

# Contents

|  |          |  |           |
|--|----------|--|-----------|
| Preface  | ix       |  |           |
| <b>CHAPTER 1</b>                                       |          | <b>CHAPTER 2</b>                             |           |
| <b>Getting Started with QuickBooks Online</b>          | <b>1</b> | <b>Setting Up a New Company File</b>         | <b>25</b> |
| Cloud Accounting and QuickBooks Online                 | 2        | Planning and Creating Your Company File      | 26        |
| Introducing QuickBooks Online                          | 3        | New Company File                             | 27        |
| Mobile Devices   | 5        | QuickBooks Desktop Migration                 | 28        |
| Updates and the Ever-Evolving User Interface           | 5        | Importing Lists and Transactions             | 28        |
| Comparing QuickBooks Desktop to QuickBooks Online      | 6        | Customizing Your Company File                | 29        |
| Key Differences  | 6        | Account and Settings                         | 29        |
| Before You Begin                                       | 7        | The Chart of Accounts                        | 31        |
| Course Organization                                    | 7        | Products and Services                        | 38        |
| Using an Internet Browser: Chrome Tips and Tricks      | 8        | Sales Taxes                                  | 41        |
| Security   | 8        | Managing Users                               | 42        |
| The Sample Company, Long for Success -- Event Planning | 8        | Opening Balances and Historical Transactions | 43        |
| A Few Things to Keep in Mind                           | 9        | Self-Assessment                              | 48        |
| Your Trial Subscription and the Company File           | 10       | Reinforce Your Skills                        | 50        |
| Navigating QuickBooks Online                           | 10       | Apply Your Skills                            | 52        |
| How QBO Is Built                                       | 10       | Keeping on Track                             | 55        |
| Gear Icon  | 11       | <b>CHAPTER 3</b>                             |           |
| Search   | 14       | <b>Working with General Ledger Accounts</b>  | <b>57</b> |
| Navigation Bar   | 14       | Balance Sheet Accounts                       | 58        |
| + New Menu   | 19       | Asset Accounts                               | 59        |
| Accounting—Behind the Scenes                           | 20       | Shareholder Accounts (for Corporations)      | 64        |
| Generally Accepted Accounting Principles (GAAP)        | 21       | Transferring Funds Between Accounts          | 64        |
| Accrual Basis vs. Cash Basis Accounting                | 21       | Profit and Loss (Income Statement) Accounts  | 65        |
| Self-Assessment  | 22       | Expenses vs. Cost of Goods Sold              | 65        |
|  |          | Other Income and Other Expenses              | 65        |
|  |          | Journal Entries and Recurring Transactions   | 66        |
|  |          | Sales Tax Accounts (GST, HST, PST, QST)      | 68        |
|  |          | Handling Uncollectible Receivables/Bad Debts | 69        |
|  |          | Tackle the Tasks                             | 71        |
|  |          | Self-Assessment                              | 72        |
|  |          | Reinforce Your Skills                        | 73        |
|  |          | Apply Your Skills                            | 76        |
|  |          | Keeping on Track                             | 78        |

|   |            |                                       |            |
|---|------------|---------------------------------------|------------|
| <b>CHAPTER 4</b>                                |            |                                       |            |
| <b>Working with Customers</b>                   | <b>79</b>  |                                       |            |
| The Sales Centre                                | 80         | Self-Assessment                       | 145        |
| Adding Customers and Sub-Customers              | 81         | Reinforce Your Skills                 | 147        |
| Importing Customers from an Excel or CSV File   | 84         | Apply Your Skills                     | 149        |
| Editing, Merging and Making Customers Inactive  | 85         | Keeping on Track                      | 152        |
| Creating Customer and Sales Transactions        | 86         | <b>CHAPTER 6</b>                      |            |
| Customizing Sales Form Settings                 | 87         | <b>Managing Banking</b>               | <b>153</b> |
| The Transaction View                            | 88         | The Transactions Centre               | 154        |
| The Transaction Form “Bottom Bar”               | 89         | Connecting the Accounts               | 154        |
| Invoices  | 90         | Bank Feeds Overview                   | 156        |
| Sales Receipts                                  | 92         | For Review, Categorized and Excluded  | 156        |
| Estimates and Progress Invoicing                | 94         | Categorizing or Entering Transactions | 157        |
| Receiving and Depositing Customer Payments      | 96         | Split and Multiple Transactions       | 163        |
| Other Customer Transactions                     | 98         | Managing Bank Rules                   | 165        |
| Price Rules                                     | 98         | Receipt Import and Capture            | 166        |
| Credit Memos and Refund Receipts                | 100        | Reconciling Accounts                  | 167        |
| Delayed Charges and Credits                     | 102        | Tackle the Tasks                      | 171        |
| Creating Customer and Sales Reports             | 102        | Self-Assessment                       | 172        |
| Projects  | 105        | Reinforce Your Skills                 | 174        |
| Tackle the Tasks                                | 107        | Apply Your Skills                     | 177        |
| Self-Assessment                                 | 108        | Keeping on Track                      | 179        |
| Reinforce Your Skills                           | 110        | <b>CHAPTER 7</b>                      |            |
| Apply Your Skills                               | 113        | <b>All in a Day’s Work!</b>           | <b>181</b> |
| Keeping on Track                                | 117        | Before You Begin                      | 182        |
| <b>CHAPTER 5</b>                                |            | Week of August 15, 2029               | 185        |
| <b>Working with Suppliers</b>                   | <b>119</b> | August 13, 2029                       | 185        |
| The Expenses Centre                             | 120        | August 14, 2029                       | 185        |
| Adding Suppliers                                | 121        | August 15, 2029                       | 186        |
| Importing Suppliers from an Excel or a CSV File | 122        | Create a Report                       | 186        |
| Editing, Merging and Making Suppliers Inactive  | 123        | Prepare Your Deliverables—Set 1       | 186        |
| Creating Supplier Transactions                  | 125        | Week of August 22, 2029               | 187        |
| Customizing Expense Form Settings               | 126        | August 20, 2029                       | 187        |
| Bills   | 127        | August 21, 2029                       | 187        |
| Cheque and Expense Transactions                 | 129        | August 22, 2029                       | 187        |
| Purchase Orders                                 | 132        | Prepare Your Deliverables—Set 2       | 188        |
| Other Supplier Transactions                     | 133        | Week of August 29, 2029               | 188        |
| Billable Expenses                               | 133        | August 27, 2029                       | 188        |
| Supplier Credits and Refunds                    | 135        | August 28, 2029                       | 188        |
| Paying Bills                                    | 138        | August 29, 2029                       | 188        |
| Creating Supplier and Expense Reports           | 140        | Prepare Your Deliverables—Set 3       | 189        |
| Accounts Payable Reports                        | 141        | September 1, 2029                     | 189        |
| Other Supplier Reports                          | 143        | Prepare Your Deliverables—Set 4       | 190        |
| Tackle the Tasks                                | 144        | Look at the Big Picture               | 190        |
|   |            | Keeping on Track                      | 191        |

**CHAPTER 8****Managing Inventory** **193**

|   |     |
|---|-----|
| Inventory Management                          | 194 |
| Getting Started with Inventory                | 195 |
| Inventory Bundles                             | 201 |
| Inventory Adjustments                         | 201 |
| Inventory Purchases                           | 202 |
| Purchase Orders                               | 203 |
| Receiving Inventory Against a Purchase Order  | 204 |
| Adding an Extra Charge When Receiving Product | 206 |
| Purchase Order Reports                        | 207 |
| Inventory Sales                               | 207 |
| Inventory Reports                             | 210 |
| Tackle the Tasks                              | 211 |
| Self-Assessment                               | 212 |
| Reinforce Your Skills                         | 214 |
| Apply Your Skills                             | 218 |
| Keeping on Track                              | 221 |

**CHAPTER 9****Period-End Tasks and Filing Sales Taxes** **223**

|                               |     |
|-------------------------------|-----|
| Period-End Tasks              | 224 |
| Account Reconciliation        | 224 |
| Trial Balance Report Overview | 224 |
| Preparing Financial Reports   | 231 |
| Closing the Books             | 235 |
| Sales Tax Filing              | 236 |
| Preparation and Review        | 237 |
| Adjustments                   | 238 |
| Self-Assessment               | 240 |
| Reinforce Your Skills         | 242 |
| Apply Your Skills             | 244 |
| Keeping on Track              | 246 |

**CHAPTER 10****Customizing and Extending the Capabilities of QuickBooks Online** **247**

|   |     |
|---|-----|
| Reports   | 248 |
| Favourites  | 248 |
| Customizing   | 249 |
| Scheduling and Sending Reports                      | 252 |
| Multicurrency                                       | 253 |
| Important Points About Using Multicurrency in QBO   | 253 |
| Budgets   | 254 |
| Class and Location Tracking                         | 257 |
| Class Tracking                                      | 257 |
| Location Tracking                                   | 259 |
| Additional Tools                                    | 261 |
| Exporting Data                                      | 261 |
| Protecting Confidential Information                 | 262 |
| The Audit Log and Audit History                     | 263 |
| Keyboard Shortcuts                                  | 264 |
| Extending Capabilities with Integrated Applications | 265 |
| Tackle the Tasks                                    | 266 |
| Self-Assessment                                     | 267 |
| Reinforce Your Skills                               | 268 |
| Apply Your Skills                                   | 270 |
| Keeping on Track                                    | 271 |

**CHAPTER 11****Bringing It All Together!** **273**

|                                 |     |
|---------------------------------|-----|
| Before You Begin                | 274 |
| Project Setup                   | 275 |
| Prepare Your Deliverables—Set 1 | 276 |
| Create Daily Transactions       | 277 |
| Week 1                          | 277 |
| Week 2                          | 279 |
| Week 3                          | 282 |
| Week 4                          | 285 |
| Prepare Your Deliverables—Set 2 | 286 |
| Reconciliations and Reports     | 287 |
| Week 5                          | 287 |
| Prepare Your Deliverables—Set 3 | 289 |

**APPENDIX A**

|   |            |
|---|------------|
| <b>Accounting Essentials</b>                    | <b>291</b> |
| The Accounting Cycle                            | 292        |
| Generally Accepted Accounting Principles (GAAP) | 293        |
| Accrual vs. Cash Accounting Methods             | 293        |
| Financial Statements                            | 293        |
| The Accounting Equation and the Balance Sheet   | 294        |
| Profit and Loss (Income Statement)              | 296        |
| Debits and Credits and Their Impact on the      |            |
| General Ledger                                  | 298        |
| Trial Balance Review                            | 299        |

**APPENDIX B**

|   |            |
|---|------------|
| <b>Introduction to QuickBooks Online Accountant</b> | <b>301</b> |
| QuickBooks Online Accountant                        | 302        |
| Everything in One Place                             | 302        |
| Practice Management                                 | 303        |
| Accessing Client QBO Company Files                  |            |
| Through QBOA  | 308        |
| In Conclusion                                       | 309        |

**APPENDIX C**

|  |            |
|--|------------|
| <b>Introduction to QuickBooks Online Payroll</b> | <b>311</b> |
| QuickBooks Payroll                               | 312        |
| Employee and Employer Requirements               | 312        |
| Setting Up Payroll and Employees                 | 313        |
| Employee Time Tracking                           | 313        |
| Run Payroll                                      | 314        |
| Payroll Liabilities                              | 314        |
| Year-End Processes                               | 314        |
| Additional Training and Resources                | 314        |
| Glossary   | 317        |
| Answer Keys                                      | 321        |
| Index  | 325        |