation.



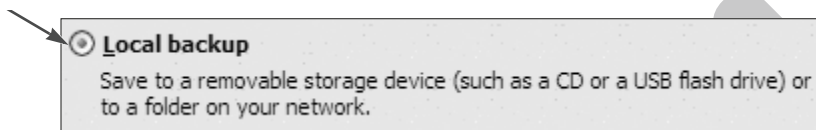
Hands-On 1.3 Back Up Your QuickBooks Data File

In this exercise, you will create a backup copy of your company file. Ask your instructor where he wants you to back up your file. A USB removable storage drive is used in this example.

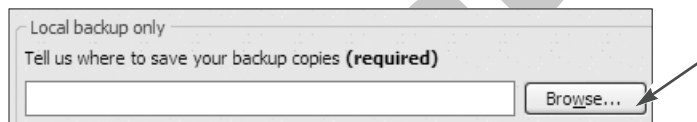
1. Choose File→Save Copy or Backup from the menu bar.
2. Look at the types of files you can save, ensure that Backup copy is chosen, and then click Next.



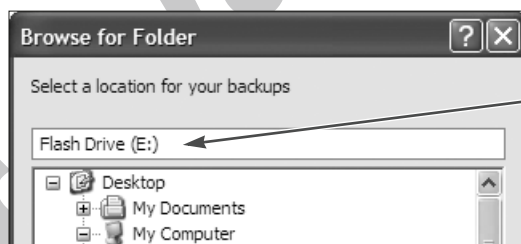
3. Click to choose Local Backup, and then click Next.



4. Click the Browse button.



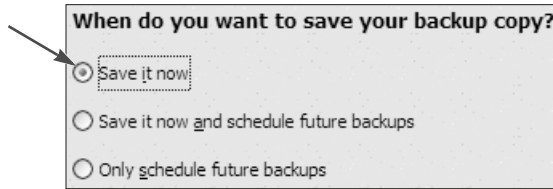
5. Choose your file storage location in the Browse for Folder window. (The drive or folder name will probably be different from the one shown here.)




If you are not sure where to save your backup copy, ask your instructor or see Appendix A for more information regarding file storage media.

6. Click the OK button.
If you have chosen to save the file to the same drive on which the company file is stored, QuickBooks will display a warning window.
7. Read the information in the QuickBooks window; click the Use this location option, if necessary.

8. Click Next, choose Save it now, and click Next again.



A Save Backup to window will appear, which should display the file storage location you chose in step 5.

9. Ensure that the correct file storage location is displayed, and then click Save.
QuickBooks will first verify that your file is not corrupted and will then create a backup copy in the location you specified.
10. Click OK to acknowledge the information window that shows where the backup file is located.
11. Click the Close  button at the top-right corner of the QuickBooks window.
The QuickBooks program window and the current company file will close.



Concepts Review

True/False Questions

- | | | |
|--|------|-------|
| 1. QuickBooks Pro would be a good software program for a company with one hundred employees. | TRUE | FALSE |
| 2. Performing an activity within QuickBooks affects what happens behind the scenes in the program. | TRUE | FALSE |
| 3. It is not important that you understand basic accounting principles to be an efficient QuickBooks user. | TRUE | FALSE |
| 4. In the cash basis of accounting, you record the expenses when they are accrued. | TRUE | FALSE |
| 5. A portable company file is larger in size than a backup file. | TRUE | FALSE |
| 6. You must store your QuickBooks company file on your computer hard drive. | TRUE | FALSE |
| 7. To use a QuickBooks backup file you must restore it first. | TRUE | FALSE |
| 8. You must store your QuickBooks company file in the QuickBooks folder, its default storage location. | TRUE | FALSE |
| 9. You can choose whether you want to see the icon bar in your QuickBooks window. | TRUE | FALSE |
| 10. The Open Windows list allows you to switch between open windows in QuickBooks. | TRUE | FALSE |

Multiple Choice Questions

- | | |
|---|---|
| <p>1. In which location should you <i>not</i> back up your company file?</p> <ol style="list-style-type: none"> A USB flash drive A CD-RW disc A network drive where your main company file is located An external hard drive <p>2. In the event of a loss of data, what type of file helps you to recover any data entered after the last backup operation?</p> <ol style="list-style-type: none"> Transaction log Backup Portable company Network | <p>3. To use QuickBooks portable company files, what must you do first?</p> <ol style="list-style-type: none"> Restore the file Replace the file Reuse the file Open the file <p>4. Where would you look to see the name of the company with which you are working?</p> <ol style="list-style-type: none"> The menu bar The title bar The icon bar The navigation bar |
|---|---|



Skill Builders

Skill Builder 1.1 Find Your Way Around QuickBooks

In this exercise, you will work with a QuickBooks company setup for a dentist, Dr. Paige Delmico, DDS, Inc. You will open her portable company file and take a look at it.

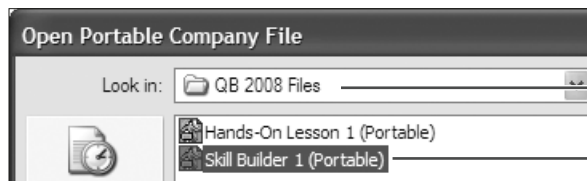
Restore the Skill Builder 1 Portable Company File

1. Start QuickBooks.

The QuickBooks program window appears and may open the customer file you backed up in Hands-On 1.3. Or, the program may indicate No Company Open.

2. Choose File→Open or Restore Company from the menu bar.

3. Choose to Restore a portable file, and then click Next.



A Navigate to your file storage location.

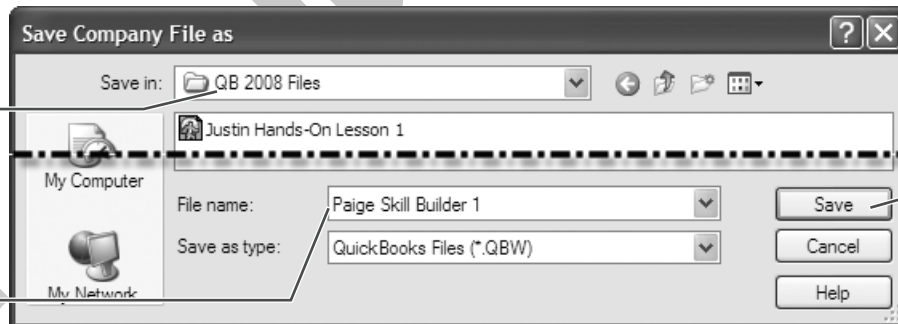
B Double-click to select Skill Builder 1 (Portable).

Double-clicking the filename functions the same as if you had single-clicked the filename and then clicked the Open button.

4. Click Next to move to the next screen.

A Navigate to your file storage location.

B Click in front of Skill Builder 1 and replace Paige's name with your own name.



C Click Save.

D Click Cancel if the Create a Backup window appears.

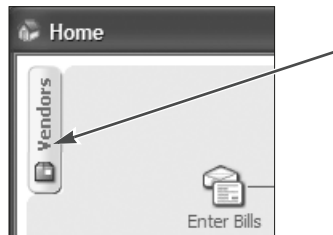
There is a long pause as QuickBooks opens the portable company file.

5. Click OK to dismiss the prompt, if necessary.

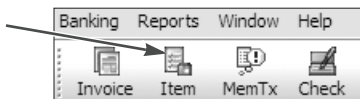
QuickBooks opens the company file and displays the Home page.

Navigate in the Company File

- Open the Vendor Center by clicking the Vendors button on the Home page.

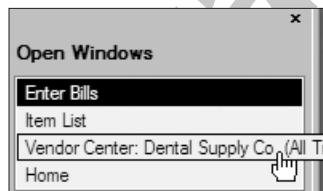


- Open the Item List by clicking the Item icon on the icon bar at the top of the QuickBooks window.

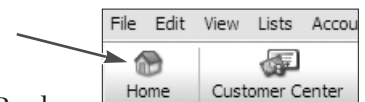


QuickBooks displays the Item List window.

- Choose Vendors→Enter Bills from the menu bar.
QuickBooks displays an Enter Bills window, ready for you to enter a bill from a vendor.
- Choose View→Open Window List from the menu bar.
- Click the Vendor Center item as shown to make it the active window.



- Choose Window→Item List from the menu bar.
This menu bar command produces the same result as clicking an open window on the Open Windows list. QuickBooks displays the selected window.
- Click the Home icon on the navigation bar.
QuickBooks displays the Home page.
- Choose File→Exit or click the Close button to exit from QuickBooks.



Skill Builder 1.2 Master T Accounts

In this exercise, you will use your accounting knowledge. You can print the worksheet for this exercise from the book's website. You may wish to refer to Appendix B for assistance.

Before You Begin: (Optional) Open Internet Explorer, navigate to labpub.com/learn/qb8/, click the Level 1 tab, click the Skill Builder 1.2 link, and then print the worksheet.

- Using the following T accounts, write the name of each of the accounts listed on the top of a T:
 - Bank Service Charges
 - Patient Fees
 - Checking Account
 - Loan for Office Building
 - Prepaid Insurance
 - Retained Earnings
- Next to each account, write the type of account it is (asset, liability, equity, income, or expense).
- Label the debit and credit side of each T.
- Place an **NB** on the appropriate side of the T to indicate the normal balance side of each account.

<div style="display: flex; justify-content: center; align-items: center; width: 100%;"> <div style="border-left: 1px solid black; border-right: 1px solid black; width: 80%; height: 100%;"></div> </div>	<div style="display: flex; justify-content: center; align-items: center; width: 100%;"> <div style="border-left: 1px solid black; border-right: 1px solid black; width: 80%; height: 100%;"></div> </div>
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Assessments

Assessment 1.1 Restore a QuickBooks Backup File

In this exercise, you will work with a company called Island Charters run by Mary O'Malley that provides fishing charter excursions for its customers. You will restore and explore Mary's QuickBooks file. (You have been working with portable company files up to this point. In this exercise, you will have the opportunity to restore a backup file.)

1. Start QuickBooks and restore the Assessment 1 backup file in the QB 2008 Files folder in your file storage location. Make sure that you name the restored company file **{Your First Name} Assessment 1**.
2. Open the following windows using any of the methods introduced in this lesson:
 - Invoice Creation (Hint: Click the Create Invoices icon on the Home page.)
 - Item List (Hint: Choose Lists→Item List from the menu bar.)
 - Customer Center (Hint: Click the Customer Center button on the navigation bar.)
 - Chart of Accounts (Hint: Click the Acct icon on the icon bar.)
3. Display the Customer Center above the other open windows.
4. Ask your instructor to review your screen for this exercise.
5. Close all windows.
6. Exit QuickBooks.

Assessment 1.2 Get a Grasp on Accounting Principles

In this exercise, you will use your accounting knowledge to brainstorm the accounts that would be required for the business that you will be working with in the assessment exercises throughout this book.

Before You Begin: (Optional) Open Internet Explorer, navigate to labpub.com/learn/qb8/, click the Level 1 tab, click the Assessment 1.2 link, and then print the worksheet.

1. Think about a fishing charter business. On the worksheet, or in the following space, list the accounts that you feel would be required in the business's Chart of Accounts.
2. In the second column, list the type of account for each.
3. In the third column, state whether the normal balance for the account would be a debit or a credit.

Account Name	Account Type (Asset, Liability, Equity, Income, Expense)	Normal Balance (DR/CR)

For Evaluation