

Quick Tips for QuickBooks

QuickBooks is one of the most powerful and popular accounting software packages available today, and here at Sponsel CPA Group we assist many clients with installation, training and support for their business or organization.

It is a complicated program, and can be intimidating to uninitiated users. Fortunately, we have several staff members who are certified QuickBooks ProAdvisors, including myself.

We've put together a list of Frequently Asked Questions and answers to help with your company's QuickBooks operations. These are commonly faced obstacles, so don't feel bad if you stumble at first!

Q. Why is the beginning balance on the QuickBooks reconciliation different from my bank statement beginning balance?

A. It is the first time the account has been reconciled, or a previous reconciliation has been "undone."

Q. Why can't I use department codes (01, 02 etc.) when creating a chart of accounts?

A. It is best to utilize the "CLASS" option instead.

Q. Can I void/delete stale dated checks (from prior periods)?

A. No. Voiding and/or deleting them will zero the check out and change information on the financial statements. If the check is from a prior period, it is best to remove it by Journal Entry (JE).

Q. How do I import changes from the Accountant's copy of QuickBooks into my QuickBooks?

A. File, View, Import Changes

Q. Why is there a need to have my closing date password protected and can I remove it?

A. QuickBooks does not use a hard close to zero out income and expense accounts from prior periods. Setting a password protects or restricts access so that changes cannot be made to a closed period.

Q. What are the advantages and benefits of using QuickBooks' Online versus Desktop version?

A. You can access Online QuickBooks from any computer at any time; it is friendly for either Apple or PC systems; no backup is required; you can invite up to two accountants at no extra cost; and there is no software to install and keep up to date.

Q. What is the undeposited funds account and why is there a balance?

A. These are payments received from customers that have not yet been deposited. It is a "holding account" until a deposit entry is created.

Q. How do I write off payables that we are not going to collect?

A. By Journal Entry (JE). Credit Accounts Receivable: select an offsetting revenue account to debit. You will need to choose the customer's name.

Q. When purchasing new vehicles or machinery, how do I enter it correctly?

A. If you utilize the Fixed Assets List, enter them on the ITEMS tab when writing the check. Otherwise, they can be entered using a Journal Entry (JE).

Q. Can I open an accounts transfer file in a newer version of QuickBooks for prior years?

A. Yes.

Q. Why is there a balance in the Accounts Receivable account on a cash basis Balance Sheet?

A. A deposit has been made but not linked to an invoice.

Q. Why can't I see all of the columns on the input screen for Write Check?

A. Your computer's resolution setting may need to be adjusted. Try 1440 x 900.

If you have any additional questions about QuickBooks, we are happy to help! Please call Mary Ferguson in our Entrepreneurial Services department at (317) 613-7847 or email ferguson@sponselcpagroup.com.