

Chapter

6

December Source Documents

Scenario: In Chapter 6, start by checking the work completed in Chapters 2 through 5. In the Check Your Data section, compare your Dashboard's business overview, expenses, sales, and the 12/1 trial balance to the figures displayed. In this chapter, you analyze source documents. For example, memos are used as a reminder to make vendor payments and for customer payments, sales receipts show cash and credit card sales, bills are used to record purchases on account, and invoices to record sales on account. Financial statements are displayed to compare fourth quarter information. The objectives specify the work completed in Chapter 6.

OBJECTIVES

1. Start QuickBooks Online and sign in to Student Name Sales and Service.
2. To check data, display Dashboard graphics, expense and sales transactions and the December 1 Trial Balance.
3. Analyze source documents.
4. Record vendor, customer, cash and credit card transactions, and sales tax.
5. Complete financial statement comparisons.
6. Export reports to Excel and save as PDF files.
7. Complete Check Your Progress.
8. Review and complete the QuickBooks Online Resources and Activities.
9. Complete Exercises 6-1, 6-2, 6-3, and Certification Q&A practice test.

In Chapter 6, complete business processes for Student Name Sales and Service. This company sells computers, data storage, network products, web servers, and webinars.

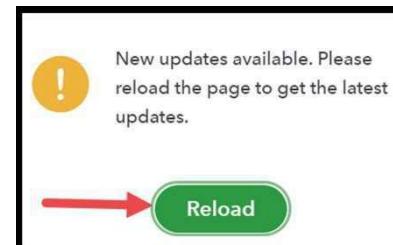
Chapter 6 reviews the material from previous chapters. In this chapter, you analyze source documents then record transactions. The documents shown trigger transaction analysis for accounts payable (vendors), inventory, accounts receivable (customers), and cash, and credit card sales. You also use a bank statement to prepare bank reconciliation.

The source documents that you analyze include:

- Vendor bills for purchasing inventory.
- Memos include customer payments, vendor payments and **remittances**. A remittance is the action of sending money in payment of a bill.
- Transaction register for issuing checks for expenses and recording ATM withdrawals.
- Sales invoices for credit customers.
- Sales receipts for cash and credit card sales.

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. If a message appears that says New updates available, click <Reload>.



Comment: When the author selected Reload, Mileage was added to the Navigation bar. Your update may differ.



CHECK YOUR DATA

To make sure all entries have been recorded through Exercise 5-2, display Dashboard graphics, Expense Transactions, Sales Transactions, and the 10/1/20XX to 12/1/20XX Trial Balance.

On the pages 287-289, Expense transactions, Sales transactions, and the December 1 Trial Balance are shown. These illustrations show the work completed within Chapters 2, 3, 4, and 5, including the end-of-chapter exercises. If you see differences with your work, drill down to edit.



Data Metrics and Visualization

Compare your Dashboard's Business overview with Figures 6-1, 6-2, and 6-3. Then, verify that your Expense Transactions, Figure 6-4; Sales Transactions, Figure 6-5; and the Trial Balance, Figure 6-6 are the same.

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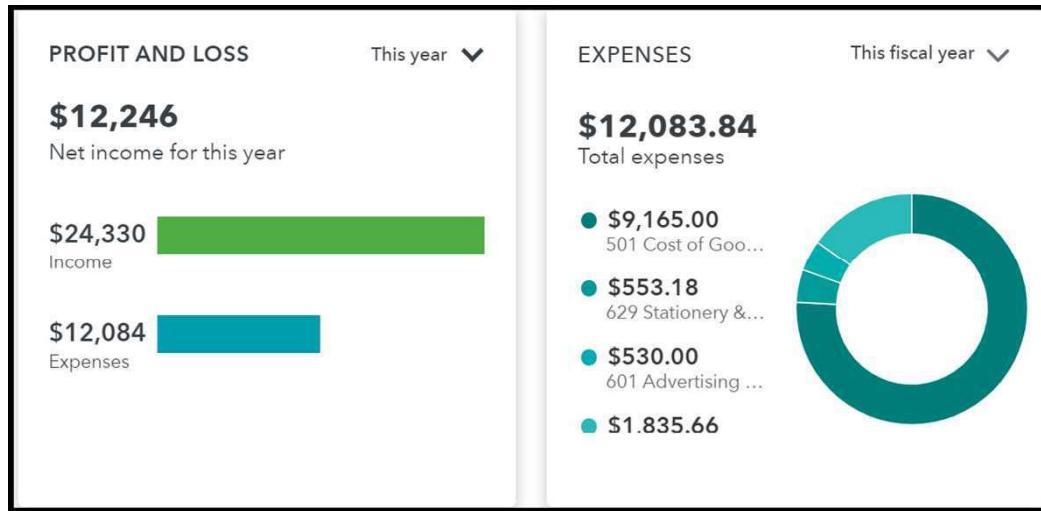


Figure 6-1: Profit and Loss and Expenses

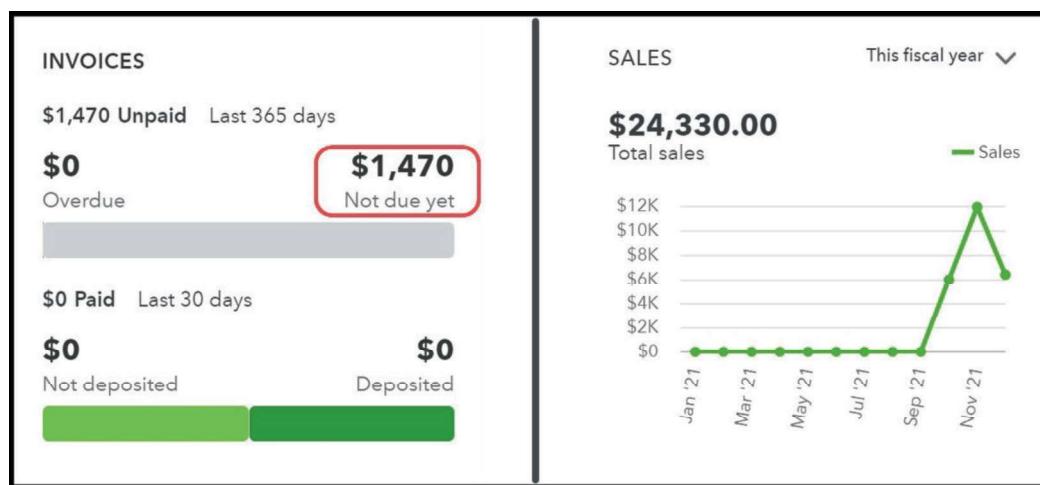


Figure 6-2: Invoices and Sales

Link to **\$1,470** (the Dashboard shows balances rounded up). **Sales Invoices** lists the ones that are due, and invoices that are deposited. The “Not due yet” amount, **\$1,469.78**, is the *same* as the Accounts Receivable balance on the 12/1 Trial Balance (Figure 6-6). Observe that there is a checkmark next to the invoices that were deposited on 11/15. Go back to the Dashboard to see Bank Accounts.

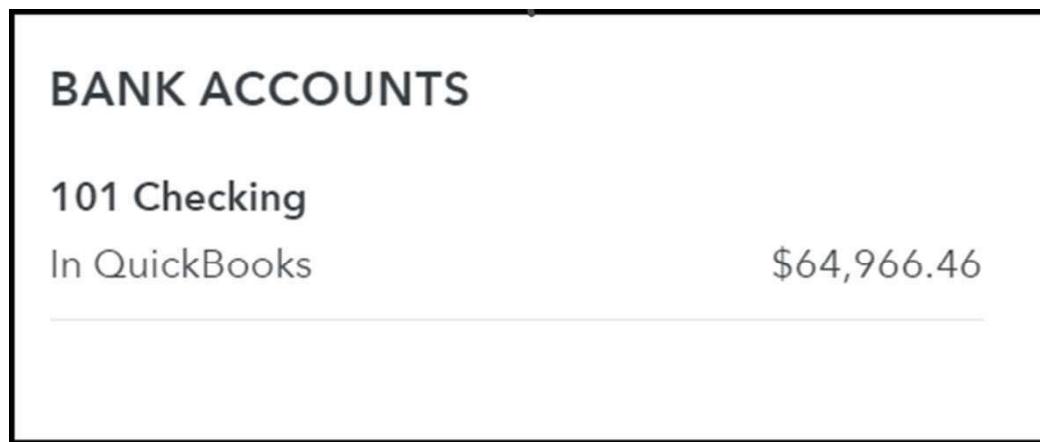


Figure 6-3: Bank Accounts \$64,966.46

Expense Transactions

To verify Expense Transactions,  click on the Filter's down-arrow > in the Date field, select Custom > From 11/13/20XX to 12/1/20XX > click <Apply>. Scroll down the Expense Transactions page to see the total, -\$531.57.

Student Name Sales and Service						
Type: All transactions · Status: All statuses · Delivery method: Any · Date: 11/13/2021 - 12/01/2021						
Date	Type	No.	Payee	Category	Memo	Total
11/30/2021	Check		SVCCHRG	Bank Charges & Fees	Service Charge	\$20.00
12/01/2021	Check	1036	Office Suppliers	Office Supplies & Software		\$100.75
12/01/2021	Check	1037	Moss Advertising	Advertising & Marketing		\$155.00
12/01/2021	Check	1038	Cellular Service	Telephone Expense		\$82.13
12/01/2021	Check	ATM	Village Restaurant	Meals & Entertainment		\$56.90
12/01/2021	Check	1039	Hour Deliveries	Freight & Delivery		\$52.65
12/01/2021	Check	1040	Office Suppliers	Office Supplies & Software		\$21.00
12/01/2021	Bill Payment (Check)	1041	AmpleStore Inc.			-\$300.00
12/01/2021	Bill Payment (Check)	1042	Any Time Deployment			-\$250.00
12/01/2021	Bill Payment (Check)	1043	Conf/Call			-\$270.00
12/01/2021	Bill	ATD288	Any Time Deployment	Merchandise Inventory		\$275.00
12/01/2021	Bill	CZ92	CloudZ Channel	Merchandise Inventory		\$600.00
12/01/2021	Bill	121CC	Conf/Call	Merchandise Inventory		\$225.00
12/01/2021	Bill	AS23	AmpleStore Inc.	Merchandise Inventory		\$300.00
12/01/2021	Bill Payment (Check)	1044	CloudZ Channel			-\$1,600.00
Total						-\$531.57

Figure 6-4: Expense Transactions, 11/13 to 12/01

Sales Transactions

To verify Sales Transactions, go to Sales > All Sales > Filter > Custom > Date, 11/13/20XX to 12/1/20XX > click <Apply>. The Sales Transactions Balance is \$1,469.78; the Total is \$7,867.61.

Student Name Sales and Service							
Type: All transactions · Status: All statuses · Delivery method: Any · Date: 11/13/2021 - 12/01/2021							
Date	Type	No. Customer	Memo	Due date	Balance	Total	Status
12/01/2021	Invoice	1021 Main Office Depot		12/31/2021	\$180.00	\$180.00	Open
12/01/2021	Invoice	1020 WebPro		12/31/2021	\$424.40	\$424.40	Open
12/01/2021	Sales Receipt	1019 Cash Sales			\$0.00	\$3,183.00	Paid
12/01/2021	Invoice	1018 eBiz		12/31/2021	\$150.00	\$150.00	Open
12/01/2021	Invoice	1017 Law Offices of Williamson, Gallagher & Katz		12/31/2021	\$100.00	\$100.00	Open
12/01/2021	Invoice	1016 Permanente Medical Service		12/31/2021	\$190.98	\$190.98	Open
12/01/2021	Invoice	1015 WebPro		12/31/2021	\$424.40	\$424.40	Open
12/01/2021	Sales Receipt	1014 Cash Sales			\$0.00	\$2,122.00	Paid
11/30/2021	Sales Receipt	1013 Cash Sales			\$0.00	\$424.40	Paid
11/29/2021	Sales Receipt	1012 Cash Sales			\$0.00	\$668.43	Paid
11/29/2021	Payment	8422 Springfield Unified School District		11/29/2021	\$0.00	-\$425.00	Closed
11/29/2021	Payment	901 Permanente Medical Service		11/29/2021	\$0.00	-\$286.47	Closed
11/29/2021	Payment	4032 Law Offices of Williamson, Gallagher & Katz		11/29/2021	\$0.00	-\$100.00	Closed
11/29/2021	Payment	9346 eBiz		11/29/2021	\$0.00	-\$120.00	Closed
11/16/2021	Credit Memo	1011 eBiz		11/16/2021	\$0.00	-\$30.00	Closed
11/15/2021	Invoice	1010 Springfield Unified School District		12/15/2021	\$0.00	\$425.00	Paid
11/15/2021	Invoice	1009 Permanente Medical Service		12/15/2021	\$0.00	\$286.47	Paid
11/15/2021	Invoice	1008 Law Offices of Williamson, Gallagher & Katz		12/15/2021	\$0.00	\$100.00	Paid
11/15/2021	Invoice	1007 eBiz		12/15/2021	\$0.00	\$150.00	Paid
Total					\$1,469.78	\$7,867.61	

Figure 6-5: Sales Transactions, 11/13 to 12/01

Comment: Your list order may differ.

Trial Balance

To make sure your accounts have the correct balances, display the 10/1/20XX to 12/1/20XX Trial Balance. This Trial Balance was completed in Exercise 5-2.

Student Name Sales and Service		
Trial Balance		
As of December 1, 2021		
	DEBIT	CREDIT
101 Checking	64,966.46	
105 Accounts Receivable (A/R)	1,469.78	
115 Merchandise Inventory	10,155.00	
123 Prepaid Rent	6,000.00	
125 Prepaid Insurance	3,000.00	
135 Computer Equipment	10,000.00	
201 Accounts Payable (A/P)		16,900.00
205 Loan Payable		5,000.00
207 Arizona Department of Revenue Payable		1,420.08
208 Illinois Department of Revenue Payable		25.00
301 Common Stock		60,000.00
401 Sales		24,330.00
501 Cost of Goods Sold	9,165.00	
601 Advertising & Marketing	530.00	
603 Bank Charges & Fees	40.00	
605 Dues & Subscriptions	150.00	
609 Freight & Delivery	206.45	
619 Meals & Entertainment	229.70	
621 Office Supplies & Software	460.42	
625 Repairs & Maintenance	140.00	
627 Shipping and Delivery Expense	47.00	
629 Stationery & Printing	553.18	
633 Telephone Expense	398.77	
635 Utilities Expense	163.32	
TOTAL	\$107,675.08	\$107,675.08

Figure 6-6: Trial Balance

How do I show the Trial balance *without* zero balances?

1. If needed, go to Reports > Trial Balance > Custom, from 10/1/20XX to 12/1/XX.
2. In the Active rows/active columns field, click on the down-arrow to select Non-zero Rows/Non-zero Columns.
3. Click <Run Report>.

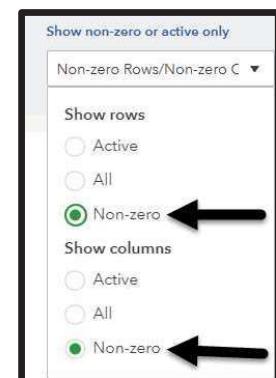


Figure 6-7: Non-zero

SOURCE DOCUMENT ANALYSIS

After analyzing each source document, record the appropriate transaction. All transactions occurred during December of your current year.



Student Name Sales and Service

Memo

Date: 12/2 current year

Re: Customer Payments

Student Name Sales and Service received the following customer payments.

1. Received payment from eBiz, Invoice 1018, \$150, customer check 9951. (*Hint: Use the Reference no. field for the check number.*)
2. Received payment from the Law Offices of Williamson, Gallagher & Katz, Invoice 1017, \$100, customer check 5103.
3. Received payment from Main Office Depot, Invoice 1021, \$180, customer check 3788.
4. Received payment from Permanente Medical Service, Invoice 1016, \$190.98, customer check 1211.
5. Received payment from WebPro, Invoice 1015, and Invoice 1020, \$848.80 customer check 628. (*There are two open invoices.*)



Student Name Sales and Service

Memo

Date: 12/2 current year

Re: Credit Card Receipts

The bank sent verification of credit card receipts in the amount of \$2,684.33. Refer to the sales receipts on the next three pages for the products sold and credit cards used.

Checking Account		Checks	Credit Card	Amount
Bank Statement				
Date: December 5		1	American Express	\$371.35
List of Deposits:		2	MasterCard	\$1,061.00
Coin	Totals	3	Visa	\$1,251.98
Quarters:	\$	4		
Dimes:	\$	5		
Nickels:	\$	6		
Pennies	\$			
\$1	\$			
\$5	\$			
\$10	\$			
\$20	\$			
\$50	\$			
\$100	\$			
Total	\$		Totals	\$2,684.33
Total Cash			Total Deposit	\$2,684.33

Hint: Add the customer, Credit Card Sales. If needed, on the Sales Receipt page, add the appropriate credit card type in the Payment Method field. Credit Card Sales are deposited to Account 101 Checking.

Comment: If the Payment method field does not include the credit card type (American Express, MasterCard, or Visa), add it. If needed, on the Sales Receipt page, click on the amount in the [Sales tax](#) field to automatically compute the 6.10% for the products sold.



SALES RECEIPT

Student Name Sales and Service

Date: 12/2

RECEIPT # 1022

For: Credit Card

Payment Method

Type

CREDIT CARD

American Express

Thank you for your business!



SALES RECEIPT

Student Name Sales and Service

Date: 12/2

RECEIPT # 1023

For: **CREDIT**
CARD

Payment Method

Type

CREDIT CARD

MasterCard

Thank you for your business!



SALES RECEIPT

Student Name Sales and Service

Date: 12/2

RECEIPT # 1024

For: CREDIT CARD

Payment Method

Type

CREDIT CARD

Visa

Thank you for your business!

BILL #: CZ132**DATE:** 12/3**Customer:**

Student Name Sales and Service

CloudZ Channel
110 Merit Street
Menlo Park, CA 94025
650-555-3250



Date	Quantity	Description	Unit Price	Amount
12/3	4	Web server	\$200.00	\$800.00

Remittance

Bill #	CZ132
Date	12/3
Amount Due	\$800.00

*Thank you for your business!**Make all checks payable to CloudZ Channel.*



Sales Invoice

TO: eBiz

SHIP

800 West Second Ave.

TO: SAME

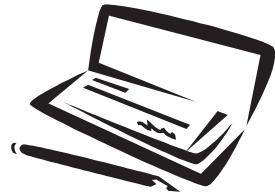
Wilmington, DE 19801

(302) 555-2000

Date	Invoice Number	Payment Terms	Due Date
12/3	1025	Net 30	1/2

Make all checks payable to Student Name Sales and Service

Thank you for your business!



Student Name Sales and Service

Memo

Date: 12/4 current year

Re: Vendor Payments

Student Name Sales and Service pays the following vendors:

Vendor ID	Bill #	Check No.	Amount
AmpleStore	AS12	1045	\$375.00
Any Time Deployment	ATD131	1046	\$275.00
CloudZ Channel	CZ40	1047	\$1,400.00
Computers 2 You	80C2U	1048	\$10,000.00
Conf/Call	91CC	1049	\$225.00

REMITTANCE

Bill #	AS12
Customer ID	Student Name Sales and Service
Date	12/4
Amount	\$375.00
Enclosed	
	AmpleStore Inc. 200 West Concord Ave. Palo Alto, CA 94301 650-555-8527

REMITTANCE	
Bill #	ATD131
Customer ID	Student Name Sales and Service
Date	12/4
Amount Enclosed	\$275.00
	Any Time Deployment 1189 W. Burnside Lexington, MA 02421 781-555-4671

REMITTANCE	
Bill #	CZ40
Customer ID	Student Name Sales and Service
Date	12/4
Amount Enclosed	\$1,400.00
	CloudZ Channel 110 Merit Street Menlo Park, CA 94025 650-555-3250

REMITTANCE	
Bill #	80C2U
Customer ID	Student Name Sales and Service
Date	12/4
Amount Enclosed	\$10,000.00
	Computers 2 You 2006 East 14 Avenue Los Angeles, CA 90046 213-555-2300

REMITTANCE	
Bill #	91CC
Customer ID	Student Name Sales and Service
Date	12/4
Amount Enclosed	\$225.00
	Conf/Call 700 North Prince Street Tempe, AZ 85008 (480) 555-2411



Bill: AS42

AmpleStore Inc.

Bill to:

Student Name Sales and Service

Date	Quantity	Description	Unit Price	Amount
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Remittance

Bill #	AS42
Date	12/6
Amount Due	\$300.00

AmpleStore Inc. 200 West Concord Ave. Palo Alto, CA 94301

(650) 555-8527



Bill: 143CC

Conf/Call

**700 North Prince Street
Tempe, AZ 85008 USA
480-555-2411**

Bill to:

Student Name Sales and Service

Date	Quantity	Description	Unit	Price	Amount
12/6	2	Webinars		\$45	\$90

Remittance

Bill #	143CC
Date	12/6
Amount Due	\$90

Make all checks payable to Conf/Call.

Thank you for your business!



Sales Invoice

TO: Law Offices of Williamson,
Gallagher & Katz SHIP
18 Piedmont Ave. NW TO: SAME
Anchorage, AK 99510
(907) 555-8134

Date	Invoice Number	Payment Terms	Due Date
12/9	1026	Net 30	1/8

Qty	Product	Description	Rate	Balance Due
6	Network Products	Network products	\$50.00	\$300.00

Make all checks payable to Student Name Sales and Service

Thank you for your business!



Sales Invoice

TO: **Permanente Medical Service** SHIP
255 W. Third St. TO: **SAME**
Tucson, AZ 85704
(520) 555-9000

Date	Invoice Number	Payment Terms	Due Date
12/9	1027	Net 30	1/8

Qty	Product	Description	Rate	Amount
3	Webinars	Webinars	\$90	\$270.00
		Sales Tax	6.10%	\$16.47
		Balance Due		\$286.47

Make all checks payable to Student Name Sales and Service

Thank you for your business!



Bill: AS99

AmpleStore Inc.

Bill to:

Student Name Sales and Service

Unit

Date	Quantity	Description	Price	Amount
12/10	12	Data storage	\$15.00	\$180.00

Remittance

Bill #	AS99
Date	12/10
Amount Due	\$180.00

AmpleStore Inc. 200 West Concord Ave. Palo Alto, CA 94301

(650) 555-8527



Sales Invoice

TO:

WebPro

SHIP

1506 West Sage Street
 Tucson, AZ 85704
 (520) 555-5311

TO: SAME

Date	Invoice Number	Payment Terms	Due Date
12/10	1028	Net 30	1/9

Qty	Product	Description	Rate	Amount
1	Web server	Web server	\$400.00	\$400.00
		Sales Tax	6.10%	\$24.40
		Balance Due		\$424.40

Make all checks payable to Student Name Sales and Service

Thank you for your business!



Student Name Sales and Service

Memo

Date: 12/10 current year

Re: Vendor Payments

Student Name pays the following vendors:

Vendor ID	Bill #	Check No.	Amount
Computers 2 You	112C2U	1050	\$3,000.00
Conf/Call	115CC	1051	\$225.00

REMITTANCE

Bill #	112C2U
Customer ID	Student Name Sales and Service
Date	12/10
Amount Enclosed	\$3,000.00
	Computers 2 You 2006 East 14 Avenue Los Angeles, CA 90046 (213) 555-2300

REMITTANCE	
Bill #	115CC
Customer ID	Student Name Sales and Service
Date	12/10
Amount Enclosed	\$225.00
	Conf/Call 700 North Prince Street Tempe, AZ 85008 (480) 555-2411

Comment: Go to the Dashboard's Business overview > the Bank Accounts balance is \$53,620.57. If not, check your 12/2 through 12/10 Journal entries (refer to pages 319-323, Figures 6-8 to 6-12). If necessary, edit entries.

Transaction Register					
Check No.	Date	Description of Transaction	Debit (-)	Credit (+)	Balance
	12/10	Balance			\$53,620.57
1052	12/13	Cellular Service	\$82.13		\$53,538.44
1053	12/13	Chronicle News	\$125.00		\$53,413.44
1054	12/13	Western Telephone	\$76.19		\$53,337.25
1055	12/14	Office Suppliers	\$78.36		\$53,258.89
1056	12/15	Moss Advertising	\$175.00		\$53,083.89
1057	12/15	SPR Gas	\$85.33		\$52,998.56
ATM	12/15	Village Restaurant	\$52.81		\$52,945.75
1058	12/16	U.S. Post Office	\$47.00		\$52,898.75
1059	12/16	Vince Bartel	\$150.00		\$52,748.75
1060	12/16	Paper Supply Co.	\$115.82		\$52,632.93

Date:

12/17

BILL #: 190C2U

Computers 2 You
2006 East 14 Avenue
Los Angeles, CA 90046
(213) 555-2300



BILL TO:

Student Name Sales
and Service

Quantity	Description	Unit Price	Amount
3	Computers	\$500.00	\$1,500.00

Remittance

Bill #	190C2U
Date	12/17
Amount Due	\$1,500.00

Any Time Deployment

1189 W. Burnside

Lexington, MA 02421

(781) 555-4681

Bill Number: ATD460

Date: 12/17

Ship To:

Student Name Sales and Service



SHIPPED VIA	TERMS
UPS	Net 30

Remittance

Bill #	ATD460
Date	12/17
Amount Due	\$250.00



Student Name Sales and Service

Memo

Date: 12/22 current year

Re: Customer Payments

Student Name Sales and Service received the following customer payments.

1. Received payment from eBiz, Invoice 1025, \$180, customer check 10248.
2. Received payment from the Law Offices of Williamson, Gallagher & Katz, Invoice 1026, \$300, customer check 5521.
3. Received payment from Permanente Medical Service, Invoice 1027, \$286.47, customer check 1483.
4. Received payment from WebPro, Invoice 1028, \$424.40, customer check 731.



Sales Invoice

TO: Springfield Unified School District
 SHIP TO: SAME
 4892 Clear Lake Ave.
 Springfield, IL 62703
 (217) 555-5500

Date	Invoice Number	Payment Terms	Due Date
12/24	1029	Net 30	1/23

Qty	Product	Description	Rate	Amount
1	Web server	Web server	\$400.00	\$400.00
		Sales Tax	6.25%	\$25.00
		Balance Due		\$425.00

Make all checks payable to Student Name Sales and Service

Thank you for your business!



SALES RECEIPT

Student Name Sales and Service

Date: 12/24
RECEIPT # 1030
For: **Cash Sales**

Payment Method	Type
Check	Check 80761

Qty	Description	Rate	Amount
1	Computer	\$1,000.00	\$1,000.00

Sales Tax 6.10%	\$61.00
Amount Received	\$1,061.00

Thank you for your business!

Hint: The Payment method is check. In the Reference no. field, use the check number.



Student Name Sales and Service

Memo

Date: 12/27 current year

Re: Credit Card Receipts

The bank sent verification of credit card receipts in the amount of \$1,835.53. Refer to the sales receipts on the next three pages for the products sold and credit cards used.

Checking Account		Checks	Credit Card	Amount
Bank Statement				
Date: December 5	1	American Express	\$1,220.15	
List of Deposits:	2	MasterCard	\$159.15	
Coin	Totals	3	Visa	\$456.23
Quarters:	\$	4		
Dimes:	\$	5		
Nickels:	\$	6		
Pennies	\$			
Total				
Cash	Totals			
\$1	\$			
\$5	\$			
\$10	\$			
\$20	\$			
\$50	\$			
\$100	\$			
Total	\$		Totals	\$1,835.53
Total Cash			Total Deposit	\$1,835.53

Hint: On the Sales Receipts page, select the appropriate credit card.



SALES RECEIPT

Student Name Sales and Service

Date: 12/27

RECEIPT #1031

For: **CREDIT CARD**

Payment Method

Type

CREDIT CARD

American Express

Thank you for your business!



SALES RECEIPT

Student Name Sales and Service

Date: 12/27

RECEIPT #1032

For: **CREDIT CARD**

Payment Method

Type

CREDIT CARD

Thank you for your business!

		SALES RECEIPT																													
<i>Student Name Sales and Service</i>		Date: 12/27																													
		RECEIPT #1033																													
		For: CREDIT CARD																													
Payment Method		Type																													
CREDIT CARD		Visa																													
<table border="1"><thead><tr><th>Qty</th><th>Description</th><th>Rate</th><th>Amount</th></tr></thead><tbody><tr><td>5</td><td>Data storage</td><td>\$30.00</td><td>\$150.00</td></tr><tr><td>2</td><td>Network products</td><td>\$50.00</td><td>\$100.00</td></tr><tr><td>2</td><td>Webinars</td><td>\$90.00</td><td>\$180.00</td></tr><tr><td colspan="3"></td><td></td></tr><tr><td colspan="3">Sales Tax 6.10%</td><td>\$26.23</td></tr><tr><td colspan="3">Amount Received</td><td>\$456.23</td></tr></tbody></table>				Qty	Description	Rate	Amount	5	Data storage	\$30.00	\$150.00	2	Network products	\$50.00	\$100.00	2	Webinars	\$90.00	\$180.00					Sales Tax 6.10%			\$26.23	Amount Received			\$456.23
Qty	Description	Rate	Amount																												
5	Data storage	\$30.00	\$150.00																												
2	Network products	\$50.00	\$100.00																												
2	Webinars	\$90.00	\$180.00																												
Sales Tax 6.10%			\$26.23																												
Amount Received			\$456.23																												
<i>Thank you for your business!</i>																															



Student Name Sales and Service

Memo

Date: 12/30 current year

Re: Vendor Payments

Student Name Sales and Service pays the following vendors:

Vendor ID	Bill #	Check No.	Amount
AmpleStore Inc.	AS23	1061	\$300.00
Any Time Deployment	ATD288	1062	\$275.00
CloudZ Channel	CZ92	1063	\$600.00
Conf/Call	121CC	1064	\$225.00

REMITTANCE

Bill #	AS23
Customer ID	Student Name Sales and Service
Date	12/30
Amount Enclosed	\$300.00
	AmpleStore Inc. 200 West Concord Ave. Palo Alto, CA 94301 (650) 555-8527

REMITTANCE	
Bill #	ATD288
Customer ID	Student Name Sales and Service
Date	12/30
Amount Enclosed	\$275.00
	Any Time Deployment 1189 W. Burnside Lexington, MA 02421 (781) 555-4781

REMITTANCE	
Bill #	CZ92
Customer ID	Student Name Sales and Service
Date	12/30
Amount Enclosed	\$600.00
	CloudZ Channel 110 Merit Street Menlo Park, CA 94025 (650) 555-3250

REMITTANCE	
Bill #	121CC
Customer ID	Student Name Sales and Service
Date	12/30
Amount Enclosed	\$225.00
	Conf/Call 700 North Prince Street Tempe, AZ 85008 480-555-2411

REPORTS

Display the following reports. The suggested date range is shown for each report. Ask your professor if he or she would prefer different dates.

1. Journal: 12/2/20XX thru 12/30/20XX. For this date range, the Journal shows a TOTAL of \$34,270.02.

Troubleshooting: When you display the journal, make sure the current year is shown for each transaction. If necessary, drill down from the Journal to the original entry to make any necessary changes.

Student Name Sales and Service Journal December 2-30, 2021								
Date	Transaction Type	Num	Name	Memo/Description	Account #	Account	Debit	Credit
12/02/2021	Payment	9951	eBiz		101	101 Checking	150.00	
					105	105 Accounts Receivable (A/R)		150.00
							\$ 150.00	\$ 150.00
12/02/2021	Payment	5103	Law Offices of Williamson, Gallagher & Katz		101	101 Checking	100.00	
					105	105 Accounts Receivable (A/R)		100.00
							\$ 100.00	\$ 100.00
12/02/2021	Payment	3788	Main Office Depot		101	101 Checking	180.00	
					105	105 Accounts Receivable (A/R)		180.00
							\$ 180.00	\$ 180.00
12/02/2021	Payment	1211	Permanente Medical Service		101	101 Checking	190.98	
					105	105 Accounts Receivable (A/R)		190.98
							\$ 190.98	\$ 190.98
12/02/2021	Payment	628	WebPro		101	101 Checking	848.80	
					105	105 Accounts Receivable (A/R)		848.80
							\$ 848.80	\$ 848.80
12/02/2021	Sales Receipt	1022	Credit Card Sales		101	101 Checking	371.35	
					401	401 Sales		150.00
					115	115 Merchandise Inventory		75.00
					501	501 Cost of Goods Sold	75.00	
					401	401 Sales		200.00
					115	115 Merchandise Inventory		75.00
					501	501 Cost of Goods Sold	75.00	
					115	115 Merchandise Inventory		25.00
					501	501 Cost of Goods Sold	25.00	
					207	207 Arizona Department of Revenue Payable		19.60
					207	207 Arizona Department of Revenue Payable		1.75
							\$ 546.35	\$ 546.35
12/02/2021	Sales Receipt	1023	Credit Card Sales		101	101 Checking	1,061.00	
					401	401 Sales		200.00
					115	115 Merchandise Inventory		100.00
					501	501 Cost of Goods Sold		100.00

Figure 6-8: Journal, Page 1

Web server	401	401 Sales	800.00	
Web server	115	115 Merchandise Inventory	400.00	
Web server	501	501 Cost of Goods Sold	400.00	
	207	207 Arizona Department of Revenue Payable	56.00	
	207	207 Arizona Department of Revenue Payable	5.00	
			\$ 1,561.00	
			\$ 1,561.00	
12/02/2021	Sales Receipt	1024	Credit Card Sales	
		101	101 Checking	1,251.98
		401	401 Sales	1,000.00
		115	115 Merchandise Inventory	500.00
		501	501 Cost of Goods Sold	500.00
		401	401 Sales	180.00
		115	115 Merchandise Inventory	90.00
		501	501 Cost of Goods Sold	90.00
		207	207 Arizona Department of Revenue Payable	66.08
		207	207 Arizona Department of Revenue Payable	5.90
			\$ 1,841.98	
			\$ 1,841.98	
12/03/2021	Bill	CZ132	CloudZ Channel	
		201	201 Accounts Payable (A/P)	800.00
		115	115 Merchandise Inventory	800.00
			\$ 800.00	
			\$ 800.00	
12/03/2021	Invoice	1025	eBiz	
		105	105 Accounts Receivable (A/R)	180.00
		401	401 Sales	180.00
		115	115 Merchandise Inventory	90.00
		501	501 Cost of Goods Sold	90.00
			\$ 270.00	
			\$ 270.00	
12/04/2021	(Check)	1045	AmpleStore Inc.	
		101	101 Checking	375.00
		201	201 Accounts Payable (A/P)	375.00
			\$ 375.00	
			\$ 375.00	
12/04/2021	(Check)	1046	Any Time Deployment	
		101	101 Checking	275.00
		201	201 Accounts Payable (A/P)	275.00
			\$ 275.00	
			\$ 275.00	
12/04/2021	(Check)	1047	CloudZ Channel	
		101	101 Checking	1,400.00
		201	201 Accounts Payable (A/P)	1,400.00
			\$ 1,400.00	
			\$ 1,400.00	
12/04/2021	(Check)	1048	Computers 2 You	
		101	101 Checking	10,000.00
		201	201 Accounts Payable (A/P)	10,000.00
			\$ 10,000.00	
			\$ 10,000.00	

Figure 6-9: Journal, Page 2

12/04/2021	(Check)	1049	Conf/Call		101	101 Checking	225.00	
					201	201 Accounts Payable (A/P)	225.00	
							\$ 225.00	\$ 225.00
12/05/2021	Bill	AS42	AmpleStore Inc.		201	201 Accounts Payable (A/P)	300.00	
				Data storage	115	115 Merchandise Inventory	300.00	
							\$ 300.00	\$ 300.00
12/06/2021	Bill	143CC	Conf/Call		201	201 Accounts Payable (A/P)	90.00	
				Webinars	115	115 Merchandise Inventory	90.00	
							\$ 90.00	\$ 90.00
12/09/2021	Invoice	1026	Law Offices of Williamson, Gallagher & Katz		105	105 Accounts Receivable (A/R)	300.00	
				Network products	401	401 Sales	300.00	
				Network products	115	115 Merchandise Inventory	150.00	
				Network products	501	501 Cost of Goods Sold	150.00	
						Out Of Scope Agency Payable	0.00	
							\$ 450.00	\$ 450.00
12/09/2021	Invoice	1027	Permanente Medical Service		105	105 Accounts Receivable (A/R)	286.47	
				Webinars	401	401 Sales	270.00	
				Webinars	115	115 Merchandise Inventory	90.00	
				Webinars	501	501 Cost of Goods Sold	90.00	
				Webinars	115	115 Merchandise Inventory	45.00	
				Webinars	501	501 Cost of Goods Sold	45.00	
					207	207 Arizona Department of Revenue Payable	15.12	
					207	207 Arizona Department of Revenue Payable	1.35	
							\$ 421.47	\$ 421.47
12/10/2021	Bill	AS99	AmpleStore Inc.		201	201 Accounts Payable (A/P)	180.00	
				Data storage	115	115 Merchandise Inventory	180.00	
							\$ 180.00	\$ 180.00
12/10/2021	Invoice	1020	WebPro		105	105 Accounts Receivable (A/R)	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

Figure 6-10: Journal, Page 3

12/10/2021	(Check)	1050	Computers 2 You		101	101 Checking	3,000.00
					201	201 Accounts Payable (A/P)	<u>3,000.00</u>
							\$ 3,000.00 \$ 3,000.00
12/10/2021	(Check)	1051	Conf/Call		101	101 Checking	225.00
					201	201 Accounts Payable (A/P)	<u>225.00</u>
							\$ 225.00 \$ 225.00
12/13/2021	Check	1052	Cellular Service	Cell service	101	101 Checking	82.13
					633	633 Telephone Expense	<u>82.13</u>
							\$ 82.13 \$ 82.13
12/13/2021	Check	1053	Chronicle News	Subscription	101	101 Checking	125.00
					605	605 Dues & subscriptions	<u>125.00</u>
							\$ 125.00 \$ 125.00
12/13/2021	Check	1054	Western Telephone	Paid monthly bill	101	101 Checking	76.19
					633	633 Telephone Expense	<u>76.19</u>
							\$ 76.19 \$ 76.19
12/14/2021	Check	1055	Office Suppliers	Bought office supplies	101	101 Checking	78.36
					621	621 Office Supplies & Software	<u>78.36</u>
							\$ 78.36 \$ 78.36
12/15/2021	Check	1056	Moss Advertising	Advertising expense	101	101 Checking	175.00
					601	601 Advertising & Marketing	<u>175.00</u>
							\$ 175.00 \$ 175.00
12/15/2021	Check	1057	SPR Gas	Paid monthly bill	101	101 Checking	85.33
					635	635 Utilities Expense	<u>85.33</u>
							\$ 85.33 \$ 85.33
12/15/2021	Check	ATM	Village Restaurant	Meal with clients	101	101 Checking	52.81
					619	619 Meals & Entertainment	<u>52.81</u>
							\$ 52.81 \$ 52.81
12/16/2021	Check	1058	U.S. Post Office	Shipping and delivery	101	101 Checking	47.00
					627	627 Shipping and Delivery Expense	<u>47.00</u>
							\$ 47.00 \$ 47.00
12/16/2021	Check	1059	Vince Bartel	Repair and maintenance	101	101 Checking	150.00
					625	625 Repairs & Maintenance	<u>150.00</u>
							\$ 150.00 \$ 150.00

Figure 6-11: Journal, Page 4

12/16/2021	Check	1060	Paper Supply Co.	Stationery	101	101 Checking	115.82
					629	629 Stationery & Printing	
							115.82
							\$ 115.82
							\$ 115.82
12/17/2021	Bill	190C2U	Computers 2 You	Computers	201	201 Accounts Payable (A/P)	1,500.00
					115	115 Merchandise Inventory	
							1,500.00
							\$ 1,500.00
							\$ 1,500.00
12/17/2021	Bill	ATD460	Any Time Deployment	Network products	201	201 Accounts Payable (A/P)	250.00
					115	115 Merchandise Inventory	
							250.00
							\$ 250.00
							\$ 250.00
12/22/2021	Payment	10248	eBiz		101	101 Checking	180.00
					105	105 Accounts Receivable (A/R)	
							180.00
							\$ 180.00
							\$ 180.00
12/22/2021	Payment	5521	Law Offices of Williamson, Gallagher & Katz		101	101 Checking	300.00
					105	105 Accounts Receivable (A/R)	
							300.00
							\$ 300.00
							\$ 300.00
12/22/2021	Payment	1483	Permanente Medical Service		101	101 Checking	286.47
					105	105 Accounts Receivable (A/R)	
							286.47
							\$ 286.47
							\$ 286.47
12/22/2021	Payment	731	WebPro		101	101 Checking	424.40
					105	105 Accounts Receivable (A/R)	
							424.40
							\$ 424.40
							\$ 424.40
12/24/2021	Invoice	1029	Springfield Unified School District	Web server	105	105 Accounts Receivable (A/R)	425.00
				Web server	401	401 Sales	
				Web server	115	115 Merchandise Inventory	
				Web server	501	501 Cost of Goods Sold	
					208	208 Illinois Department of Revenue Payable	
							25.00
							\$ 625.00
							\$ 625.00
12/24/2021	Sales Receipt	1030	Cash Sales	Computers	101	101 Checking	1,061.00
				Computers	401	401 Sales	
				Computers	115	115 Merchandise Inventory	
				Computers	501	501 Cost of Goods Sold	
					207	207 Arizona Department of Revenue Payable	
					207	207 Arizona Department of Revenue Payable	
							56.00
							5.00
							\$ 1,561.00
							\$ 1,561.00

Figure 6-12: Journal, Page 5

12/27/2021	Sales Receipt	1031	Credit Card Sales		101	101 Checking	1,220.15	
					401	401 Sales	150.00	
					115	115 Merchandise Inventory	75.00	
					501	501 Cost of Goods Sold	75.00	
					401	401 Sales	1,000.00	
					115	115 Merchandise Inventory	500.00	
					501	501 Cost of Goods Sold	500.00	
					207	207 Arizona Department of Revenue Payable	64.40	
					207	207 Arizona Department of Revenue Payable	5.75	
							\$ 1,795.15	\$ 1,795.15
12/27/2021	Sales Receipt	1032	Credit Card Sales		101	101 Checking	159.15	
					401	401 Sales	150.00	
					115	115 Merchandise Inventory	75.00	
					501	501 Cost of Goods Sold	75.00	
					207	207 Arizona Department of Revenue Payable	8.40	
					207	207 Arizona Department of Revenue Payable	0.75	
							\$ 234.15	\$ 234.15
12/27/2021	Sales Receipt	1033	Credit Card Sales		101	101 Checking	456.23	
					401	401 Sales	150.00	
					115	115 Merchandise Inventory	45.00	
					501	501 Cost of Goods Sold	45.00	
					115	115 Merchandise Inventory	15.00	
					501	501 Cost of Goods Sold	15.00	
					115	115 Merchandise Inventory	15.00	
					501	501 Cost of Goods Sold	15.00	
					401	401 Sales	100.00	
					115	115 Merchandise Inventory	50.00	
					501	501 Cost of Goods Sold	50.00	
					401	401 Sales	180.00	
					115	115 Merchandise Inventory	90.00	
					501	501 Cost of Goods Sold	90.00	
					207	207 Arizona Department of Revenue Payable	24.08	
					207	207 Arizona Department of Revenue Payable	2.15	
							\$ 671.23	\$ 671.23
12/30/2021	(Check)	1061	AmpleStore Inc.		101	101 Checking	300.00	
					201	201 Accounts Payable (A/P)	300.00	
							\$ 300.00	\$ 300.00

Figure 6-13: Journal, Page 6

12/30/2021	(Check)	1062	Any Time Deployment	101	101 Checking	275.00
				201	201 Accounts Payable (A/P)	<u>275.00</u> \$ 275.00 \$ 275.00
12/30/2021	(Check)	1063	CloudZ Channel	101	101 Checking	600.00
				201	201 Accounts Payable (A/P)	<u>600.00</u> \$ 600.00 \$ 600.00
12/30/2021	(Check)	1064	Conf/Call	101	101 Checking	225.00
				201	201 Accounts Payable (A/P)	<u>225.00</u> \$ 225.00 \$ 225.00
TOTAL						\$ 34,270.02 \$ 34,270.02

Figure 6-14: Journal, Page 7

- Export the Journal to Excel and save as a PDF file. Use the file name, **Chapter 6_Journal**.

2. Trial Balance: 10/1/20XX to 12/30/20XX. Display the Trial Balance without zero account balances. (*Hint:* To remove accounts with zero balances, select Non-zero > Run report.)

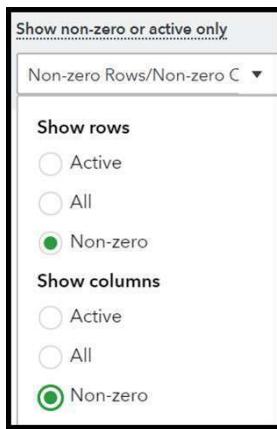


Figure 6-15: Show non-zero amounts

Student Name Sales and Service		
Trial Balance		
As of December 30, 2021		
	DEBIT	CREDIT
101 Checking	55,320.33	
105 Accounts Receivable (A/R)	425.00	
115 Merchandise Inventory	9,870.00	
123 Prepaid Rent	6,000.00	
125 Prepaid Insurance	3,000.00	
135 Computer Equipment	10,000.00	
201 Accounts Payable (A/P)		3,120.00
205 Loan Payable		5,000.00
207 Arizona Department of Revenue Payable		1,781.81
208 Illinois Department of Revenue Payable		50.00
301 Common Stock		60,000.00
401 Sales		31,140.00
501 Cost of Goods Sold	12,570.00	
601 Advertising & Marketing	705.00	
603 Bank Charges & Fees	40.00	
605 Dues & subscriptions	275.00	
609 Freight & Delivery	206.45	
619 Meals & Entertainment	282.51	
621 Office Supplies & Software	538.78	
625 Repairs & Maintenance	290.00	
627 Shipping and Delivery Expense	94.00	
629 Stationery & Printing	669.00	
633 Telephone Expense	557.09	
635 Utilities Expense	248.65	
TOTAL	\$101,091.81	\$101,091.81

Accrual Basis

Figure 6-16: December 30 Trial Balance

- Export the Trial Balance to Excel and save as a PDF file. Use the file name, **Chapter 6_Trial Balance**.

3. Sales Tax Liability Report: 10/1/20XX to 12/30/20XX

Student Name Sales and Service				
Sales Tax Liability Report				
October 1 - December 30, 2021				
	GROSS AMOUNT	NON TAXABLE AMOUNT	TAXABLE AMOUNT	TAX AMOUNT
Arizona Department of Revenue				
Arizona State	29,210.00	0.00	29,210.00	1,635.76
Arizona, Pima County	29,210.00	0.00	29,210.00	146.05
TOTAL				1,781.81
Illinois Department of Revenue				
Illinois Department of Revenue	400.00	0.00	400.00	25.00
Illinois State	400.00	0.00	400.00	25.00
TOTAL				50.00

Accrual Basis

Figure 6-17: Sales Tax Liability Report

➤ Export the Sales Tax Liability Report to Excel and save as a PDF file.
Use the file name, **Chapter 6_Sales Tax Liability Report**.

4. Customer Balance Summary: 12/30/20XX. In the Report period field, select Custom > as of 12/30/20XX > Run report.)

Customer Balance Summary	
As of December 30, 2021	
	TOTAL
Springfield Unified School District	425.00
TOTAL	\$425.00

Figure 6-18: Customer Balance Summary

➤ Export the Customer Balance Summary to Excel and save as a PDF file.
Use the file name, **Chapter 6_Customer Balance Summary**.

5. Accounts Receivable Aging Summary: As of 12/30/20XX

Student Name Sales and Service						
A/R Aging Summary						
As of December 30, 2021						
	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
Springfield Unified School District	425.00					\$425.00
TOTAL	\$425.00	\$0.00	\$0.00	\$0.00	\$0.00	\$425.00

Figure 6-19: Accounts Receivable Aging Summary

➤ Export the Accounts Receivable Aging Summary to Excel and save as a PDF file. Use the file name, **Chapter 6_AR Aging Summary**.

6. Inventory Valuation Summary: As of 12/30/20XX

Student Name Sales and Service				
Inventory Valuation Summary				
As of December 30, 2021				
	SKU	QTY	ASSET VALUE	CALC. AVG
Computers		11.00	5,500.00	500.00
Data storage		51.00	765.00	15.00
Network products		16.00	400.00	25.00
Web server		14.00	2,800.00	200.00
Webinars		9.00	405.00	45.00
TOTAL			\$9,870.00	

Figure 6-20: Inventory Valuation Summary

➤ Export to Excel and save as a PDF file. Use the file name **Chapter 6_**
Inventory Valuation Summary.

7. Vendor Balance Summary as of 12/30/20XX

Student Name Sales and Service	
Vendor Balance Summary	
As of December 30, 2021	
	TOTAL
AmpleStore Inc.	480.00
Any Time Deployment	250.00
CloudZ Channel	800.00
Computers 2 You	1,500.00
Conf/Call	90.00
TOTAL	\$3,120.00

Figure 6-21: Vendor Balance Summary

➤ Export to Excel and save as a PDF file. Use the file name **Chapter 6_**
Vendor Balance Summary.

8. Accounts Payable Aging Summary: As of 12/30/20XX

Student Name Sales and Service						
A/P Aging Summary						
As of December 30, 2021						
	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
AmpleStore Inc.	480.00					\$480.00
Any Time Deployment	250.00					\$250.00
CloudZ Channel	800.00					\$800.00
Computers 2 You	1,500.00					\$1,500.00
Conf/Call	90.00					\$90.00
TOTAL	\$3,120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,120.00

Figure 6-22: Accounts Payable Aging Summary

- Export to Excel and save as a PDF file. Use the file name **Chapter 6_AP Aging Summary**.

9. Profit and Loss from 10/1/20XX to 12/30/20XX.

Student Name Sales and Service	
Profit and Loss	
October 1 - December 30, 2021	
	TOTAL
Income	
401 Sales	31,140.00
Total Income	\$31,140.00
Cost of Goods Sold	
501 Cost of Goods Sold	12,570.00
Total Cost of Goods Sold	\$12,570.00
GROSS PROFIT	\$18,570.00
Expenses	
601 Advertising & Marketing	705.00
603 Bank Charges & Fees	40.00
605 Dues & subscriptions	275.00
609 Freight & Delivery	206.45
619 Meals & Entertainment	282.51
621 Office Supplies & Software	538.78
625 Repairs & Maintenance	290.00
627 Shipping and Delivery Expense	94.00
629 Stationery & Printing	669.00
633 Telephone Expense	557.09
635 Utilities Expense	248.65
Total Expenses	\$3,906.48
NET OPERATING INCOME	\$14,663.52
NET INCOME	\$14,663.52
Accrual Basis	

Figure 6-23: Profit and Loss

- Export the Profit and Loss to Excel and save as a PDF file. Use the file name **Chapter 6_Profit and Loss**.

Customize Reports: Adding Comparison Columns

Sometimes it's helpful to compare different aspects of your business. Some reports have the ability to add comparisons. When customizing, this can be found in the Rows/Columns section.

Reports that include column options for comparison include:

- Profit and Loss
- Balance Sheet
- Budget vs. Actuals
- Majority of summary reports (Reports with summary in the title)

The Profit and Loss by Month report is used as an example from 10/1/20XX to 12/30/20XX.

1. Go to Reports > in the search field, type and select **Profit and Loss by Month**. *Or*, in the Reports Business overview section, select Profit and Loss by Month.
2. The Report period is 10/1/20XX to 12/30/20XX > select **Customize**.
3. Make sure the Report period shows Custom and 10/01/20XX to 12/30/20XX > below Rows/Columns, select **Change columns**.
4. The Columns field shows Months [accept the default Active rows/columns] > select % of Income to put a checkmark in that field. Observe there are other options. A partial Customize report page is shown on the next page.

Customize report 

▼ General

Report period

to

Accounting method

Cash Accrual

Number format

Divide by 1000 Without cents Except zero amount

Negative numbers

Show in red

▼ Rows/Columns

Columns

Show non-zero or active only

Select and reorder columns

% of Income

Figure 6-24: Customize report

5. Click **Run report**.

Comment: Not all reports have the option to add comparison columns. For this example, the Profit and Loss by Month report is customized to show October, November and December, and a percent of income column.

Student Name Sales and Service								
Profit and Loss by Month								
October 1 - December 30, 2021								
	OCT 2021		NOV 2021		DEC 1-30, 2021		TOTAL	
	CURRENT	% OF INCOME	CURRENT	% OF INCOME	CURRENT	% OF INCOME	CURRENT	% OF INCOME
Income								
401 Sales	\$6,000.00	100.00 %	11,920.00	100.00 %	13,220.00	100.00 %	\$31,140.00	100.00 %
Total Income	\$6,000.00	100.00 %	\$11,920.00	100.00 %	\$13,220.00	100.00 %	\$31,140.00	100.00 %
Cost of Goods Sold								
501 Cost of Goods Sold			5,960.00	50.00 %	6,610.00	50.00 %	\$12,570.00	40.37 %
Total Cost of Goods Sold	\$0.00	0.00%	\$5,960.00	50.00 %	\$6,610.00	50.00 %	\$12,570.00	40.37 %
GROSS PROFIT	\$6,000.00	100.00 %	\$5,960.00	50.00 %	\$6,610.00	50.00 %	\$18,570.00	59.63 %
Expenses								
601 Advertising & Marketing	125.00	2.08 %	250.00	2.10 %	330.00	2.50 %	\$705.00	2.26 %
603 Bank Charges & Fees	20.00	0.33 %	20.00	0.17 %			\$40.00	0.13 %
605 Dues & Subscriptions	150.00	2.50 %			125.00	0.95 %	\$275.00	0.88 %
609 Freight & Delivery	64.65	1.08 %	89.15	0.75 %	52.65	0.40 %	\$206.45	0.66 %
619 Meals & Entertainment	126.40	2.11 %	46.40	0.39 %	109.71	0.83 %	\$282.51	0.91 %
621 Office Supplies & Software	226.85	3.78 %	111.82	0.94 %	200.11	1.51 %	\$538.78	1.73 %
625 Repairs & Maintenance	140.00	2.33 %			150.00	1.13 %	\$290.00	0.93 %
627 Shipping and Delivery Expense	47.00	0.78 %			47.00	0.36 %	\$94.00	0.30 %
629 Stationery & Printing	425.22	7.09 %	127.96	1.07 %	115.82	0.88 %	\$669.00	2.15 %
633 Telephone Expense	158.32	2.64 %	158.32	1.33 %	240.45	1.82 %	\$557.09	1.79 %
635 Utilities Expense	79.00	1.32 %	84.32	0.71 %	85.33	0.65 %	\$248.65	0.80 %
Total Expenses	\$1,569.44	26.04 %	\$887.07	7.45 %	\$1,456.07	11.01 %	\$3,906.48	12.84 %
NET OPERATING INCOME	\$4,437.56	73.96 %	\$5,072.03	42.55 %	\$5,153.93	38.99 %	\$14,663.52	47.09 %
NET INCOME	\$4,437.56	73.96 %	\$5,072.03	42.55 %	\$5,153.93	38.99 %	\$14,663.52	47.09 %

Accrual basis

Figure 6-25: Profit and Loss by Month

To calculate the % of Income, divide an individual amount by total income. For example, October Bank Charges & Fees, $20/6,000 = 0.33\%$.

The TOTAL CURRENT column agrees with Figure 6-23 Profit and Loss on page 329.

- Export the Profit and Loss to Excel and save as a PDF file. Use the file name **Chapter 6_Profit and Loss by Month**

6. Balance sheet from 10/1/20XX to 12/30/20XX. Do not show accounts with zero balances.

Student Name Sales and Service	
Balance Sheet	
As of December 30, 2021	
	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
101 Checking	55,320.33
Total Bank Accounts	\$55,320.33
Accounts Receivable	
105 Accounts Receivable (A/R)	425.00
Total Accounts Receivable	\$425.00
Other Current Assets	
115 Merchandise Inventory	9,870.00
123 Prepaid Rent	6,000.00
125 Prepaid Insurance	3,000.00
Total Other Current Assets	\$18,870.00
Total Current Assets	\$74,615.33
Fixed Assets	
135 Computer Equipment	10,000.00
Total Fixed Assets	\$10,000.00
TOTAL ASSETS	\$84,615.33
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
201 Accounts Payable (A/P)	3,120.00
Total Accounts Payable	\$3,120.00
Other Current Liabilities	
205 Loan Payable	5,000.00
207 Arizona Department of Revenue Payable	1,781.81
208 Illinois Department of Revenue Payable	50.00
Total Other Current Liabilities	\$6,831.81
Total Current Liabilities	\$9,951.81
Total Liabilities	\$9,951.81
Equity	
301 Common Stock	60,000.00
318 Retained Earnings	
Net Income	14,663.52
Total Equity	\$74,663.52
TOTAL LIABILITIES AND EQUITY	\$84,615.33
Accrual basis	

Figure 6-26: Balance Sheet

- Export the Balance Sheet to Excel and save as a PDF file. Use the file name **Chapter 6_Balance Sheet**.

Customize Balance Sheet

1. The 10/1/XX to 12/30/XX balance sheet should be displayed. Click  > below Rows/Columns, select **Change columns** > % of  Column > .
2. The Balance Sheet includes % of Column. Each row is divided by \$84,615.33, the total assets and total liabilities and equity amount. For example, the calculation for 101 Checking is $\$55,320.33/\$84,615.33 = 65.38\%$.

Compare your custom Balance Sheet to the one displayed on the next page.

Student Name Sales and Service		
Balance Sheet		
As of December 30, 2021		
	TOTAL	
	AS OF DEC 30, 2021	% OF COLUMN
ASSETS		
Current Assets		
Bank Accounts		
101 Checking	55,320.33	65.38 %
Total Bank Accounts	\$55,320.33	65.38 %
Accounts Receivable		
105 Accounts Receivable (A/R)	425.00	0.50 %
Total Accounts Receivable	\$425.00	0.50 %
Other Current Assets		
115 Merchandise Inventory	9,870.00	11.66 %
123 Prepaid Rent	6,000.00	7.09 %
125 Prepaid Insurance	3,000.00	3.55 %
Total Other Current Assets	\$18,870.00	22.30 %
Total Current Assets	\$74,615.33	88.18 %
Fixed Assets		
135 Computer Equipment	10,000.00	11.82 %
Total Fixed Assets	\$10,000.00	11.82 %
TOTAL ASSETS	\$84,615.33	100.00 %
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
201 Accounts Payable (A/P)	3,120.00	3.69 %
Total Accounts Payable	\$3,120.00	3.69 %
Other Current Liabilities		
205 Loan Payable	5,000.00	5.91 %
207 Arizona Department of Revenue Payable	1,781.81	2.11 %
208 Illinois Department of Revenue Payable	50.00	0.06 %
Total Other Current Liabilities	\$6,831.81	8.07 %
Total Current Liabilities	\$9,951.81	11.76 %
Total Liabilities	\$9,951.81	11.76 %
Equity		
301 Common Stock	60,000.00	70.91 %
318 Retained Earnings		
Net Income	14,663.52	17.33 %
Total Equity	\$74,663.52	88.24 %
TOTAL LIABILITIES AND EQUITY	\$84,615.33	100.00 %

Accrual basis

Figure 6-27: Custom Balance Sheet

- Export the Custom Balance Sheet to Excel and save as a PDF file. Use the file name **Chapter 6_Custom Balance Sheet**.

3. Statement of Cash Flows from 10/1/20XX to 12/30/20XX. Some instructors may prefer a Statement of Cash Flows for the month of December only.

Student Name Sales and Service	
Statement of Cash Flows	
October 1 - December 30, 2021	
OPERATING ACTIVITIES	TOTAL
Net Income	14,663.52
Adjustments to reconcile Net Income to Net Cash provided by operations:	
105 Accounts Receivable (A/R)	-425.00
115 Merchandise Inventory	-9,870.00
123 Prepaid Rent	-6,000.00
125 Prepaid Insurance	-3,000.00
201 Accounts Payable (A/P)	3,120.00
205 Loan Payable	5,000.00
207 Arizona Department of Revenue Payable	1,781.81
208 Illinois Department of Revenue Payable	50.00
Out Of Scope Agency Payable	0.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	-9,343.19
Net cash provided by operating activities	\$5,320.33
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	\$55,320.33
CASH AT END OF PERIOD	\$55,320.33

Figure 6-28: Statement of Cash Flows

➤ Export the Statement of Cash Flows to Excel and save as a PDF file. Use the file name **Chapter 6_Statement of Cash Flows**.

CHECK YOUR PROGRESS

Check Your Progress assignments are included within Connect and below.

1. What are the account balances from 10/1/20XX to 12/30/20XX 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 201 Accounts Payable _____

Account 207 Arizona Department of Revenue Payable _____

Account 208 Illinois Department of Revenue Payable _____

Account 401 Sales _____

Account 501 Cost of Goods Sold _____

2. What Total is shown on the 12/30 Trial Balance? _____

3. What is Net Income? _____

4. What are the total Liabilities and Equity? _____

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

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

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

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

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

10. What is the cash at the end of the period?

11. What Dashboard graphic reports income and expenses for the year? Identify the type of graph. What are the income and expense amounts? What other image shows these amounts, and what type of graph is used? (On the Dashboard, some amounts are rounded.)

D
A
V
E

12. What dashboard graphic reports invoices not due yet? Identify the type of graph. What is the amount?

SIGN OUT or *continue*.

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.
 - Reconcile an Account in QuickBooks Online.
 - How to Use Inventory Reports.
 - Explore Videos.
3. Text Updates.

Exercise 6-1: Follow the instructions below to complete Exercise 6-1:

1. Start QBO. Sign into Student Name Sales and Service.
2. To reconcile Account 101 Checking, use the December 31 bank statement. (*Hint:* Go to Chart of Accounts > Account 101 Checking > View register, Ending Balance is \$55,320.33 > 



i We know it takes time to get used to new stuff X
Watch Stuart, our reconciliation guy, walk through the new supercharged reconciliation. Soon you'll be doing it better than Stuart. [Watch Stuart's video](#).

Which account do you want to reconcile?

Account
101 Checking

Add the following information

Last statement ending date 11/30/2021

Beginning balance	Ending balance *	Ending date *
62,549.89	55,300.33	12/31/2021

Enter the service charge or interest earned, if necessary

Date *	Service charge	Expense account
12/31/2021	20.00	603 Bank Charges &...

Date	Interest earned	Income account
	0.00	Account

Start reconciling

Figure 6-29: Reconcile an account

If your Reconcile and account page has the link to [Watch Stuart's video](#), you may want to watch it.

3. Click **Start reconciling**.

Statement of Account, Checking		Student Name Sales and Service	
December 1 to December 31, 2019		2905 E. Skyline Dr.	
Account No. 7731-2256		Tucson, AZ 85718	
REGULAR CHECKING			
Previous Balance	11/30/XX	\$62,549.89	
18 Deposits (+)		\$13,546.51	
29 checks (-)		\$20,666.36	
2 Other Deductions (-)		\$109.71	
Service Charge		\$20.00	
Ending Balance	12/31/XX	\$55,300.33	
DEPOSITS			
	12/2/XX	\$2,122.00	
	12/2/XX	\$3,183.00	
	12/3/XX	\$150.00	
	12/3/XX	\$100.00	
	12/3/XX	\$180.00	
	12/3/XX	\$190.98	
	12/3/XX	\$848.80	
	12/3/XX	\$371.35	
	12/3/XX	\$1,061.00	
	12/3/XX	\$1,251.98	
	12/23/XX	\$180.00	
	12/23/XX	\$300.00	
	12/23/XX	\$286.47	
	12/23/XX	\$424.40	
	12/24/XX	\$1,061.00	
	12/27/XX	\$1,220.15	
	12/27/XX	\$159.15	
<i>Continued</i>	12/27/XX	\$456.23	

CHECKS (Asterisk * indicates break in check number sequence)				
	12/4/XX	1036	\$100.75	
	12/4/XX	1037	\$155.00	
	12/4/XX	1038	\$82.13	
	12/5/XX	1039	\$52.65	
	12/5/XX	1040	\$21.00	
	12/6/XX	1041	\$300.00	
	12/6/XX	1042	\$250.00	
	12/6/XX	1043	\$270.00	
	12/6/XX	1044	\$1,600.00	
	12/10/XX	1045	\$375.00	
	12/10/XX	1046	\$275.00	
	12/10/XX	1047	\$1,400.00	
	12/11/XX	1048	\$10,000.00	
	12/11/XX	1049	\$225.00	
	12/15/XX	1050	\$3,000.00	
	12/15/XX	1051	\$225.00	
	12/16/XX	1052	\$82.13	
	12/16/XX	1053	\$125.00	
	12/16/XX	1054	\$76.19	
	12/20/XX	1055	\$78.36	
	12/20/XX	1056	\$175.00	
	12/20/XX	1057	\$85.33	
	12/22/XX	1058	\$47.00	
	12/22/XX	1059	\$150.00	
	12/22/XX	1060	\$115.82	
	12/31/XX	1061	\$300.00	
	12/31/XX	1062	\$275.00	
	12/31/XX	1063	\$600.00	
<i>Continued</i>	12/31/XX	1064	\$225.00	

OTHER DEDUCTIONS (ATM's)				
	12/1/XX	ATM	\$56.90	
	12/15/XX	ATM	\$52.81	

Comment: To select All Checks and Payments and all Deposits and Other Credits, click on the circle to the right of DEPOSIT (USD).

4. Make sure your Reconcile 101 Checking page shows \$0.00 DIFFERENCE



> Success! You reconciled this



account > click > select [Summary](#) > double-click 101 Checking > The Reconciliation Report for the Period Ending 12/31/20XX displays. Compare your Reconciliation report with the summary below.

(Hint: Scroll down the report to see **Details** totals.)

Student Name Sales and Service	
101 Checking, Period Ending 12/31/20XX	
Reconciliation Report	
Reconciled on: XX/XX/XX	
Reconciled by: Your name	
Summary	USD
Statement beginning balance	\$62,549.89
Service charge	-\$20.00
Checks and payments cleared (31)	-\$20,776.07
Deposits and other credits cleared (19)	\$13,546.51
Statement ending balance	\$55,300.33
Register balance as of 12/31/XXXX	\$55,300.33
Details: Total Checks and payments cleared (31)	-\$20,776.07
Total Deposits and other credits cleared (19)	\$13,546.51

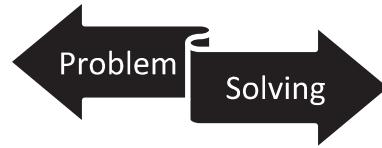
5. Save as Excel and PDF files. The file name is **Exercise 6-1_December 31 Reconciliation Report.** (*Hint:* Refer to page 158.)

Exercise 6-2: Follow the instructions below to complete Exercise 6-2:

1. Export these reports to Excel and save as PDF files. Refer to the date ranges for each report. The dates are not included in the file names; for example, use Exercise 6-2_Journal as the file name.
 - Exercise 6-2_Journal (from 12/31/XX to 12/31/XX)
 - Exercise 6-2_Transaction Detail by Account (from 12/2/XX to 12/31/20XX)
 - Exercise 6-2_General Ledger (from 10/1/XX to 12/31/XX)
 - Exercise 6-2_Trial Balance (from 10/1/XX to 12/31/XX)
 - Exercise 6-2_Sales Tax Liability Report (from 10/1/XX to 12/31/XX)
 - Exercise 6-2_Profit and Loss (from 10/1/20XX to 12/31/XX)
 - Exercise 6-2_Profit and Loss by Month (10/1/XX to 12/31/XX, % of income)
 - Exercise 6-2_Balance Sheet (from 10/1/XX to 12/31/XX)
 - Exercise 6-2_Custom Balance Sheet (10/1/XX to 12/31/XX, % of column)
 - Exercise 6-2_Statement of Cash Flows (from 10/1/XX to 12/31/XX)
2. **Check Figures** (from 10/1/20XX to 12/31/XX):
 - Account 101 Checking, \$55,300.33
 - Account 207 Arizona Department of Revenue Payable, \$1,781.81
 - Account 208 Illinois Department of Revenue Payable, \$50.00
 - Account 621 Office Supplies & Software, \$538.78
 - Account 625 Repairs & Maintenance, \$290.00
 - Account 633 Telephone Expense, \$557.09
 - Net Income, \$14,643.52
 - Total Liabilities and Equity, \$84,595.33

Exercise 6-3

Exercise 6-3 is available within Connect. It includes:



1. On the Profit and Loss report, describe how to compare October, November, and December. Show calculations for determining the percent of income for an expense account.
2. Describe how the Balance Sheet can be customized. Show an example and two calculations—one for an asset and one for a liability.
3. Using Dashboard graphics, describe how to display monthly sales differences. Identify the type of graph.
 - a) What is each month's balance? What are total sales?
 - b) What selection shows the cumulative data? Identify the date range the and the report.



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: Sales and Money In, Vendors and Money Out, Basic Reports and Views. Refer to QBO Certified User_Exam Objectives.pdf.

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