Intuit® Academy

QuickBooks Accountant 2016:
Recommending QuickBooks to your clients

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Rosalyn Hodgson is the founder and owner of BCAMS Limited – Accounting & Finance based in High Wycombe, Bucks. She is an accountant with over 25 years' experience in industry, commerce and private practice. A Certified ProAdvisor in QuickBooks Desktop and QuickBooks Online. Ros was the founder member of Intuits Accounting Professional Trainers Group and has trained accounting professionals across the UK

Ros is a frequent contributor to Intuit roadshows and public events, and has been a featured speaker at Intuit conferences all over the UK, in person and via webinar. She was the resident internal trainer for the Intuit UK care teams for both the Desktop and Online products.

In addition, she has written and presented educational material for Start-up Britain on behalf of Intuit. Her company's clients hail from all industries in a number of countries, and they rely on QuickBooks to run their practice and maintain client management.

BCAMS Limited provides accounting, training, QB set-up & configuration, speaking and writing for clients worldwide.

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RECOMMENDING QUICKBOOKS TO YOUR CUSTOMERS

The purpose of this user guide is to help you understand each of the various QuickBooks products on offer. By understanding your clients business and the various QuickBooks products you will be able to offer a tailored solution to their accounting requirements. There are many key advantages and benefits to each of the products we'll discuss. These include saving time, money and helping business owners to manage cash flow easily and simply.

At the end of this user guide you will understand the QuickBooks product line up, factor in your client's individual needs and enable you to confidently recommend a solution that will make your clients happy.

QuickBooks boasts a number of features that help small – medium businesses remain as efficient as possible. There are endless advantages both for ProAdvisor and clients in using QuickBooks to help manage finances. As there are many different financial needs of a business QuickBooks have created a number of solutions and products to assist businesses in gaining control of their company accounts. Throughout this user guide, we are going to look at the difference between these solutions and how we can identify what QuickBooks products are best suited to our clients.

HOW TO RECOMMEND THE RIGHT PRODUCT TO YOUR CLIENT

Clients are not always sure what they need in terms of software. They do know they need to print receipts for customers, or invoice them and keep track of which customers owe them money. Therefore by simplifying this process for them and asking what they need each day to run their business will get clients on to the right solution for their business. This is critical for them and for you.

You'll first want to do a needs analysis with your clients. Remember each client is different, and your relationship with each client may differ as well.

Therefore, you should think about the following questions to help identify their industry and business needs for software and consulting services.

Ask your client

- What are their daily accounting tasks?
- What do they need that they cannot get from their current accounting system?
- What accounting skills do they have? Do they have accounting experience or assistance from someone with more accounting skills than they have?
- What reports do they generate currently? Is there a great degree of manual effort involved to produce these reports?
- What reports do they need but do not currently generate?
- Do multiple users need access to the data?
- What is on their "wish list" of tasks to automate and problems to solve?

Ask yourself

- What condition are their records in today?
- Do they have time to commit to maintaining their books?
- Do they have sufficient financial knowledge and sophistication to know if things are done correctly or not?
- Do they have specialised needs, which may require an integrated solution?
- Are they a rapidly growing business?

Once you know the clients' needs, capabilities, and limitations, you can help them choose which product is right for them.

CHOOSING THE RIGHT QUICKBOOKS ONLINE PRODUCT FOR MY CLIENT

QuickBooks is designed to deliver the most efficient and effective accounting solution for both you and your clients. It makes it easy for small businesses to manage their finances and it provides accounting professionals like you with the tools you need to work with and support your clients.

QuickBooks offers both an online and a desktop product range. Let's have a look at the QuickBooks Online product range that you might recommend to a new client.

QUICKBOOKS ONLINE PRODUCT RANGE

QuickBooks Online (QBO) offers instant access to clients' company accounts from any PC or Mac computer, as well as many mobile devices (iPhones, iPads and Android devices) by signing in at qbo.intuit.com, giving QBO users the flexibility to manage their accounts anytime, anywhere. Although QuickBooks Online provides a great deal of flexibility, it's important to understand the differences between desktop and online editions, as some business owners may require a function that is available in QuickBooks desktop but which is not currently available in QuickBooks Online. Two examples of this are sales orders and progress invoicing.

Your typical clients for the QuickBooks Online product range will be:

- Small businesses seeking the freedom to access their finances from any internet-connected PC or Mac, or a mobile device, anytime and anywhere
- Businesses with a need for 24/7 access from remote locations
- Small businesses that have a requirement for FIFO-based stock control
- Clients who do not want to worry about making a data copy to give to their accountant, installation, upgrades, backups, and security.

When discussing the QuickBooks Online product range, we are going to be using a sample business to demonstrate how the requirements of the product range will be suitable.

For this example, we have a business owner who is an architect. When he started out in this business, he may have been doing the drawing, producing estimates, paying bills and invoicing customers all on his own or perhaps with the help of family members.

As the business has grown, so has the need to automate the accounting so that he can do more drawing, but he is still not big enough to hire additional help.

Like many small business owners, he did not go into business to manage the finances but rather to work in the business. But as an accounting professional, you know that to stay in business, he must perform some basic financial management.

Let's see how QuickBooks Online Simple Start can help with this task.

QUICKBOOKS ONLINE SIMPLE START

How is QuickBooks Online Simple Start a solution for the architect?

QuickBooks Online Simple Start is designed best for start-ups, freelancers and home businesses that produce Invoices but buy most supplies directly and do not maintain an accounts payable ledger.

Using QuickBooks Online Simple Start, our architect will be able to:

- Have access for one user
  Our QBO Simple Start user will be able to access his data from any internet-connected PC or Mac, as well as iPhones, iPads, and Android devices, anytime and anywhere.
- Give his accountant free real-time access to his online company accounts
  This allows the user's accountant to check the accounting data anytime and anywhere, without blocking his own QBO end-user access, and with no need to create accountant's copies or other data files for transfer to the accountant. When the accountant logs in, he or she views the client's books using QuickBooks Online Accountant (QBOA). Up to 2 accountant users are permitted.
- Full telephone and online support
  There is no extra charge for telephone support with QuickBooks Online, and the user can call QuickBooks as often as he likes from 8am-8pm on working days. The user can also search hundreds of help articles on our robust support website to get help with QuickBooks Online.
- Track sales, expenses and profit
  QuickBooks Online maintains an up-to-date view of customer sales, full details of any expenses and a clear view of the profit. This means that it's easy to monitor the day-to-day running of the business.
- Bank Feeds
  Use online bank feeds to integrate their bank with QuickBooks and match, add or create rules to post items into QuickBooks without re-keying.
- Produce estimates
  QuickBooks Online allows the end-user client to produce estimates for his customers and to produce invoices from these estimates.
- Create professional invoices and sales receipts
  *Our QBO Simple Start user can choose what information he wants to appear on invoices and sales receipts, and customise the design by picking a theme and adding a logo. When he's happy, he just clicks **Save**. Every future invoice and sales receipt will follow this saved design. The user can create and send an unlimited number of invoices and sales receipts each month.*
- Track and manage your VAT
  Spend less time keeping track of VAT. QuickBooks Online Essentials manages VAT, monitoring the VAT paid and received. It can show the VAT liability, and displays all the information required to fill in a VAT return. QuickBooks Online also includes a VAT Exception Report, to help users manage VAT amounts that change after they've submitted their VAT return. VAT is available on both on an Accrual and Cash basis in both the Standard and Flat Rate scheme
- Track cash flow with over 20 key financial reports
  Automatically generate reports showing important information about our QBO user's business. Key reports available include Profit and loss, Balance sheet, Cash flow statement, Account listing and Sales by Customer.
- Integrated Payroll*
  *If he wishes to add payroll to his accounting tasks, he can do so by turning on the payroll feature powered Paysuite, which integrates with QBO. * This is currently an additional subscription of £1 per employee.*

Please check the www.Intuit.co.uk website for the most up-to-date pricing on QuickBooks Online Simple Start, as it can be subject to change.

Bear in mind that QBO is constantly evolving and improving, as Intuit is listening to its customers and responding by including the new features that are being requested. Therefore, the features listed here in this course are those that are in place as of the time of the writing of this course. As time goes on, do not be surprised to find even more features in the various QBO products than those listed here.

Let us take a deeper dive into the features available in QuickBooks Online Simple Start.

Invite Accountant User

To invite up to two accounting professionals to be the free accountant users in any subscription level of QuickBooks Online (to access the books using QuickBooks Online Accountant), click on the **Company Cog** ⚙ at the top right of the screen and under the **Your Company** menu select **Manage Users**. In the lower half of the window, select **Invite Accountant** in the **Accounting Firms** section. This will produce a form in which to enter the Accountants details in order to send the invitation email to the accountant. Once **Finish** is clicked, an email is sent out to the accountant in less than a minute. The accountant sees the invitation and clicks on **Accept Invitation**; this takes him or her to a screen to create an Intuit user ID., or to use a pre-existing one.

Once this is done, the accountant can access this client's QuickBooks Online accounting data (and the data of any other QuickBooks Online user who has invited him or her) via QuickBooks Online Accountant, at qbo.intuit.com.

Create Invoices

Select the '+' **Create** button at the top an

centre of the screen, then from the **Customer** menu select **Invoice.**
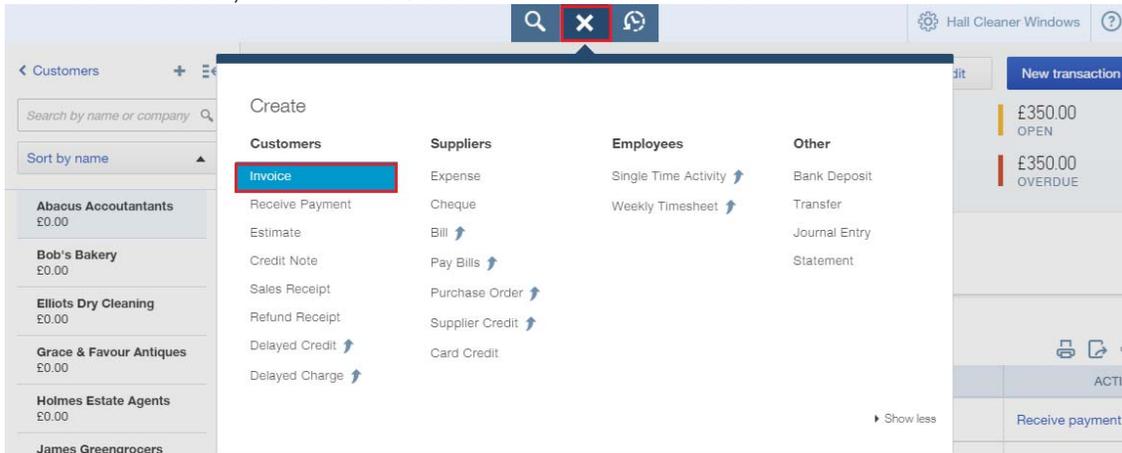
Or from the left navigation menu select **Customers** which will open the **Customer Home screen** listing the active customers and their current balances. Select from the drop arrow to the right of any Customer and select **Create Invoice**
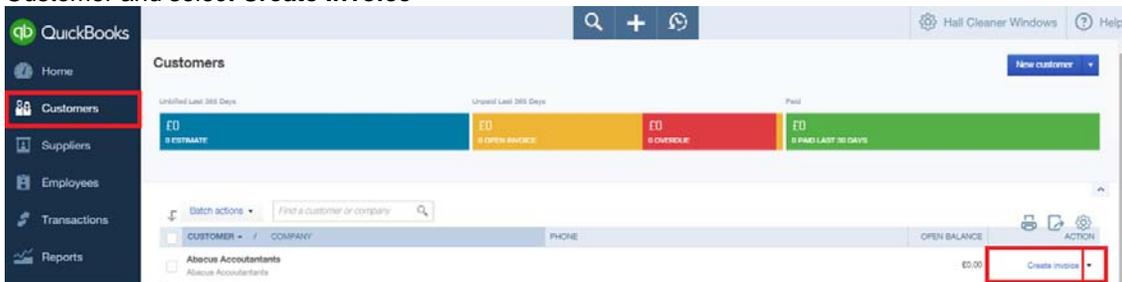
Or by selecting a customer from the list which opens the **Customer Centre** then select the **New Transaction** button on the top right and choose **Invoice.**
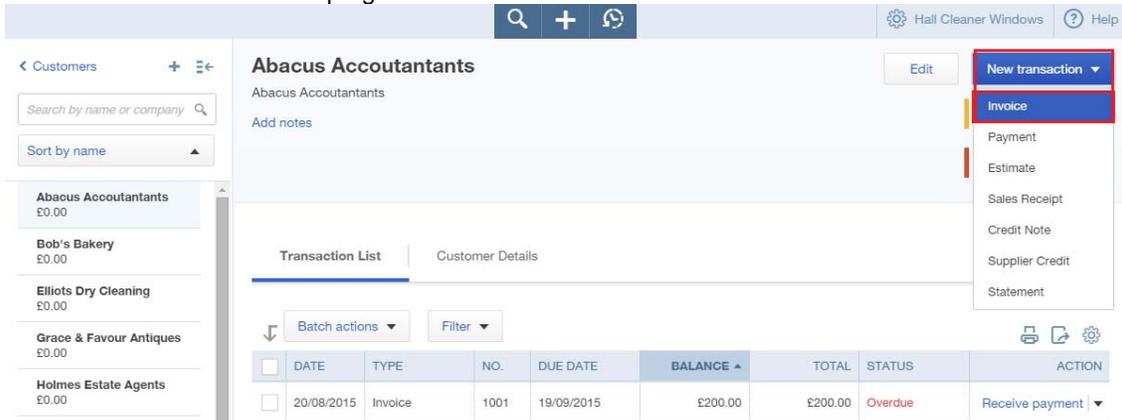
Begin by selecting the customer whom you wish to invoice. On the left hand side of the screen, choose the desired payment terms and the date. (If the Preferences are set to do so, you can specify the invoice number, rather than have QBO assign the number for you behind the scenes.) Next, choose the product or service to be invoiced. Using the window cleaner as the example, invoice the customer for cleaning their office windows.

VAT is available on Simple Start both on an accrual and Cash basic in both standard and flat rate basis.

Once the invoice has been created on the bottom right of the screen then choose from the options to either just **Save** the invoice or **Save and Send** or **Save and Close.** If you choose to **Save and Send** depending on the preferences the invoice will be sent as a PDF attachment or embedded within the email.

The option to print the invoices can be found on the centre of the dark blue panel at the base of the screen by selecting **Print or Preview.** Select the option required.


Financial Reports

Once QBO users have been entering what's been going in and out of their business, they can track their cash flow and financials with over 20 one-click financial reports. These reports are automatically generated and reveal key important information about the business. These reports can be accessed from the left navigation by selecting **Reports > All Reports.**

Let's go back to our example of the window cleaner. Business has been good, and his accounting needs have grown: he now requires management of supplier bills and to have access to more financial reports. He has some recurring regular invoices he wants to issue and he'd like to have them entered for him automatically. He's also hired some office help so he requires QBO access for more than one user. These features are not available in QuickBooks Online Simple Start. The Simple Start menu shows items that require an upgrade to use with an arrow.

Therefore, our window cleaner would be able to take advantage of more advanced functions within QuickBooks Online Essentials.   He can upgrade right inside the product, and keep working seamlessly. The upgrade to Essentials (or upgrade directly to Plus, for that matter) can be achieved easily, by selecting the **Company Cog**   in the top right and then **Your Account**, within this screen select **Upgrade for More Advanced Features**.

QUICKBOOKS ONLINE ESSENTIALS

QuickBooks Online Essentials offers everything in QuickBooks Online Simple Start and more. It is best for growing companies and VAT-registered businesses.

Using QuickBooks Online Essentials our window cleaner will be able to:

- Have up to three users (in addition to the 2 accountant users)

  This is the number of people who can use QuickBooks Online Essentials. QBO Essentials can be used to set different levels of access for different people, to protect sensitive data and reduce the chance of errors.

- Track cash flow with over 40 financial reports

  Automatically generate reports showing important information about the QBO users' businesses.

- View Company Snapshot

  QBO Essentials users get a clear view of the overall state of their business with the Company Snapshot. It's a one-screen graphical dashboard showing their income and expenses, all compared to the previous year's performance. They can also see what they're owed (accounts receivable) and what they owe (accounts payable).

- Schedule repeat items like invoices or other recurring transactions

  If QBO users incur expenses, invoices or other transactions that occur with regularity, they can handle them automatically in QuickBooks Online Essentials. For example, if they need to record a £1,000 expense for premises rental each month, they can set it up as a recurring transaction in QuickBooks Online. Then they don't have to remember to input it manually every time.

- Manage supplier bills and payments

  Keep track of payables in QBO Essentials. Our users can see exactly what they owe, to whom they owe it, and when payment is due. When considering paying a bill early, QuickBooks Online can show users the impact on their cash flow, making sure they can afford it before they hand over the money.

- Handle multiple currencies and track currency gains and losses

  QBO Essentials users can conduct business in over 145 foreign currencies just as easily as they do in British Pounds Sterling. QBO users can conduct transactions with their customers in the customers' respective home currencies, and then QBO will convert the foreign amounts back to the home currency in the background so the QBO users know exactly where they stand. QuickBooks downloads the latest exchange rates from Wall Street On Demand to switch accurately between different currencies. Our clients can see quickly whether they've lost or gained as a result of exchange rate fluctuations.

Let's see how QuickBooks Online Essentials can help with the more complex needs our architect now has.

Additional Users

Using QuickBooks Online Simple Start, our architect had access for one user only, but could also give his accountant free access to his online company accounting data via QuickBooks Online Accountant. QuickBooks Online Essentials allows for three users plus the accountant.

To set up a new user in QuickBooks Online Essentials (or Plus), hover the mouse over the **Company** Menu and select **Manage Users**.

Manage Users

Contact Name	Email Address	Access Rights	Billable User?	Status
Rosalyn Hodgson	ros@bcams.co.uk	Master Admin	No	Active

Select **New** and work through the **Mini Interview** to add a new user and specify the level of access for this new user.

Customising Invoices

QBO Essentials allows the user to operate with VAT and begin to further customise the information on their invoice.

Let's use a growing architect business as the example. He has issued an invoice to a customer for project management on a new house build. He has registered for VAT and is now able to charge this on his invoice. He is also able to turn on custom transaction numbers and begin his invoice numbers where he wishes and with the use of a prefix should he desire. In addition by opting to turn on and define custom fields in settings he is able to add site address and service dates to his invoice.

This invoice is issued every month until the completion of the build; however, the amount of the invoice will fluctuate depending on how much time is spent onsite, which varies from month to month.

With Essentials, a QBO user can schedule repeat items like invoices or other recurring transactions. If you have a client who has expenses, invoices or other events that take place regularly, they can handle them automatically using QuickBooks Online Essentials.

Recurring Transactions

Having completed the invoice as shown to achieve a recurring invoice select **Enable recurring payments** at the bottom of the page.

This will bring through the **Recurring Invoice Form** which sits above the Invoice template.

The first option is to choose a template type (Scheduled, Reminder or Unscheduled). **Scheduled** is great for those transactions that are of a set amount each month. For example, a gym may use this to collect their monthly membership fee or for payments out such as insurance, or rent.

Unscheduled is useful for those transactions whose format we wish to preserve as a template for future use, although we're not sure if or when it will ever be called upon to serve as a template. This type of template is simply parked in the list of Recurring Transactions as a model for some vague future use.

The next template type is **Reminder**. This is useful for those transactions whose amounts will fluctuate but will occur regularly on a fixed schedule such as a utility bill. For this invoice example, let's select the **Reminder** template option, as we know the architect will invoice regularly for his consultancy service, but the amount will change depending on how much time he spent onsite.

Next, select the interval date range, which is how often one would like this transaction to recur. In this example, let's have it recur on the last day of each month. Then, choose the start and end dates or define the number of occurrences of this transaction. If desired, choose to have the reminder take place a certain number of days in advance of the scheduled date, so that post-dated transactions can

be seen ahead of time and used in cash flow planning. Also, if desired, let QBO produce an alert message.

Now select **Save Template**.

To view a list of all the recurring entries in a QBO company, go the Company Cog then select **Lists > Recurring Transactions.**
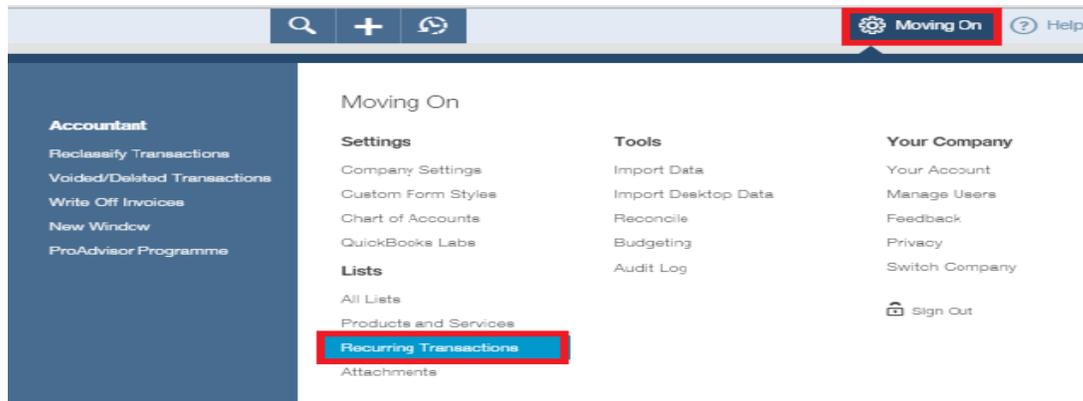
Supplier Payments

Another handy function of QBO Essentials is that clients can manage supplier bills and payments, and track accounts payable. QBO clients can see exactly what they owe, to whom they owe it, and when payment is due. If they're thinking of paying a bill early, QuickBooks Online can show clients the impact on their cash flow, making sure they can afford it before they hand over the money.

To record a bill from a supplier, hover the mouse over the **Suppliers** menu then select **Enter Bill**.
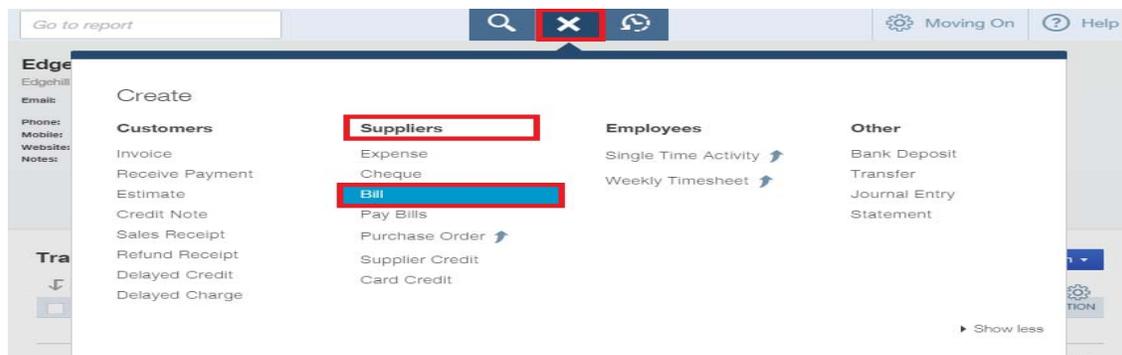
First, select the supplier from whom the bill was received. Next record the terms of payment & bill date, this will then automatically calculate the due date. Then record the bill reference number from the supplier. Within the next section record the expense account for this bill to be posted against in the chart of accounts and a VAT code. Complete additional rows due to additional expense accounts, if necessary. It is also possible to record an additional memo in relation to this bill and attach an actual copy or other relevant document as required. This will be attached as a link to the bill for future reference. Click **Save** once completed. It is possible to record a recurring template of this bill as described previously on invoice entry.

Bank Feeds

One of the most useful and time-reducing features on QuickBooks online is the live bank feeds. Clients who bank online can link their bank account within QuickBooks to their actual bank account & pull in all transactions.

If they do not to wish to or cannot use the live feed, they can download transactions from their bank by logging in their usual way then uploading those transactions into the QuickBooks program. If they choose this option QuickBooks will upload transactions from the following file types – OFX, QBO, QFX & CSV.

In order to link a bank account, clients should select **Transactions > Banking >Add account**

The next step is to select their bank from the list of available banks and building society, there are currently over 80 listed and if they cannot find their bank there is an option to recommend a bank for integration.
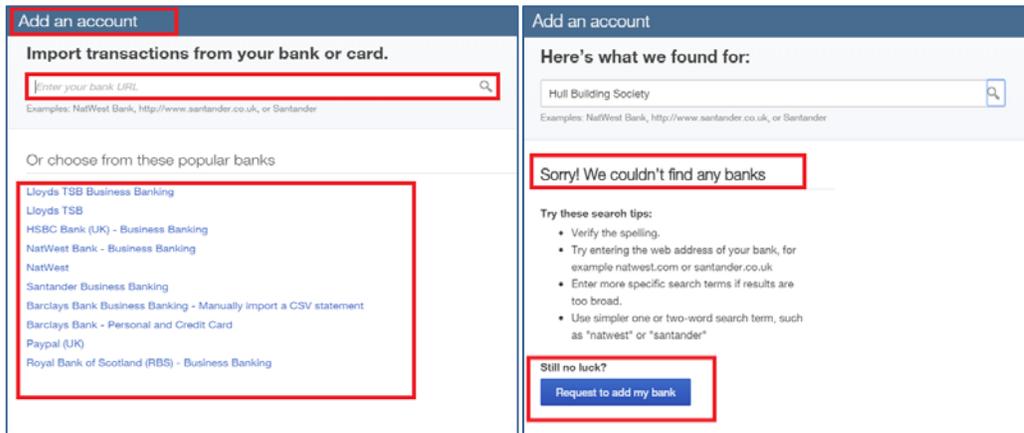
After they have selected their account they will next need to enter the security credentials required by their bank. It is important to note that these are the same credentials that are used to gain access to their online account. If their bank requires a card reader & card to be present to gain access, then QuickBooks Online will require the same.
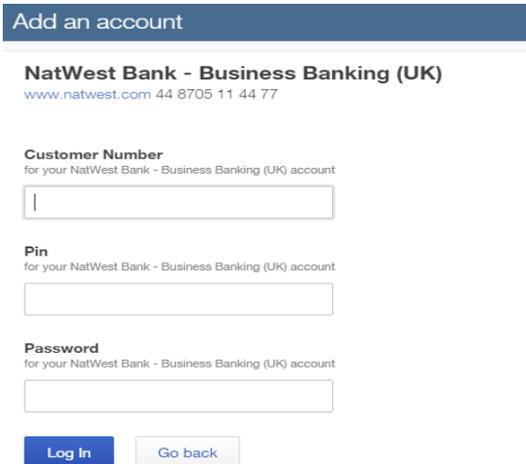
If no card reader is required, then the credentials will only need to be entered once for the data to flow through every 24 hours – or by selecting the **Update** button.
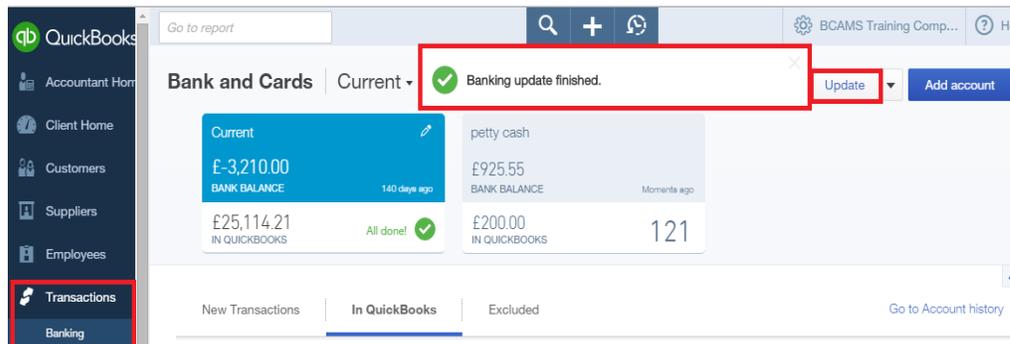
In order in upload transactions that have been previously downloaded from the bank select
Transactions > Banking > Update (down arrow) > File upload
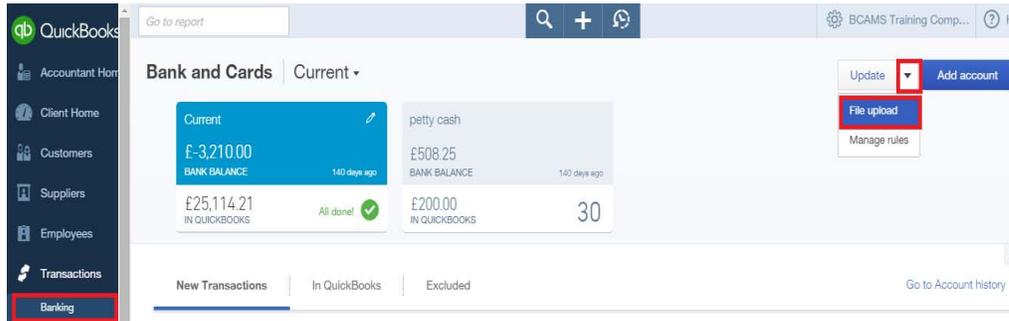
The client will need to select the saved file from the relevant computer drive, this will need to be in a
CSV, QFX, QBO or OFX format. Then select **Next**.
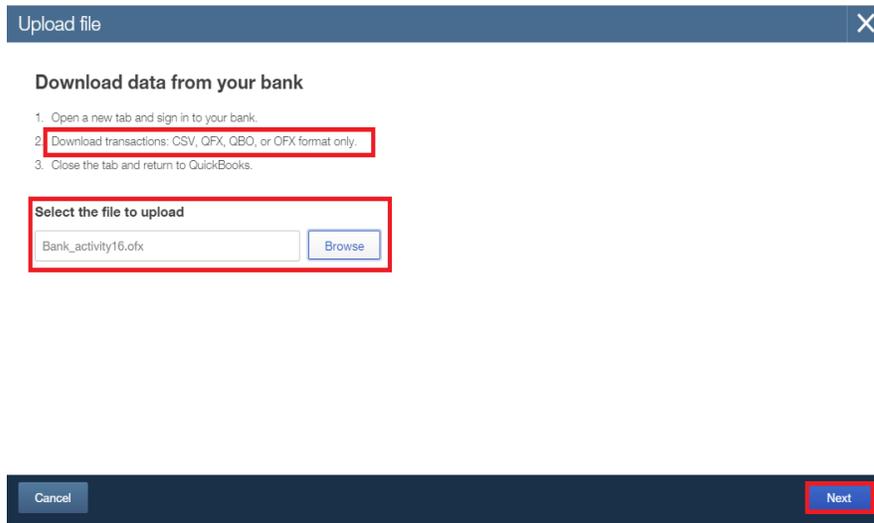
The next step is to select the relevant bank or credit card account in QBO listed under **QuickBooks
Account** to which the relevant online bank account should be linked. Select **Next.**
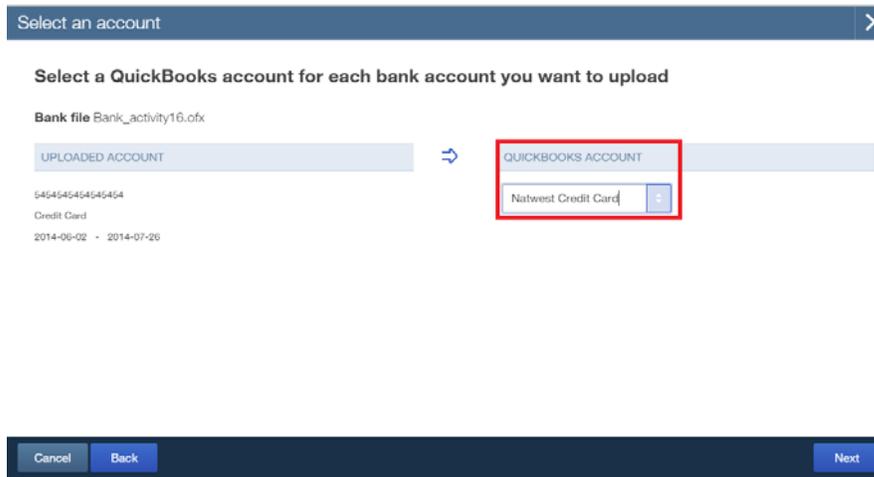
Once the transactions have been updated clients can **modify** the relevant the transaction's account, class, location and VAT code for each transaction.
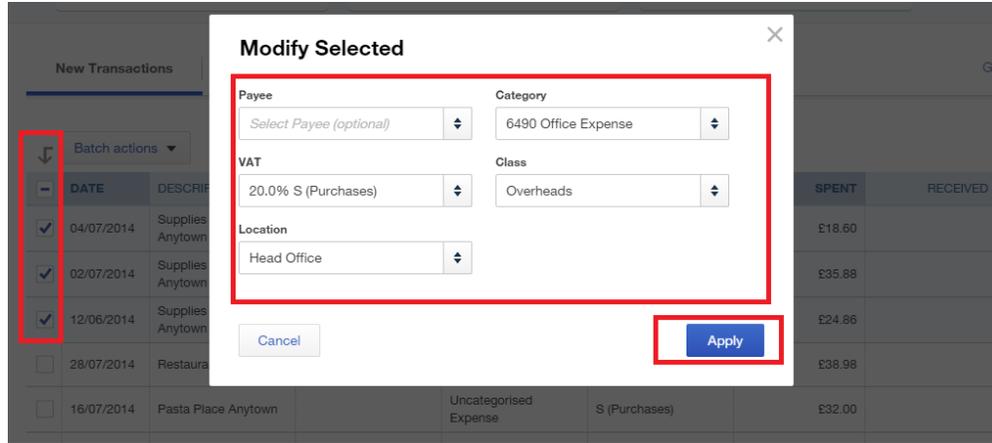
Clients can select transactions individually and then select **add** or select similar transactions which require the same category and Vat code and then accept these as a batch.

Match

In addition, QBO will **match** transactions where there is payment or receipt are already in QBO with the same value & payee. QBO will not enter these automatically but the client will need to accept the match having the option to choose an alternate match if necessary. Even if the payment or receipt has not been entered, QBO with attempt a match to outstanding invoices or supplier bills for name specified. The client has control by accepting the match or using the **Find Possible Matches** option to select alternative transactions. Once selected they are able to accept these transactions individually or as a batch which is a great time saving tool.

Bank Rules

The bank rules which are accessed via **Transactions > Banking > Update (down arrow) > Manage rules** go beyond the automatic memorising and categorising that QuickBooks Online does. For recurring bank transactions, rules can save you lots of time by scanning bank items for certain the details you assign for such as payee or amount or bank reference.
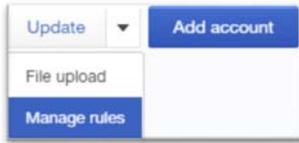
When setting the rule, it is possible to set the category, split by class and location (Essential and Plus), split by percentage and add a memo. Basically the same information that you would enter on a standard bank transaction.

Just as in the **match** function QBO will now recognise transactions where the conditions of the rule have been met & mark those transactions with the green **Rule** symbol.

	DATE ▾	DESCRIPTION	PAYEE	CATEGORY OR MATCH	VAT	SPENT
☐	28/07/2014	Restaurant Anytown		Meals & Entertainment	S (Purchases)	£38.98
☐	26/07/2014	Supplies Depot Anytown		Uncategorised Expense	S (Purchases)	£35.10
☐	23/07/2014	Supplies Depot Anytown		Uncategorised Expense	S (Purchases)	£24.68
☐	16/07/2014	Pasta Place Anytown		Uncategorised Expense	S (Purchases)	£32.00
☐	15/07/2014	Amazon	Amazon	**RULE** Books and Publications	0.0% Z (Purchases)	£35.10

Any items added, matched or recognised and then added using the rule function will move from the **New Transaction** section to the **In QuickBooks** section. It is this that constitutes the posting of an item into QBO. Up to this point they are just held as pending attention.
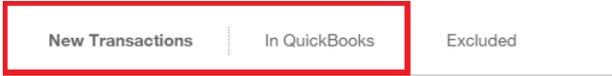
In addition to the Add, Match and Rule functions, the **Exclude** function gives the user the ability to remove any item from the list that has been duplicated, entered in error or is a contra item. This item then be can be deleted should they wish.

If an item is excluded in error the **Undo** function is available to reverse the exclusion and the item will be transferred back to the **New Transactions** tab where it can be matched or added as required.

All of these great functions available in the banking section allow businesses to reduce the time taken to re-key transactions, improve the time taken to enter recurring bank entries and ultimately reduce the time and manual matching of the bank reconciliation.

This is an important key difference between the desktop and online products and important feature for many companies who want to improve on business efficiencies.

Multicurrency

One of the advantages that QuickBooks Online Essentials has over Online Simple Start is its ability to handle multiple currencies and track currency gains and losses. QBO clients can trade in over 145 foreign currencies just as easily as they do in British Pounds Sterling. It is imperative that the correct home currency is chosen during setup & that users understand that **once multicurrency is turned on it cannot be turned off and the Home Currency becomes fixed.**

QuickBooks Online downloads the latest exchange rates from Wall Street Online automatically every 24 hours & updates the default exchange rate for each currency. Companies can now invoice and accept bills in their customer's and supplier's home currency and also review their debtors and creditors balances converted into their own home currency. Each transaction reflects this exchange rate. These exchange rates however can be overridden either in the currency centre to set a new default code or on each transaction.

On payment or receipt QBO calculates the profit or loss on the currency exchange between the value of the original transaction and the value at the time of payment.

Let's imagine that out architect is invoicing a customer in Euros for work that he did on a drawing. The first step when setting up the customer is to select the currency in which they are to be invoiced.

Next, it's time to invoice the customer. Select '**+' > Customers > Invoice**. Select the customer you wish to invoice. Complete the invoice as required selecting the correct EC VAT rate for the goods or service provided. At the top of the invoice the default exchange rate is shown and at the bottom of the invoice, see that QuickBooks Online Essentials automatically converts the foreign amount to Pounds Sterling, the chosen home currency for this QBO company.

Financial Reports

QuickBooks Online Essentials offers clients over 40 one-click financial reports to assist in managing cash flow and finances. To access these reports, select **Reports > Recommended>Profit & Loss.**

Look at the Profit & Loss report. QuickBooks Online features the ability to drill down on numbers in reports to see more detail. For example, suppose we wish to view all of the invoices that contributed toward sales. Click the amount next to **Sales** on the Profit & Loss, and all of the relevant invoices will be displayed. You can also click on each individual amount to be taken straight back to the original transaction (for review, editing, or deletion).

Drill down on the report figures to view the transaction details.

These individual transactions add up to this total.

There are a number of customer-related reports such Sales by Customer Summary. This report will display exactly how much business was conducted with each customer over a specific date range. You can find this at **Reports > All Reports > Review Sales > Sales by Customer Summary.**

QBO users get a clear view of the overall state of their businesses with the **Company Snapshot**, which is a graphical dashboard showing company income and expenses, all compared to the previous year's performance. This also displays what a company is owed (receivables) and what the company owes (payables).
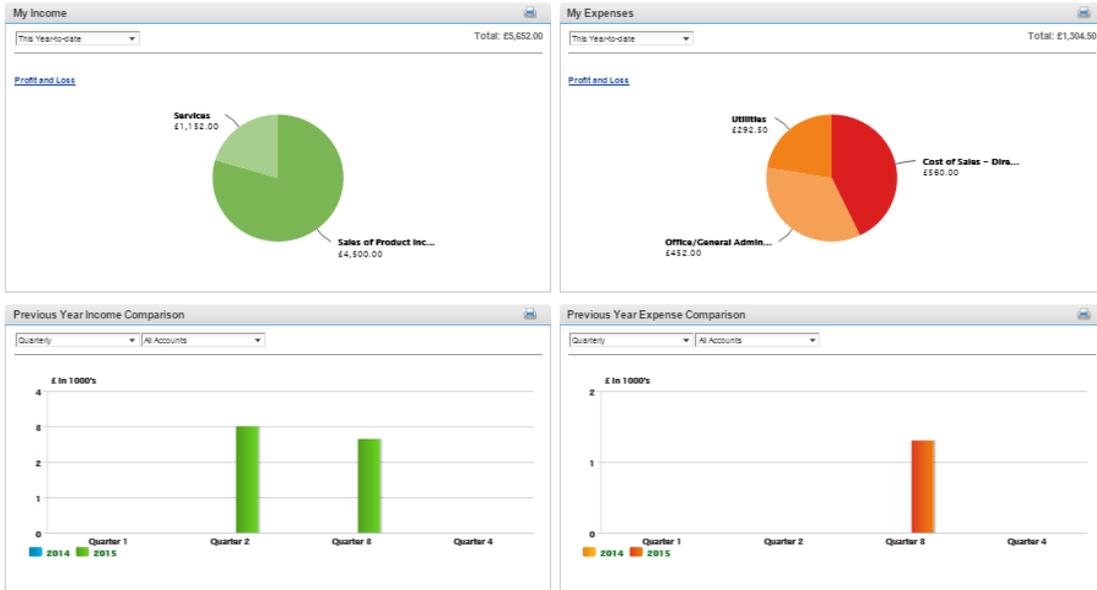
Managing VAT

With QuickBooks Online, QBO users can spend far less time keeping track of their VAT. QuickBooks Online manages their VAT, monitoring the VAT that QBO users pay and receive. It can show their VAT liability, and gives them all the information they need to fill in their VAT return. QuickBooks Online Essentials also includes a VAT Exception Report, to help them manage VAT amounts that change after they've submitted their VAT return. Please note that QuickBooks Online now supports Flat Rate VAT Scheme both on a cash and accrual basis.

First begin by selecting the **VAT** Menu. There is the option to run numerous VAT reports such as a VAT Detailed Report, which will show all transactions recorded and the VAT applied to each.

By selecting **Prepare return**, this will show the total amount of VAT collected on sales to customers less the total amount of VAT paid on purchases to suppliers.

VAT Description	Box	Amount	Balance	
VAT due on sales and other outputs	Box 1	£300.00		Adjust
VAT due on acquisitions from other EC Member States	Box 2	£0.00		Adjust
Total output tax due	Box 3		£300.00	
VAT reclaimed on purchases	Box 4	£217.02		Adjust
Net VAT to pay (or reclaim)	Box 5		£82.98	
Net value of sales	Box 6	£1,652.00		
Net value of purchases	Box 7	£1,304.50		
Net value of supplies to other EC Member States	Box 8	£0.00		
Net value of acquisitions from other EC Member States	Box 9	£0.00		

Amount you owe in VAT: £82.98

The difference between VAT collected and VAT paid out, otherwise known as the net VAT to pay, is shown in box number 5. Here, a negative figure will indicate a VAT refund and a positive number will indicate VAT owing.

Once satisfied with these numbers, submit the information online to HMRC simply and easily, directly from QuickBooks Online. First select **File online with HMRC,** this takes the QBO user directly to the HMRC website to record the liability. Once VAT return has been filed, select **Mark as Filed** in QuickBooks Online. Please note that once the VAT return has been Marked as Filed in QuickBooks Online, the user will be unable to make any further changes to the VAT return.

 In order to record the payment or receipt select **VAT > View VAT History** then select the period for which payment or a refund has been made or received. Choose **Record** under the payments section and then the **Pay VAT** window will pop up. Then the client will need to record the payment or refund details and save.

Please check the www.QuickBooks.co.uk website for the most up-to-date pricing on QuickBooks Online Essentials, as it can be subject to change.

Let us know see how QuickBooks Online Plus can work for a larger company with stock and more complex needs.

QUICKBOOKS ONLINE PLUS

QuickBooks Online Plus is best for business owners wishing to plan ahead and which have busy financial departments. QuickBooks Online Plus offers everything in QuickBooks Online Simple Start and QuickBooks Online Essentials, and more.

In addition to Essentials , our client will be able to:

- Have up to five users (in addition to the 2 accountant users)
  This is the number of people who can use QuickBooks Online Plus. As with QuickBooks Online Essentials, different levels of access can be set for different users, to protect sensitive data and reduce the chance of errors.
- Track your cash flow with over 65 financial reports
  Automatically generate reports showing important information about the QBO users' businesses.
- Classify transactions by business area – Class & Location (Plus only)
  QBO users can classify income and expenses for separate areas of their businesses. This powerful feature allows our users to keep track of how different parts of their businesses are performing and can be useful in many situations. Examples include monitoring the performance of different branches of a company, keeping track of the performance of individual departments and managing the accounts of

subsidiary companies. QBO Plus users can categorise income and expenses by department, type of business, or by any other area they choose. They can then view reports like Profit & Loss for each individual area.

- Create Purchase Orders and Track Stock
  QBO Plus users can enable the stock function. QBO plus tracks stock using FIFO and also enables users to create purchase orders for stock items and adjust stock items on hand.
- Create budgets and compare to actual performance
  QBO Plus users can set monthly, quarterly or annual budgets to predict their income and expenses, and then track their actual performance and compare it to the budget. This features help QBO Plus users' businesses stay on target.

Class Tracking and Location Tracking

QuickBooks Online Plus allows users to categorise transactions more granularly and finely (than solely by account) by adding categories to specify business areas, either with class (for tracking department or type of business or some other parameter) or location tracking or both. QBO users can track how different parts of their businesses are performing, and this can be useful in many situations. For example, this feature allows for monitoring the performance of different branches of a company or even keeping track of the performance of individual departments. They can then view reports such as a Profit & Loss for each individual area.

Although both class tracking and location tracking track revenues and expenses for separate parts of a business, classes and locations behave differently from each other.

With class tracking, a different class may be specified for each detail line of a transaction. Only one location, on the other hand, may be assigned to an entire transaction.

A second difference is that one cannot manage groups of transactions by class, but this can be done by location. For example, one can see all the payments for one location and deposit them as a group.

The following chart summarises the way in which locations and classes behave differently from each other:

Class tracking	Location tracking
You can specify a different class for each detail line of a transaction.	You can assign a location to an entire transaction only.

Class & Location Tracking

To turn on class tracking, select Company Cog > **Company > Preferences > Categories**

Once class tracking is turned on, choose whether or not a warning should appear if a transaction is saved without a class. Then specify whether sales transactions should have one class for the entire transaction or one class per detail line in the transaction.

With class & location tracking enabled, the Class List & Location List appears in the **Lists** page, accessed by selecting **Company Cog > Lists > All Lists**

To add a new class, select the **New** button at the top of the page.

Enter the name of the new class, and select **Save**.

New Locations are added in exactly the same way.

To view a **Profit & Loss by Class** report, select **Reports > All Reports > Business Overview > Profit & Loss by Class**.
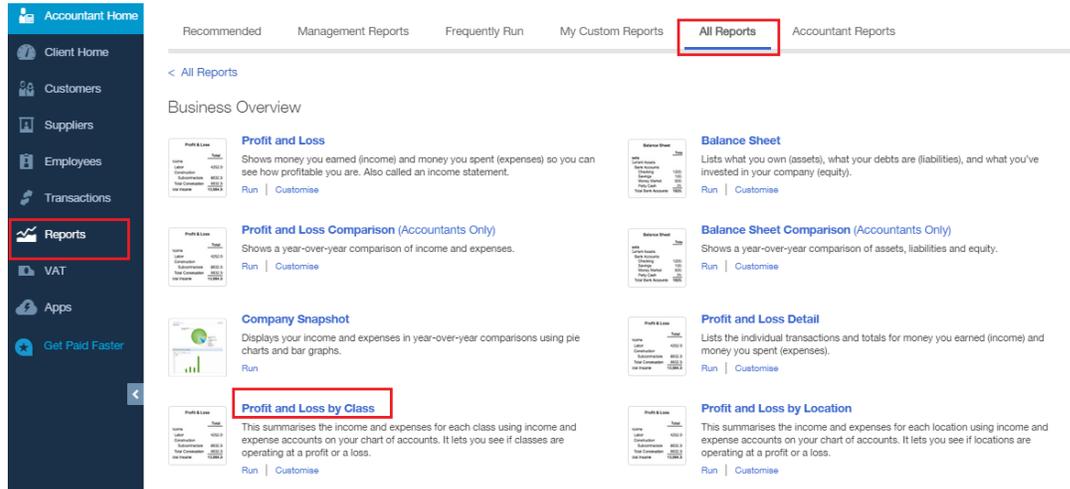
BCAMS Training Company
PROFIT & LOSS BY CLASS
July 2014 - June 2015

	HULL	LONDON	OVERHEADS	TOTAL
Income				
2051 Cleaning	85.00	5,965.00		£6,050.00
2053 Fencing		1.00		£1.00
2054 Property Maintenance	3,400.00			£3,400.00
2055 Rental Income	25,000.00	25,000.00	52,500.00	£102,500.00
Total Income	£28,485.00	£30,966.00	£52,500.00	£111,951.00
Gross Profit	£28,485.00	£30,966.00	£52,500.00	£111,951.00
Expenses				
6000 Advertising and Promotion			790.00	£790.00
6040 Bank Service Charges			75.00	£75.00
6330 Insurance Expense			9,000.00	£9,000.00
6470 Miscellaneous Expense			159.16	£159.16
6490 Office Expense	95.22			£95.22
6650 Postage and Delivery			75.00	£75.00
6670 Professional Fees	6,713.00	2,820.00	3,000.00	£12,533.00
6710 Rent and Rates		13,000.00	3,000.00	£16,000.00
6810 Telephone	151.60	227.40		£379.00
6980 Uncategorized Expenses	11.02			£11.02
Meals & Entertainment	33.24		32.48	£65.72
Total Expenses	£7,004.08	£16,047.40	£16,131.64	£39,183.12
Net Operating Income	£21,480.92	£14,918.60	£36,368.36	£72,767.88
Net Income	£21,480.92	£14,918.60	£36,368.36	£72,767.88

The Profit and Loss by Location is run in exactly the same way.

Budgets

QuickBooks Online Plus features a tool to create budgets and compare these budgets to actual performance. With QuickBooks Online Plus, users can set monthly, quarterly or annual budgets to predict their income and expenses. These budgets can be used as a great management tool and to help businesses stay on target. To access budgets, select **Company Cog > Tools > Budgeting.**

Click **New Budget** to create a budget for a monthly, quarterly or annual period.

Follow the screens and answer the questions in the **Mini Interview**. You will see that you have the option to create a new budget starting with actual amounts previously entered in QuickBooks Online, or use amounts from an existing budget, or you have the option to start a budget from scratch.
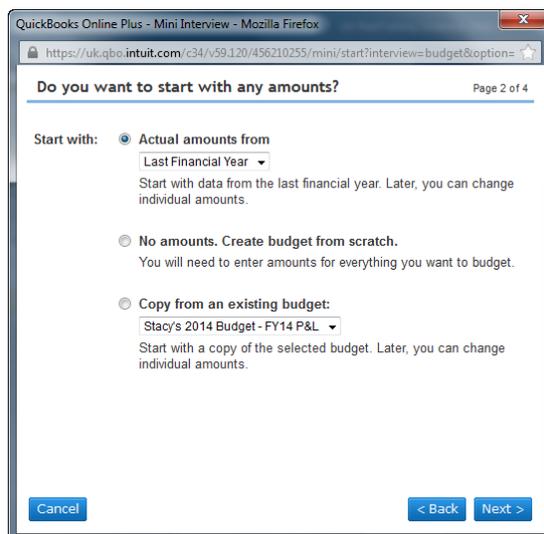
Budgets are created by account (and by month, quarter, or year). You will also have the option to subdivide your budget in further detail by location, class, or customer (assuming that Location Tracking and Class Tracking are turned on in the Preferences; see below). This is particularly useful for those business owners who wish to set budgets and control company finances in a more granular fashion.

QuickBooks Online Plus - Mini Interview - Mozilla Firefox

https://uk.qbo.intuit.com/c34/v59.120/456210255/mini/start?interview=budget&option=

Do you want to subdivide your budget?   Page 3 of 4

Every budget tracks amounts in at least two dimensions: accounts and months.

You can add a third dimension to your budget by subdividing it. This lets you track
separate amounts for each location, each class, or each customer.

Subdivide by: ⦿ **Don't subdivide**
                   Enter just one set of amounts for each account.

                ⦾ **Locations**
                   Enter amounts for each account for each location.

                ⦾ **Classes**
                   Enter amounts for each account for each class.

                ⦾ **Customers**
                   Enter amounts for each account for each customer.

Cancel   < Back   Next >

Highlight the relevant row in the budget you wish to create (if the new budget is being created from scratch) or change (if the new budget is being created from historical amounts or from another existing budget). If the budget is being subdivided by location, class, or customer, specify whether a row refers to an account or to a location/class/customer. If a row refers to an account, specify which location/class/customer is having its budget entered by account and vice versa. Then, use the relevant month fields (or choose entering by quarter or year) at the bottom of the budget screen to record the budget amount. If you wish, select **Copy Across** after entering the budget figure in the first month or quarter, to save keystrokes and prevent errors.

Budgets   How Do

Select Budget yyy - FY13 P&L Classes ▾   Rename...   Delete...   New Budget...

yyy - Jan 2013 through Dec 2013 Profit & Loss with Classes

Show rows as accounts ▾ for this class Rural ▾   ☑ Show Blank Rows   View By Month ▾

Accounts	accounts	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Income	classes													
40000 Sales														
Billable Expense Income		33	33	33	33	33	33	33	33	33	33	33	33	396
Discounts given														
Markup														
Merchandise Sales														
Sales Discounts														
Sales of Product Income														
Service Sales														
Shipping Income														
Uncategorised Income														
Cost of sales														
Cost of sales														

Edit - Discounts given for Rural

Enter by Month ▾   Copy Across   Clear   Revert   Row Total: £

Jan: Feb: Mar: Apr: May: Jun:
Jul: Aug: Sep: Oct: Nov: Dec: Save & Next

Finished

Select **Save** once the budget for a particular row has been completed. When the entire budget has been completed, select **Finished**.

To see how a budgeted figures compare to actuals for the same period, select **Reports > All Reports > Business Overview**. Then select the report **Budgets vs. Actuals**. To review a budget without comparing to actuals, select the **Budget Overview** report instead.
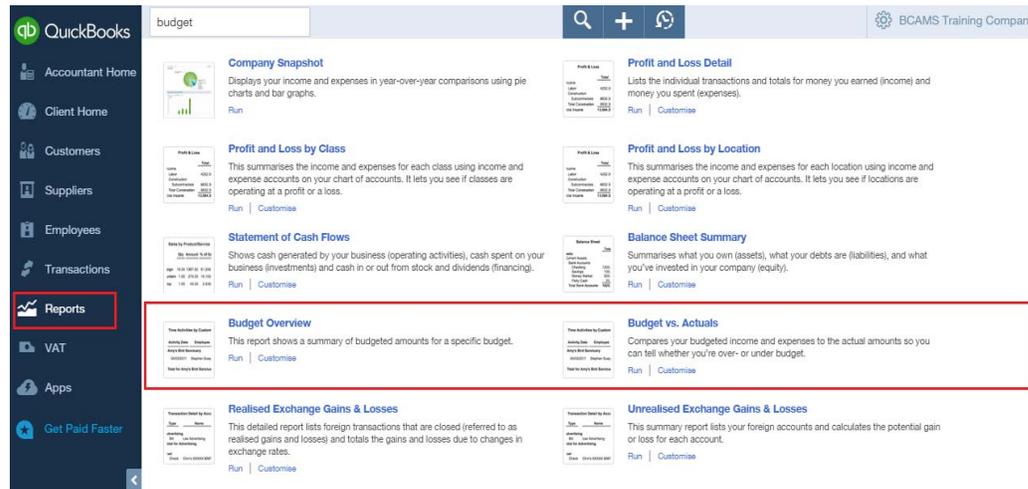
Please check the www.QuickBooks.co.uk website for the most up-to-date pricing on QuickBooks Online Plus, as it can be subject to change.

Finally, you should also be aware that QuickBooks Online customers enjoy have full telephone and online support. There is no extra charge for telephone support with QuickBooks Online, and QBO users can call QuickBooks as often as they like from 8am-8pm on working days. In addition, QBO users can search hundreds of help articles on our support website as well as find answers with the robust in-product **Help** and **How do I?** links within the product to get help with QuickBooks Online.

CHOOSING THE RIGHT QUICKBOOKS DESKTOP PRODUCT FOR YOUR CLIENT

Let's now have a look at the QuickBooks desktop product range that you might recommend to a client.

For this example, let's choose a business owner who owns a fireplace shop. She both supplies and installs the goods and employs a fitter and a part-time sales assistant. She sends estimates & invoices to customers and sells accessories within the store.

As the business has grown, so has the need to automate the accounting so that she can manage the stock on hand, monitor her sales and understand how profitable each job has been.

Like many new small businesses, she did not go into business to manage the finances, but rather to manage the business. But as an accounting professional, you know that to stay in business, she must do some basic financial management.

Let's see how QuickBooks Pro can help with this task.

QUICKBOOKS PRO

How is QuickBooks Pro a solution for the fireplace shop?

QuickBooks Pro was designed for small businesses and will help the business owner to understand her finances simply and easily, and will ensure that she uses his accountant's time effectively.

Using QuickBooks Pro, our business owner will be able to:

- **Get started quickly and easily**
  QuickBooks is easy to set up and use. Our business owner can use the simple set up interview, and that will get her started in minutes. Easy-to-follow tutorials show users how to use key features and it includes 30 days of free telephone support to get the QuickBooks user's questions answered.
- **Have up to five concurrent users**
  This is the maximum number of people who can use QuickBooks Pro at one time. QuickBooks Pro users can set different levels of access for different people, to protect sensitive data and reduce the chance of mistakes.
- **Import and export data from and to other software quickly and accurately**
  QuickBooks Pro users can get up and running quickly by importing customer and supplier details from the tools they currently use to track their finances. They can import data from Excel spreadsheets as well as from previous versions of QuickBooks automatically.
- **Create estimates and then turn them into invoices in one click**
  Our QuickBooks users can still create professional estimates using customer records stored in QuickBooks Pro and up. They can add customer and service or product (to track stock) details, save, print or send estimates using their own identifiable email address, and turn estimates into invoices easily when the job is done. Furthermore, they can add available time and costs to the invoice for a specific job.
- **Create and send invoices and estimates directly to customers using popular email clients such as Microsoft Outlook**
  Our business owner can create and send invoices in seconds. She can even design invoices just the way she wants them to appear. For example, she can choose from a selection of templates, customise all aspects of the invoice design, and choose which information to include along with her logo.

  QuickBooks connects to popular email clients such as Microsoft Outlook and webmail services like Gmail, Yahoo Mail and Hotmail/Live, so that a QuickBooks Pro user can send invoices and estimates directly from his or her own identifiable email address (as opposed to a generic email coming from QuickBooks Pro) to the intended recipient. This will save time as there is no need to attach documents to emails manually and will make emailed forms appear professional, as they will all come from one identifiable (generally based on a company domain name) address. Therefore, email integration makes it easier to create and send invoices, estimates and other documents without having to log in to an email client or webmail service separately
- **Track Sales, Expenses and Profit by job**
  QuickBooks Pro maintains an up-to-date view of all our business owners' sales, full details of any expenses associated with the sale and a clear view of the profit by job. This means it's easy to monitor the day-to-day running of her business.

- **Batch Invoicing**
  QuickBooks Pro users can create full sets of invoices for groups of similar customers receiving the same product or service. Just create the invoice once and choose which customers are to be the recipients. Invoices in batches can be emailed directly from QuickBooks, without having to open any other software. Imagine running QuickBooks in a gym or day care environment (or in any business requiring sending the same invoice to multiple customers). The Batch Invoicing feature saves those QuickBooks users a LOT of time. Instead of creating an invoice one by one and sending it to each individual customer, simply create one invoice, and then choose multiple customers, all at the click of a mouse.
- **Manage supplier bills and payments with the Bill Tracker**
  The Bill Tracker gives customers up-to-date information about outstanding bills and purchase orders. Users can therefore see how much they owe to which suppliers, see instantly which payments are almost due or overdue and create batch payments.

- **Stock, set reorder points and create purchase orders**
Keep an eye on stock level. See how items flow in and out of the business; QuickBooks will prompt users to reorder when stocks fall below a certain point; then allow them to create purchase orders to send to suppliers.

- **Handle as many foreign currencies as required**
*Users of QuickBooks Pro and up can trade in over 145 currencies just as easily as they do in British Pounds Sterling. They can work with international customers in their own currencies, convert back to Pounds Sterling (or whatever they have chosen as the Home Currency) using the latest exchange rates and understand gains and losses caused by rate fluctuations. *Please note there are some features of Pro, Premier and the Accountant edition of Premier that become disabled once multicurrency is enabled – this information is available prior to turning on this feature.*

- **Include an optional payroll system RTI compliant (at an extra cost)**
QuickBooks Pro is available with QuickBooks Payroll, an option available at an extra cost. This presents a full and complete accounting and payroll system for businesses that is fully RTI and Auto Enrolment compliant. Users can manage every aspect of their company's payroll, run payroll as often as they like for all employees, generate payroll returns automatically and file them online with HMRC from within the product. QuickBooks Payroll is a quick, easy way to run a company's payroll in-house. A fixed monthly charge gives QuickBooks users access to all payroll and accounting software functions. The package also includes on-going updates to make sure that the software and the payroll tax tables stay up-to-date.

- **Gain access to 100+ financial reports to see where the business stands quickly and easily**
Users of QuickBooks Pro and up can generate reports showing important information about their businesses. Key available reports include the Profit and loss, Balance sheet, Cash flow statement, Account listing and Sales by Customer.

- **See the company finances at a glance with the Company Snapshot**
Users of QuickBooks Pro can have a clear view of the overall state of their businesses with the Snapshot a pictorial dashboard showing company income and expenses, with comparisons between the current year and the previous year's performance. Business owners can also see what they're owed & owe.

- **Keep on top of receivables with the Collection Centre**
From a single, simple screen, users can see what they're owed and which customer invoices are almost due or overdue.

- **Calendar view to help manage tasks, bills and invoices**
Users of QuickBooks Pro now have access to a calendar inside QuickBooks so they can stay on top of their businesses and handle important tasks. For each day, the calendar shows important 'to-dos,' tasks, bills and invoices that are due, as well as transactions that were entered on that day.

- **Quickly access customers and their balances with the Customer Snapshot**
The Customer Snapshot gives QuickBooks users a consolidated view of a single customer on a simple screen, displaying that customer's purchase history, how long they have been a customer, as well as see how long they usually take to pay, and any outstanding balance.

- **Automatic VAT returns and online filing for both Cash & Accrual, Standard and Flat Rate based schemes**
QuickBooks Pro users can do their VAT the fast, accurate way. QuickBooks accounting software uses financial information stored in the software to generate VAT returns for users. They create VAT returns in minutes and file their VAT returns online with HMRC from within the software.

- **Create budgets**
QuickBooks Pro users can plan ahead effectively by creating budgets for their businesses. They can set monthly, quarterly or annual budgets and track their performance and compare actuals to expected results.

- **Use QuickBooks Search to find accounts, invoices, contacts and transactions in moments**

  *Our business owner's QuickBooks company file stores a lot of key data for his business. QuickBooks Search saves time by locating what he seeks instantly. He can enter a relevant keyword into the **Search** field and QuickBooks will pull up all related accounts, invoices, contacts and transaction details. QuickBooks Search is a powerful way to search his complete accounting history in seconds. If our business owner used to sift through paper by hand to find information, this feature alone can save him hours each time it is used.*

Set Up Interview

Using QuickBooks Pro, our business owner will be able to get started quickly and easily. QuickBooks is easy to set up and use. A simple set up interview will get them started in minutes.
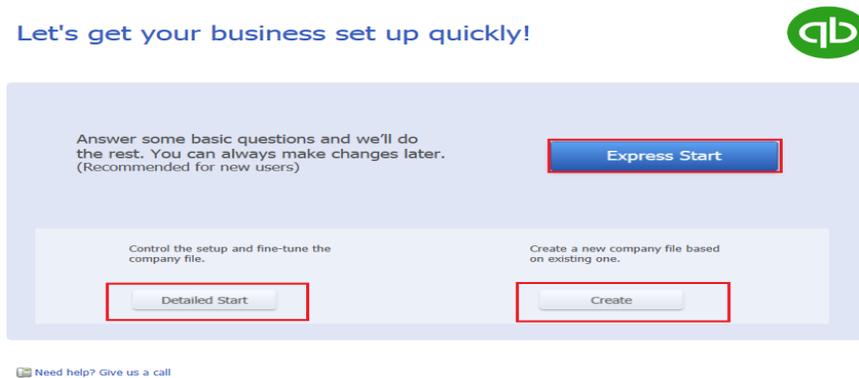
There is an **Express Start** in which basic essential information is provided in 4 easy steps. Any additional information can be added later using the **Edit > Preferences** option.

For a more detailed set-up the **Detailed Start** option will allow the user to tailor QuickBooks Pro to their company needs. It is useful to have a list of debtors, creditors and opening bank details if relevant to hand. In addition, the option will be given to create a chart of account suitable for the business needs and other preferences will be enabled.

Navigation

As you can see from the main home page, business owners can use QuickBooks Pro to record their customer sales invoices, sales receipts and also record any supplier invoices, expenses and credit card transactions. QuickBooks Pro maintains an up-to-date view of sales, full details of any expenses and a clear view of profit. This means it's easy to monitor the day-to-day running of a business.
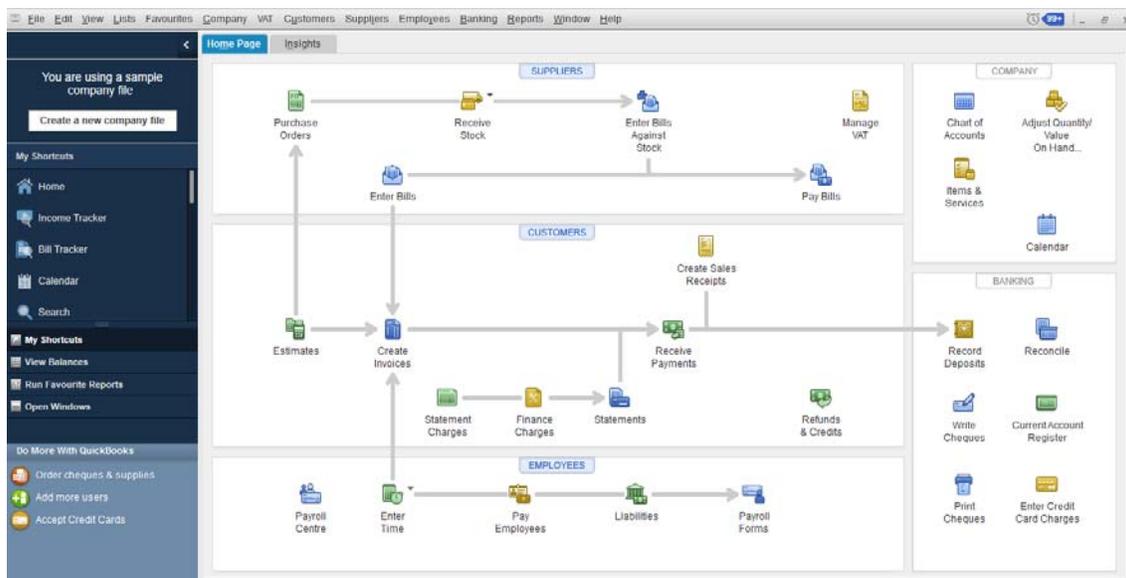
Financial Reports

In order to efficiently run their business, the business owner has access to over 100 reports to ensure financial diligence and aid in decision making.

To access the reports, select the **Reports** menu. Here, you will find a selection of customer, supplier, stock, job and employee related reports from Daily Sales Summary to Unpaid Invoices. To view company financial reports, select **Reports > Company & Financial.**
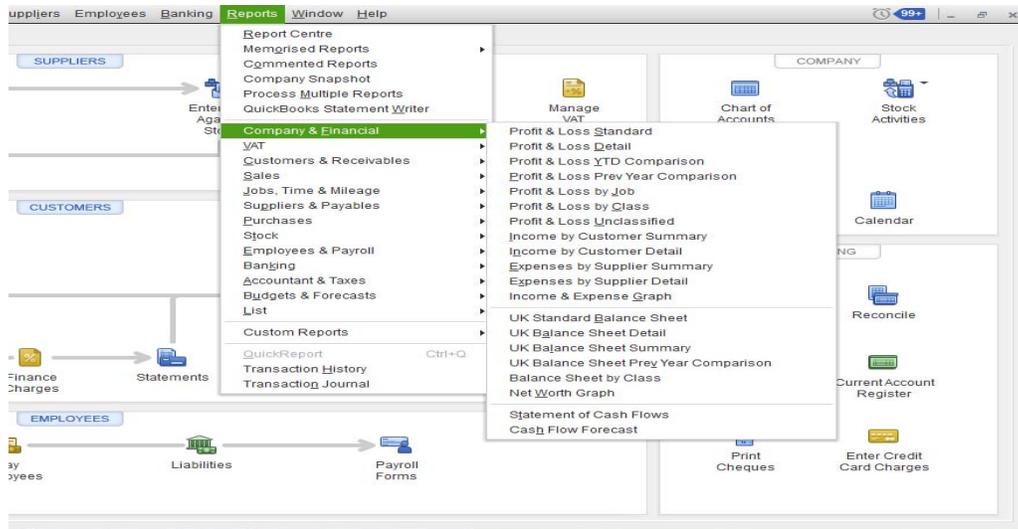
Remember to check the www.QuickBooks.co.uk   website for current pricing.

Additional Users

Using QuickBooks Pro, companies can have up to five users accessing the QuickBooks data at any given time using Multi-user Mode. Different levels of access can be set up for different users, in order to protect sensitive data and reduce the chance of errors.

Let's imagine that our business owner wishes to set up one of his family members as an additional user in order to help out with his bookkeeping. By setting up a new user in QuickBooks, the business owner can discern easily who recorded each transaction in QuickBooks. In addition, the business owner can limit this new user's access to prevent this person from getting into sensitive areas of QuickBooks and to prevent mistakes.

To set up a new user, select **Company > Set up Users and Passwords > Set up Users > Add User**. Then enter the new user name and password information.
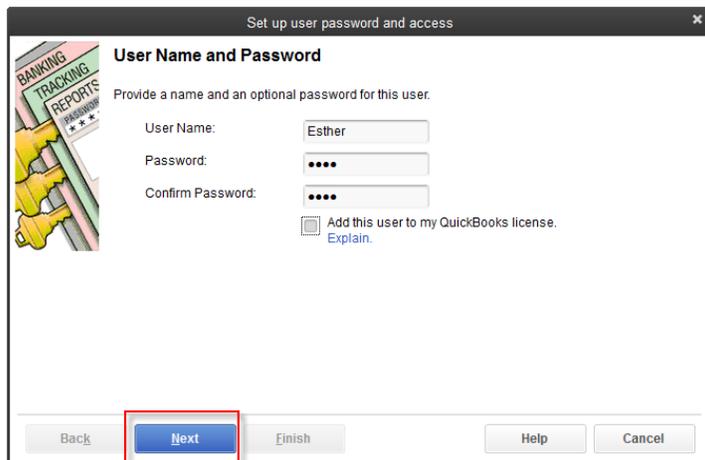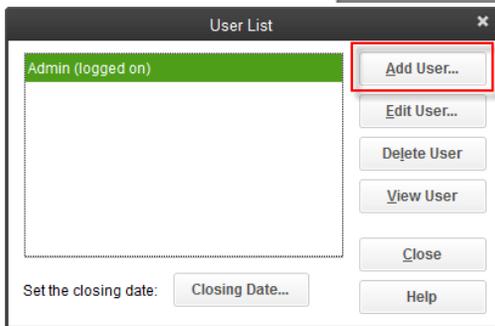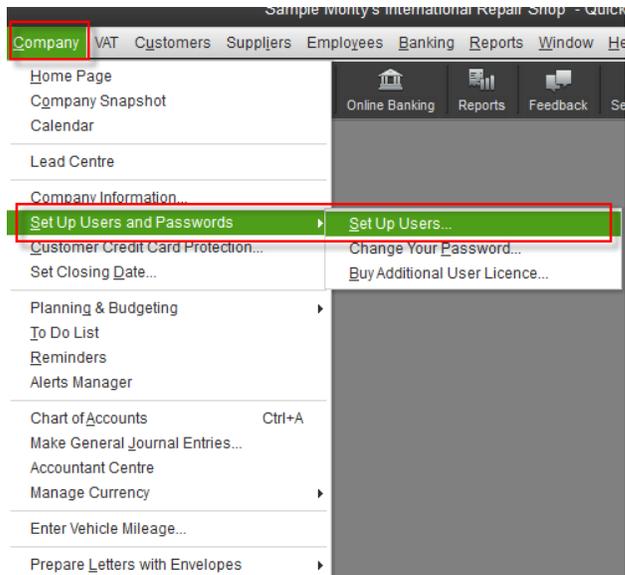
Next, specify the new user's access level. For example, for a new user who will be allowed access to certain areas only, click on the radio button next to **Selected areas of QuickBooks**. A series of more specific access screens to complete will follow.
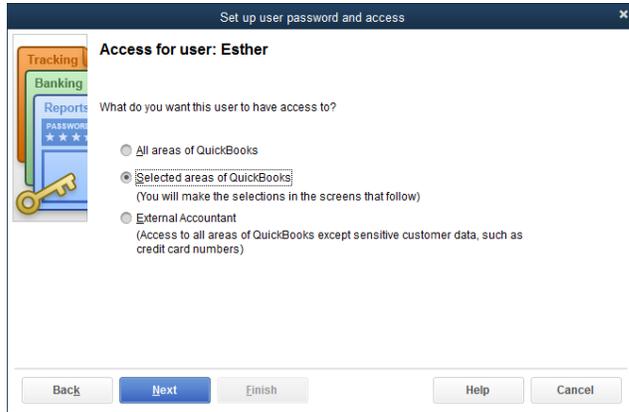
After the access screens have been completed, the business owner (the Admin user in the QuickBooks company file) can click on **Finish**. To delete, review or change any non-Admin user's access level in the future, return to the **Company > Set up Users and Passwords > Set up Users** screen, highlight the user in question and choose either **Edit User**, **Delete User**, or **View User**.
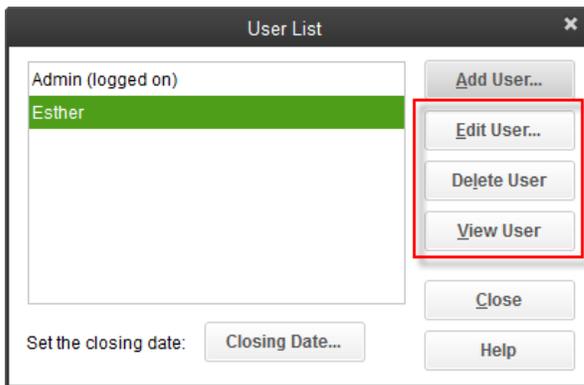
Import from Excel

To facilitate getting started with QuickBooks, one can import lists (such as customer and supplier details) from Excel quickly and accurately, thereby avoiding duplicate entry and transcription errors. Alternately a new record can be created for each new entity at a time.
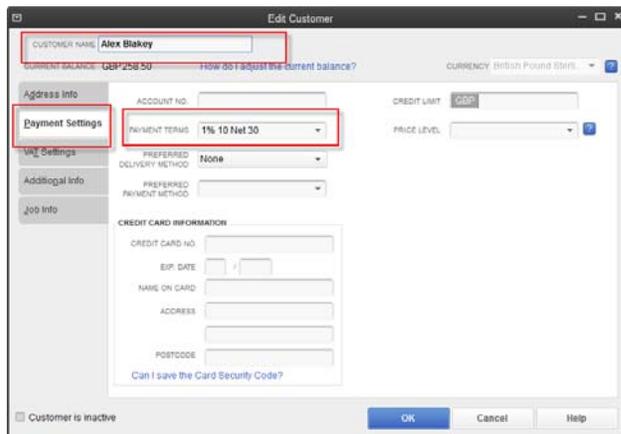
QuickBooks Pro has many different functions in relation to invoices, cash flow, VAT, stock and foreign currency. Therefore, you may have a large numbers of clients that this will be product will be suitable for.

Your typical QuickBooks Pro customers will be:

- Growing businesses
- Paying staff and reporting PAYE
- Requiring greater financial control

You would therefore recommend QuickBooks Pro for clients who:

- Need to use most or all accounting modules
- Want to eliminate the extra work they do in spread sheets, like calculating employees hours or creating purchase orders
- Want a desktop based accounting system
- Have commitment to do their own books or have staff to help them
- Typically have five or fewer QuickBooks users

Remember to check www.QuickBooks.co.uk website for current pricing.

QUICKBOOKS PREMIER

Let's go back to our example of the business owner. Business has grown again, and they are able to hire more staff, a site supervisor and even an office administrator. They now offer a wide and comprehensive range of services and have extended their premises to hold stock on site.

Let's see how QuickBooks Premier can help our business owner stay in touch with the details of the growing business.

How is QuickBooks Premier a solution for the business owner? QuickBooks Premier not only helps our business owner to keep track of his accounts; it also helps him budget and create cash flow forecasts, enabling him to manage cash flow effectively. QuickBooks Premier offers everything in QuickBooks Essentials and QuickBooks Pro and more.

In addition, our business owner will be able to:

- **Create back orders for out-of-stock items, and set stock aside**

  When our business owner is out of stock on an item, QuickBooks will let him create back orders for his customers. Customers can buy from him even when he's out of stock, and QuickBooks will show those orders as being on back order. QuickBooks can also be used to allocate incoming stock to specific customers.

- **Use different units of measure**

  Our business owner can use different units of measure, so she can buy and sell in different units. For instance, if she sells marble polish, she can purchase polish by the case and sell it by the bottle.

- **Flexible pricing – set prices and discounts by customer, job, item or currency**

  QuickBooks will provide our business owner with complete freedom to price products and services the way that suits her business. For example, she can set discount levels for specific customers or jobs, change prices easily and offer special deals to match or beat competitors.

- **Track time and highlight unbilled expenses before you invoice**

  Our business owner can track exactly how much time and money her company spends on every job. She can track anything, from plastering to installation, know exactly how much work has been done for every customer and always invoice for a fair, accurate number of hours and for whatever expenses have been incurred.

- **Build financial forecasts**

  Our business owner can predict her company's performance by creating financial forecasts for sales or expenses. She can alter forecasts to see how different situations would play out.

- Gain access to 135+ financial reports, which will enable QuickBooks users to see quickly and easily where the business stands
  Automatically generate reports showing important information about the business.

Remember to check www.QuickBooks.co.uk website for current pricing.

Your typical QuickBooks Premier users will be:

- Growing businesses
- Require tracking of sales orders and back orders
- Require multiple units of measure and stock assembly
- Require more elaborate financial forecasting
-

WHEN MIGHT QUICKBOOKS NOT BE THE ANSWER?

QuickBooks offers a range of different products to accommodate many business sizes and needs, and for most businesses, one of those products is going to be a great solution. However, it's important to understand that there are some rare occasions where QuickBooks may not be the best solution for your clients. Please review the following before recommending QuickBooks:

Company Size

- If your customer's business generates more transactions than QuickBooks can handle, this could slow down some of the general functionality, such as running reports or searching for transactions.

Multiple Users

- If your client requires access for multiple users, it is important to note what QuickBooks can offer. QuickBooks Online allows for the following number of users in addition to the accountant user: Online Simple Start allows for one, Online Essentials allows for three, and Online Plus allows for five. In the world of QuickBooks desktop, QuickBooks Pro and Premier offer up to five concurrent users.

- **Record space for item list**

The maximum number of items that QuickBooks Pro and Premier can record in a list is as follows:

List Limits QuickBooks Pro & Premier	
List name	**Number of items**
	Pro/Premier
Terms (A/R and A/P)	10,000
Billing Rate Level	100
Chart of Accounts	10,000
Class	10,000
Customer Message	10,000
Each Customer Type, Supplier type, Job Type	10,000
Fixed Asset Item	10,000
Item	14,500
Items in a Group or VAT Group	20
Memorised Report	14,500
Memorised Transaction	14,500
Name (Customer: Job, Supplier, Employee, Other names	14,500
Payment Method	10,000
Payroll Item	10,000
Price Level	100
Sales Rep	14,500
VAT Code	10,000
Ship Via	10,000
Templates	10,000
To Do	10,000
Units of Measure	10,000

SYSTEM REQUIREMENTS

QuickBooks Desktop System Requirements

There are also some system requirements that need to be in place before QuickBooks desktop can be installed onto a computer; check that your client meets the minimum requirements before offering them a QuickBooks product. The minimum requirements are:

- Operating system:

    o Windows 10

    o Windows 8 (also works on 64-bit version), or

    o Windows 7 (also works on 64-bit version), or

    o Windows Vista (SP1 - also works on 64-bit version), or

    o Windows XP (SP3)

- Processor speed:

    o 2.0GHz (2.4GHz recommended)

- Memory:

    o 1GB RAM for single-user version

    o 2GB RAM recommended for more users

- Disk drives:

    o 2.5GB hard disk space, plus space for data files

    o Additional 250MB for Microsoft .NET runtime files (provided with software)

    o 4 x CD-ROM drive, if installing from CD

- Screen resolution:

    o 1024 x 768, in 16-bit colour

- Internet access:

    o All online features require internet access

    o Broadband connection recommended

    o Product must be registered online

QuickBooks is able to connect to or integrate with these other pieces of software and services:

- Microsoft Word 2003, 2007 or 2010

- Microsoft Excel 2003, 2007 or 2010

- Microsoft Outlook 2003, 2007 or 2010
  (Using Outlook requires the free add-on, QuickBooks Contact Sync)

- Google Mail, Yahoo Mail, Hotmail

Multi-user access works with these operating systems:

- Windows 8 (with user account control on)

- Windows 7 (with user account control on)

- Windows Vista (SP1, with user account control on)

- Windows XP (SP3)

- Windows Server 2003 (SP2)

- Windows Server 2008

- Small Business Server 2008

QuickBooks Online System Requirements

On Windows PCs:

- Processor speed: 450MHz or greater (recommended: 1GHz or greater)

- RAM: 128MB or more (recommended: 256MB or more)

- Windows 8, 7, Vista, XP or 2000 (recommended: Windows XP or later)

- Screen resolution: 1024 x 768

- Internet connection

- Internet Explorer 8 or later, or

- Firefox 3.6 or later, or

- Safari 5.1 or later, or

- Google Chrome

- Adobe Reader 6.0 or later (to print invoices and other items - you can download it free)

On Apple Macs:

- Processor speed: 450MHz or greater (recommended: 1GHz or greater)

- RAM: 128MB or more (recommended: 256MB or more)

- Mac OS X 10.4 or later

- Screen resolution: 1024 x 768

- Internet connection

- Safari 4.1 or later, or

- Firefox 3.6 or later, or

- Google Chrome

- Adobe Reader 6.0 or higher (to print invoices and other items - you can <u>download it free</u>)

On mobile devices:

- QuickBooks Online will work on most mobile devices which have a web browser

- The service is optimised for iOS (iPhone, iPad, etc.) and Android devices

- QuickBooks Online does not work with BlackBerry devices

QuickBooks Online works best with a fast broadband internet connection. Functions and reports will take longer if you access it via a dial-up or other slow connection.

Please check the latest system requirements as these will change over time.

QUICKBOOKS ONLINE AND DESKTOP COMPARISON TABLE

Please see below for a full breakdown of QuickBooks Online and Desktop comparison table.

Online Simple Start	Online Essentials	Online Plus	QuickBooks Pro	QuickBooks Premier
Online	*Online*	*Online*	*Desktop*	*Desktop*
Number of users				
1 + 2 Acct	3 + 2 Acct	5 + 2 Acct	5	5
Track sales, expenses and profit				
Yes	Yes	Yes	Yes	Yes
Create professional invoices and sales receipts				
Yes	Yes	Yes	Yes	Yes
Send invoices directly through popular or Intuit email systems				
Yes	Yes	Yes	Yes	Yes
Batch invoicing to invoice several customers at once				
No	No	No	Yes	Yes
Track your cash flow with reports				
20+ reports	Over 40 reports	Over 65 reports	Over 100 reports	Over 135 reports
Create professional quotes and estimates				
Yes	Yes	Yes	Yes	Yes
Automatically pass expenses to customers				
No	Yes	Yes	Yes	Yes
Company snapshot				
No	Yes	Yes	Yes	Yes
Calendar view for tasks, bills, invoices ad transactions				
No	No	No	Yes	Yes
Keep on top of receivables with the Collection Centre				
No	No	No	Yes	Yes
Track and manage VAT				
Yes	Yes	Yes	Yes	Yes

| Online Simple Start	Online Essentials	Online Plus	QuickBooks Pro	QuickBooks Premier
Online	*Online*	*Online*	*Desktop*	*Desktop*
Manage supplier bills and payments				
No	Yes	Yes	Yes	Yes
Track stock				
No	No	Yes	Yes	Yes
Create back orders for out of stock items and set stock aside				
No	No	No	No	Yes
Use different units of measure				
No	No	No	No	Yes
Flexible pricing to set prices and discounts by customer, job, item or currency				
No	No	No	No	Yes
Offer early payment discounts				
No	No	No	Yes	Yes
Track time and highlight unbilled expenses before your invoice				
No	No	Yes	No	Yes
Handle multiple currencies and track currency gains and losses				
No	Yes	Yes	Yes	Yes
Optional payroll system				
Yes	Yes	Yes	Yes	Yes
Create budgets and compare to actual performance				
No	No	Yes	Yes	Yes
Build financial forecasts				
No	No	No	No	Yes
Classify transactions by business area				
No	No	Yes	Yes	Yes

MOVING FROM DESKTOP TO ONLINE

With the flexibility of anytime, anywhere access, live bank feeds and dozens of integrated app to improve business performance many businesses are making the switch from QuickBooks desktop to QuickBooks online. It is imperative that the ProAdvisor understands the functionality of each program to make the right recommendation. Intuit have made the move from desktop to online simple by including a conversion tool in QuickBooks Pro & Premier 2015 and 2016. This is my far the simplest and the most forward way to convert the file.

Go to **Company > Export Company File to QuickBooks Online** and then follow the prompts to either set up a new Online File and account or convert to an existing file. The QuickBooks Administrator needs to be logged in in order to make the conversion. It is recommended that the conversion is done at a period end and that VAT, Bank Reconciliation, Debtors & Creditors accounts are printed & reconciled prior to conversion. Also take a print of the Trial Balance, P&L & Balance Sheet and compare to the post conversion account to ensure there are no discrepancies before you start work on the new file.

If the company file contains foreign currency or complex stock, then Intuit uses third party partners who will convert the client file on your behalf. QuickBooks will currently convert 2 years of data for free. For further details of partners, what they can convert, and any additional costs please refer to the Intuit website www.QuickBooks.co.uk

There is currently no backwards conversion from Desktop to QuickBooks Online.
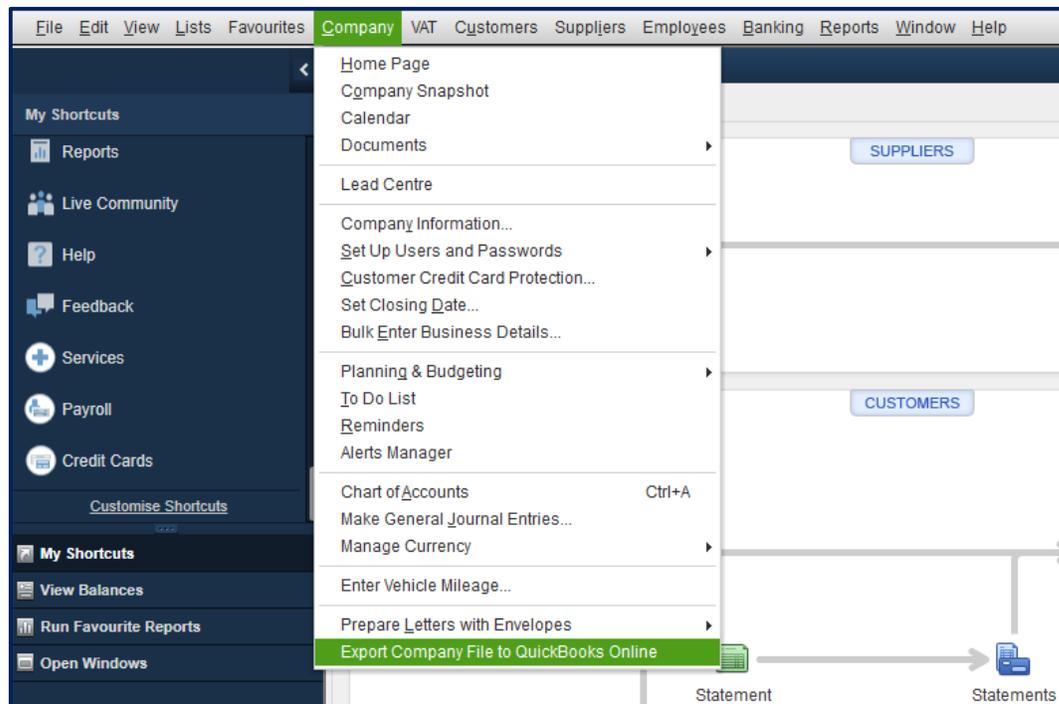
QUICKBOOKS PAYROLL

QuickBooks offers customers a complete payroll system which works with your customers QuickBooks accounting software. Currently you can operate QuickBooks payroll with QuickBooks Online Simple Start, Essentials and QuickBooks Online Plus, (integrated subscription service) well as QuickBooks Pro and QuickBooks Premier accounting packages.

- Fully RTI Compliant and Auto Enrolment ready
- Create payslips quickly and easily
- Create payroll for up to 99 employees as is needed with no additional costs or extra charges.
- QuickBooks Payroll has been tested to be fully compliant with HMRC systems.
- You can file forms online - includes year-end returns (P35, P14) and in-year forms (P45, P46)
- View your payments to HMRC broken down - and gauge the impact on cash flow
- Because QuickBooks Payroll lets you file payroll forms and returns automatically, clients will spend less time filling in forms by hand and doing complex calculations.

Customers can choose to add payroll to QuickBooks Essentials, QuickBooks Online Plus, QuickBooks Pro, and QuickBooks Premier at an additional monthly cost.

Remember to check www.QuickBooks.co.uk website for current pricing.

CASE STUDIES

The appropriate QuickBooks solution for a specific customer is dependent upon that user's unique needs. Truly understanding client needs is the key to choosing the proper software.

Consider the following example companies, their financial software needs and which QuickBooks products might be appropriate under the circumstances.

Hall Cleaner Windows, a start-up window cleaning company

Hall Cleaner Windows was started last month by Brad Hall to provide a window cleaning service in the Bristol area. Brad provides his service to residential and commercial properties.

Brad's business is cash-based. Brad invoices his customers for services performed and typically receives payments within seven days.

Brad does not have any employees or stock requirements. Brad's expenditure consists mostly of routine items such as insurance and basic supplies that are consumed in the course of cleaning customers' windows.

In your discussion, Brad said he wants to be able to complete his bookkeeping as and when he's on the move throughout the day, rather than dedicate time at the end of the month to complete this task.

Given his needs, Brad is a likely candidate for QuickBooks Online Simple Start. This will allow Brad to create invoices and track accounts receivable. Brad would also be able to perform bank reconciliations and generate cash-based financial statements. Due to the online nature of this package, Brad would also be able to complete these tasks on the move throughout the day, using his laptop, tablet or mobile phone.

ABC Gas Maintenance, an existing company

Karen and Michael own ABC Gas Maintenance, which provides installation, maintenance and repair services of boilers in the London area. Michael overseas a team of four engineers and Karen manages the scheduling, billings and collections along with payroll.

Given the nature of their business, engineers are sometimes working on projects that are billable to customers on a time-and-expenses basis, but sometimes customer invoicing is based on a quotation or estimate.

Payroll is processed monthly and charges to jobs and projects are based on timesheet entries.

Michael and Karen are the only users who will access the data in the accounting application.

For Michael and Karen, QuickBooks Pro is likely to be a good fit, based on the needs of the business. With time tracking and job costing capabilities coupled with the ability to create estimates and quotations, QuickBooks Pro meets the basic accounting and financial management requirements of the company.

When paired with a payroll subscription, their engineers' payroll will be calculated and tracked. QuickBooks Pro will be able to handle the payroll needs of ABC Gas Maintenance with ease.

On a quarterly basis, Michael and Karen could send their data file to their accountant to prepare their returns. This can easily be created by creating an accountant's copy.

Debbie's Delights, a tourist gift shop

Debbie's Delights is a tourist gift shop in Cornwall. As the owner of a retail establishment in a seasonal tourist area, Debbie has several very specific requirements of her accounting system.

Firstly, she must be able to track stock and the chosen accounting system must alert her to potential stock outs or overstock situations for the many different items she tracks. As part of this requirement, the system must also support purchase orders.

Secondly, she must be able to view financial statements in real time. She doesn't want to have to wait until batches of transactions have been posted.

Looking at Debbie's business, she is a likely candidate for either QuickBooks Pro or Premier. With these applications, Debbie will be able to track her stock, prepare financial statements and always know how the store is performing.

Debbie will be able to send to her accountants an accountant's copy. They will be able to open this, make adjustments and corrections and provide these corrections back to Debbie. Debbie can then import these corrections back into her working QuickBooks data file.

QUICKBOOKS VERSIONS

QuickBooks Online is constantly being updated, and so every time user's login, they are using the latest and most up to date version of the software, with no need to install new software or upgrade data.

QuickBooks Desktop editions behave differently, however.

Intuit produces a new version of QuickBooks Desktop each year, and this new version will include new product enhancements and new features. If a user wishes to upgrade to a newer version, this can easily be organised but there is a charge for this upgrade. QuickBooks users who have a subscription will get the new version as part of the subscription cost.

How can I see what version my customer is currently using?

Using QuickBooks Online, the top of the browser window will tell you which subscription level is being used. There is no need to look up the version, because with QBO, you're always using the "latest and greatest." In QuickBooks desktop editions, you will have to find out the information for yourself. Open QuickBooks and press **F2**, your Product Information will display. At the very top of your screen you will see the Product Edition as well as release number:
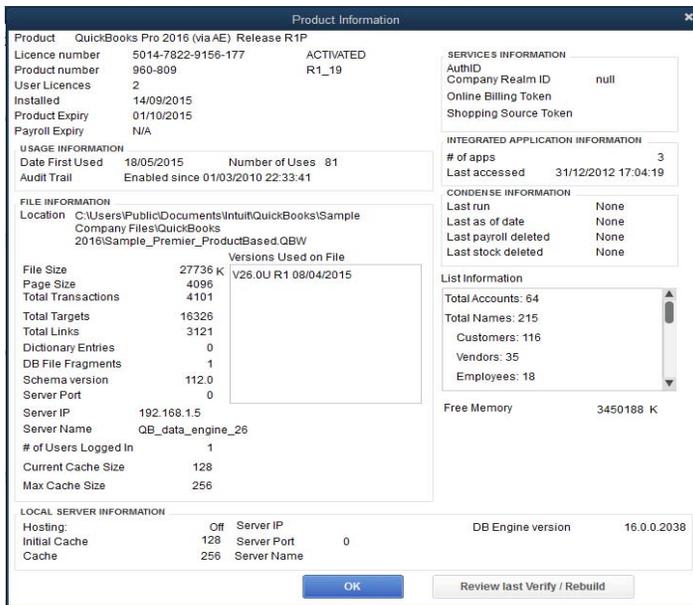
QUICKBOOKS DESKTOP RELEASE UPDATES

Sometimes, Intuit creates a maintenance release during the course of a version year when improvements in the way QuickBooks works are implemented, or when problems with the software are discovered and fixed. Maintenance releases are also necessary when operating system patches are released by Microsoft and QuickBooks needs to address those.

For example, Intuit might create a maintenance release to ensure that the Write Letters feature in QuickBooks will work with a newly released version of Microsoft Office or when a VAT rate changes. There are no costs associated with this update.

Manual Release Updates

Using this method, you can manually download updates from within QuickBooks, at your convenience. To update to the latest release of QuickBooks manually, click on the **Help > Update QuickBooks**.
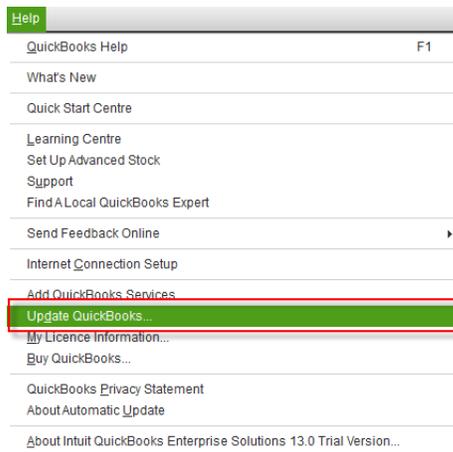
Then click on the **Update Now** tab, ensure that all the areas of the desired updates are checked in the far left column, and select **Get Updates**.
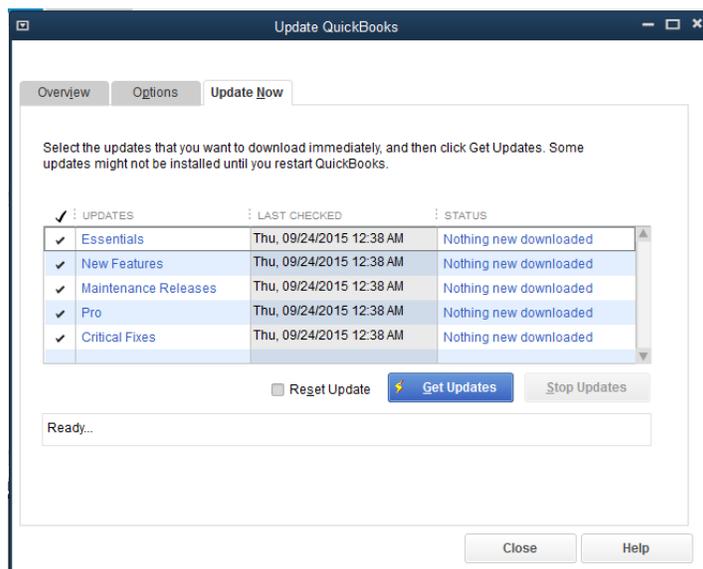
Once the update is finished downloading, you will be prompted to close QuickBooks, reopen it, and accept the prompt to install the downloaded update. Then press **CTRL** and the number **1** at the same time on the keyboard to confirm that the latest release has been installed successfully.

Automatic Updates

To make release updates easier, QuickBooks includes an automatic update feature. When an update is available, QuickBooks uses a current internet connection to download and install the update. To turn on automatic updates, click **Help > Update QuickBooks > Options > Automatic Update > Yes**.
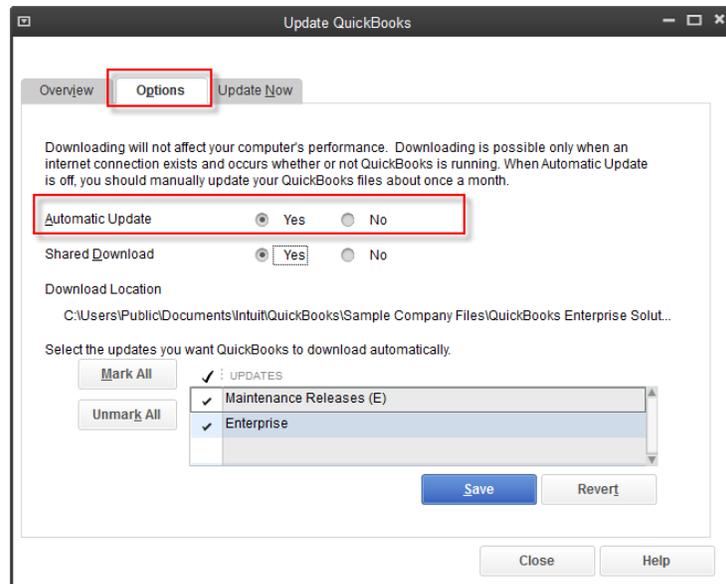
With the Automatic Updates feature enabled, upon opening QuickBooks, if there are any updates to run, an Update Service box will appear with information about the latest release that was downloaded. To install the update, click on **Install Now**.

Once the update has run a message will appear to confirm the update was successful.

Updating QuickBooks across a network

This feature works with both automatic and manual update options. If you have a network configuration, you can arrange to download an update only once, and then you can share the download with other computers that use QuickBooks. This feature is also useful when one or more computers on the network don't have internet access.

All users in a multi-user environment must complete the steps on the following page to share downloaded updates.

1. Set properties for the folder containing the QuickBooks company file to share with all QuickBooks users on the network.
2. Map a network drive on each system that uses QuickBooks, to ensure that users access the company file properly.
3. Open the company data file.
4. From the **Help** menu, choose **Update QuickBooks**.
5. Click the **Options** tab.
6. On the **Options** tab, select **Yes** for the **Shared Download** option.
7. Click **Save**.
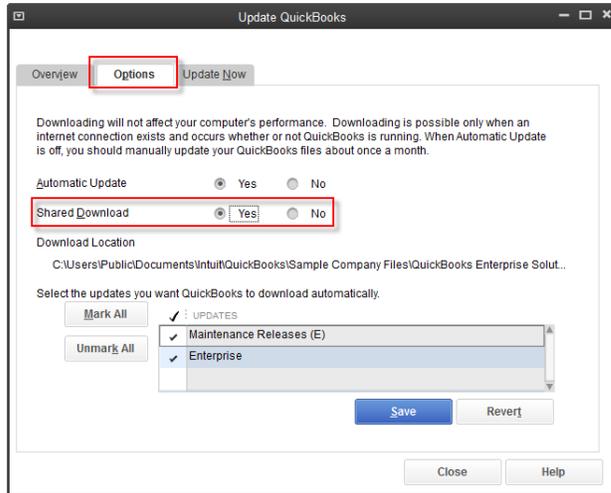
CONCLUSION

Now that you we have reviewed the QuickBooks products on both the online and the desktop branches of the QuickBooks family tree, conduct a needs analysis with each of your clients and be confident in recommending the right product for each.