



Bookkeeping 101

Setting up your back office to give you the confidence to own your numbers.



Week 1 Review:

Make sure your company info is correct in your QuickBooks

Discuss cash vs accrual with your accountant



Week 2 Review:

Chart of Accounts

- Bank Accounts
- Credit Cards
- Other Current Liabilities (debts)
- Income
- Cost of Goods Sold
- Expenses (overhead expenses or expenses not directly related to a product sold)

Expenses sub accounts are of interest to the IRS.

Double check with your accountant that you are within averages.



Week 3 Review

Enter client lists

Enter projects

Tags

Vendors

Tracking for 1099

Product list

Entering receipts



Goals for this week:

- Enter bills
- Enter checks
- Enter invoices
- Receive payment
- Create a deposit
- Reconcile statements



Enter Bills from Your Vendors

Reminder: bills are from vendors to your company

- We are going to start with straight entering a bill. QBO has some fancier functionality where you can go from PO to Bills, etc, but for today's discussion, we just want to make sure everyone is able to enter bills.
- Entering bills is absolutely an non-negotiable for running a business



Entering a Bill from a Vendor

The screenshot shows the QuickBooks interface for a user named 'Design Business'. The left sidebar contains a navigation menu with options like 'Dashboard', 'Banking', 'Expenses', 'Sales', 'Cash Flow', 'Projects', 'Payroll', 'Time', 'Reports', 'Taxes', 'Mileage', 'Accounting', 'My Accountant', and 'Commerce'. The main content area is titled 'Design Business' and features a 'SETUP GUIDE' section with a list of tasks: 'Connect with an accountant', 'Start invoicing', 'See how much you're making', 'Pay your employees', and 'Start tracking time'. A callout box provides instructions on how to invite an accountant, including a text input field for 'Accountant's email' and an 'Invite' button. Below this, there are 'SHORTCUTS' and 'BANK ACCOUNTS' sections. The 'BANK ACCOUNTS' section shows 'Pinnacle Financial Partners' with a balance of '\$0'. A black arrow points to the 'Design Business' link in the top navigation bar.



Entering a Bill from a Vendor

The screenshot shows the Intuit QuickBooks interface for a business named 'Design Business'. A dropdown menu is open, displaying various transaction types. The 'VENDORS' column is highlighted, and the 'Bill' option is selected, indicated by a black arrow. The interface includes a top navigation bar with 'My Experts', 'Help', and search icons, and a sidebar with 'Accounting', 'My Accountant', and 'Commerce' options. The URL 'https://app.qbo.intuit.com/app/bill' is visible at the bottom left.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↗	Bank deposit
Receive payment	Check	Time entry	Transfer
Estimate	Bill ←		Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print checks		



Entering a Bill from a Vendor

RO ME Rowe Furniture

Elliston, Virginia

Ship to
Material Design

AUSTIN TX 78758
USA

Bill to
Material Design

AUSTIN TX 78703
USA

Invoice

Payment Information

Doc. No./Date 91456453 03/18/2021

Delivery Note No./Date 81475096 03/17/2021

Order No./Date 1492777 02/10/2021

Shipment

Customer

Currency USD

Invoice Amount 2,036.36

Conditions

Payment Up to 03/18/2021 without deduction

Delivery Outside Carrier

Purchase Order 02102020 02/10/2021

Item	Material	Description	CMIR	Price	Qty	Unit	Value
000010	K139Q-000	BED		1,951.00	1	EA	1,951.00

Configuration:

Balance Fabric	13295-56
Cushion Option	300CC / 600XL (Basic)
Finish Color	Chocolate
Mattress Type	Standard Mattress
TP ID	TP
TP Type	CUSTOM-W
TP Size	14x18
TP Quantity	2
TP Fabric #1	13295-56
TP Fabric CW	13295-56
TP Fringe	No Fringe
TP Filling	Down Filling

Net Freight 85.36

Total Freight/Handling 85.36

Invoice Amount 2,036.36



Entering a Bill from a Vendor

Bill Settings Help Close

Vendor:

BALANCE DUE
\$0.00

Mailing address:

Terms:

Bill date:

Due date:

Bill no.:

Tags Manage tags

▼ Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	CLIENT
+	1	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>	<input type="text"/>
⋮	2				

Make recurring



Enter Checks

- Entering every. single. check. is another must-do for your business
- If the check you are writing is a payment of a bill you have entered, QBO makes this a snap
- If you don't have an invoice entered to match the check with, you can enter all the accounting information right from the check
- QBO of course, has check printing capabilities. I don't personally use this because I use my online banking bill payment feature (I'm lazy, and I enjoy not having to load checks in the pinter, runt to the post office, etc)



Entering Checks

qb intuit quickbooks

+ New

Design Business

My Experts Help

PRIVACY

Dashboard

Banking

Expenses

Sales

Cash Flow

Projects

Payroll

Time

Reports

Taxes

Mileage

Accounting

My Accountant

Commerce

Design Business

Get things done Business overview

SETUP GUIDE

- Connect with an accountant
- Start invoicing
- See how much you're making
- Pay your employees
- Start tracking time

Get set up right with help from your accountant

Invite them to your books so you can finish setting up together.

Accountant's email

Your accountant and members of their firm will have admin access to your company data.

No accountant? No worries. [Find a pro to help](#)

Hide

SHORTCUTS

BANK ACCOUNTS

Pinnacle Financial Partners

In QuickBooks \$0



Entering Checks

The screenshot shows the Intuit QuickBooks interface for a business named 'Design Business'. A dropdown menu is open, displaying various transaction types categorized into four columns: CUSTOMERS, VENDORS, EMPLOYEES, and OTHER. The 'Check' option under the 'VENDORS' column is highlighted, and a black arrow points to it. The 'Show less' link is visible at the bottom right of the dropdown menu.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↗	Bank deposit
Receive payment	Check ←	Time entry	Transfer
Estimate	Bill		Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
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Delayed credit	Credit card credit		
Delayed charge	Print checks		

[Show less](#)

<https://app.qbo.intuit.com/app/check>



Entering Checks

Check #1 Settings Help Close

Payee: Bank Account: Balance: \$0.00

AMOUNT: **\$0.00**

Mailing address:

Payment date:

Check no.: Print later

Tags ² [Manage tags](#)

▼ Category details

	#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	CLIENT	
⋮	1		What did you pay for?				🗑
⋮	2						🗑



Enter Invoices (to your clients)

Reminder: Invoices in QBO are from you to your clients

- Again we are demonstrating how to enter a straight invoice. QBO is able to roll an estimate into an invoice, as well as some other fun features. Today's task is a simple invoice though.



Entering Invoices

intuit quickbooks Design Business

My Experts Help Search Notifications Settings Profile

PRIVACY

+ New

Dashboard

- Banking
- Expenses
- Sales
- Cash Flow
- Projects
- Payroll
- Time
- Reports
- Taxes
- Mileage
- Accounting
- My Accountant
- Commerce

Design Business

Get things done Business overview

SETUP GUIDE

- ✓ Connect with an accountant
- ✓ Start invoicing
- ✓ See how much you're making
- ✓ Pay your employees
- ✓ Start tracking time

Get set up right with help from your accountant [Hide](#)

Invite them to your books so you can finish setting up together.

Accountant's email **Invite**

Your accountant and members of their firm will have admin access to your company data.

No accountant? No worries. [Find a pro to help](#)

SHORTCUTS

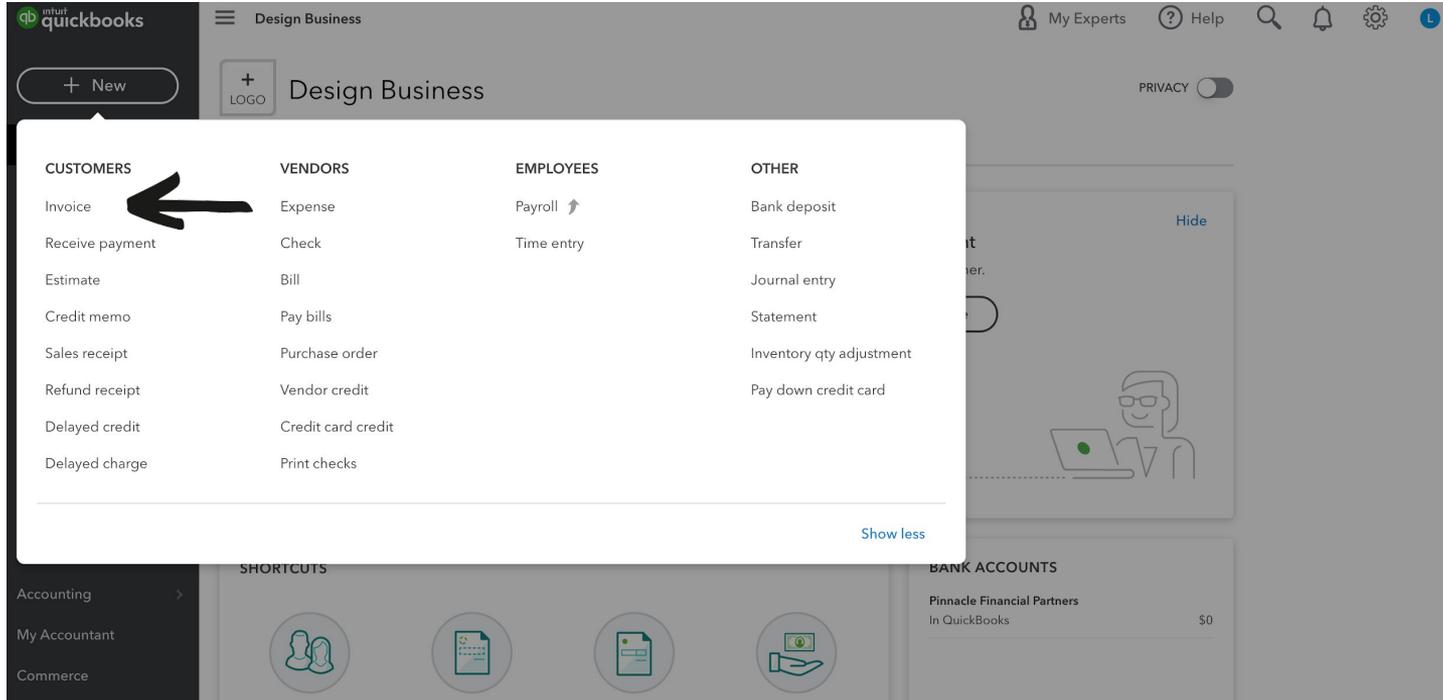
- Accounting
- Reports
- Banking
- Expenses

BANK ACCOUNTS

Pinnacle Financial Partners
In QuickBooks \$0



Entering Invoices





Entering Invoices

Invoice #1001 Take a tour Settings Help Close

Client **Client email** **Online payments** [Get set up](#)

Cards Bank transfer

Send later [Cc/Bcc](#)

BALANCE DUE
\$0.00

Billing address
Terms [Create recurring invoice](#) **Invoice date** **Due date** **Invoice no.**

Tags [Manage tags](#)

	#	SERVICE DATE	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	
⋮	1							🗑
⋮	2							🗑

Subtotal \$0.00

Message on invoice



Receive Payment to Invoice

The screenshot shows the QuickBooks interface for a business named 'Design Business'. A dropdown menu is open, displaying various transaction types. The 'Receive payment' option is highlighted with a black arrow. The menu is organized into four columns: CUSTOMERS, VENDORS, EMPLOYEES, and OTHER.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↑	Bank deposit
Receive payment ←	Check	Time entry	Transfer
Estimate	Bill		Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print checks		

At the bottom right of the menu, there is a 'Show less' link. The background interface shows the 'Design Business' header, a '+ New' button, and a 'PRIVACY' toggle switch. Below the menu, there are sections for 'SHORTCUTS' and 'BANK ACCOUNTS'.



Receive Payment to Invoice

Receive Payment Help X

Client: Jennifer Anthony Get paid 2 times faster [Accept payments online](#)

Credit card

AMOUNT RECEIVED
\$1,581.20

Payment date: 10/22/2020

Payment method: Reference no.: Deposit to: Undeposited Funds 1,581.20

Outstanding Transactions

All Settings

<input checked="" type="checkbox"/>	DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input checked="" type="checkbox"/>	Invoice # 1011 (10/22/2020)	10/22/2020	1,581.20	1,581.20	<input type="text" value="1,581.20"/>

< First Previous 1-1 of 1 Next Last >



Create Deposit

The screenshot shows the QuickBooks interface for a business named 'Design Business'. The top navigation bar includes 'My Experts', 'Help', search, notifications, settings, and a user profile icon. The main content area is titled '+ New Design Business' with a 'PRIVACY' toggle. A dropdown menu is open, listing various transaction types under four categories: CUSTOMERS, VENDORS, EMPLOYEES, and OTHER. A black arrow points to the 'Bank deposit' option in the OTHER category. Below the menu is a 'Show less' link. The background shows a sidebar with 'Accounting', 'My Accountant', and 'Commerce' sections, and a 'SHORTCUTS' section with icons for a person, a document, a document with a checkmark, and a hand holding a coin. A 'BANK ACCOUNTS' section is partially visible, showing 'Pinnacle Financial Partners' with a balance of '\$0'.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↗	Bank deposit ←
Receive payment	Check	Time entry	Transfer
Estimate	Bill		Journal entry
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Create Deposit

Bank Deposit Help X

Account: First Vision **←** Date: 10/22/2020

→ \$10,331.20

Select the payments included in this deposit

<input checked="" type="checkbox"/>	RECEIVED FROM ▲	DATE	TYPE	PAYMENT METHOD	MEMO	REF NO.	AMOUNT
<input checked="" type="checkbox"/>	Jennifer Anthony	10/22/2020	Payment	Enter Text ▼	<input type="text"/>	<input type="text"/>	1,581.20
<input checked="" type="checkbox"/>	John Smith	10/22/2020	Payment	Check ▼	<input type="text"/>	<input type="text"/>	8,750.00

1-2 of 2 « ‹ › »

Total 10331.20
Selected Payments Total 10331.20

[Don't see the payments you want to deposit?](#)

▼ Add funds to this deposit

#	RECEIVED FROM	ACCOUNT	DESCRIPTION	PAYMENT METHOD	REF NO.	AMOUNT
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Review of Estimate, PO, Invoice and Bill

An estimate can be used to create both an INVOICE (to your client) and a PO (to your vendor)

A PO can be used to create a BILL (from your vendor)



Quick items that are good to know:

- An estimate will not show up on your P|L
- A PO will not show up on your P|L
- In order for your reports to be correct, you need **every single** income and expense transaction to show up in your books, and to **show up only once!**



Review and Accept Linked Transactions

The screenshot displays the QuickBooks dashboard with a sidebar on the left and a main content area. The sidebar includes a '+ New' button and navigation links for Overview, Dashboard, Tasks, Transactions, Expenses, Sales, Cash Flow, Projects, Workflows, Payroll, Reports, Taxes, Mileage, and Accounting. The main content area features several widgets:

- Profit and Loss:** Shows a net income of \$7,642 for this year. A bar chart indicates \$25,000 in income and \$17,358 in expenses, with a note '4 TO REVIEW' next to the expenses bar.
- Expenses:** Shows \$7,715 for the last 30 days. A donut chart breaks this down into: \$7,024 (Cost of Goods Sold), \$574 (Contractors), \$86 (Shipping, Freight), and \$31 (Meals & Entertain).
- Bank Accounts:** A table lists accounts with their balances and update status. A black arrow points to the 'Chase Checking Account' row, which shows a bank balance of \$2,453.11 and a QuickBooks balance of \$3,862.11, with a note '4 to review Updated 16 hours ago'. Other accounts include Cash on hand (\$88,803.00), Checking (\$1,401.36), First Vision (\$-4,070.85), and Credit Card (\$516.12).
- Invoices:** Shows \$100,000 in unpaid invoices (last 365 days) and \$100,000 in overdue invoices (not due yet).
- Sales:** Shows \$98,900 for the last 30 days.



Review and Accept Linked Transactions

Design Business My Experts Help

Banking Rules Receipts

DATE	DESCRIPTION	AMOUNT	ASSIGN TO
10/19/2020	LAUNDRY WORKS AUSTIN TX 10/17	-\$5.00	Owner's Pay & Person... Confirm
09/28/2020	Venmo	-\$573.75	Records found (1) Bill: \$573.75 Venmo Confirm

Categorize Find match Record as transfer Record as credit card payment

Matching records found

Bill 09/28/2020 \$-573.75 (open balance) Bob Busby

BANK DETAIL VENMO* Visa Direct NY 09/28

Find other matches Confirm

09/28/2020	Venmo	-\$57.00	Transfer to Owner's P... Confirm
09/15/2020	Venmo	-\$38.33	Records found (1) Expense: \$38.33 Venmo Confirm



QB is just looking for the exact same number. Double check Vendor name and date.



Reconciling Your Accounts

Print the part of your statement that looks like this:



CHASE   September 15, 2020 through October 14, 2020

CONSOLIDATED BALANCE SUMMARY (continued)

TOTAL ASSETS

CHASE TOTAL CHECKING

KATHLEEN ANDERSON

CHECKING SUMMARY

	AMOUNT
Beginning Balance	\$2,854.19
Deposits and Additions	3,000.00
ATM & Debit Card Withdrawals	-2,422.83
Ending Balance	\$3,231.36

TRANSACTION DETAIL

DATE	DESCRIPTION	AMOUNT	BALANCE
	Beginning Balance		\$2,854.19
09/15	Payment Sent 09/15 Venmo* Visa Direct NY Card 2077	-38.93	2,815.86
09/17	Payment Sent 09/16 Venmo* Visa Direct NY Card 2077	-100.00	2,515.86
09/28	Payment Sent 09/28 Venmo* Visa Direct NY Card 2077	-573.75	1,942.11
09/28	Payment Sent 09/28 Venmo* Visa Direct NY Card 2077	-483.75	1,458.36
09/28	Payment Sent 09/28 Venmo* Visa Direct NY Card 2077	-57.00	1,401.36
10/05	Online Transfer From Sav...6238 Transaction# 10410218632	3,000.00	4,401.36
10/05	Payment Sent 10/05 Venmo* Visa Direct NY Card 2077	-600.00	3,801.36
10/13	Payment Sent 10/12 Venmo* Visa Direct NY Card 2077	-570.00	3,231.36
	Ending Balance		\$3,231.36



Reconciling Your Accounts

The screenshot shows the QuickBooks interface for a company named "Design Business". The main dashboard displays a current cash balance of \$2,463 and a profit and loss summary for the year, showing a net income of \$8,216. The profit and loss summary includes income of \$25,000 and expenses of \$16,784. A navigation menu on the left lists various sections like Overview, Dashboard, Transactions, and Reports. A settings menu is open in the center, with the "Reconcile" option highlighted under the "TOOLS" section. A black arrow points to the "Reconcile" option. The URL in the browser address bar is <https://c73.qbo.intuit.com/app/reconcile>.

YOUR COMPANY	LISTS	TOOLS	PROFILE
Account and settings	All lists	Manage workflows	Feedback
Manage users	Products and services	Reclassify transactions	Refer a friend
Custom form styles	Recurring transactions	Order checks	Privacy
Chart of accounts	Attachments	Import data	
QuickBooks labs	Custom fields	Import desktop data	
		Export data	
		Reconcile	
		Budgeting	
		Audit log	
		Back up company	
		SmartLook	
		Case center	

You're viewing QuickBooks in **Business view**. [Learn more](#) [Switch to Accountant view](#)



Reconciling Your Accounts

Chart of Accounts Reconcile



Reconcile an account

Open your statement and let's get started.

Which account do you want to reconcile?

Account



Add the following information

Beginning balance

2,654.19

Ending balance *

3,231.36

Ending date *

10/14/2020



Start reconciling

luannigara.com



Reconciling Your Accounts

Chart of accounts > Bank register > Reconcile

Reconcile Chase Checking Account

Statement ending date: October 14, 2020

\$3,231.36	-	\$3,900.44		
STATEMENT ENDING BALANCE		CLEARED BALANCE		
\$2,654.19	-	\$1,753.75	+	\$3,000.00
BEGINNING BALANCE		4 PAYMENTS		1 DEPOSIT

Edit info Save for later

\$-669.08
DIFFERENCE

Un-select all, then select one by one as you check each transaction off on your bank statement.

Statement ending date: Clear filter / View all

Payments Deposits All

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (US) DEPOSIT (US)	<input type="radio"/>
09/15/2020		Expense		Owner's Pay & P...	BP Gas		38.33	<input type="radio"/>
09/17/2020	09/17/2020	Expense		Owner's Pay & P...		VENMO* Visa Direct NY 09...	100.00	<input checked="" type="radio"/>
09/28/2020	09/28/2020	Expense		Owner's Pay & P...		VENMO* Visa Direct NY 09...	483.75	<input checked="" type="radio"/>
10/05/2020	10/05/2020	Expense		Owner's Pay & P...		VENMO* Visa Direct NY 10...	600.00	<input checked="" type="radio"/>
10/05/2020	10/05/2020	Transfer		First Vision		Online Transfer from SAV	3,000.00	<input checked="" type="radio"/>
10/13/2020	10/13/2020	Transfer		Owner's Pay & P...		VENMO* Visa Direct NY 10...	570.00	<input checked="" type="radio"/>