Chapter 5

Customers and Sales

Scenario: In this chapter, start by checking Dashboard graphics, and the work completed. The stop sign reminds you to make sure your graphical data, expense transactions, sales transactions, and 11/30 trial balance are correct. If any of your totals do not agree, drill down to the original transaction and make the needed changes. After checking your data, enter customer defaults, record transactions for customer sales and cash sales, learn how to do an advanced search, display financial statements, and customize reports. The objectives specify the work that is completed in Chapter 5.

OBJECTIVES

1. Start QuickBooks Online and sign in to Student Name Sales and Service (your first and last name).
2. Complete Check Your Data: Data metrics and visualization, Expense and Sales transactions, and the October 30 Trial Balance.
3. Enter customer settings.
4. Enter new customers, cash sales, customer sales, and sales tax.
5. Complete an advanced search.
6. Display financial statements and customize reports.
7. Display the audit log.
8. Export reports to Excel and Adobe PDF.
9. Complete Check Your Progress.
10. Review and complete the QuickBooks Online Resources and Activities.
11. Complete Exercises 5-1, 5-2, 5-3, and Certification Q&A practice test.

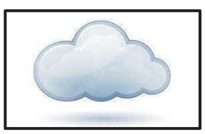
In Chapter 5, you start by making sure data is ready for adding new ***customers***. The Customers page manages your customer list and transactions. On the Customers page you can:

- View and update a complete list of your customers and their contact information.
- Add notes to any customer record.
- Search for a customer by name or company.
- Sort customers by name, company, open balance, or overdue balance.
- Track existing customer transactions, including overdue status.
- Create new customer transactions.

GETTING STARTED

1. Start your browser. Go online to http://qbo.intuit.com.

2. Sign in to QuickBooks Online with your User ID and Password. (*Hint:* You can save your User ID.)



CHECK YOUR DATA

To make sure you are starting in the correct place, display Dashboard graphics, Expense Transactions, Sales Transactions, and the 10/1/20XX to 11/12/20XX Trial Balance. This Trial Balance was completed in Exercise 4-2.

> **fyi** Have you selected a Navigation bar button or other selection and nothing happens, meaning the screen froze? You may need to clear temporary internet files/cache. Refer to Appendix A, Troubleshooting, which includes information about clearing temporary internet files and cache.

Data Metrics and Visualization

Select Dashboard > Business overview. Compare your Dashboard graphics with Figures 5-1 and 5-2. Also make sure your bank account balance for 101 Checking agrees with Figure 5-3. After checking the dashboard, display expense and sales transactions (Figure 5-4 and 5-5), and the November 12 trial balance (Figure 5-6). *Do not skip these steps.*

D
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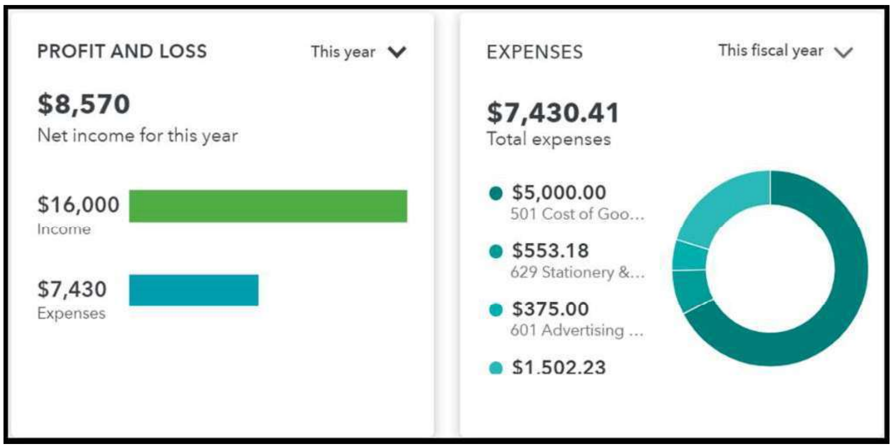


Figure 5-1: Profit and Loss and Expenses

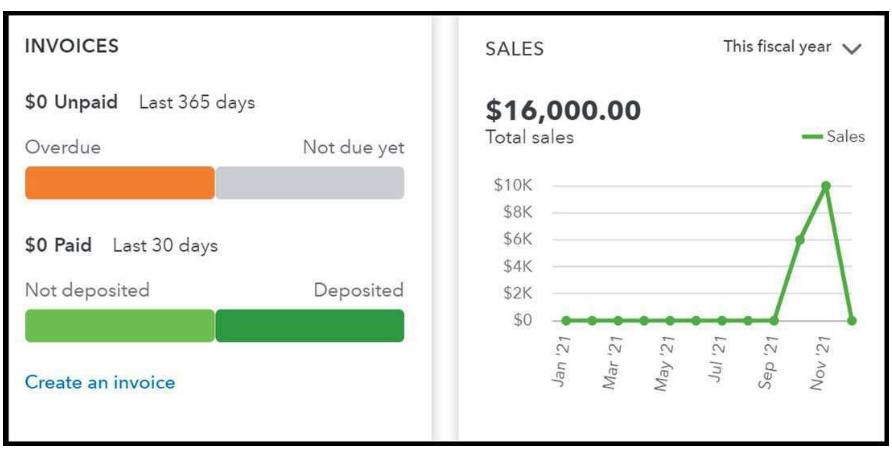


Figure 5-2: Invoices and Sales

Figure 5-3: 101 Checking, $60,545.59

Troubleshooting: My Dashboard graphics do <u>not</u> agree.

- ✓ For Profit and Loss, check This year is selected.
- ✓ Drill down on Net income for this year > Report period 10/1/XX to 11/12/XX > Run report. Compare each Profit and Loss total to Figure 5-6, November 12 Trial Balance. Drill down on totals to locate errors.
- ✓ Use similar drill-down steps for Expenses and Sales > This fiscal year.
- ✓ Go to Reports > Journal > 10/1/XX to 11/12/XX. Check the Journal report for errors. Figures 5-4 and 5-5 show expense and sales transactions.
- ✓ You may also need to check Figure 4-5, the October 30 trial balance on page 152.

Expense Transactions

To verify Expense Transactions, go to Expenses > Expenses > click on the Filter down-arrow > in the Date field, select Custom > From 11/1/20XX to 11/12/20XX > click <Apply>. The total at the bottom of the Expense Transactions page from 11/1 to 11/12 is $18,787.97.

Student Name Sales and Service

Type: All transactions · Status: All statuses · Delivery method: Any · Date: 11/01/2021 - 11/12/2021

Date	Type	No.	Payee	Category	Memo	Total
11/01/2021	Check	1026	SPR Gas	Utilities Expense		$84.32
11/01/2021	Check	1027	Western Telephone	Telephone Expense		$76.19
11/01/2021	Check	1028	Hour Deliveries	Freight & Delivery		$46.90
11/01/2021	Check	1029	Moss Advertising	Advertising & Marketing		$125.00
11/01/2021	Check	1030	Paper Supply Co.	Stationery & Printing		$127.96
11/02/2021	Bill	AS7	AmpleStore Inc.	Merchandise Inventory		$300.00
11/03/2021	Bill	ATD90	Any Time Deployment	Merchandise Inventory		$250.00
11/03/2021	Bill	CZ33	CloudZ Channel	Merchandise Inventory		$1,600.00
11/03/2021	Bill	78CC	Conf/Call	Merchandise Inventory		$270.00
11/04/2021	Check	1031	Office Suppliers	Office Supplies & Software		$90.82
11/04/2021	Check	1032	Moss Advertising	Advertising & Marketing		$125.00
11/05/2021	Check	1033	Cellular Service	Telephone Expense		$82.13
11/05/2021	Check	ATM	Village Restaurant	Meals & Entertainment		$46.40
11/06/2021	Check	1034	Hour Deliveries	Freight & Delivery		$42.25
11/06/2021	Check	1035	Office Suppliers	Office Supplies & Software		$21.00
11/08/2021	Bill	80C2U	Computers 2 You	Merchandise Inventory		$10,000.00
11/08/2021	Bill	ATD131	Any Time Deployment	Merchandise Inventory		$275.00
11/08/2021	Bill	CZ40	CloudZ Channel	Merchandise Inventory		$1,400.00
11/08/2021	Bill	91CC	Conf/Call	Merchandise Inventory		$225.00
11/08/2021	Bill	AS12	AmpleStore Inc.	Merchandise Inventory		$375.00
11/11/2021	Bill	112C2U	Computers 2 You	Merchandise Inventory		$3,000.00
11/11/2021	Bill	115CC	Conf/Call	Merchandise Inventory		$225.00
Total						**$18,787.97**

Figure 5-4: Expense Transactions for 11/ 1 – 11/12

Sales Transactions

To verify Sales Transactions, go to Sales > All Sales > Filter > Custom > Date, 11/1/20XX to 11/12/20XX > click <Apply>. The total Sales Transactions from 11/1 to 11/12 are $10,610.00.

Student Name Sales and Service

Type: All transactions · Status: All statuses · Delivery method: Any · Date: 11/01/2021 - 11/12/2021

Date	Type	No.	Customer	Memo	Due date	Balance	Total	Status
11/12/2021	Sales Receipt	1006	Cash Sales			$0.00	$3,183.00	Paid
11/10/2021	Sales Receipt	1005	Cash Sales			$0.00	$4,244.00	Paid
11/09/2021	Sales Receipt	1004	Cash Sales			$0.00	$3,183.00	Paid
Total							**$10,610.00**	

Figure 5-5: Sales Transactions from 11/1 – 11/12

Trial Balance

To make sure your accounts have the correct balances, display the 10/1/20XX to 11/12/20XX Trial Balance. This Trial Balance was completed in Exercise 4-2.

Student Name Sales and Service

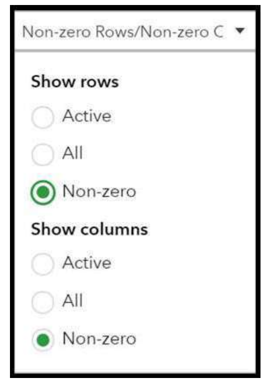
Trial Balance

As of November 12, 2021

	DEBIT	CREDIT
101 Checking	60,545.59	
115 Merchandise Inventory	12,920.00	
123 Prepaid Rent	6,000.00	
125 Prepaid Insurance	3,000.00	
135 Computer Equipment	10,000.00	
201 Accounts Payable (A/P)		17,920.00
205 Loan Payable		5,000.00
207 Arizona Department of Revenue Payable		976.00
301 Common Stock		60,000.00
401 Sales		16,000.00
501 Cost of Goods Sold	5,000.00	
601 Advertising & Marketing	375.00	
603 Bank Charges & Fees	20.00	
605 Dues & subscriptions	150.00	
609 Freight & Delivery	153.80	
619 Meals & Entertainment	172.80	
621 Office Supplies & Software	338.67	
625 Repairs & Maintenance	140.00	
627 Shipping and Delivery Expense	47.00	
629 Stationery & Printing	553.18	
633 Telephone Expense	316.64	
635 Utilities Expense	163.32	
TOTAL	**$99,896.00**	**$99,896.00**

Figure 5-6: November 12 Trial Balance

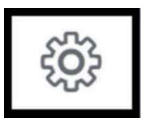
What if my account balances do not agree? Check the Expense transactions, Sales transactions, and Trial Balance. If any of your totals do not agree, drill down to the original transaction and make the needed changes. Then, <Save>. Display the 10/1 to 11/12 Trial Balance again.



You can remove accounts with zero balances from the Trial Balance. In the Show non-zero or active only field, select Non-zero for rows and columns > Run report. These selections were made for the Trial Balance on the previous page.

CUSTOMER SETTINGS

Before adding customers, check Account and settings.

1. Go to  > Account and settings > Advanced. In the Other preferences area, the Customer label shows Customers.

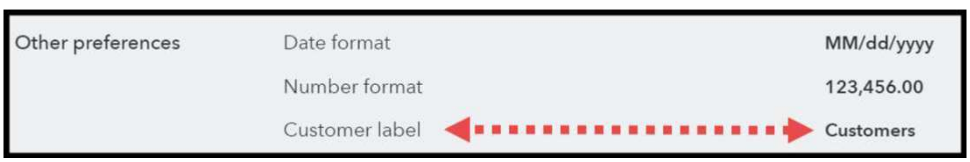


Figure 5-7: Customer label, Customers

To edit, click . Warn selections are On. If needed, click <Save>.

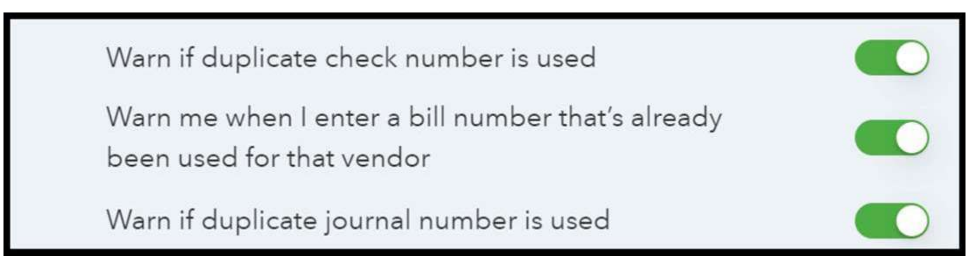
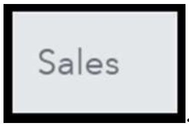


Figure 5-8: Warn selections are On.

2. Click . In the Sales form content area, click  to edit. Custom transaction numbers and Tags should be On.

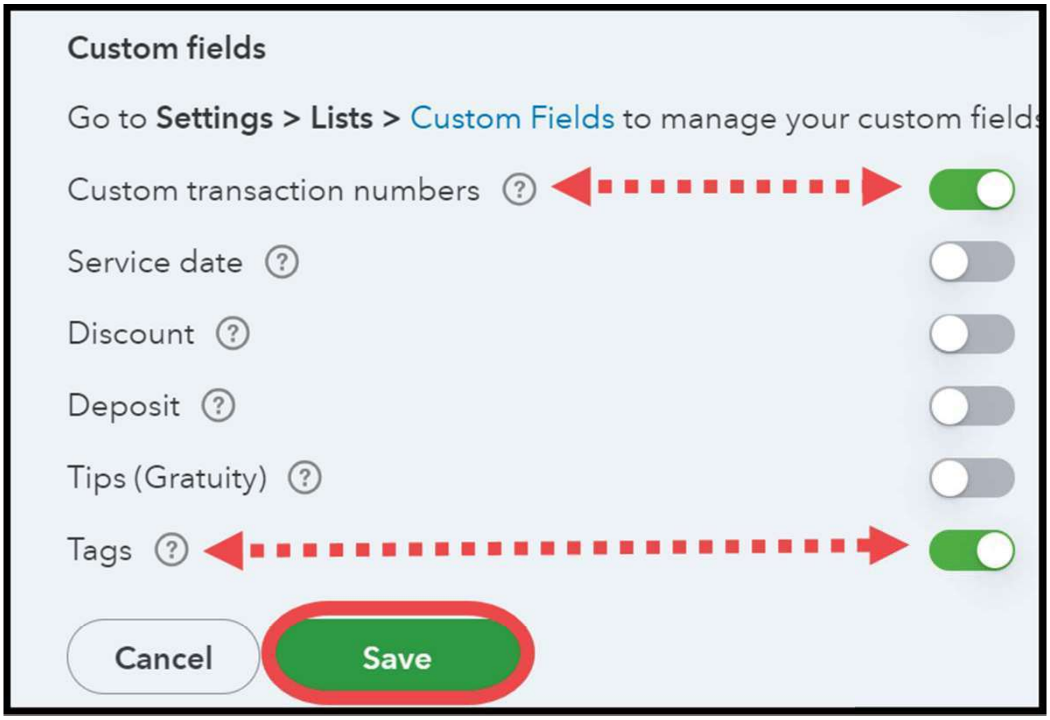


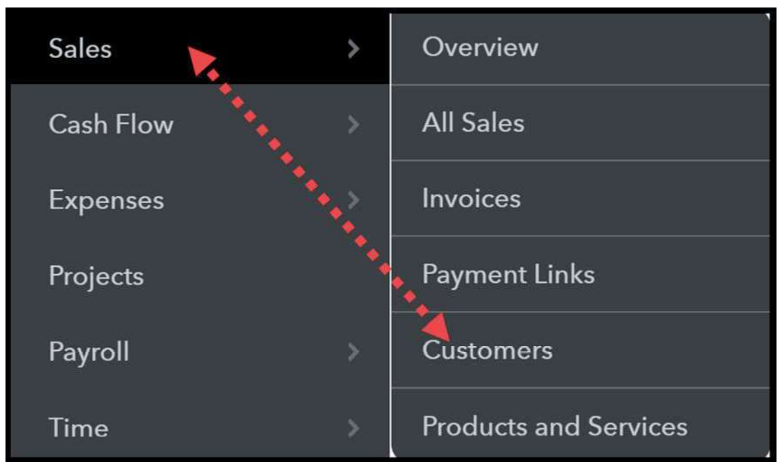
Figure 5-9: Custom transaction numbers and Tags are On

3. Click . Observe that the Dashboard's Business overview shows the Bank accounts balance in 101 Checking, $60,545.59 (Figure 5-3).

ADD CUSTOMERS

New customers are added on the Customers page. You complete the fields on the Customer Information window. Once the information is saved, the customer name appears in the list.

Once a customer is added, you can select the customer name to see information about that customer. From the customer record, edit the profile to make changes, or click Create invoice to create an invoice or sales receipt, estimate, charge, etc. for that customer.



New Customers

1. Select Sales > .

Complete these fields.

Company: **eBiz**
*Display name as: eBiz
Print on check as ✓ Use display name eBiz
Phone: **302-555-2000**
Street: **800 West Second Ave.**
City/Town: **Wilmington**
State: **DE**
ZIP: **19801**
Country: **USA**
Shipping address ✓ Same as billing address

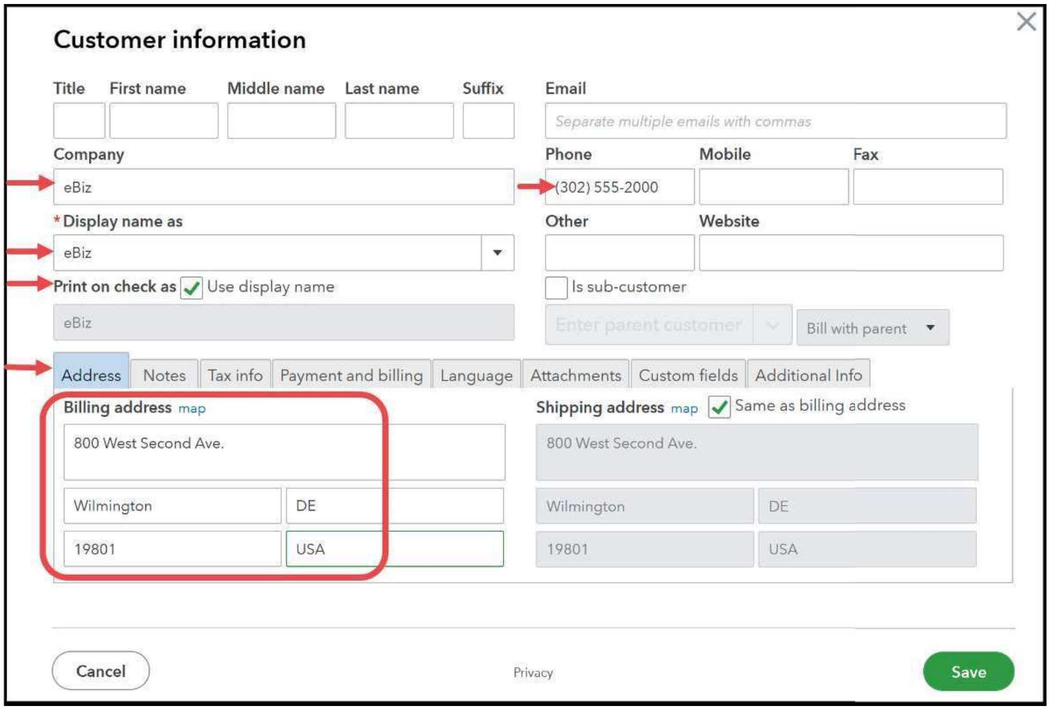


Figure 5-10: eBiz Customer information

2. Select the <Tax info> tab. eBiz is located in Delaware where there is *no* sales tax. Complete these fields:

- ✓ This customer is tax exempt (click on the box for checkmark)
- Reason for exemption*: Select State government
- Exemption details: type **No sales tax DE**

Figure 5-11: This customer is tax exempt

3. Select Sales > Customers > New Customer.

Company: **Law Offices of Williamson, Gallagher & Katz**

Display name as: Law Offices of Williamson, Gallagher & Katz

Print on check as ✓ Use display name

Phone: **907-555-8134**

Street: **18 Piedmont Ave. NW**

City/Town: **Anchorage**

State: **AK**

ZIP: **99510**

Country: **USA**

Shipping address ✓ Same as billing address)

Tax info:

This customer is tax exempt.

Reason for exemption*: State government

Exemption details: type **No sales tax AK**

. Add the next customer: Sales > Customers > New customer.

Company: **Springfield Unified School District**

Display name as: Springfield Unified School District

Print on check as ✓ Use display name

Phone: **217-555-5500**

Street: **4892 Clear Lake Ave.**

City/Town: **Springfield**

State: **IL**

ZIP: **62703**

Country: **USA**

Shipping address ✓ Same as billing address

Comment: When this customer is invoiced, 6.25% sales tax is added for Illinois.

. Add the next customer.

Company:	**Permanente Medical Service**
Display name as:	Permanente Medical Service
Print on check as	✓ Use display name
Phone:	**520-555-9000**
Street:	**255 W. Third St.**
City/Town:	**Tucson**
State:	**AZ**
ZIP:	**85704**
Country:	**USA**
Shipping address	✓ Same as billing address

Comment: Since this customer is located in Tucson, AZ, sales tax will be added to invoices.

Customer Contact List

To view the customers added in Chapter 5, do this.

1. Go to **Reports** > in the Search field, type and select **Customer Contact List**. The Customer Contact List shows the Customer name, Phone Numbers, Billing Address and Shipping Address.

Student Name Sales and Service

Customer Contact List

CUSTOMER	PHONE NUMBERS	EMAIL	FULL NAME	BILLING ADDRESS	SHIPPING ADDRESS
Cash Sales					
eBiz	Phone: (302) 555-2000			800 West Second Ave. Wilmington DE 19801 USA	800 West Second Ave. Wilmington DE 19801 USA
Law Offices of Williamson, Gallagher & Katz	Phone: (907) 555-8134			18 Piedmont Ave. NW Anchorage AK 99510 USA	18 Piedmont Ave. NW Anchorage AK 99510 USA
Permanente Medical Service	Phone: (520) 555-9000			255 W. Third St. Tucson AZ USA 85704	255 W. Third St. Tucson AZ USA 85704
Springfield Unified School District	Phone: (217) 555-5500			4892 Clear Lake Ave. Springfield IL 62703 USA	4892 Clear Lake Ave. Springfield IL 62703 USA

Figure 5-12: Customer Contact List

Troubleshooting: To edit, drill down on the customer > select Edit > Save.

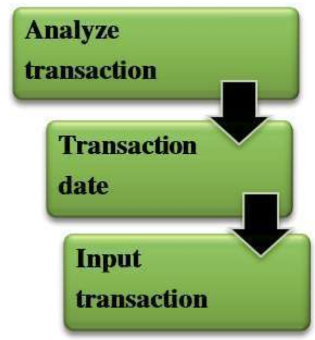
2. Export Customer Contact List to Excel and save as a PDF file. Use the file name **Chapter 5_Customer Contact List**. (*Hint:* To save an Excel file as a PDF, select File > Save as Adobe PDF > Convert to PDF > go to the location to save.)

Customer Invoices

If customers are billed after the sale is made, create an invoice so Student Name Sales and Service can be paid later. If the customer pays you at the time of the sale, enter a sales receipt.

When the customer pays the invoice, you can record the payment from the Customers or Receive Payment selections. To see a list of invoices and their due dates, run the A/R Aging Summary. For regularly sent invoices, set up a recurring transaction to be reminded to enter the invoice. ***Accounts receivable*** are what customers owe your business. Credit transactions from customers are called ***accounts receivable transactions***.

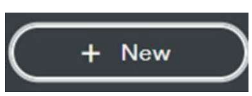
The transaction you are going to work with is:



Date	*Description of Transaction*
11/15/XX	Sold 5 data storage products on account to eBiz for $150, Invoice 1007. (This customer is located in Wilmington, DE where there is *no* sales tax).

1. Select Sales > Customers > select eBiz > Create invoice.

Figure 5-13: eBiz > Create invoice

Or, 

> Invoice > eBiz.

Complete these fields:

Invoice date:	**11/15/20XX**
Invoice No.	1007 completed automatically (or type it)
PRODUCT/SERVICE:	Select Data storage
QTY:	**5**
RATE:	30 completed automatically
AMOUNT:	$150.00 completed automatically

TAX: Uncheck Tax since this customer is located in Delaware where there is *no* sales tax.

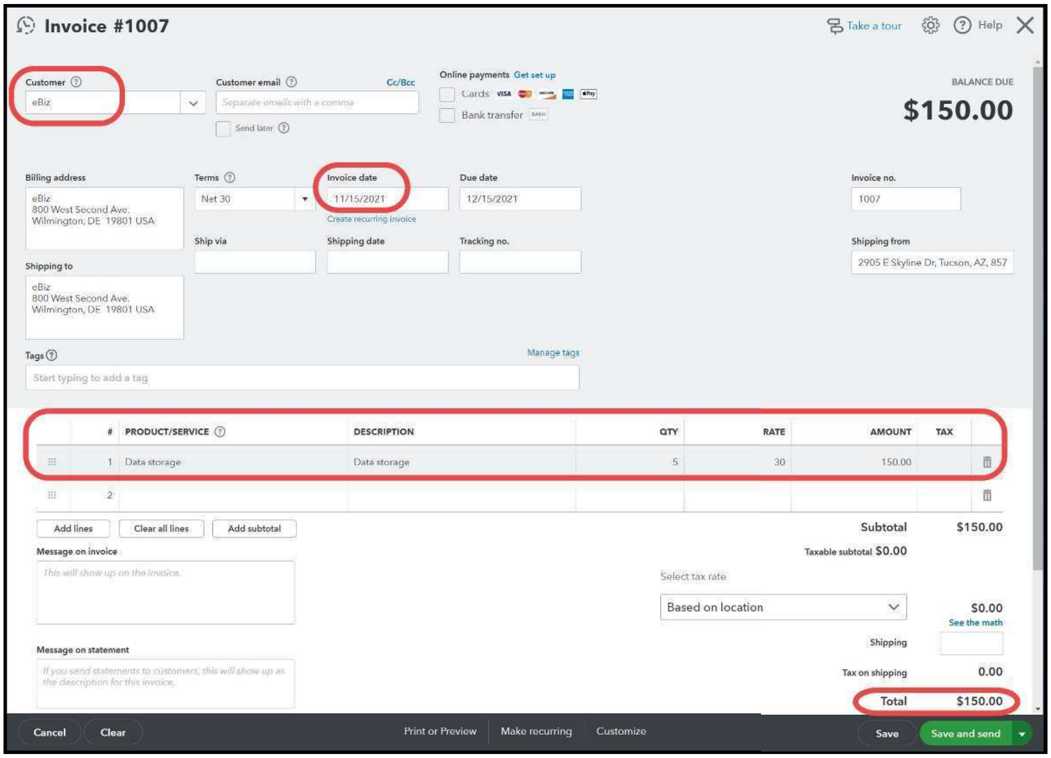


Figure 5-14: eBiz Invoice no. 1007

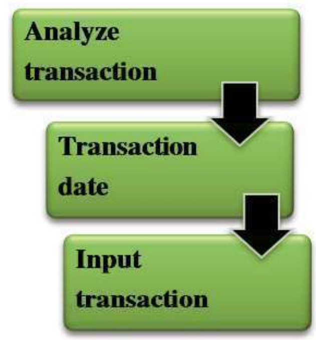
1. Select the down-arrow next to Save and send > click 

. Invoice 1007 is saved. The account distribution for Invoice 1007 is shown on the next page. (*Hint:* To see the account distribution, go to Reports > Journal > report period is 11/15/20XX to 11/15/20XX).

Account	Debit	Credit
105 Accounts Receivable/eBiz	$150.00	
401 Sales/Data storage		$150.00
501 Cost of Goods Sold/Data storage	$75.00	
115 Merchandise Inventory/Data storage		$75.00

2. Complete these transactions.

Date	*Description of Transaction*
11/15/20XX	Sold 2 network products on account to the Law Offices of Williamson, Gallagher & Katz, $100, Invoice no. 1008. (This customer is located in Anchorage, AK, where there is *no* sales tax.)
11/15/20XX	Completed 3 webinars on account for Permanente Medical Service, $270; Arizona sales tax is 6.10%, $16.47; Amount received, $286.47; Invoice no. 1009. (Permanente Medical Service is located in Tucson, AZ.)
11/15/20XX	Sold 1 web server on account to Springfield Unified School District, for a total of $400; Illinois sales tax 6.25%, $25.00; Amount received, $425.00; Invoice no. 1010.



Follow these steps to add 6.25% sales tax for Illinois.

1) If necessary, click on the TAX field to place a checkmark in it.
2) Click on the down-arrow next to Based on location > select + Add rate.

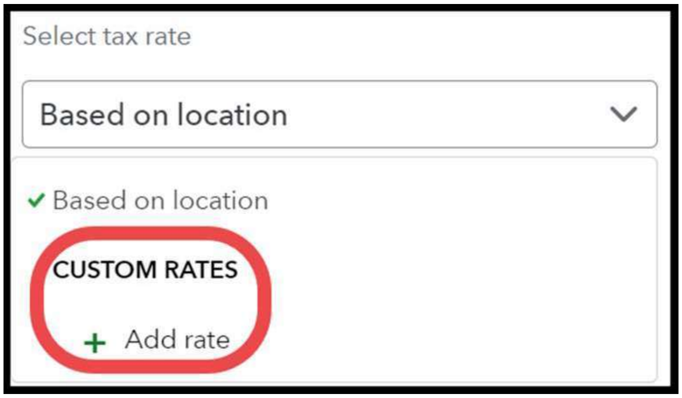


Figure 5-15: Add sales tax rate

3) The default for **Add a custom sales tax rate** is Single. This is correct. Complete these fields.

   Name: type **Illinois Department of Revenue**
   Agency: select Illinois Department of Revenue
   Rate: type **6.25**

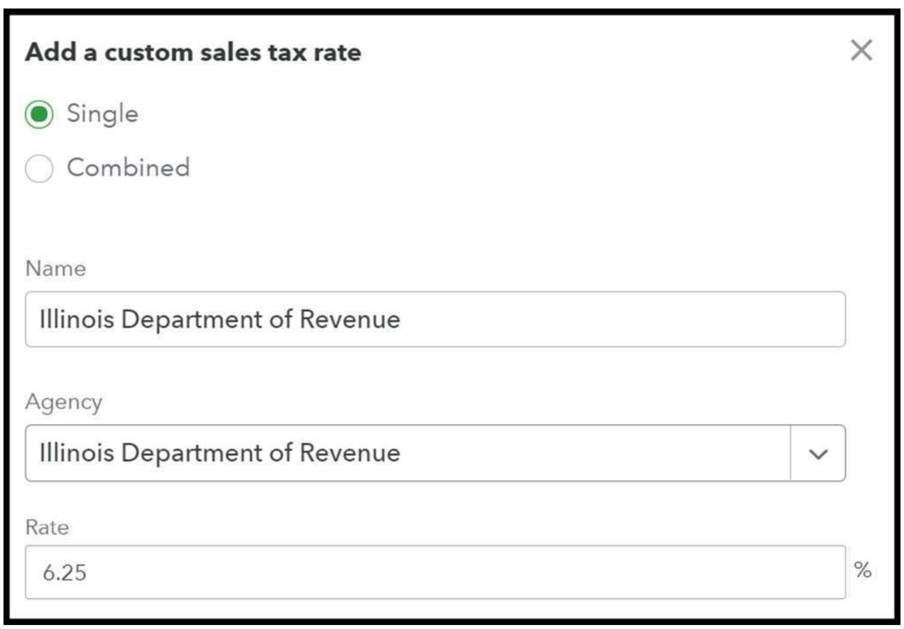


Figure 5-16: Add a custom sales tax rate

4) Click 

. Invoice #1010 shows 25.00 above See the math. In the Select tax rate field, Illinois Department of Revenue (6.25% is shown.) The balance due is the subtotal of $400 + 25 (sales tax) = $425.00.

Comment: What if your sales tax amount is <u>not</u> 25.00? Refer to Sales Taxes on the next page. If needed, you can override the automatic calculation.

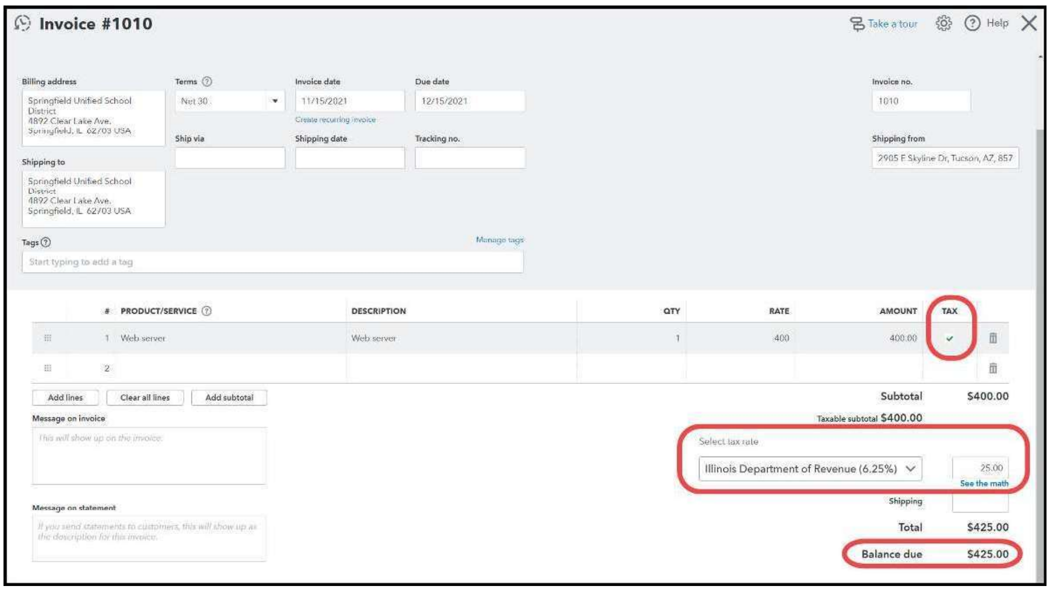


Figure 5-17: Invoice #1010, Sales tax added for customer in Illinois

5) Select 

. On the Chart of Accounts, add 208 as the account number for Illinois Department of Revenue Payable. (Select Accounting > Chart of Accounts > Illinois Department of Revenue Payable > View Register > Edit > Number, type **208** > select <Save and close>.

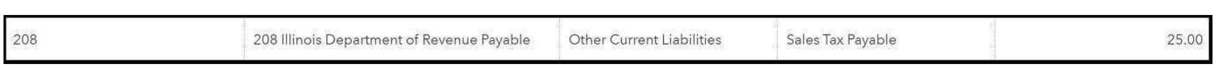


Figure 5-18: Account 208 Illinois Department of Revenue Payable

Due to changes in State sales tax regulations, amounts can change. QBO database updates may also change automatic sales tax calculations. For purposes of the transactions in the textbook, use the sales tax amounts shown.

SALES TAXES

In Chapter 4, Arizona sales taxes are added for cash sales. Later in the textbook, Arizona sales taxes are added for credit card sales. The chart below shows which customers pay sales taxes, the sales tax agency, and the sales tax rate used with the transactions in the textbook.

Customer	Sales Tax Agency	Sales Tax Rate
Cash and Credit Card Sales	Arizona Department of Revenue	6.10%
Permanente Medical Service	Arizona Department of Revenue	6.10%
WebPro	Arizona Department of Revenue	6.10%
Springfield Unified School District	Illinois Department of Revenue	6.25%

The QBO database, includes sales tax rates. For Student Name Sales and Service, sales taxes are added for Arizona and Illinois. Sometimes the automatic calculation could change on the Sales Receipt or Invoice page. If the automatic calculation changes, you need to use the sales tax amount shown within the textbook's transaction.

Troubleshooting: What if the sales tax amount automatically calculated does not agree with the transaction? You can override the amount shown. Click on the amount > type the Amount shown for sales tax > Reason, Other > click <Confirm>. (*Hint:* The sales taxes shown in the textbook are for demonstration purposes.)

TAXES

The Navigation bar includes a <Taxes> selection. In the steps that follow, add the filing frequency for sales tax payments to Arizona and Illinois. In Chapter 7, end-of-quarter adjustments are entered for both sales tax payable accounts – Account 207 Arizona Department of Revenue Payable and Account 208 Illinois Department of Revenue Payable.

1. Select Taxes > read the We need a bit more info page > click Add filing frequency. How often do you file sales tax appears; read the information.
2. Observe that Arizona Department of Revenue is the default. In the Agency field, 1 of 2 is shown. This means there are 2 pages. In the Filing frequency field, select Quarterly.

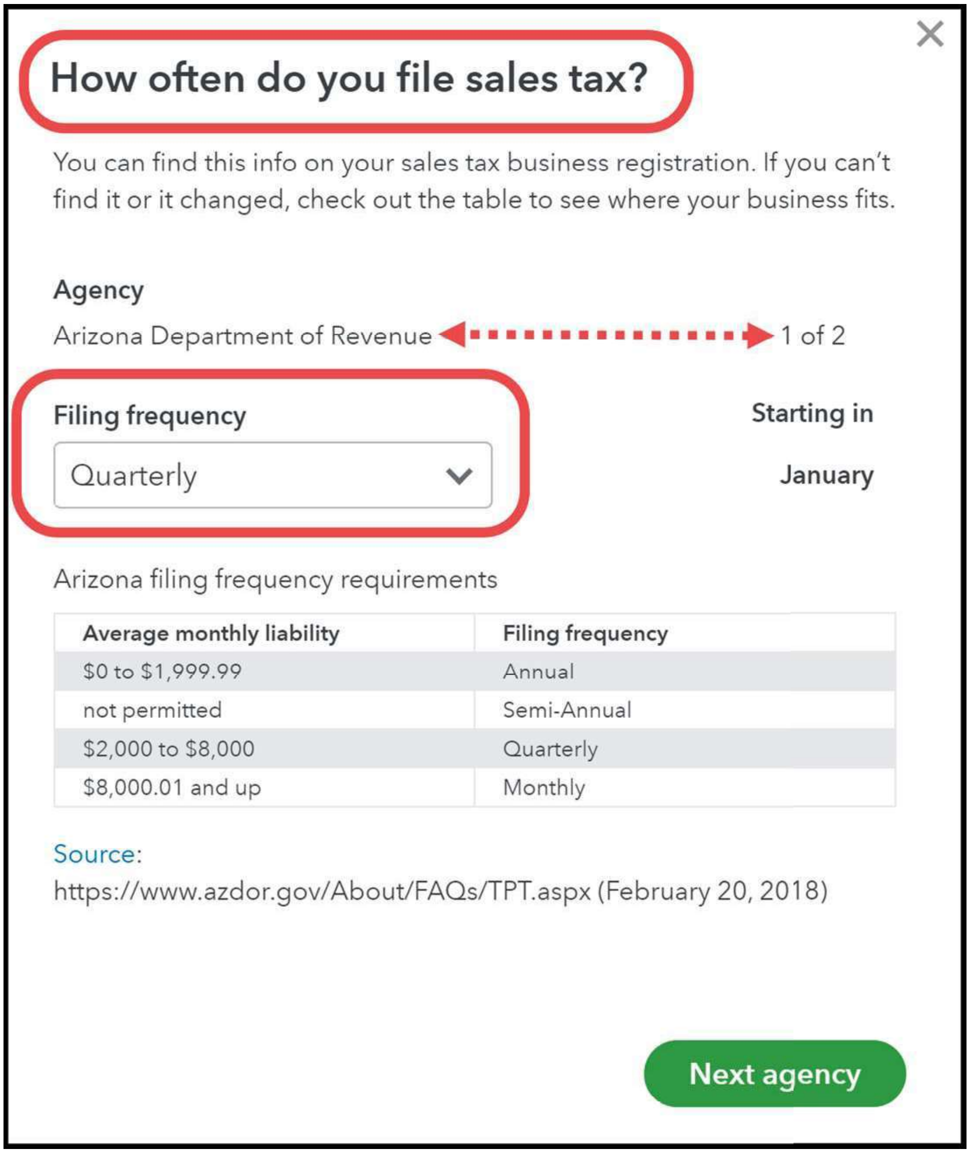
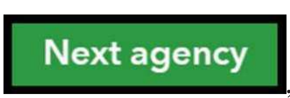


Figure 5-19: Arizona Dept. of Revenue, How often do you file sales tax?

3. Select 

, page 2 of 2 appears showing Illinois Department of Revenue. In the Filing frequency field, select Quarterly.

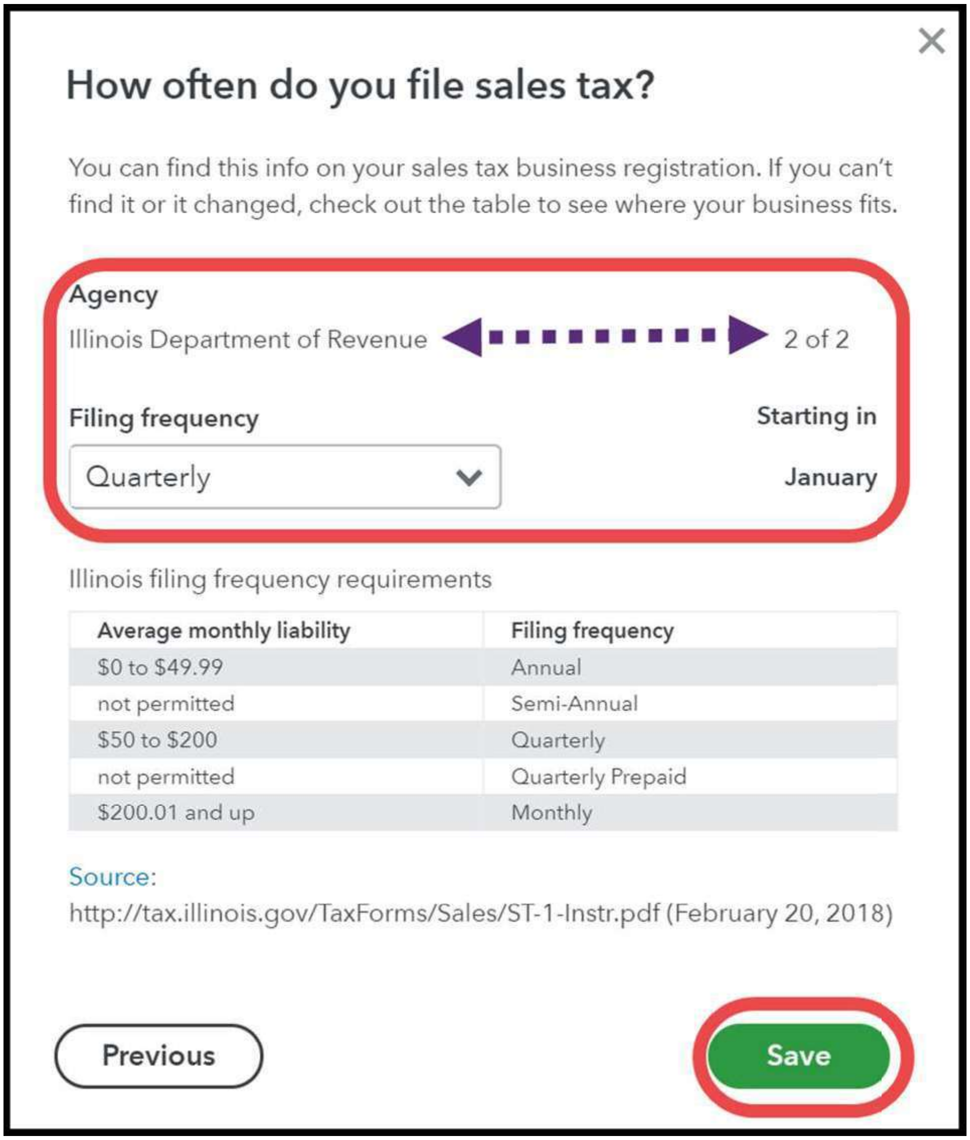


Figure 5-20: Illinois Dept. of Revenue, How often do you file sales tax?

4. After selecting 

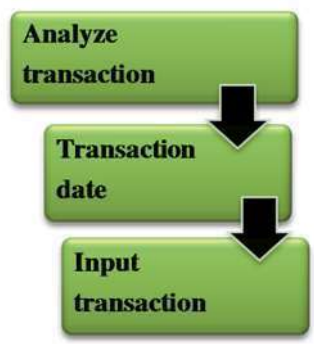
, you are returned to the SALES TAX DUE page. Read the SHORTCUTS. To make sure both Arizona and Illinois are shown as tax agencies, select the Sales tax settings link. The Edit settings page appears. If needed, you can Add agency.

Figure 5-21: Edit Settings, Tax Agencies

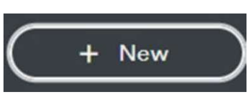
Sales Returns: Customer Credit Memos

When credit customers are dissatisfied, one option is to issue an immediate refund or credit memo. A ***credit memo*** affects the customer's balance. What is the difference between a credit memo or ***refund***? With credits, you hold the amount in the customer's account and apply it to a sale later. With a refund, a check is written to pay back the customer.

For the transaction shown, you are going to issue a credit memo so that the customer balance is affected. After the transaction description, steps are shown for recording it.



Date	*Description of Transaction*
11/16/20XX	eBiz returned one USB flash drive (data storage) and received a $30 reduction in their balance, Credit Memo 1011.

1. Select 

> Credit memo. Complete these fields.

Choose a customer:	Select eBiz
Credit Memo date:	**11/16/20XX**
Credit Memo no.	1011 completed automatically (or type it)

PRODUCT/SERVICE:	select Data storage
DESCRIPTION:	Data storage (automatically shown)
QTY:	1 (automatically shown)
RATE:	30 (automatically shown)
TAX:	If needed, uncheck
Total Credit:	Click $0.00, $30.00 is shown

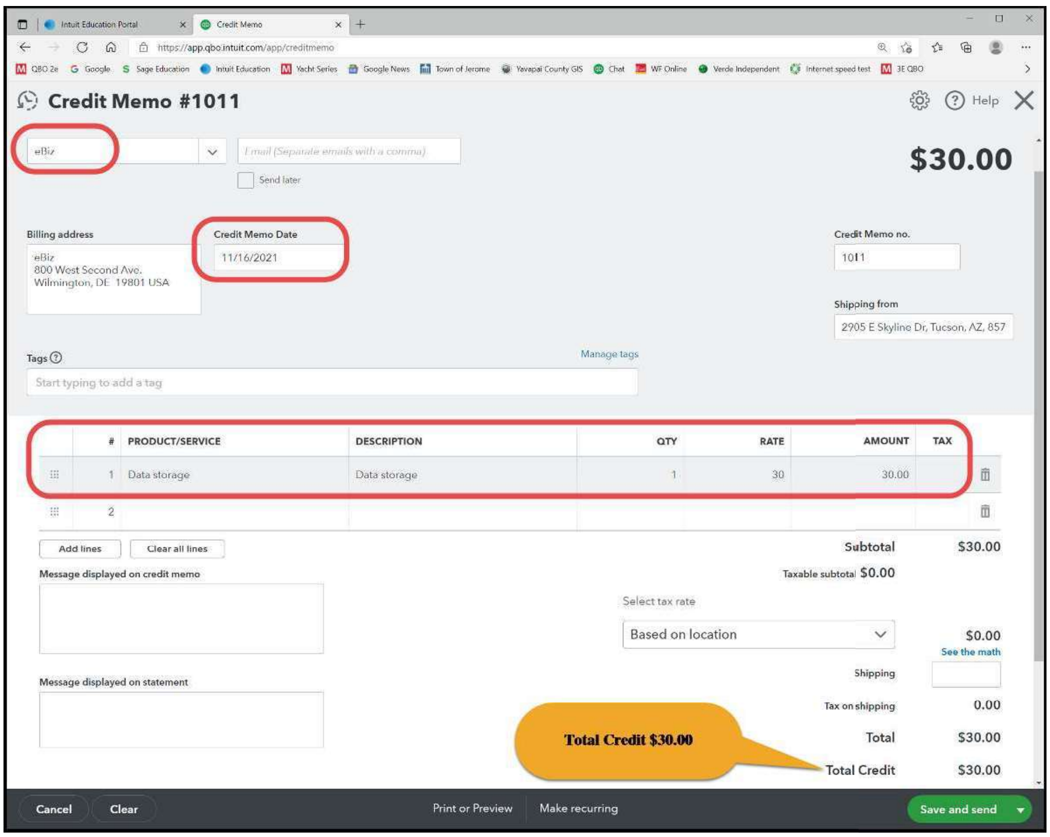


Figure 5-22: Credit memo 1011

Comment: If the **Total Credit** field does <u>not</u> show $30.00, click on a blank part of the Credit Memo page.

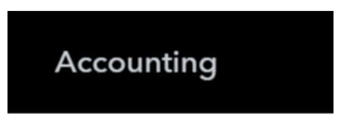
2. Click on the down arrow next to <Save and Send> select 

. Credit memo 1011 saved. The account distribution for the return is shown below.

Account	Debit	Credit
105 Accounts Receivable (A/R)		$30.00
401 Sales/Data storage	$30.00	
501 Cost of Goods Sold/Data storage		$15.00
115 Merchandise Inventory/Data storage	$15.00	

Accounts Receivable Register

To see that your customer transactions and refunds that have been recorded, display the Accounts Receivable (A/R) register.

1. From the Navigation bar, select 

 > Chart of Accounts > Account 105 Accounts Receivable (A/R) shows a QuickBooks Balance of $931.47.

2. On the 105 Accounts Receivable row, click View register. The A/R Register's ENDING BALANCE is $931.47. The author recorded transactions in 2021 Your year will differ.

Student Name Sales and Service

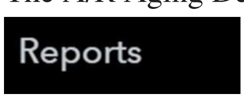
105 Accounts Receivable (A/R) Ending Balance: $931.47

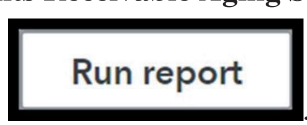
Date	Ref No. / Type	Payee / Memo	Charge / Credit	Payment / Due Date	Open Balance
11/16/2021	1011	eBiz		$30.00	$0.00
	Credit Memo				
11/15/2021	1010	Springfield Unified School District	$425.00		$425.00
	Invoice			12/15/2021	
11/15/2021	1009	Permanente Medical Service	$286.47		$286.47
	Invoice			12/15/2021	
11/15/2021	1008	Law Offices of Williamson, Gallagher & Katz	$100.00		$100.00
	Invoice			12/15/2021	
11/15/2021	1007	eBiz	$150.00		$ 120.00
	Invoice			12/15/2021	

Figure 5-23: 105 Accounts Receivable Ending Balance $931.47

There are a variety of QBO accounts–bank, asset, liability, equity, income, and expenses. Registers are a useful way to look at transactions and amounts associated with a particular account. The A/R Register shows all customer invoices (1007 thru 1010) and the customer credit memo (1011) by date.

> Some of the screens may differ from what you see. Each time you sign in, the software is the most current version and this could change some of the screens. Regularly check Additional Student Resources > Text Updates.

3. The A/R Aging Detail also shows the Accounts Receivable balance. Go to 

 > type and select **Accounts Receivable Aging Summary** (Search field) > All dates (Report period) > 

. At this point in the data, the total customer balance is $931.47.

Student Name Sales and Service

A/R Aging Summary

All Dates

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
eBiz	120.00					$120.00
Law Offices of Williamson, Gallagher & Katz	100.00					$100.00
Permanente Medical Service	286.47					$286.47
Springfield Unified School District	425.00					$425.00
TOTAL	**$931.47**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$931.47**

Figure 5-24: A/R Aging Summary

Receive Payments from Customers

Once you issue an invoice to a customer, that customer owes your business money. It is easy to apply customer payments in QBO.

From the Customers page, select the customer, then Receive payment. *Or,* from

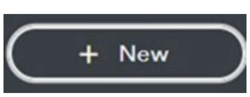
> Receive Payment.

Date *Description of Transaction*

11/29/20XX	Received a $120.00 check from eBiz in payment of the November 15 invoice, less the November 16 credit memo, Check no. 9346.

1. Go to Sales > Customers > eBiz >

. *Or,* select



> Receive Payment. Complete these fields

Customer: eBiz (automatically shown)
Payment date: **11/29/20XX**
Payment method: Check

Reference no. Type **9346**

Deposit to: 101 Checking (automatically shown)

Amount received: $120.00 (automatically shown)

Receive Payment shows $120.00 in the AMOUNT RECEIVED field. Both Invoice #1007 and Credit Memo 1011 is shown.

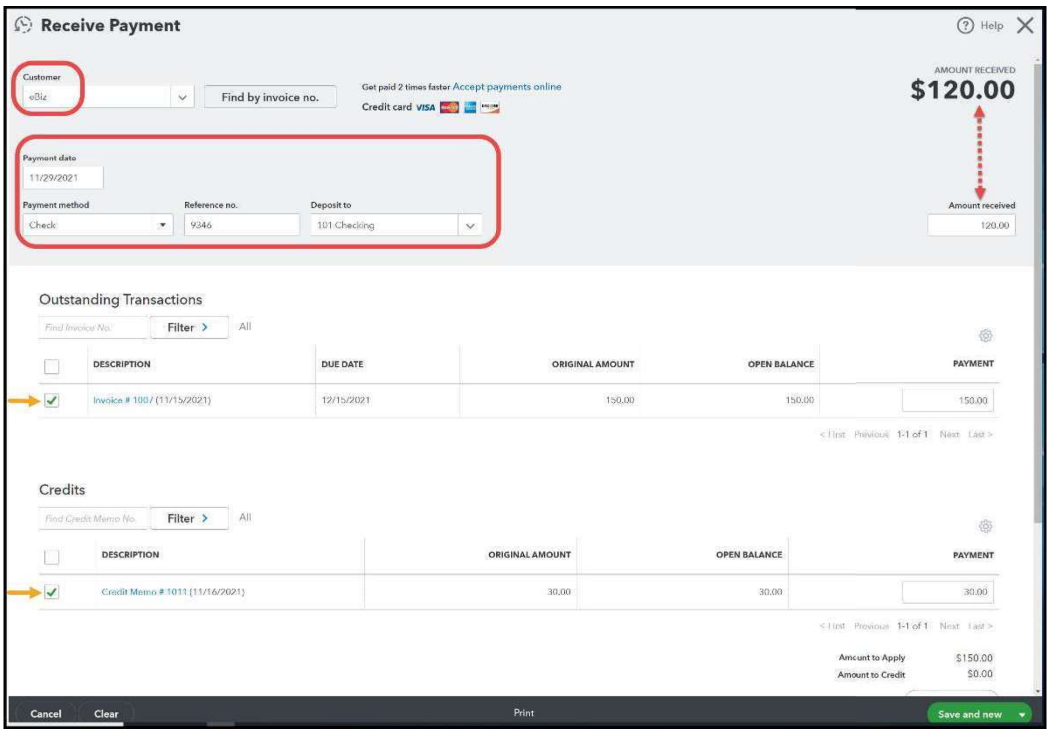


Figure 5-25: Receive Payment from eBiz $120.00

2. **Save and new**. Received payment 9346 saved. The Customers page shows a $0.00 balance for eBiz.

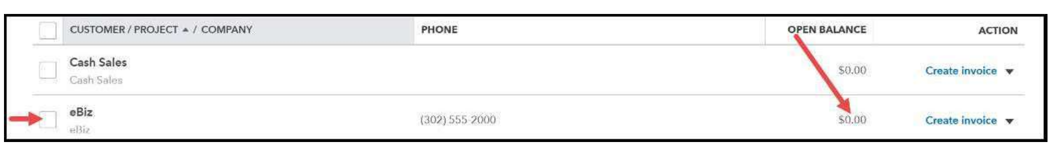
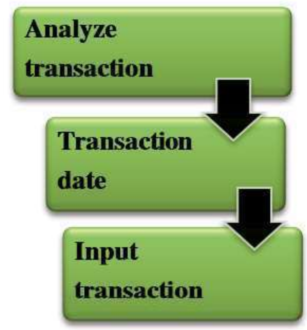


Figure 5-26: 0.00 balance for eBiz

Complete the following transactions.



Date	*Description of Transaction*
11/29/20XX	Received a $100.00 check from the Law Offices of Williamson, Gallagher & Katz in payment of the November 15 invoice, Check no. 4032.
11/29/20XX	Received a $286.47 check from Permanente Medical Service in payment of the November 15 invoice, Check no. 901.
11/29/20XX	Received a $425.00 check from Springfield Unified School District in payment the November 15 invoice, Check no. 8422.
11/29/20XX	Sold the following items for cash: 10 data storage products, $300; 3 network products, $150; 2 webinars, $180; Balance due, $630; Arizona sales tax is 6.10%, $38.43; Amount received, $668.43; Sales Receipt 1012. (*Hint:* Use Sales Receipt. Payment method is check; type 211 in the Reference no. field. Click on a blank part Sales Receipt #1012 to calculate sales tax of $38.43.)

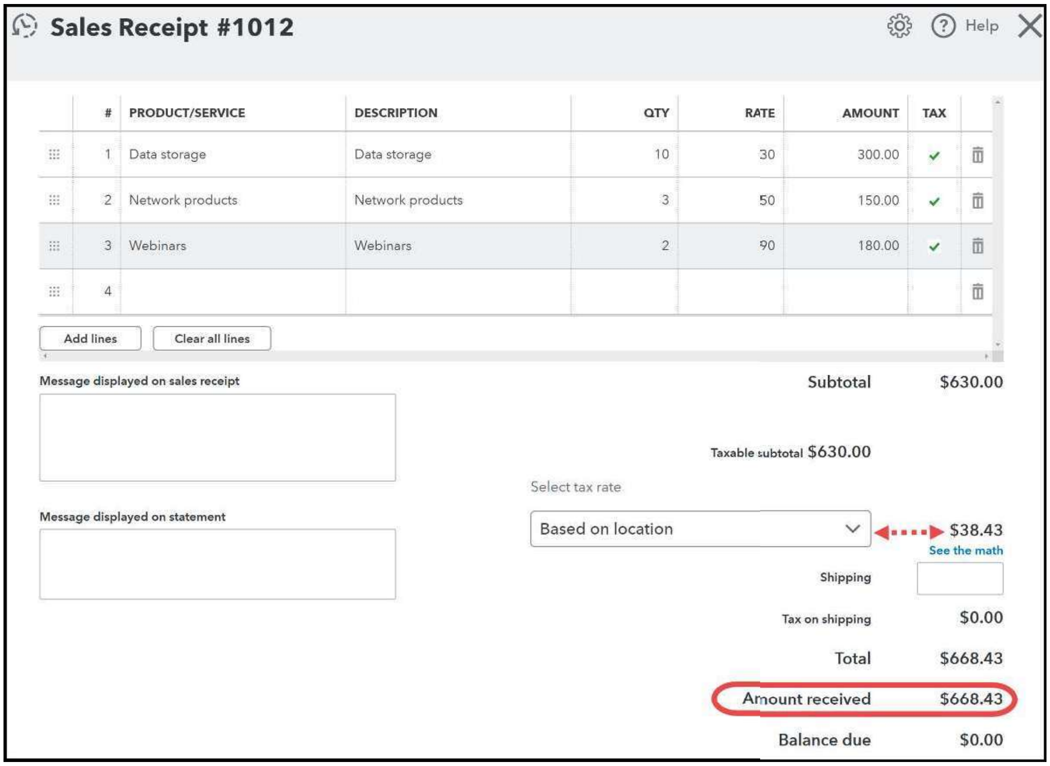


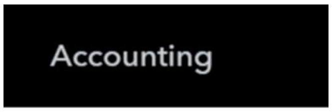
Figure 5-27: November 29 Cash Sales

11/30/20XX Sold one web server for cash, $400, Arizona sales tax is 6.10%, 24.40; Amount received, 424.40; Sales Receipt 1013. (*Hint:* Payment method is check; Reference no. 3001 for the check number.)

ACCOUNT RECONCILIATION: NOVEMBER 20XX

You receive a bank statement every month for the checking account. The Bank Statement shows the checks and deposits that cleared the bank from November 1 through November 30. To reconcile, use the bank statement.

Checking Account Register

1. Go to 

> Chart of Accounts > double-click 101 Checking. *Or*, select View Register. The Bank Register shows the newest transactions first. If not, to change the order, click on the Date column. (*Hint:* Scroll down to see November and October transactions.) The Check register balance is $62,569.89 and does not include the service charge.

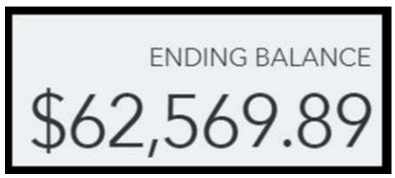


Figure 5-28: Ending Balance $62,569.89

The bank statement's ending balance on page 241 includes the $20 service charge: $62,569.89 – 20.00 = $62,549.89.

2. *Before* you reconcile the checking account, check the October 31 reconciliation report. From the 101 Checking Bank Register page, select 

. Read the pop-up message, Want to view or print previous reconciliations? To see the October 31 reconciliation, link to History by account.

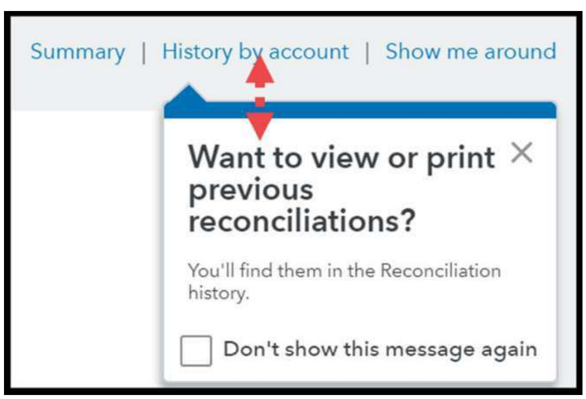


Figure 5-29: Previous reconciliation > History by account

3. The History by account page appears. On the 10/31/20XX row, link to View report. The Reconciliation Report for 10/31/20XX appears. The **Summary** area for October 31 shows the following. The October 31 account reconciliation was completed in Chapter 4, pages 153-159.

Student Name Sales and Service 101 Checking, Period Ending 10/31/20XX Reconciliation Report Reconciled on: XX/XX/XX Reconciled by: Student's name	
Summary	USD
Statement beginning balance	$0.00
Service charge	-$20.00
Checks and payments cleared (17)	-$10,542.44
Deposits and other credits cleared (5)	$61,366.00
Statement ending balance	**$50,803.56**

Scroll down the reconciliation report to see **Details** which shows Checks and payments (17), Total -$10,542.44; and Deposits and other credits cleared (5), Total $61,366.00.

Troubleshooting: What if your 10/31/XX Reconciliation Report's Summary does not agree? Refer to Appendix A, Troubleshooting, Unreconcile a Transaction.

On the Reconciliation report page > link to Bank register > click Reconcile. To reconcile 101 Checking, use the November 30 bank statement on the next page.

Statement of Account, Checking November 1 to November 30, 20XX Account No. 7731-2256			Student Name Sales and Service 2905 E. Skyline Dr. Tucson, AZ 85718	
REGULAR CHECKING				
Previous Balance		10/31/XX	$ 50,803.56	
7 Deposits (+)			$12,634.30	
10 checks (-)			$821.57	
1 Other Deductions (-)			$46.40	
Service Charge (-)			$20.00	
Ending Balance		11/30/XX	**$62,549.89**	
DEPOSITS				
		11/10//XX	$3,183.00	
		11/11/XX	$4,244.00	
		11/13/XX	$3,183.00	
		11/30/XX	$286.47	
		11/30/XX	$100.00	
		11/30/XX	$424.40	
		11/30/XX	$120.00	
		11/30/XX	$668.43	
		11/30/XX	$425.00	
CHECKS (Asterisk * indicates break in check number sequence)				
	11/3/XX	1026	$84.32	
	11/4/XX	1027	$76.19	
	11/4/XX	1028	$46.90	
	11/5/XX	1029	$125.00	
	11/5/XX	1030	$127.96	
	11/6/XX	1031	$90.82	
	11/6/XX	1032	$125.00	
continued	11/10/XX	1033	$82.13	

	11/10/XX	1034	$42.25	
	11/10/XX	1035	$21.00	
OTHER DEDUCTIONS (ATM's)				
	11/5/XX	ATM	$46.40	

Comment: If this video link is on your screen, you could Watch Stuart's video.

4. Complete these fields. (Fields with an asterisk are required)

Beginning balance:	$50,803.56 is shown
Ending balance*:	type **$62,549.89**
Ending date*:	type **11/30/20XX** (current year)
Date*:	type **11/30/20XX** (current year)
Service Charge:	type **$20.00**
Expense account:	603 Bank Charges & Fees is shown

Compare your Reconcile page with the one shown on the next page.

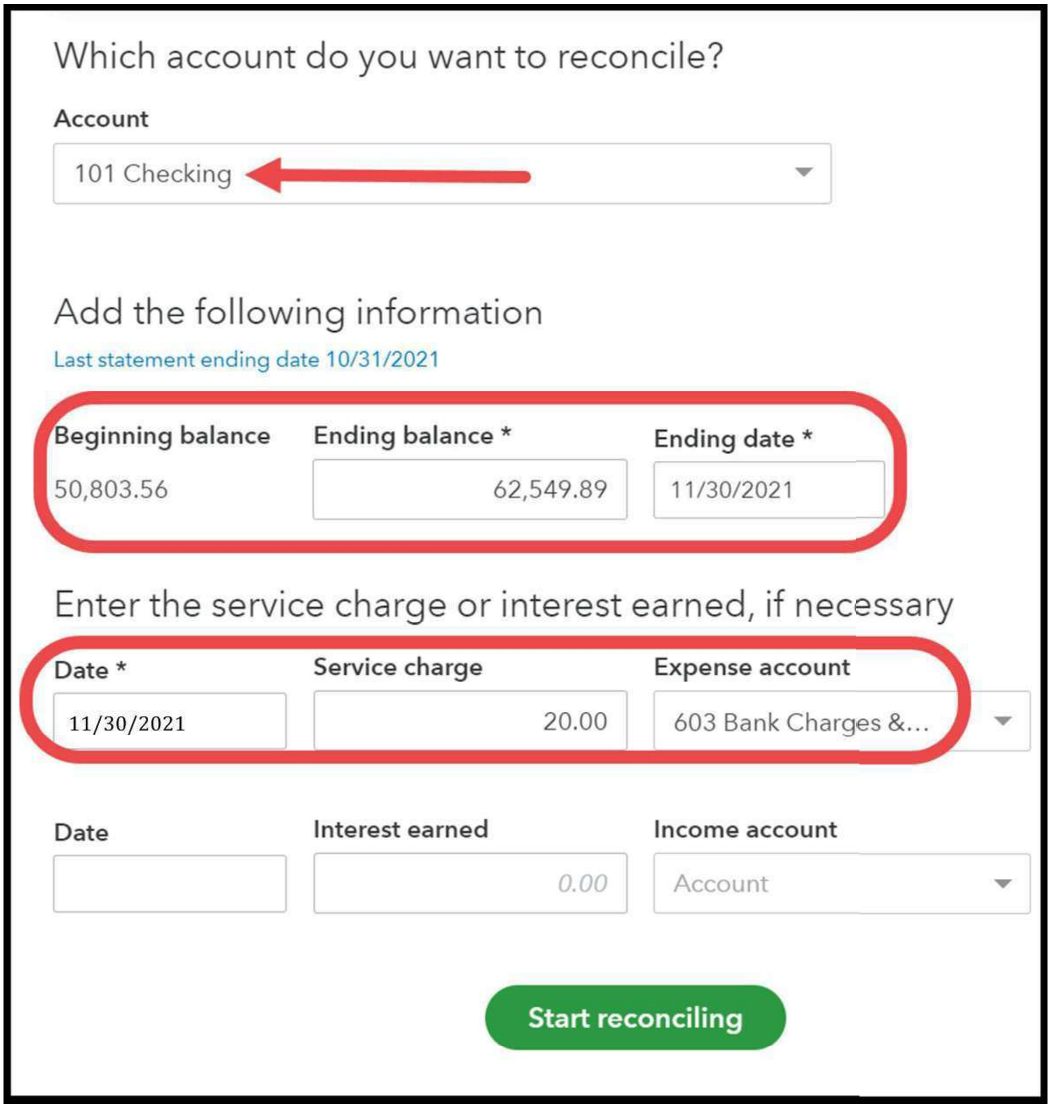
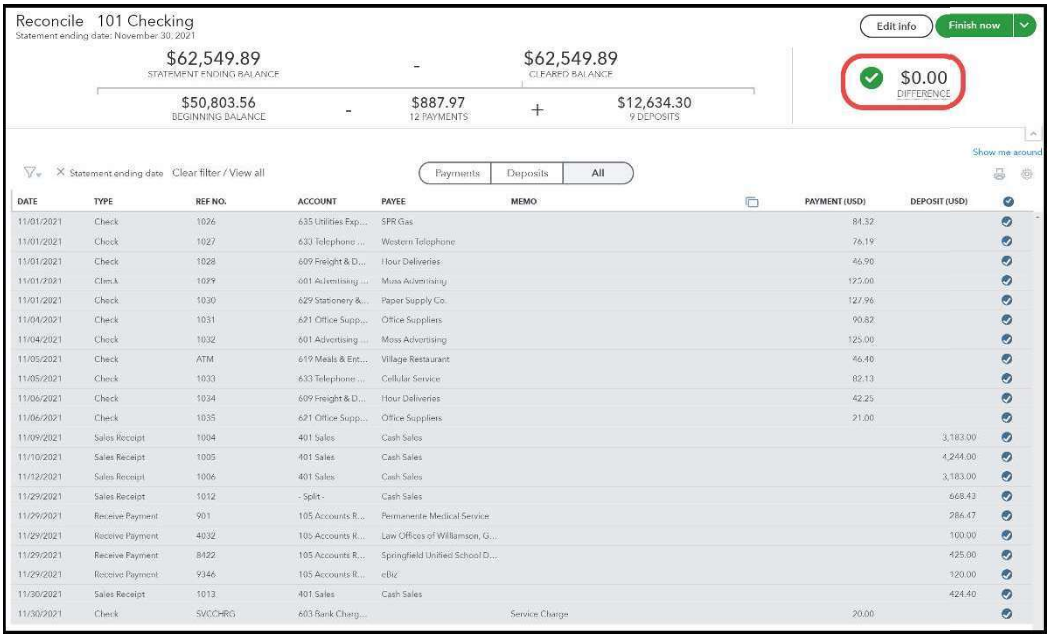


Figure 5-30: Reconcile

5. Select 

.
6. The Reconcile 101 Checking page appears. Read the pop-ups. The bank statement shows that all checks and deposits cleared. *Make sure your Difference shows $0.00.*

You can select all Payments and Deposits by clicking on the circle to the right of **DEPOSIT (USD)**. A message appears that asks Are you sure you want to select all 21 transactions? > click Yes, select all. Scroll down the screen. Make sure every row shows a checkmark. The DIFFERENCE at the top of the page shows $0.00.



DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)
11/01/2021	Check	1026	635 Utilities Exp...	SPR Gas		84.32	
11/01/2021	Check	1027	633 Telephone ...	Western Telephone		76.19	
11/01/2021	Check	1028	609 Freight & D...	Hour Deliveries		46.90	
11/01/2021	Check	1029	601 Advertising ...	Moss Advertising		125.00	
11/01/2021	Check	1030	629 Stationery &...	Paper Supply Co.		127.96	
11/04/2021	Check	1031	621 Office Supp...	Office Suppliers		90.82	
11/04/2021	Check	1032	601 Advertising ...	Moss Advertising		125.00	
11/05/2021	Check	ATM	619 Meals & Ent...	Village Restaurant		46.40	
11/05/2021	Check	1033	633 Telephone ...	Cellular Service		82.13	
11/06/2021	Check	1034	609 Freight & D...	Hour Deliveries		42.25	
11/06/2021	Check	1035	621 Office Supp...	Office Suppliers		21.00	
11/09/2021	Sales Receipt	1004	401 Sales	Cash Sales			3,183.00
11/10/2021	Sales Receipt	1005	401 Sales	Cash Sales			4,244.00
11/12/2021	Sales Receipt	1006	401 Sales	Cash Sales			3,183.00
11/29/2021	Sales Receipt	1012	- Split -	Cash Sales			668.43
11/29/2021	Receive Payment	901	105 Accounts R...	Permanente Medical Service			286.47
11/29/2021	Receive Payment	4032	105 Accounts R...	Law Offices of Williamson, G...			100.00
11/29/2021	Receive Payment	8422	105 Accounts R...	Springfield Unified School D...			425.00
11/29/2021	Receive Payment	9346	105 Accounts R...	eBiz			120.00
11/30/2021	Sales Receipt	1013	401 Sales	Cash Sales			424.40
11/30/2021	Check	SVCCHRG	603 Bank Charg...		Service Charge	20.00	

Figure 5-31: All transactions are checked, difference is $0.00

Comment: If you notice a mistake, click Edit info. Make the change > Save.

7. 

. You reconciled this account appears.
8. Click View reconciliation report. The Reconciliation Report for 101 Checking, Period Ending 11/30/20XX appears. The Statement Ending Balance $62,549.89 is the same as the Bank Statement balance on pages 241-242.

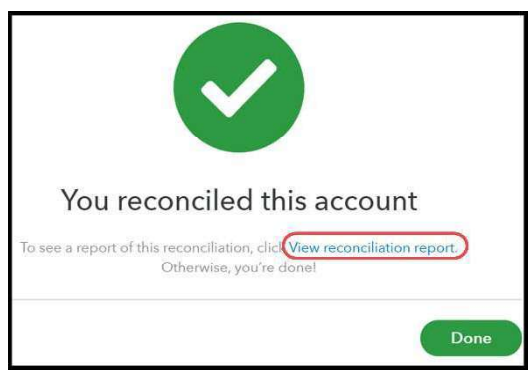


Figure 5-32: You reconciled

The summary area shows these amounts.

Student Name Sales and Service 101 Checking, Period Ending 11/30/20XX Reconciliation Report Reconciled on: XX/XX/XX (your date) Reconciled by: Your name	
Summary	USD
Statement beginning balance	$50,803.56
Service charge	-$20.00
Checks and payments cleared (17)	-$867.97
Deposits and other credits cleared (5)	$12,634.30
Statement ending balance	**$62,549.89**
Register balance as XX/XX/20XX*	**$62,549.89**

Scroll down to see the totals for checks, -$867.97 and Deposits, $12,634.30.

9. Save the Reconciliation Report as Excel and PDF files.

   a. Highlight all the information on the reconciliation report > right-click > copy.
   b. Open a blank Excel workbook and paste the information. Adjust the column widths and reformat the report to show the Reconciliation Report.
   c. Save as Excel and PDF files. The file name is **Chapter 5_November 30 Reconciliation Report**.

10. Click 

. Bank accounts shows $62,549.89.

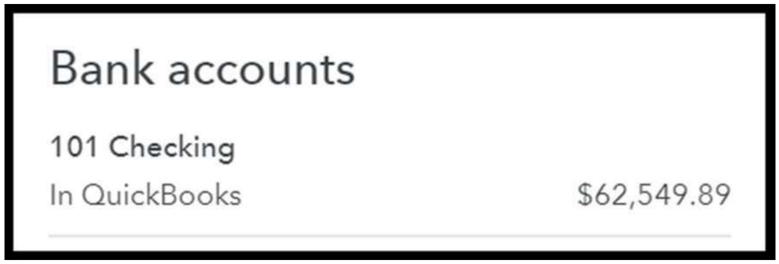


Figure 5-33: Bank accounts $62,549.89

The Dashboard also shows this year's Profit and Loss, $9,510; This fiscal year's Expenses, $8,410; and This fiscal year's Sales $17,920.

D
A
V
E

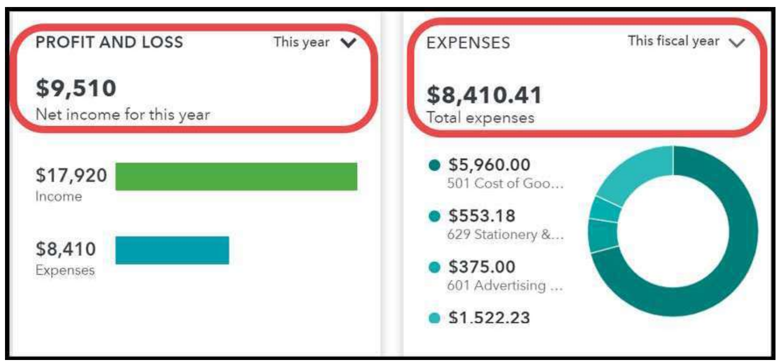


Figure 5-34: Profit and Loss and Expenses

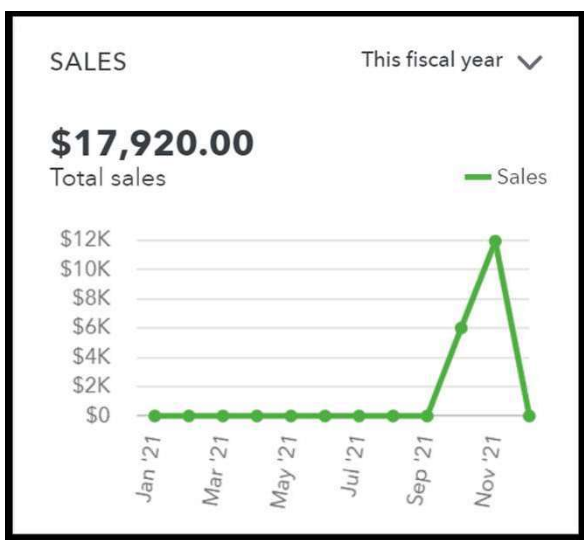


Figure 5:35: Sales

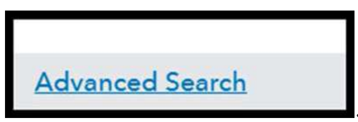
Drill down on Profit and Loss. Total Expenses are $2,450.41 and total Cost of Goods Sold are $5,960.00. The Dashboard's Expenses of $8,410.41 are the P&L's Total Expenses plus Cost of Goods Sold: $5,960.00 + $2,450.41 = $8,410.41 (*Hint:* Figure 5-34 may show rounded amount for total expenses).

ADVANCED SEARCH

You can find a list of transactions based on information that you enter, such as date range, amount, and type of transaction. Two types of searches are shown – by Date and by Transaction. After signing in, if you are unsure of where to start, advanced search may be useful.

Date Search

In Chapter 5, you completed transactions from 11/15 through 11/30. You can do an Advanced Search to make sure these transactions are completed.

1. Click  > 

.
2. In the Search field, select All Transactions > Add Filter > Date Filter > type from 11/15/XX to 11/30/XX > Apply.

Figure 5-36: Apply date filter

Twelve matches are found. Observe that the Last Modified Date shows when the transactions were entered. Your Last Modified Date will differ; it represents wen you recorded the transaction. The Results for All Transactions shows a search completed for 11/15 thru 11/30.

Search for Student Name Sales and Service

Results for All Transactions

Date	Type	No.	Contact	Amount	Last Modified Date
11/30/2021	Check	SVCCHRG		$20.00	06/25/2021, 11:13 AM
11/30/2021	Sales Receipt	1013	Cash Sales	$424.40	06/25/2021, 10:32 AM
11/29/2021	Payment	901	Permanente Medical Service	$286.47	06/25/2021, 10:21 AM
11/29/2021	Payment	8422	Springfield Unified School District	$425.00	06/25/2021, 10:22 AM
11/29/2021	Payment	9346	eBiz	$120.00	06/23/2021, 04:36 PM
11/29/2021	Payment	4032	Law Offices of Williamson, Gallagher & Katz	$100.00	06/25/2021, 10:21 AM
11/29/2021	Sales Receipt	1012	Cash Sales	$668.43	06/25/2021, 10:29 AM
11/16/2021	Credit Memo	1011	eBiz	$30.00	06/23/2021, 04:36 PM
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz	$100.00	06/25/2021, 10:21 AM
11/15/2021	Invoice	1010	Springfield Unified School District	$425.00	06/25/2021, 10:22 AM
11/15/2021	Invoice	1007	eBiz	$150.00	06/23/2021, 04:36 PM
11/15/2021	Invoice	1009	Permanente Medical Service	$286.47	06/25/2021, 10:21 AM

Figure 5-37: Results for All Transactions

Transaction Type

The Search page includes other criteria. For example, click on the down-arrow next to All Transactions > select Credit Memos > in the Enter Customer field field, select eBiz > Search.

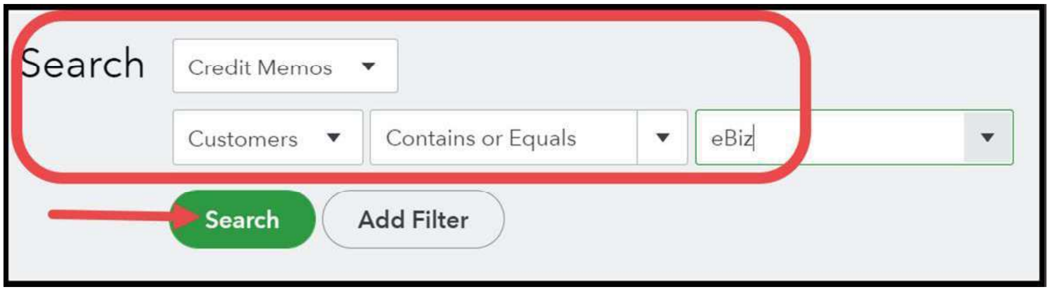


Figure 5-38: Customers > eBiz > Search

Amount

In the Search field, select All Transactions > in the select Reference no. field, select Amount > type **425** in the Enter Amount field > Add Filter > Date Filter is from 10/1/XX to 11/30/XX > Apply.

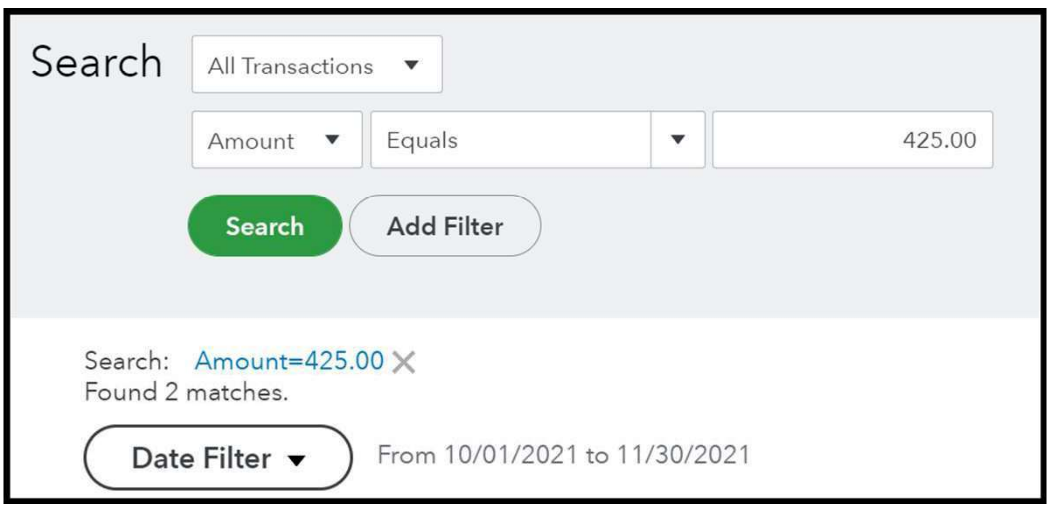


Figure 5-39: All Transactions > Filter Amount, $425.00

Two matches are found.

Search for Student Name Sales and Service

Results for All Credit Memos

Date	Type	No.	Contact	Amount	Last Modified Date
11/29/2021	Payment	8422	Springfield Unified School District	$425.00	06/25/2021, 10:22 AM
11/15/2021	Invoice	1010	Springfield Unified School District	$425.00	06/25/2021, 10:22 AM

Figure 5-40: Two matches for $425.00

When you do an Advanced Search, the Last Modified Date shows when you completed the transactions. The date shown is the author's. Your Last Modified Date will differ. Your transaction dates should be the same; for example, 11/29/20XX for the Payment, and 11/15/20XX for the Invoice.

PRODUCTS AND SERVICES

On invoices and other sales transactions, you don't choose income accounts directly. Instead, you choose products or services, which are associated with income accounts. Choosing a product or service determines where the transaction is categorized on your Profit and Loss report.

1. To check products and services, go to  > Products and Services > More > Run Report. The Product/Service List is shown on the next page.

Student Name Sales and Service

Product/Service List

PRODUCT/SERVICE	TYPE	DESCRIPTION	PRICE	COST	QTY ON HAND
Cash Sales	Non-inventory				
Computers	Inventory	Computers	1,000.00	500.00	16.00
Data storage	Inventory	Data storage	30.00	15.00	31.00
Hours	Service				
Network products	Inventory	Network products	50.00	25.00	16.00
Sales	Service				
Web server	Inventory	Web server	400.00	200.00	13.00
Webinars	Inventory	Webinars	90.00	45.00	11.00

Figure 5-41: Product/Service List

Comment: Now that you have completed customer transactions, the Price/Rate and Quantity fields differ from the Chapter 4 Products and Services List.

2. Export the to Excel and save as a PDF files. Use the file name **Chapter 5_Product Service List**.

REPORTS

Display the following reports. Your professor may require additional reports.

Journal

The journal entry is a transaction in which:

- There are at least two parts: a Debit and a Credit. These are called distribution lines.
- Each distribution line has an account from the Chart of Accounts.
- The total of the Debit column equals the total of the Credit column.

Use the Journal entry if:

- You need to transfer money between income and expense accounts.
- You need to transfer money from an asset, liability, or equity account to an income or expense account.
- You prefer the traditional system of accounting – entering debits and credits in a general journal or ledger.

You can also enter transactions using specialized screens, such as Invoice, Receive Payment, Credit Memo, Sales Receipt, Check, Bill, Transfer, Bank Deposit.

To see the transactions that you entered in Chapter 5, display the 11/15/20XX to 11/30/20XX journal.

1. Click 

 > type and select **Journal** in the Search field.

2. For the Report period, type **11/15/XX** To **11/30/XX** > press <Tab>. (*Hint:* Use the current year. Type either four or two characters for the year.)

Student Name Sales and Service

Journal

November 15-30, 2021

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	ACCOUNT #	ACCOUNT	DEBIT	CREDIT
11/15/2021	Invoice	1007	eBiz		105	105 Accounts Receivable (A/R)	$150.00	
				Data storage	501	501 Cost of Goods Sold	$75.00	
				Data storage	115	115 Merchandise Inventory		$75.00
				Data storage	401	401 Sales		$150.00
							$225.00	**$225.00**
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz		105	105 Accounts Receivable (A/R)	$100.00	
				Network products	401	401 Sales		$100.00
				Network products	501	501 Cost of Goods Sold	$50.00	
				Network products	115	115 Merchandise Inventory		$50.00
							$150.00	**$150.00**
11/15/2021	Invoice	1009	Permanente Medical Service		105	105 Accounts Receivable (A/R)	$286.47	
				Webinars	501	501 Cost of Goods Sold	$135.00	
				Webinars	115	115 Merchandise Inventory		$135.00
				Webinars	401	401 Sales		$270.00
					207	207 Arizona Department of Revenue Payable		$15.12
					207	207 Arizona Department of Revenue Payable		$1.35
							$421.47	**$421.47**
11/15/2021	Invoice	1010	Springfield Unified School District		105	105 Accounts Receivable (A/R)	$425.00	
				Web server	501	501 Cost of Goods Sold	$200.00	
				Web server	115	115 Merchandise Inventory		$200.00
				Web server	401	401 Sales		$400.00
					208	208 Illinois Department of Revenue Payable		$25.00
							$625.00	**$625.00**
11/16/2021	Credit Memo	1011	eBiz		105	105 Accounts Receivable (A/R)		$30.00
				Data storage	401	401 Sales	$30.00	
				Data storage	115	115 Merchandise Inventory	$15.00	
				Data storage	501	501 Cost of Goods Sold		$15.00
							$45.00	**$45.00**

Figure 5-42: Partial Journal (continued)

The Journal shows 6.10% sales tax for Permanente Medicare Service, Account 207 Arizona Department of Revenue Payable for both Arizona, 15.12; and Pima County, 1.35; 15.12 + 1.35 = $16.47. Sales of $270 X 6.10% = $16.47. For Illinois the sales tax rate is 6.25% and $25.00 is shown for Springfield Unified School District's Account 208 Illinois Department of Revenue Payable. Zeroes (0.00) are shown for city and county taxes. Sales of $400 X 6.25% = $25.00.

11/29/2021	Payment	9346	eBiz		101	101 Checking	$120.00	
					105	105 Accounts Receivable (A/R)		$120.00
							$120.00	**$120.00**
11/29/2021	Payment	4032	Law Offices of Williamson, Gallagher & Katz		101	101 Checking	$100.00	
					105	105 Accounts Receivable (A/R)		$100.00
							$100.00	**$100.00**
11/29/2021	Payment	901	Permanente Medical Service		101	101 Checking	$286.47	
					105	105 Accounts Receivable (A/R)		$286.47
							$286.47	**$286.47**
11/29/2021	Payment	8422	Springfield Unified School District		101	101 Checking	$425.00	
					105	105 Accounts Receivable (A/R)		$425.00
							$425.00	**$425.00**
11/29/2021	Sales Receipt	1012	Cash Sales		101	101 Checking	$668.43	
				Data storage	501	501 Cost of Goods Sold	$150.00	
				Data storage	401	401 Sales		$300.00
				Data storage	115	115 Merchandise Inventory		$150.00
				Network products	501	501 Cost of Goods Sold	$75.00	
				Network products	401	401 Sales		$150.00
				Network products	115	115 Merchandise Inventory		$75.00
				Webinars	501	501 Cost of Goods Sold	$90.00	
				Webinars	115	115 Merchandise Inventory		$90.00
				Webinars	401	401 Sales		$180.00
					207	207 Arizona Department of Revenue Payable		$35.28
					207	207 Arizona Department of Revenue Payable		$3.15
							$983.43	**$983.43**
11/30/2021	Sales Receipt	1013	Cash Sales		101	101 Checking	$424.40	
				Web server	401	401 Sales		$400.00
				Web server	115	115 Merchandise Inventory		$200.00
				Web server	501	501 Cost of Goods Sold	$200.00	
					207	207 Arizona Department of Revenue Payable		$22.40
					207	207 Arizona Department of Revenue Payable		$2.00
							$624.40	**$624.40**
11/30/2021	Check	SVCCHRG		Service Charge	101	101 Checking		$20.00
					603	603 Bank Charges & Fees	$20.00	
							$20.00	**$20.00**
TOTAL							**$4,025.77**	**$4,025.77**

Figure 5:43: Journal (completed)

Save the Journal as an Excel File and an Adobe PDF file. Use the file name **Chapter 5_Journal**.

Transaction Detail by Account

1. Go to the Reports page. In the Search field, type and select **Transaction Detail by Account**. Run report from from 11/15/20XX to 11/30/20XX > Run report. The Transaction Detail by Account report is shown on the next page.

Student Name Sales and Service

Transaction Detail by Account

November 15-30, 2021

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
101 Checking							
11/29/2021	Payment	8422	Springfield Unified School District		105 Accounts Receivable (A/R)	425.00	425.00
11/29/2021	Payment	901	Permanente Medical Service		105 Accounts Receivable (A/R)	286.47	711.47
11/29/2021	Payment	4032	Law Offices of Williamson, Gallagher & Katz		105 Accounts Receivable (A/R)	100.00	811.47
11/29/2021	Sales Receipt	1012	Cash Sales		-Split-	668.43	1,479.90
11/29/2021	Payment	9346	eBiz		105 Accounts Receivable (A/R)	120.00	1,599.90
11/30/2021	Check	SVCCHRG		Service Charge	603 Bank Charges & Fees	-20.00	1,579.90
11/30/2021	Sales Receipt	1013	Cash Sales		401 Sales	424.40	2,004.30
Total for 101 Checking						**$2,004.30**	
105 Accounts Receivable (A/R)							
11/15/2021	Invoice	1009	Permanente Medical Service		401 Sales	286.47	286.47
11/15/2021	Invoice	1007	eBiz		401 Sales	150.00	436.47
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz		401 Sales	100.00	536.47
11/15/2021	Invoice	1010	Springfield Unified School District		401 Sales	425.00	961.47
11/16/2021	Credit Memo	1011	eBiz		401 Sales	-30.00	931.47
11/29/2021	Payment	4032	Law Offices of Williamson, Gallagher & Katz		101 Checking	-100.00	831.47
11/29/2021	Payment	901	Permanente Medical Service		101 Checking	-286.47	545.00
11/29/2021	Payment	8422	Springfield Unified School District		101 Checking	-425.00	120.00
11/29/2021	Payment	9346	eBiz		101 Checking	-120.00	0.00
Total for 105 Accounts Receivable (A/R)						**$0.00**	
115 Merchandise Inventory							
11/15/2021	Invoice	1007	eBiz	Data storage	105 Accounts Receivable (A/R)	-75.00	-75.00
11/15/2021	Invoice	1009	Permanente Medical Service	Webinars	105 Accounts Receivable (A/R)	-135.00	-210.00
11/15/2021	Invoice	1010	Springfield Unified School District	Web server	105 Accounts Receivable (A/R)	-200.00	-410.00
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz	Network products	105 Accounts Receivable (A/R)	-50.00	-460.00
11/16/2021	Credit Memo	1011	eBiz	Data storage	105 Accounts Receivable (A/R)	15.00	-445.00
11/29/2021	Sales Receipt	1012	Cash Sales	Network products	101 Checking	-75.00	-520.00
11/29/2021	Sales Receipt	1012	Cash Sales	Data storage	101 Checking	-150.00	-670.00
11/29/2021	Sales Receipt	1012	Cash Sales	Webinars	101 Checking	-90.00	-760.00
11/30/2021	Sales Receipt	1013	Cash Sales	Web server	101 Checking	-200.00	-960.00
Total for 115 Merchandise Inventory						**$ -960.00**	
207 Arizona Department of Revenue Payable							
11/15/2021	Invoice	1009	Permanente Medical Service		105 Accounts Receivable (A/R)	15.12	15.12
11/15/2021	Invoice	1009	Permanente Medical Service		105 Accounts Receivable (A/R)	1.35	16.47
11/29/2021	Sales Receipt	1012	Cash Sales		101 Checking	35.28	51.75
11/29/2021	Sales Receipt	1012	Cash Sales		101 Checking	3.15	54.90
11/30/2021	Sales Receipt	1013	Cash Sales		101 Checking	22.40	77.30
11/30/2021	Sales Receipt	1013	Cash Sales		101 Checking	2.00	79.30
Total for 207 Arizona Department of Revenue Payable						**$79.30**	
208 Illinois Department of Revenue Payable							
11/15/2021	Invoice	1010	Springfield Unified School District		105 Accounts Receivable (A/R)	25.00	25.00
Total for 208 Illinois Department of Revenue Payable						**$25.00**	
401 Sales							
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz	Network products	105 Accounts Receivable (A/R)	100.00	100.00
11/15/2021	Invoice	1007	eBiz	Data storage	105 Accounts Receivable (A/R)	150.00	250.00
11/15/2021	Invoice	1009	Permanente Medical Service	Webinars	105 Accounts Receivable (A/R)	270.00	520.00
11/15/2021	Invoice	1010	Springfield Unified School District	Web server	105 Accounts Receivable (A/R)	400.00	920.00
11/16/2021	Credit Memo	1011	eBiz	Data storage	105 Accounts Receivable (A/R)	-30.00	890.00
11/29/2021	Sales Receipt	1012	Cash Sales	Data storage	101 Checking	300.00	1,190.00
11/29/2021	Sales Receipt	1012	Cash Sales	Network products	101 Checking	150.00	1,340.00
11/29/2021	Sales Receipt	1012	Cash Sales	Webinars	101 Checking	180.00	1,520.00
11/30/2021	Sales Receipt	1013	Cash Sales	Web server	101 Checking	400.00	1,920.00
Total for 401 Sales						**$1,920.00**	
501 Cost of Goods Sold							
11/15/2021	Invoice	1008	Law Offices of Williamson, Gallagher & Katz	Network products	105 Accounts Receivable (A/R)	50.00	50.00
11/15/2021	Invoice	1009	Permanente Medical Service	Webinars	105 Accounts Receivable (A/R)	135.00	185.00
11/15/2021	Invoice	1007	eBiz	Data storage	105 Accounts Receivable (A/R)	75.00	260.00
11/15/2021	Invoice	1010	Springfield Unified School District	Web server	105 Accounts Receivable (A/R)	200.00	460.00
11/16/2021	Credit Memo	1011	eBiz	Data storage	105 Accounts Receivable (A/R)	-15.00	445.00
11/29/2021	Sales Receipt	1012	Cash Sales	Webinars	101 Checking	90.00	535.00
11/29/2021	Sales Receipt	1012	Cash Sales	Network products	101 Checking	75.00	610.00
11/29/2021	Sales Receipt	1012	Cash Sales	Data storage	101 Checking	150.00	760.00
11/30/2021	Sales Receipt	1013	Cash Sales	Web server	101 Checking	200.00	960.00
Total for 501 Cost of Goods Sold						**$960.00**	
603 Bank Charges & Fees							
11/30/2021	Check	SVCCHRG			101 Checking	20.00	20.00
Total for 603 Bank Charges & Fees						**$20.00**	

Figure 5-44: Transaction Detail by Account

Comment: It is okay if your transactions are in a different order. For example, if you edited transactions, the order may be changed. If needed, you can drill down to entries from the Transaction Detail by Account report.

2. Save the Transaction Detail by Account as a PDF file and export to Excel. Use the file name **Chapter 5_Transaction Detail by Account**.

Trial Balance

1. Go to the Reports page. In the Search field, type and select **Trial Balance** from **11/1/XX** to **11/30/XX** > Run report.

Student Name Sales and Service

Trial Balance

As of November 30, 2021

	DEBIT	CREDIT
101 Checking	62,549.89	
105 Accounts Receivable (A/R)	0.00	
115 Merchandise Inventory	11,960.00	
123 Prepaid Rent	6,000.00	
125 Prepaid Insurance	3,000.00	
135 Computer Equipment	10,000.00	
201 Accounts Payable (A/P)		17,920.00
205 Loan Payable		5,000.00
207 Arizona Department of Revenue Payable		1,055.30
208 Illinois Department of Revenue Payable		25.00
301 Common Stock		60,000.00
Opening Balance Equity		0.00
401 Sales		17,920.00
501 Cost of Goods Sold	5,960.00	
601 Advertising & Marketing	375.00	
603 Bank Charges & Fees	40.00	
605 Dues & subscriptions	150.00	
609 Freight & Delivery	153.80	
619 Meals & Entertainment	172.80	
621 Office Supplies & Software	338.67	
625 Repairs & Maintenance	140.00	
627 Shipping and Delivery Expense	47.00	
629 Stationery & Printing	553.18	
633 Telephone Expense	316.64	
635 Utilities Expense	163.32	
TOTAL	**$101,920.30**	**$101,920.30**

Figure 5-45: November 30 Trial Balance

Comment: Two accounts show a zero balance—105 Accounts Receivable (A/R) and Opening Balance Equity which does not have an account number. This is okay. Reports can also be filtered so that only non-zero account balances appear (refer to page 215).

2. Export to Excel and save as a PDF file. Use the file name **Chapter 5_Trial Balance.** Observe that Account 101 Checking's balance, $62,549.89 is the same as the bank statement balance.

A/R Register

1. Go to Accounting > Chart of Accounts > double-click 105 Accounts Receivable (A/R) *or* select View register. The Ending Balance is 0.00. This is the same as Account 105 Accounts Receivable (A/R) on the Trial Balance, and the A/R balance on the Transaction Detail by Account report.

   Compare your A/R Register's 105 Accounts Receivable (A/R) Ending Balance: $0.00 with the one shown on the next page.

Student Name Sales and Service

105 Accounts Receivable (A/R) Ending Balance: $0.00

Date	Ref No.	Payee	Charge / Credit	Payment	Open Balance
	Type	**Memo**		**Due Date**	
11/29/2021	8422	Springfield Unified School District		$425.00	$0.00
	Payment				
11/29/2021	901	Permanente Medical Service		$286.47	$0.00
	Payment				
11/29/2021	4032	Law Offices of Williamson, Gallagher & Katz		$100.00	$0.00
	Payment				
11/29/2021	9346	eBiz		$120.00	$0.00
	Payment				
11/16/2021	1011	eBiz		$30.00	$0.00
	Credit Memo				
11/15/2021	1010	Springfield Unified School District	$425.00		$0.00
	Invoice			Paid	
11/15/2021	1009	Permanente Medical Service	$286.47		$0.00
	Invoice			Paid	
11/15/2021	1008	Law Offices of Williamson, Gallagher & Katz	$100.00		$0.00
	Invoice			Paid	
11/15/2021	1007	eBiz	$150.00		$0.00
	Invoice			Paid	

Figure 5-46: A/R Register, Ending Balance, $0.00

2. Go to the Reports page.

Inventory Valuation Summary

1. From the Reports page's search field, type and select **Inventory Valuation Summary** > Report period is Custom > As of **11/30/XX** > Run report.

Student Name Sales and Service

Inventory Valuation Summary

As of November 30, 2021

	SKU	QTY	ASSET VALUE	CALC. AVG
Computers		16.00	8,000.00	500.00
Data storage		31.00	465.00	15.00
Network products		16.00	400.00	25.00
Web server		13.00	2,600.00	200.00
Webinars		11.00	495.00	45.00
TOTAL			$11,960.00	

Figure 5-47: Inventory Valuation Summary

Observe that the total, $11,960.00, is the same as Account 115 Merchandise Inventory on the Trial Balance (Figure 5-45). The quantity of each inventory item agrees with the Product/Service list (Figure 5-41).

2. Export to Excel and save as a PDF file. Use the file name **Chapter 5_Inventory Valuation Summary.**

Vendor Balance Summary

1. Go to the Reports page. In the Search field, type and select **Vendor Balance Summary**. You can select all dates *or* select Custom > type **11/30/20XX** in the As of field > Run Report.

Student Name Sales and Service

Vendor Balance Summary

As of November 30, 2021

	TOTAL
AmpleStore Inc.	675.00
Any Time Deployment	525.00
CloudZ Channel	3,000.00
Computers 2 You	13,000.00
Conf/Call	720.00
TOTAL	$17,920.00

Figure 5-48: Vendor Balance Summary

Observe that the total, $17,920.00, is the same Account 201 Accounts Payable on the Trial Balance (Figure 5-45).

2. Export to Excel and save as a PDF file. Use the file name **Chapter 5_Vendor Balance Summary.**

A/P Aging Summary

1. Go to the Reports page. In the Search field, type and select **Account Payable Aging Summary**. You can select all dates *or* type **11/30/20XX** in the As of field > Run Report.

Student Name Sales and Service

A/P Aging Summary

As of November 30, 2021

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
AmpleStore Inc.	675.00					$675.00
Any Time Deployment	525.00					$525.00
CloudZ Channel	3,000.00					$3,000.00
Computers 2 You	13,000.00					$13,000.00
Conf/Call	720.00					$720.00
TOTAL	**$17,920.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$17,920.00**

Figure 5-49: A/P Aging Summary

Observe that the Total is also $17,920.00 which matches the balance in Account 201 Accounts Payable.

2. Export to Excel and save as a PDF file. Use the file name **Chapter 5_AP Aging Summary.**

Sales Tax Liability Report

Go to the Reports page > type and select **Sales Tax Liability Report** > Report period is **10/1/XX to 11/30/XX** > Run report. Total Tax Amounts agree with the Trial Balance (Figure 5-45).

Student Name Sales and Service

Sales Tax Liability Report

October - November, 2021

	GROSS AMOUNT	NON TAXABLE AMOUNT	TAXABLE AMOUNT	TAX AMOUNT
Arizona Department of Revenue				
Arizona State	17,300.00	0.00	17,300.00	968.80
Arizona, Pima County	17,300.00	0.00	17,300.00	86.50
TOTAL				**1,055.30**
Illinois Department of Revenue				
Illinois Department of Revenue	400.00	0.00	400.00	25.00
TOTAL				**25.00**

Figure 5-50: October 1 to November 30 Sales Tax Liability Report

Export the Sales Tax Liability Report to Excel and save as a PDF file. Use the file name **Chapter 5_Sales Tax Liability Report**.

Display and save these reports – Profit and Loss, Profit and Loss Comparison, Balance Sheet and Statement of Cash Flows.

Profit and Loss from 10/1/20XX to 11/30/20XX

Student Name Sales and Service

Profit and Loss

October - November, 2021

	TOTAL
Income	
401 Sales	17,920.00
Total Income	**$17,920.00**
Cost of Goods Sold	
501 Cost of Goods Sold	5,960.00
Total Cost of Goods Sold	**$5,960.00**
GROSS PROFIT	**$11,960.00**
Expenses	
601 Advertising & Marketing	375.00
603 Bank Charges & Fees	40.00
605 Dues & subscriptions	150.00
609 Freight & Delivery	153.80
619 Meals & Entertainment	172.80
621 Office Supplies & Software	338.67
625 Repairs & Maintenance	140.00
627 Shipping and Delivery Expense	47.00
629 Stationery & Printing	553.18
633 Telephone Expense	316.64
635 Utilities Expense	163.32
Total Expenses	**$2,450.41**
NET OPERATING INCOME	**$9,509.59**
NET INCOME	**$9,509.59**

Figure 5-51: October – November Profit and Loss

Export the Profit and Loss to Excel and save as a PDF file. Use the file name **Chapter 5_Profit and Loss**.

Profit and Loss Comparison

To compare November and October P&L totals, do this.

1. Reports > type and select **Profit and Loss Comparison** > Report period > type **11/1/XX** to **11/30/XX**.

Figure 5-52: Custom dates 11/1/XX to 11/30/XX

2. In the Compare another period field, select Previous period > Custom Period shows 10/1/XX to 10/31/XX > click $ change and % change to place a checkmark.

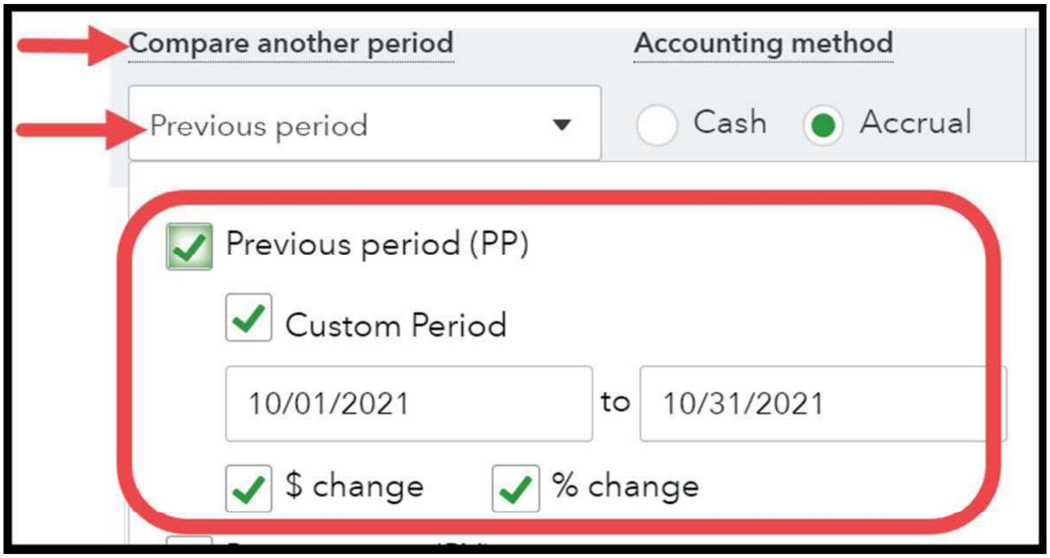


Figure 5-53: Compare another period

3. After selecting <run Report>, the Profit and Loss Comparison includes these accounts and totals (Figure 5-54)

Student Name Sales and Service

Profit and Loss Comparison

November 2021

	TOTAL			
	NOV 2021	OCT 2021 (PP)	CHANGE	% CHANGE
Income				
401 Sales	11,920.00	6,000.00	5,920.00	98.67 %
Total Income	**$11,920.00**	**$6,000.00**	**$5,920.00**	**98.67 %**
Cost of Goods Sold				
501 Cost of Goods Sold	5,960.00		5,960.00	
Total Cost of Goods Sold	**$5,960.00**	**$0.00**	**$5,960.00**	**0.00%**
GROSS PROFIT	**$5,960.00**	**$6,000.00**	**$ -40.00**	**-0.67 %**
Expenses				
601 Advertising & Marketing	250.00	125.00	125.00	100.00 %
603 Bank Charges & Fees	20.00	20.00	0.00	0.00 %
605 Dues & subscriptions		150.00	-150.00	-100.00 %
609 Freight & Delivery	89.15	64.65	24.50	37.90 %
619 Meals & Entertainment	46.40	126.40	-80.00	-63.29 %
621 Office Supplies & Software	111.82	226.85	-115.03	-50.71 %
625 Repairs & Maintenance		140.00	-140.00	-100.00 %
627 Shipping and Delivery Expense		47.00	-47.00	-100.00 %
629 Stationery & Printing	127.96	425.22	-297.26	-69.91 %
633 Telephone Expense	158.32	158.32	0.00	0.00 %
635 Utilities Expense	84.32	79.00	5.32	6.73 %
Total Expenses	**$887.97**	**$1,562.44**	**$ -674.47**	**-43.17 %**
NET OPERATING INCOME	**$5,072.03**	**$4,437.56**	**$634.47**	**14.30 %**
NET INCOME	**$5,072.03**	**$4,437.56**	**$634.47**	**14.30 %**

Figure 5-54: Profit and Loss Comparison November and October

4. Export the to Excel and save as a PDF file. The file name is **Chapter 5_Profit and Loss Comparison.**

Balance Sheet from 10/1/20XX to 11/30/20XX

Student Name Sales and Service

Balance Sheet

As of November 30, 2021

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
101 Checking	62,549.89
Total Bank Accounts	**$62,549.89**
Accounts Receivable	
105 Accounts Receivable (A/R)	0.00
Total Accounts Receivable	**$0.00**
Other Current Assets	
115 Merchandise Inventory	11,960.00
123 Prepaid Rent	6,000.00
125 Prepaid Insurance	3,000.00
Total Other Current Assets	**$20,960.00**
Total Current Assets	**$83,509.89**
Fixed Assets	
135 Computer Equipment	10,000.00
Total Fixed Assets	**$10,000.00**
TOTAL ASSETS	**$93,509.89**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
201 Accounts Payable (A/P)	17,920.00
Total Accounts Payable	**$17,920.00**
Other Current Liabilities	
205 Loan Payable	5,000.00
207 Arizona Department of Revenue Payable	1,055.30
208 Illinois Department of Revenue Payable	25.00
Total Other Current Liabilities	**$6,080.30**
Total Current Liabilities	**$24,000.30**
Total Liabilities	**$24,000.30**
Equity	
301 Common Stock	60,000.00
318 Retained Earnings	
Opening Balance Equity	0.00
Net Income	9,509.59
Total Equity	**$69,509.59**
TOTAL LIABILITIES AND EQUITY	**$93,509.89**

Figure 5-55: November 30 Balance Sheet

Export the Balance Sheet to Excel and save as a PDF file. Use the file name **Chapter 5_Balance Sheet**.

Customize Balance Sheet

Another way to Customize a report, is to display the report, then use the Customize button.

a. Reports > Balance Sheet
b. Non-zero Rows/Columns
c. Select 

.
d. Report period: Custom > **11/1/XX to 11/30/XX**
e. Columns > Months
f. Select Change columns > Previous Period > $ change > % change

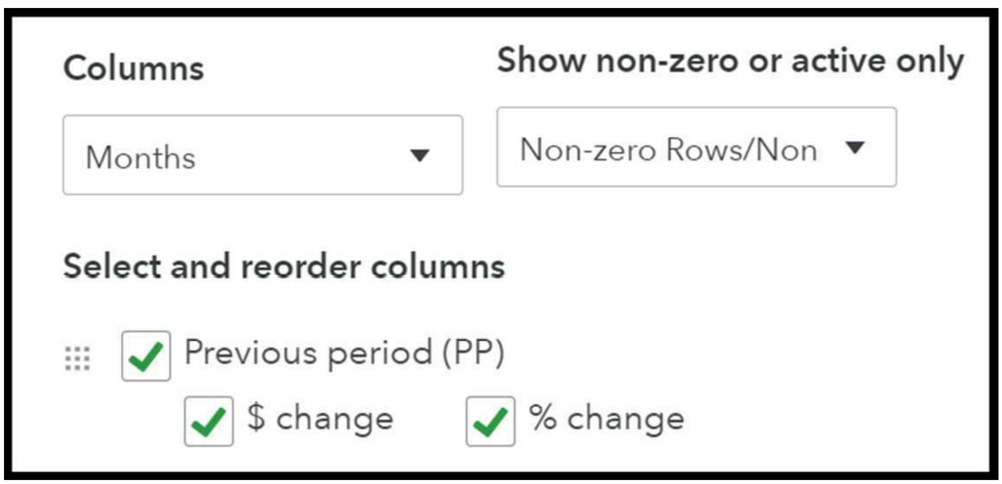


Figure 5-56: Customize selections

Figure 5-57: Run report

Student Name Sales and Service

Balance Sheet

As of November 30, 2021

	NOV 2021			
	CURRENT	AS OF OCT 31, 2021 (PP)	CHANGE	% CHANGE
ASSETS				
Current Assets				
Bank Accounts				
101 Checking	62,549.89	50,803.56	11,746.33	23.12 %
Total Bank Accounts	**$62,549.89**	**$50,803.56**	**$11,746.33**	**23.12 %**
Other Current Assets				
115 Merchandise Inventory	11,960.00	0.00	11,960.00	
123 Prepaid Rent	6,000.00	6,000.00	0.00	0.00 %
125 Prepaid Insurance	3,000.00	3,000.00	0.00	0.00 %
Total Other Current Assets	**$20,960.00**	**$9,000.00**	**$11,960.00**	**132.89 %**
Total Current Assets	**$83,509.89**	**$59,803.56**	**$23,706.33**	**39.64 %**
Fixed Assets				
135 Computer Equipment	10,000.00	10,000.00	0.00	0.00 %
Total Fixed Assets	**$10,000.00**	**$10,000.00**	**$0.00**	**0.00 %**
TOTAL ASSETS	**$93,509.89**	**$69,803.56**	**$23,706.33**	**33.96 %**
LIABILITIES AND EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
201 Accounts Payable (A/P)	17,920.00		17,920.00	
Total Accounts Payable	**$17,920.00**	**$0.00**	**$17,920.00**	**0.00%**
Other Current Liabilities				
205 Loan Payable	5,000.00	5,000.00	0.00	0.00 %
207 Arizona Department of Revenue Payable	1,055.30	366.00	689.30	188.33 %
208 Illinois Department of Revenue Payable	25.00		25.00	
Total Other Current Liabilities	**$6,080.30**	**$5,366.00**	**$714.30**	**13.31 %**
Total Current Liabilities	**$24,000.30**	**$5,366.00**	**$18,634.30**	**347.27 %**
Total Liabilities	**$24,000.30**	**$5,366.00**	**$18,634.30**	**347.27 %**
Equity				
301 Common Stock	60,000.00	60,000.00	0.00	0.00 %
318 Retained Earnings				
Net Income	9,509.59	4,437.56	5,072.03	114.30 %
Total Equity	**$69,509.59**	**$64,437.56**	**$5,072.03**	**7.87 %**
TOTAL LIABILITIES AND EQUITY	**$93,509.89**	**$69,803.56**	**$23,706.33**	**33.96 %**

Figure 5-58: Chapter 5 October and November Balance Sheet

Export to Excel and save as a PDF file. The file name is **Chapter 5_October and November Balance Sheet**

Statement of Cash Flows from 10/1/20XX to 11/30/20XX

Student Name Sales and Service

Statement of Cash Flows

October - November, 2021

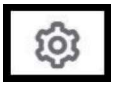
	TOTAL
OPERATING ACTIVITIES	
Net Income	9,509.59
Adjustments to reconcile Net Income to Net Cash provided by operations:	
105 Accounts Receivable (A/R)	0.00
115 Merchandise Inventory	-11,960.00
123 Prepaid Rent	-6,000.00
125 Prepaid Insurance	-3,000.00
201 Accounts Payable (A/P)	17,920.00
205 Loan Payable	5,000.00
207 Arizona Department of Revenue Payable	1,055.30
208 Illinois Department of Revenue Payable	25.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	**3,040.30**
Net cash provided by operating activities	**$12,549.89**
INVESTING ACTIVITIES	
135 Computer Equipment	-10,000.00
Net cash provided by investing activities	**$ -10,000.00**
FINANCING ACTIVITIES	
301 Common Stock	60,000.00
Opening Balance Equity	0.00
Net cash provided by financing activities	**$60,000.00**
NET CASH INCREASE FOR PERIOD	**$62,549.89**
CASH AT END OF PERIOD	**$62,549.89**

Figure 5-59: October 1 to November 30 Statement of Cash Flows

Export the Statement of Cash Flows to Excel and save as a PDF file. Use the file name **Chapter 5_Statement of Cash Flows**. (*Hint:* If your professor prefers the November SCF only, change the dates to 11/1/20XX to 11/30/20XX).

Filter the Audit Log

By default, the Audit Log displays the 200 most recent events. Dates and times in the Audit Log and Audit History reflect when events occurred, displayed in your local time. To see a history of the event, click View in the History columns.

1. Select  > Audit log > User, your name > Date, All dates *or* This Year > Events, check Transactions *or* select All transactions.

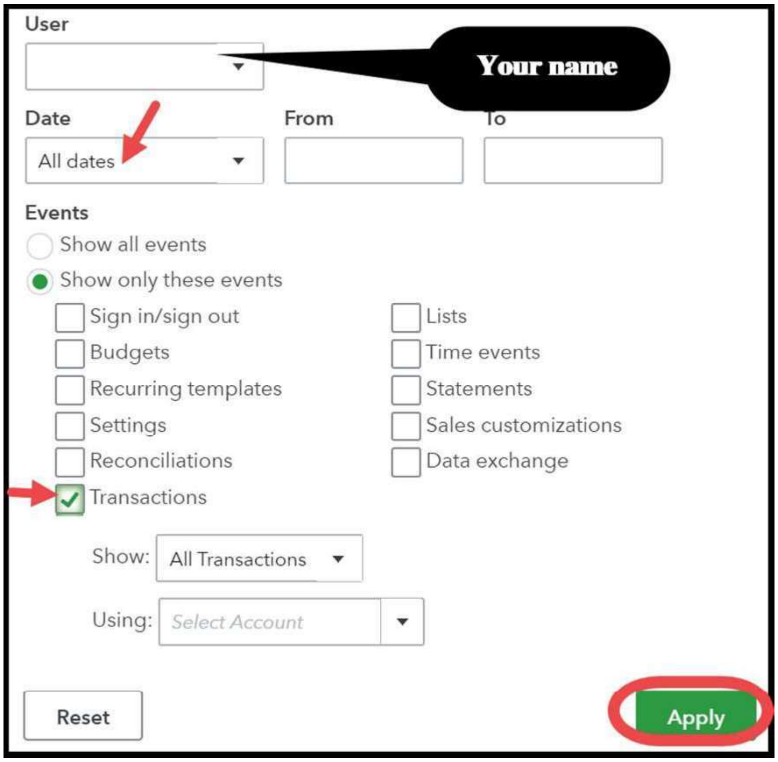


Figure 5-60: Filter Audit Trail

2. After clicking <Apply>, the Audit Log shows transactions.

Audit a Transaction

To see a detailed history, do this.

1. To see the work completed, scroll down the Audit Log page.
2. Blue font indicates links. In the History column, click View.
3. From the Audit Log page, you can drill down to transactions.
4. To see more, make other filter selections.

CHECK YOUR PROGRESS

Check Your Progress assignments are included within Connect and below.

1. What is account balance from 10/1/20XX to 11/30/20XX in these accounts? Indicate whether these accounts have debit (dr.) or credit (cr.) balances.

   Account 101 Checking ________________

   Account 105 Accounts Receivable ________________

   Account 115 Merchandise Inventory ________________

   Account 207 Arizona Department of Revenue Payable ________________

   Account 208 Illinois Department of Revenue Payable ________________

   Account 401 Sales ________________

   Account 501 Cost of Goods Sold ________________

   Account 603 Bank Charges ________________

2. What is Net Income? ________________

3. What are the total Liabilities and Equity? ________________

4. What is the quantity, asset value, and average cost of computers?

   ____

5. What is the quantity, asset value, and average cost of data storage?

____

6. What is the quantity, asset value, and average cost of network products?

____

7. What is the quantity, asset value, and average cost of web servers?

____

8. What is the quantity, asset value, and average cost of webinars?

____

9. When the Profit and Loss Comparison and Balance Sheet were customized, what was the date of the previous period? How can you verify the account balances on the P&L Comparison and Customized Balance Sheet?

____

____

____

10. Display Dashboard graphics. Answer these questions

DAVE

   a. How do you display Dashboard graphics?
   b. Profit and Loss: What is shown?
   c. Expenses: What is shown?
   d. Sales: What are Total sales? What are the amounts for October and November?
   e. What does Bank Accounts show?

SIGN OUT

Click on your initial > Sign out.

QUICKBOOKS RESOURCES AND ACTIVITIES

If your professor requires **Connect,** the following resources may be assigned for grading.

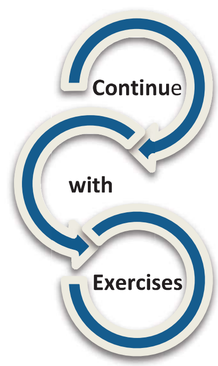
1. Multiple-choice and true or false questions.
2. Analysis question(s).
3. Check Your Progress.
4. Chapter work and end-of chapter exercises.
5. Problem solving.
6. Certification Q&A.
7. Test Bank.
8. Additional student resources (ASR).

Additional Student Resources (ASR)

The following resources can be found on the Additional Student Resources (ASR) page in Connect's eBook. If you are not using Connect, your instructor can provide you with an ASR page document that contains ***URLs*** to access these resources:

1. Narrated PowerPoints.
2. QBO Videos. The PowerPoints include links to the videos.
   a. Create an Invoice in QuickBooks.
   b. Explore videos
3. Text Updates.

Exercise 5-1: Follow the instructions below to complete Exercise 5-1:



1. If necessary, start QBO.
2. Add the following customers

Company:	**Main Office Depot**
*Display name as:	Main Office Depot
Print on check as:	Use display name
Phone:	**503-555-8911**
Street:	**4123 Broadway**
City/Town:	**Portland**
State:	**OR**
ZIP:	**97207**
Country:	**USA**

Shipping address (Same as billing address)

Tax info tab ✓ This customer is tax exempt
Reason for exemption* State government

Company: **WebPro**

If other companies with similar names populate, click on a blank part of the Customer information page.

*Display name as: WebPro

Print on check as:	Use display name
Phone:	**520-555-5311**
Street:	**1506 West Sage Street**
City/Town:	**Tucson**
State:	**AZ**
ZIP:	**85718**
Country:	**USA**
Shipping address	(Same as billing address)

3. To enter the 12/1 checks and ATM, use the transaction register. Before entering checks, make sure your Checking account register shows the same 11/30 balance, $62,549.89, as the transaction register.

4. Select Accounting > Chart of Accounts > 101 Checking > View register. The ENDING BALANCE is $62,549.89. When necessary, type the appropriate payment amounts, ATM, and check number.

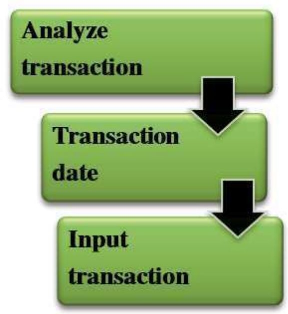
Transaction Register					
Ck. No.	**Date**	**Description of Transaction**	**Payment**	**Deposit**	**Balance**
	11/30	*Balance*			*$62,549.89*
1036	**12/1**	**Office Suppliers**	**$100.75**		$62,449.14
1037	12/1	Moss Advertising	$155.00		$62,294.14
1038	12/1	Cellular Service	$82.13		$62,212.01
ATM	12/1	Village Restaurant	$56.90		$62,155.11
1039	12/1	Hour Deliveries	$52.65		$62,102.46
1040	12/1	Office Suppliers	$21.00		$62,081.46

Troubleshooting: Is QBO running slowly? If so, refer to Appendix A, Clear Cache and Cookies.

4. After recording the 12/1 transactions, display the Bank Register for Account 101 Checking. (*Hint:* From the Navigation bar, select Accounting > Chart of Accounts > double-click 101 Checking.) Make sure your ending balance is $62,081.46. If not, edit checks. *Before* entering the transactions, make sure the Bank register shows $62,081.46.

Figure 5-61: Bank Register $62,081.46

If needed, Checks can be edited by drilling down from the Search > Recent Transactions, Vendors Page *or* Audit Log. Payments to vendors are similar to receiving payments from Customers. Go to the Vendor page, select the appropriate bill then make the payment.



Date	*Description of Transaction*
12/1/20XX	Paid the vendor, AmpleStore Inc. for Bill No. AS7, $300, Ref no. 1041. (*Hint:* Expenses > Vendors > AmpleStore > If Schedule payment is shown, select Make payment. When you uncheck Bill # AS12, the bill you want to pay, AS7, is checked.)

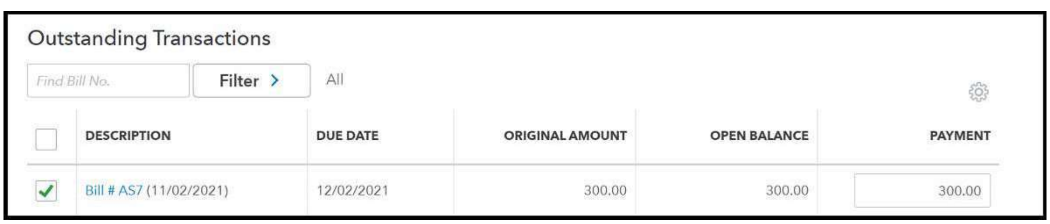


Figure 5-62: Payment, Bill # AS7, $300.00

<Save and new>.

12/1/20XX	Paid the vendor, Any Time Deployment, Bill No. ATD90, $250, Ref no. 1042.

12/1/20XX	Paid the vendor, Conf/Call, Bill No. 78CC, $270, Ref no. 1043.
12/1/20XX	Bill no. ATD288 received from Any Time Deployment for the purchase of 11 network products, $25 each, for a total of $275.
12/1/20XX	Bill No. CZ92 received from CloudZ Channel for the Purchase of 3 web servers, $200 each, for a total of $600.
12/1/20XX	Bill No. 121CC received from Conf/Call for the purchase of 5 webinars, $45 each, for a total of $225.
12/1/20XX	Bill No. AS23 received from AmpleStore Inc. for the purchase of 20 data storage devices, $15 each, for a total of $300.
12/1/20XX	Sold 2 computers for cash for $2,000, Arizona sales tax is 6.10%, $122; Balance due, $2,122; Sales Receipt 1014. (*Hint:* To show sales tax, click on $0.00.)
12/1/20XX	Sold 1 web server on account to WebPro, $400; Arizona sales tax is 6.10%, $24.40; Balance due, $424.40; Invoice 1015. (WebPro is located in Tucson, AZ. Sales tax is added for Arizona State and Pima County. To show sales tax, click on $0.00.)
12/1/20XX	Completed 2 webinars on account to Permanente Medical Service, $180; Arizona sales tax is 6.10%, $10.98; Balance due, $190.98; invoice 1016. (*Hint*: This customer is located in Tucson, AZ. Sales tax is 6.10% for Arizona and Pima County.)
12/1/20XX	Sold 2 network products on account to the Law Offices of Williamson, Gallagher & Katz, $100, Invoice 1017. (*Hint:* Uncheck tax. There is *no* sales tax for this customer. If necessary, click on a blank part of the screen to show Balance due.)
12/1/20XX	Sold 5 data storage devices to eBiz on account, for $150, Invoice 1018. (*Hint:* Uncheck Tax. No sales tax for this customer in Delaware. Make sure Balance due is completed.)

12/1/20XX	Sold 3 computers for cash for $3,000, Arizona sales tax is 6.10%, $183; Balance due, $3,183; Sales Receipt 1019.
12/1/20XX	Sold 1 web server on account to WebPro for $400; Arizona sales Tax is 6.10%, $24.40; Balance due, $424.40, Invoice 1020.
12/1/20XX	Sold 6 data storage products on account to Main Office Depot, for $180, Invoice 1021. (Main Office Depot is located in Portland, OR where there is *no* sales tax.)
12/1/20XX	Paid the vendor, CloudZ Channel, Bill No. CZ33, $1,600, Ref no. 1044.

5. Continue with Exercise 5-2.

Exercise 5-2: Follow the instructions below to complete Exercise 5-2:

1. Export these reports to Excel and PDF. Run most of the reports from **10/1/20XX to 12/1/20XX**, *or* as shown below. (*Hint:* When the report needs an As of date, use 12/1/20XX)

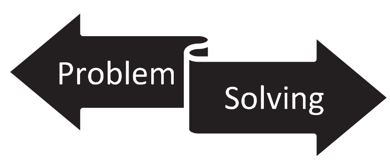
   - Exercise 5-2_Vendor Balance Summary (Report period > Custom > as of 12/1/20XX.)
   - Exercise 5-2_Accounts Payable Aging Summary (save as AP Aging Summary)
   - Exercise 5-2_Customer Contact List
   - Exercise 5-2_ Journal (In Exercise 4-2, the Journal was printed from 10/1/20XX through 11/12/20XX. For Exercise 5-2, use 11/13/20XX through 12/1/20XX.)
   - Exercise 5-2_Transaction Detail by Account
   - Exercise 5-2_Trial Balance
   - Exercise 5-2_Sales Tax Liability Report
   - Exercise 5-2_Inventory Valuation Summary
   - Exercise 5-2_Customer Balance Summary

- Exercise 5-2_Accounts Receivable Aging Summary (Save as AR Aging Summary)
- Exercise 5-2_Profit and Loss
- Exercise 5-2_Balance Sheet
- Exercise 5-2_Statement of Cash Flows

2. **Check Figures (**from 10/1/20XX to 12/1/XX):

    - Account 101 Checking, $64,966.46
    - Account 105 Accounts Receivable, $1,469.78
    - Account 115 Merchandise Inventory, $10,155.00
    - Account 201 Accounts Payable, $16,900.00
    - Account 207 Arizona Department of Revenue Payable, $1,420.08
    - Account 208 Illinois Department of Revenue Payable, $25.00
    - Account 401 Sales, $24,330.00
    - Account 501, Cost of Goods Sold, $9,165.00
    - Account 621 Office Supplies & Software, $460.42
    - Total Liabilities and Equity, $95,591.24
    - Net Income, $12,246.16

Exercise 5-3: Problem Solving



Exercise 5-3 is available within Connect. It includes:

List three, or more, ways to show account balances for an asset and expense account. Include the QBO steps for each method. Specify the account and balance in your answer. What is the difference between View Register accounts and Run report accounts?

Certification Q&A Practice Test

Certification Q&A multiple-choice questions are available within Connect. For this chapter, the certification practice test is mapped to these exam objectives: QuickBooks Online Administration; Sales and Money In; Bank Accounts, Transaction Rules, and Receipts; Basic Reports and Views. Refer to QBO Certified User_Exam Objectives.pdf.

CHAPTER 5 INDEX