

Contents

Preface	ix	CHAPTER 3	
CHAPTER 1		Working with Customers	43
Getting Started with QuickBooks Online	1		
Introducing QuickBooks Online	2	The Sales(/Invoicing) Center	44
QuickBooks Online Subscriptions	2	Adding Customers and Sub-Customers	45
Mobile Devices	4	Importing Customers from an Excel or CSV File	46
Updates and the Ever-Evolving User Interface	4	Editing, Merging, and Making Customers Inactive	48
Before You Begin	4	Recording Sales Transactions	50
Course Organization	4	Customizing Sales Forms Settings	50
Using the Browser	5	Creating Sales Receipts and Invoices	51
Security	5	Price Rules	54
The Test Drive	5	Receiving Customer Payments	56
Your Trial Subscription and the Company File	6	Recording a Bank Deposit	57
Other Tools You'll Need	6	Creating Customer and Sales Reports	57
Navigating the User Interface	6	Correcting Errors	60
The Top-Right Navigation Tools	7	Tackle the Tasks	62
The Gear Menu	7	Self-Assessment	63
The Search Feature	9	Reinforce Your Skills	65
The Help Menu	10	Apply Your Skills	69
The Navigation Bar	10	CHAPTER 4	
Accounting—Behind the Scenes	14	Working with Vendors	73
Generally Accepted Accounting Principles (GAAP)	14		
Accrual Basis vs. Cash Basis Accounting	14	The Expenses Center	74
Account Types and Financial Reports	15	The Money Bar	75
Tackle the Tasks	16	The Vendors List	75
Self-Assessment	17	Adding Vendors	75
		Importing Vendor Data from an Excel or CSV File	76
		Editing, Merging, and Making Vendors Inactive	77
		Creating Vendor Transactions: Purchases and Expenses	78
		Customizing Expense Form Settings	80
		Creating Check, Expense, and Bill Records	81
CHAPTER 2		Managing Accounts Payable	84
Setting Up a New Company File	19	Accounts Payable Reports	85
Planning and Creating Your Company File	20	Other Vendor Reports	87
Start Date	20	Paying Bills	88
Setup Checklist—Elements of the Plan	20	Tackle the Tasks	90
Customizing Your Company File	22	Self-Assessment	92
The Chart of Accounts	23	Reinforce Your Skills	93
Products and Services	27	Apply Your Skills	95
Adding and Managing Users	30		
Opening Balances and Historical Transactions	32		
Self-Assessment	34		
Reinforce Your Skills	36		
Apply Your Skills	39		

CHAPTER 5**Banking and Credit Card Transactions 97**

Managing the Banking Center	98
Setting Up and Using Bank Feeds	98
Managing Bank Rules	101
Other Banking Transactions	102
Entering Debit and Credit Card Transactions	103
Reconciling Accounts	107
Bank Feeds	107
Undeposited Funds	107
Preparing Financial Reports	110
Tackle the Tasks	113
Self-Assessment	114
Reinforce Your Skills	116
Apply Your Skills	120

CHAPTER 6**All in a Day's Work! 123**

Before You Begin	124
Week Ending 8/15/2026	126
Thursday 8/13/2026	126
Friday 8/14/2026	126
Saturday 8/15/2026	127
Create a Report	127
Prepare Your Deliverables—Set 1	128
Week Ending 8/22/2026	128
Thursday 8/20/2026	128
Friday 8/21/2026	128
Saturday 8/22/2026	129
Prepare Your Deliverables—Set 2	129
Week Ending 8/29/2026	130
Thursday 8/27/2026	130
Friday 8/28/2026	130
Saturday 8/29/2026	130
Prepare Your Deliverables—Set 3	130
Tuesday 9/1/2026	131
Prepare Your Deliverables—Set 4	131
Look at the Big Picture	131

CHAPTER 7**Managing Inventory 133**

Tracking Inventory	134
Enabling Tracking	134
Entering Inventory	135
Non-Inventory Products	138
Inventory Adjustments	139
Purchase Orders	140
Purchase Order Reports	142
Receiving Inventory Against a Purchase Order	142
Purchase Orders for Non-Inventory Products	143
Adding an Expense to a Purchase Order Payment	144
Purchasing Products and Services Without a Purchase Order	145
Vendor Credits/Returns	146
Sales Tax	146
Inventory and Non-Inventory Products	147
Customer Returns and Credits	149
Customer Refunds	149
Reports	150
Tackle the Tasks	152
Self-Assessment	153
Reinforce Your Skills	155
Apply Your Skills	161

CHAPTER 8**Working with Balance Sheet Accounts and Budgets 163**

Recording Other Current Assets	164
Journal Entries and Recurring Transactions	167
Fixed Assets and Long-Term Liabilities	169
Transferring Funds Between Accounts	170
Petty Cash	171
Handling Uncollectible Receivables/Bad Debts	172
Creating and Reviewing Budgets	174
Tackle the Tasks	177
Self-Assessment	178
Reinforce Your Skills	180
Apply Your Skills	182

CHAPTER 9**Customizing, Fine-Tuning, and Extending Capabilities****183**

Customizing Reports	184
Sending Reports	186
Adding a Custom Field to Sales Forms	186
Protecting Confidential Information	188
Enabling Privacy Mode on the Dashboard	188
Setting User Permissions	188
Keyboard Shortcuts	190
Extending Capabilities with Apps	190
The QuickBooks Community	191
Submitting User Feedback	191
QuickBooks Labs	191
Tackle the Tasks	192
Self-Assessment	193
Reinforce Your Skills	195
Apply Your Skills	197

CHAPTER 10**Staying on Track: The Accounting Cycle, Classes, and Locations****199**

Generally Accepted Accounting Principles and the Accounting Cycle	200
GAAP	200
Accounting Cycle Steps	200
Class Tracking	205
Location Tracking	207
Delayed Charges and Credits	210
Tackle the Tasks	212
Self-Assessment	213
Reinforce Your Skills	215
Apply Your Skills	217

CHAPTER 11**Completing the Accounting Cycle, Closing the Books, and Reviewing Changes****219**

Completing the Accounting Cycle	220
Creating the Trial Balance Report and Making Adjustments	220
Adjusting Journal Entries	222
Comparing Inventory Quantities and Making Adjustments	223
Creating Financial Statements	226
Closing the Books	229
The Audit Log and Audit History	229
Audit Log	229
Audit History	230
Self-Assessment	231
Reinforce Your Skills	233
Apply Your Skills	234

CHAPTER 12**Using Payroll in QuickBooks Online****235**

Introducing Payroll	236
Payroll Setup	236
The Payroll Center	237
Run Payroll	239
Payroll Taxes	240
Payroll Tax Forms	241
Payroll Reports	241
Self-Assessment	242
Reinforce Your Skills	243
Apply Your Skills	246

CHAPTER 13		APPENDIX A	
Bringing It All Together!	249	Need-To-Know Accounting	265
Before You Begin	250	Working with Financial Statements	266
Prepare Your Deliverables—Set 1	255	The Accounting Equation and the Balance Sheet	266
Create Daily Transactions	255	The Income Statement (aka Profit and Loss Report)	268
Week 1	255	Debits and Credits: The Double-Entry Accounting System	269
Week 2	257	Types of Accounts and Normal Balances	269
Week 3	259	The Trial Balance Report	270
Week 4	261		
Prepare Your Deliverables—Set 2	262	APPENDIX B	
Make Adjustments and Reconcile Accounts	263	The QBCU Exam Objectives and This Text	271
Week 5	263	QBCU Exam Objectives	272
Prepare Your Deliverables—Set 3	264		
		Self-Assessment Answer Key	277
		Glossary	283
		Index	285