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Agenda

Part I: Managing Your Business Finances
Part II: QuickBooks Online 101

Part I: Managing Your Business Finances
Table of Contents

Part I: Managing Your Business Finances:
- Introduction to Accounting
- Understanding the Chart of Accounts
- Completing Daily Financial Entries
- Using Reports to Make Decisions

Introduction to Accounting

What is Accounting?
Accounting is the systematic and comprehensive recording of financial transactions.

Accounting is the process of:
- Running your business.
- Accurately recording money coming in and out of the business.
- Generating reports to understand how your business is doing and using them to make decisions.
Introduction to Accounting

What is an accountant?

• ac-count-ant (noun) - a person whose job is to keep or inspect financial accounts.

• ac-count-ant (noun) - a person whose job is to keep or inspect and advise on financial accounts.

• ac-count-ant (noun) - a person who solves a problem you didn’t know you had in a way you don’t understand.

Understanding the Chart of Accounts

Chart of Accounts: a list of accounts used to sort your transactions into categories. Each account category contains sub-accounts.
**Understanding the Chart of Accounts**

- How much money am I bringing in? (Income)
- How much am I spending? (Expenses)
- Is my business making any money? (Income – Expenses)
- What’s the value of what my business owns? (Assets)
- How much does my business owe to others? (Liabilities)
- What is my business worth? (Equity)

**Completing Daily Financial Entries**

In order to create the financial reporting you need to make business decisions, you will need to complete the following entries:

**Money In:**
- Record Sales
- Invoice Customers
- Receive Payments
- Make Deposits

**Money Out:**
- Enter Bills
- Pay Bills
- Enter Credit Card Transactions
- Write Checks
- Pay Employees
Using Reports to Make Decisions

Reports help you understand how your business is doing:

- **Profit and Loss** – Summarizes income and expenses of a company over a period of time.
- **Balance Sheet** – Shows the assets, liabilities and equity at a given moment in time.
- **Statement of Cash Flows** – Shows money in and money out during a specific accounting period.

Part II: QuickBooks Online 101
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Part II: QuickBooks Online 101
  • Getting Started
  • Working with Lists
  • Working with Bank and Credit Card Accounts
  • Entering Invoices
  • Receiving Payments and Making Deposits
  • Entering and Paying Bills
  • Reviewing Financial Statements

Getting Started

Benefits of using QuickBooks Online:
  • Organizes all of your business finances in one place.
  • Summarizes financial data into easy to read reports.
Getting Started

Setting up QuickBooks Online:

- Simple Start: $6/month
- Essentials: $12/month
- Plus: $21/month
- Advanced: $45/month

[https://quickbooks.intuit.com/pricing/](https://quickbooks.intuit.com/pricing/)

Getting Started

Customize your Account and Settings:
Working With Lists

Lists

<table>
<thead>
<tr>
<th>Chart of Accounts</th>
<th>Displays your accounts. Balance sheet accounts track your assets and liabilities, and income and expense accounts categorize your transactions. From here, you can add or edit accounts.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurring Transactions</td>
<td>Displays a list of transactions that have been saved for reuse. From here, you can schedule transactions to occur automatically or with reminders. You can also save unscheduled transactions to use at any time.</td>
</tr>
<tr>
<td>Products and Services</td>
<td>Displays the products and services you sell. From here, you can edit information about a product or service, such as its description, or the rate you charge.</td>
</tr>
<tr>
<td>Product Categories</td>
<td>A means of classifying items that you sell to customers. Provide a way for you to quickly organize what you sell, and save you time when completing sales transaction forms.</td>
</tr>
<tr>
<td>Locations</td>
<td>You can use locations to categorize your transactions by different parts of your company.</td>
</tr>
<tr>
<td>Custom Form Styles</td>
<td>Customize your sales form designs, set defaults, and manage multiple templates.</td>
</tr>
</tbody>
</table>

Payment Methods

| Displays Cash, Checks, and any other ways you categorize payments you receive from customers. That way, you can print deposit slips when you deposit the payments you have received. |

Terms

| Displays the list of terms that determine the due dates for payments from customers, or payments to vendors. Terms can also specify discounts for early payment. From here, you can add or edit terms. |

Classes

| Displays the classes you can use to categorize your accounting transactions. |

Attachments

| Displays the list of all attachments uploaded. From here you can add, edit, download, and export your attachments. You can also see all transactions linked to a particular attachment. |

Working With Bank and Credit Card Accounts

The Bank Feeds — dynamic feature in QuickBooks Online:

- It links to your online banking and credit card accounts, feeds the transactions to QuickBooks, and adds transactions at the tap of a button.
- Direct feeds offer a more accurate, reliable, and secure way for your transactions to flow into QuickBooks.
Working With Bank and Credit Card Accounts

Downloading methods:

• **Direct Connect** – Users will login seamlessly to the financial institution within QuickBooks.

• **Web Connect** – Users will download a file from the financial institution’s website and then import this file into QuickBooks.

Reconcile your accounts:

The transactions in QuickBooks Online should mirror your business bank and credit card accounts:

• Transactions need to be checked and matched to statements.

• Should be reconciled on a monthly basis.
Working With Bank and Credit Card Accounts

Reconcile your accounts:
Place a check mark to the right of all the transactions that appear on the statements.

Entering Invoices

INVOICE

TOTAL AMOUNT $75.00

Subtotal $75.00
Discount $0.00
Total $75.00
Balance due $75.00
To receive a payment:
Receiving payments in QuickBooks Online helps maintain an accurate accounts receivable balance.

Making deposits not related to an invoice:

Don't see the payments you want to deposit?

Add funds to this deposit

<table>
<thead>
<tr>
<th>#</th>
<th>RECEIVED FROM</th>
<th>ACCOUNT</th>
<th>DESCRIPTION</th>
<th>PAYMENT METHOD</th>
<th>REF. NO.</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Other funds total: $0.00
Entering and Paying Bills

Entering bills:

Paying bills:
Reviewing Financial Statements

Craig’s Design and Landscaping Services

PROFIT AND LOSS
January 1 - August 1, 2018

Craig’s Design and Landscaping Services

BALANCE SHEET
As of August 1, 2018

Craig’s Design and Landscaping Services

STATEMENT OF CASH FLOWS
January 1 - August 1, 2018

Summary

What have you learned:

• Why accounting is important to effectively run a business.
• How to set up and manage your QuickBooks Online software.
• How to use your financial reports to make decisions.
Questions?

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