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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.

Rosalyn 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.
QUICKBOOKS ACCOUNTANT 2016

Many accounting professionals are drawn to QuickBooks purely to support and keep their clients, who have fallen in love with the software because of its power and ease of use. What these professionals may not realise is that in addition to great features for your client, there are many tools included in QuickBooks Accountant (and, to a certain extent, in the other editions) that are aimed at helping accountants and bookkeepers do their jobs more efficiently.

This course covers the “accountant-centric” features in QuickBooks Accountant, which also contains all the functions of QuickBooks Premier, Pro. For all our bookkeeper friends out there, please forgive us the use of the word “accountant” — we are using it inclusively to include all accounting professionals who support more than 2 clients on QuickBooks.

Some of these accountant-centric features are in plain sight, while others are available behind the scenes. Without exception, these features and tools will make the accounting professional’s life easier, while delighting their clients and saving time! These features range from tools to help you support multiple clients, to clean-up tricks that make light work of detecting and correcting typical client errors and fall into three major categories:

- Managing clients
- Month-end, quarter-end, year-end tasks simplified
- Power reports

Before we dive into these great features for accounting professionals, let’s clear up some of the misconceptions many people have about QuickBooks, and why it’s better than ever:
QUICKBOOKS MYTHS DISPELLED

Myth #1: The QuickBooks Audit Trail can be turned off. Wrong! In 2008, the QuickBooks Audit Trail became a full-time, always-on report that shows who did what and when.

Myth #2: QuickBooks users cannot be stopped from deleting transactions. Not true! In setting up any other user’s permissions, the Admin user can prohibit that user from changing or deleting transactions…even in areas to which they otherwise have access.

Myth #3: QuickBooks isn’t real accounting software; it’s not even GAAP-compliant. Wrong again! Accounting professionals can use QuickBooks with the certainty that it complies with GAAP. In addition, the QuickBooks Statement Writer can be used to produce professionally formatted financial statements in accordance with Generally Accepted Accounting Principles and supporting documents. The QSW includes a selection of preformatted Balance Sheets, Income Statements, Statements of Cash Flows, and Statements of Retained Earnings. Additionally, you may create your own custom formats, or, customise existing reports and save them for future use.
**Myth #4: Clients can go back and make changes to prior periods, and the trial balance keeps changing.** This is easily preventable. Simply create a closing date with a password and make sure to keep moving that closing date forward as time passes & you close a period. Ensure that the permissions you grant to users prohibit them from creating, changing or deleting transactions dated on or before the closing date, even if they know the closing date password. Furthermore, if a user with permissions (such as the client signing in as the Admin user against your instructions) makes changes to a closed period because they entered the closing date password, running the Closing Date Exception Report will help you identify any changes they made, and reverse them if necessary.

![Change user password and access: Ros](image)

**Myth #5: I spend too much time fixing the errors that QuickBooks allows my clients to make because the client doesn’t know what they’re doing.** Wrong again. The Client Data Review feature makes light work of correcting client errors, freeing up your time for other activities. Clients will make mistakes (we always joke that QuickBooks is easy, but accounting is hard)...but with the Client Data Review tool you can find and fix those errors quickly and efficiently.
QUICKBOOKS ACCOUNTANT 2016: ACCOUNTANT-CENTRIC FEATURES

Now that we’ve dispelled some common myths about QuickBooks, let’s turn now to the accountant-centric features of QuickBooks Accountant.

MANAGING CLIENTS

QuickBooks have designed several tools available to Accountants to help them manage their client files & interactions.

Toggle to another edition

Accounting professionals and ProAdvisors using QuickBooks Accountant 2016 often need to see the same interface their client sees when using QuickBooks. This is especially helpful during phone calls from clients, “Toggle” helps the ProAdvisor or accounting professional see what the client sees. That way, they can tell if the client, who may be running QuickBooks Pro, or Premier, has access to the menu item, functions and reports which they will be advising them to use. This makes over-the-phone consulting much easier.

Access this feature by selecting File > Toggle to Another Edition and then select QuickBooks Pro or QuickBooks Premier General Business Edition.
QuickBooks Accountant 2016: Accountant-Centric Features

Choose Your QuickBooks Edition

Select the QuickBooks Edition you want to use.

- Premier General Business Edition
- Premier Accountant Edition - Currently open
- QuickBooks Pro

Next > Cancel

Choose Your QuickBooks Edition

You have selected: General Business Edition

Important: To toggle back to Accountant Edition or to toggle to any other edition, go to the File menu and click Toggle to Another Edition.

Click Toggle to close QuickBooks and reopen as the edition you selected.

< Back Toggle Cancel


File Edit View Lists Favourites Accountant Company VAT Customers Suppliers Employees Banking Reports Window Help
When you are finished simulating the edition you have chosen and you wish to return to the full QuickBooks Accountant functionality, select File > Toggle to Another Edition again.

This time, you may toggle to the QuickBooks edition you did not choose in the first place, but in all likelihood you will want to return to QuickBooks Accountant so choose Premier Accountant Edition – Home, which indicates that QuickBooks Accountant Edition is the native software.
**MULTI-INSTANCE**

This is a feature that accounting professionals have been requesting for years. Often, they would want to have more than one client file open at a time (especially important for tracking and reconciling intercompany loans), or a client’s company data file and their own accounting firm company data file for recording their time tracked or invoicing of that client.

Multi-instance allows the QuickBooks user to open two files at the same time. With one company file already open, select **File > Open Second Company**.
When the second company opens, a window will advise you that now a Primary window (the first company file that was already open) and a Secondary window (the second company file that was just opened) will be open, and that there are certain restrictions (very few in the Primary company, but more in the Secondary company) on what functions can be accessed when more than one company file is open:

Each company file’s QuickBooks window has a title bar that indicates the name of the company as well as whether the company file is the “Primary” or “Secondary” QuickBooks file:
Below is a list of the restrictions on the two company files:

### Restrictions on the two company files:

<table>
<thead>
<tr>
<th>Area</th>
<th>Restriction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Menu Items</td>
<td>Requires license with envelopes</td>
</tr>
<tr>
<td>Add QuickBooks Services</td>
<td>Adding any QuickBooks Add ons</td>
</tr>
<tr>
<td>Internet Connection Setup</td>
<td>Setting up an internet connection from the Windows Control Panel</td>
</tr>
<tr>
<td>Registration and Licensing</td>
<td>Registering QuickBooks, License Sync, Changing a License, Uninstalling Premier, and Adding Users</td>
</tr>
<tr>
<td>IOK Applications</td>
<td>Any application that uses the QuickBooks Software Development Kit (ESDK) to connect to QuickBooks.</td>
</tr>
<tr>
<td>Upgrade QuickBooks</td>
<td>Download an update to QuickBooks. If Automatic Download is on, the update is downloaded but not installed until you exit from both file windows.</td>
</tr>
</tbody>
</table>

### Restrictions on the secondary file:

When 2 company files are open, in addition to the operations listed above, you can’t perform the operations listed in the table below in the secondary file:

<table>
<thead>
<tr>
<th>Area</th>
<th>Restriction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>Order Checks and Envelopes, Send Invoices, Connect to e-Checks, Edit Bank, Application Loan Manager, Settle Check, Extend Recert, Participating Online Institutions</td>
</tr>
<tr>
<td>Company Menu Items</td>
<td>Alert Manager, Customer, Credit Card Protection, Manage Currency, Planning and Budgeting Tools</td>
</tr>
<tr>
<td>Customer Centre</td>
<td>The Collections Centre, The following Credit Card Processing activities: Link Merchant Account to Company File</td>
</tr>
<tr>
<td>Common Password</td>
<td>The Common Password Setup for Credit Card Processing</td>
</tr>
<tr>
<td>Customer Design and Layout</td>
<td>Estimates, Purchase Order, Sales Order, Invoices, Sales Receipt, and Credit Note forms</td>
</tr>
<tr>
<td>File Menu Items</td>
<td>All items on the Import and Export submenus of the Utilities menu, Send Forms, Synchronize Contacts</td>
</tr>
<tr>
<td>New Business Checklist</td>
<td>All items on the checklist</td>
</tr>
<tr>
<td>Payroll</td>
<td>My Payroll Service (all items), Pay Employees (including starting scheduled payroll) Setup, Add, Edit, and Delete Payroll Items, Get Payroll Updates, Pay or Adjust Payroll Liability, Edit Fiscal Period, Advance/Split Payments, Change Payroll Status, Payroll stock, Payroll SSN/FEI</td>
</tr>
<tr>
<td>Printer Setup</td>
<td>You can only set up a printer in the Primary window.</td>
</tr>
<tr>
<td>QuickBooks Password</td>
<td>Restricted in the Secondary window</td>
</tr>
</tbody>
</table>

### Restrictions on QuickBooks Help

QuickBooks Help can only open in 1 window. If Help is already open, and you try to open Help in the other window, Help doesn’t open again. Use the Help in the other window to search for a topic.

**NOTE:** When the Primary company file is closed, the company previously tagged as "Secondary" now becomes the new Primary file.
EDIT “NO COMPANY OPEN” WINDOW

ProAdvisors, bookkeepers and accountants who support multiple clients and often restore, rename, and move client files after opening them will appreciate this feature.

After a company file has been opened in QuickBooks, it populates both the No Company Open window list when a company file is closed as well as the Open Previous Company list in the File menu. Before QuickBooks 2012, if a company file had been moved or renamed, the old file location or filename would continue to appear on the both these lists for some time unless some tedious workaround steps were taken.

Now, with QuickBooks 2012 and beyond, simply open QuickBooks Pro or Premier and, if a company file opens, select File > Close Company. The No Company Open window will appear. Access this feature by selecting Edit List to remove the files you wish to disappear from this window (and the Open Previous Company list).
The **QuickBooks Edit Company List** window appears. Click a checkmark next to each company file you wish to be removed from this list (and the **Open Previous Company** list found in the File menu) and select **OK**.

The **QuickBooks Edit Company List** window appears. Click a checkmark next to each company file you wish to be removed from this list (and the **Open Previous Company** list found in the File menu) and select **OK**.

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>LAST MODIFIED</th>
<th>FILE SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCAMS 2016 Training Co...</td>
<td>17/10/2015, 06:44 PM</td>
<td>12.40 MB</td>
</tr>
<tr>
<td>Sample_Pro_MultiCurre...</td>
<td>17/10/2015, 06:40 PM</td>
<td>28.20 MB</td>
</tr>
<tr>
<td>Sample_Premier_Produ...</td>
<td>11/10/2015, 03:40 PM</td>
<td>27.09 MB</td>
</tr>
<tr>
<td>✔ Sample_Pro_ServiceBa...</td>
<td>17/10/2015, 06:44 PM</td>
<td>27.58 MB</td>
</tr>
</tbody>
</table>

The No Company Open window refreshes without the files that were checked to be deleted from the list. This action does not delete any files; it merely deletes any reference to them in this list.

Similarly, the Open Previous Company list in the File menu also reflects the remaining filenames only.

**TIP**: This is a very useful feature if a number of accounting professionals in a firm have to access their client files on a server. The No Company Open window (which shows the same company files as the Open Previous Company list) shows a list of companies that is unique to that particular local computer’s installation of QuickBooks Accountant. Each accountant can have their own unique list of client company files displayed in the No Company Open window when using QuickBooks Accountant on their own machine. There is no need to sift through client company files belonging to another accountant in the firm.

**QuickBooks File Manager**

The QuickBooks File Manager is a great organisational and productivity tool for accounting professionals who support many QuickBooks users. It is often challenging to know which version of QuickBooks to use to open a client’s company file, because not everyone upgrades at the same rate. It is also challenging to have a secure place to keep all the passwords the accounting professional must have at their fingertips for all the different company files they support. In addition, because there are so many client files lurking in different areas of an accountant’s computer, and so many different types of clients, it is useful to have a simple method of organising the client files for easy access and grouping them by type (for example, in case you wish to copy a chart of accounts from one client to another’s file when setting it up).

The QuickBooks File Manager handles all these challenges.
Access the QuickBooks File Manager within QuickBooks by selecting **Accountant > QuickBooks File Manager**.

However, because QuickBooks File Manager is a separate program from QuickBooks Accountant, you do not have to have QuickBooks running in order to access the File Manager.

From outside of QuickBooks, access the File Manager by double-clicking on the shortcut icon on your desktop or by finding the program in your **Start** menu.

Client files can be added to the QuickBooks File Manager in one of three ways:

- Add/Update Clients Wizard
- Drag & Drop from Windows Explorer
- Add Clients Dialogue
With the **File Manager**, accounting professionals can see all QuickBooks client files listed in one spot and sort them by type, location, version year and last modified date. The File Manager displays summary information for each company file including the company tax year, the report basis, the financial tax year and more.

The File Manager will launch the right QuickBooks version simply by clicking on a file and securely store usernames and passwords in the password vault.
NEW COMPANY FROM EXISTING COMPANY FILE ("STARTER COPY")

This Starter Copy feature allows accounting professionals to take advantage of work they have done in the past on other client company files when creating new client company files in QuickBooks. This is very useful when setting up new companies in an industry in which you have done work before, or for clients who have many companies of similar structure. The feature essentially "clones" the setup of one company, and use it to create a new company file.

Only non-sensitive information is imported from the original file to the new file including:

- Preferences (except those related to bank or credit card accounts)
- VAT items and VAT codes
- Memorised Reports (only if they do not filter for specific accounts, customers, suppliers, jobs, items or employees)
- Chart of Accounts (no sensitive accounts like bank or credit cards)

To access the Starter Copy feature, select File > New Company from Existing Company File.
Specify the source company and the name of the new company.

Confirm the location and the name of the QuickBooks company file you are creating and click on **Save**.
The new company is created, using non-confidential details that worked for other clients. The original file used as the source for creating the new company is left untouched.
MONTH-END, QUARTER-END, YEAR-END TASKS SIMPLIFIED

ACCOUNTANT CENTRE

The Accountant Centre, a great feature of QuickBooks Accountant, streamlines workflow by providing one-click access to the tools and resources accounting professionals use most. While it is possible to access all the functions in the Accountant Centre via the Accountant menu, the Accountant Centre acts as a hub and one-click access of these functions makes it very popular among accounting professionals. Accountants are able to customise the tools displayed to have quick access to those most used.

The Accountant Centre is divided into four main areas:

- Tools
- Reconciliation
- Memorised Reports
- Accountant Updates
Access this feature by selecting **Accountant > Accountant Centre**.

The **Tools** area includes such accountant-centric tools as **Make General Journal Entries**, **Client Data Review** (to be covered later in this course) and **Batch Enter Transactions** (also to be covered later in this course), and is customisable by selecting the Customise button in the top right section of the Tools area.
The **Reconciliation** area lists all accounts that have undergone at least one reconciliation, as well as the “last reconciled” date, the reconciled balance, and finally the current balance. Clicking on the account name takes you to the register for this account. Clicking on the date next to an account name takes you to the Select Previous Reconciliation Report screen so that you may select a prior period from which to reproduce a reconciliation report. All this can be done by staying in the Accountant Centre, and without having to go through the Chart of Accounts, the Banking menu or the Reports menu.

The **Memorised Reports** area is a convenient starting point from which to launch any reports that are residing in the Memorised Reports List. From the drop-down list, the accountant can choose a group from which to select reports, or the accountant can click on **Display Group** in order to select multiple reports from that group. There is also one-click access to the QuickBooks Statement Writer from this area.

The **Accountant Updates** area lists links to information of particular interest and use to accounting professionals. For example, in the screen capture below, there is a link to “Free Webinars for Accountants and Clients.” Intuit will add information to this area as it becomes available and relevant.

You can arrange for the Accountant Centre to appear automatically when you open a company file by selecting the checkbox next to **Show Accountant Centre when opening a company file** at the bottom of the Accountant Centre. If you find this automatic feature intrusive, deselect that checkbox.
ADJUSTING GENERAL JOURNAL ENTRIES

This feature allows the user to tag a General Journal Entry as “adjusting” by checking the box next to Adjusting Entry at the top of the form.

Selecting this checkbox will segregate the general journal entry determined as necessary at a year-end or period-end (such as accruals and depreciation) from other entries that are made in the course of recording normal business activities.

WORKING TRIAL BALANCE

Especially useful during year-end accounts reconciliations and preparation for tax returns and financial statement preparation, the Working Trial Balance feature allows the accountant to see the beginning balance, the net effect of all transactions for the selected period, plus the net effect of all adjusting entries, and to add work paper references.

Access this feature by selecting Accountant > Working Trial Balance. Then select the desired date range, either by choosing a pre-set period from the drop-down box or by selecting a custom period with user-determined From and To dates. Also select Accrual or Cash basis reporting. (Note that QuickBooks can switch between the two at the click of your mouse.)

The user may double-click or “drill down” (see the magnifying glass with the Z in the middle in the screen capture overleaf, indicating that a QuickZoom drill-down function is possible) into any number in this report to find the transactions for this account, and may continue to drill down until a specific transaction is opened for viewing or editing.
The Adjusting General Journal Entries (see previous section) are segregated into their own column so that there is a separation between normal entries that are made during the year and any adjustments that are determined by the controller, financial director, auditor, or accounting professional to be necessary for such items as accruals and depreciation, or year-end.

For simplicity, there is also the option to show only accounts with transaction activity by selecting a checkmark in the box in the bottom left corner, **Only show accounts with transaction activity**.

The Working Trial Balance feature allows the accountant to enter adjusting general journal entries directly from this window. Simply select the **Make Adjustments** button in the bottom right section of this window.
**HIDE/SHOW LIST OF JOURNAL ENTRIES IN GENERAL JOURNAL ENTRY WINDOW**

When entering or reviewing previously-posted general journal entries, it is possible to see a list of general journal entries (for a wide variety of pre-set date ranges) which were already entered. This can be quite helpful in deciding whether to post an entry such as depreciation or an accrual, or to determine the amount of the entry. Access this feature in a general journal entry by selecting the Show List green icon with the plus sign in the main tab at the top of the Make General Journal Entries window.
Conversely, if a list of previously-posted general journal entries is already displayed at the bottom of the Make General Journal Entries window, the Show List icon with a plus sign becomes a Hide List icon with a minus sign. Select this Hide List icon if you do not wish to be overwhelmed with too much information by seeing previously-posted general journal entries.
**Auto-Reversing Journal Entries**

This feature of general journal entries in QuickBooks Accountant enables the user to open a previously-entered entry and select the **Reverse** icon at the top of the journal window in the Main tab.

This will generate a reversing entry dated the first day of the next month, with all debits and credits reversed, along with a checkmark in the box next to the words **Adjusting Entry**, an R added to the entry number, and a memo indicating that it is a reversal of a particular journal entry.

This is very useful for accruals at financial year-end.
HOME CURRENCY ADJUSTMENTS FOR MULTICURRENCY

Company files which have multiple currencies enabled often are required to revalue certain foreign balance sheet accounts (banks, credit cards, accounts payable and accounts receivable) at least once each year on the financial year-end date. The revaluation would be using a foreign currency exchange rate as of that date to ensure that the home currency value of each foreign account on the balance sheet is accurate. Depending on the company and the currency exchange rate swings, this valuation may have to be done once a quarter or even once a month.

This revaluation is known in QuickBooks as a Home Currency Adjustment.

Access this feature in company files that have Multiple Currencies enabled by selecting Company > Manage Currency > Home Currency Adjustment.

When the Home Currency Adjustment Window opens, select the valuation date, currency, and the chosen exchange rate between that currency and the home currency. Select Calculate Adjustment.

All foreign accounts using this currency will appear in the grid below: banks, credit cards, suppliers being owed money (Accounts Payable) and customers owing money (Accounts Receivable). The expected impact on the balance sheet and the Exchange Gain/Loss account in the home currency will appear in the last column. Checkmark the accounts that you wish to revalue (not all accounts, or for that matter, any of the accounts, must be revalued).
After the desired accounts have been chosen and the impact reviewed, select Save & Close or Save & New.

The impact of this Home Currency Adjustment is a special kind of General Journal Entry, which allows for multiple lines indicating Accounts Payable and/or Accounts Receivable accounts. The foreign amounts (in this case, USD) do not change, but the home currency value of each account in the entry changes.
The following is the Balance Sheet showing the Home Currency values of USD accounts before the Home Currency Adjustment:
The following is the Balance Sheet showing the Home Currency values of USD accounts after the Home Currency Adjustment, which affected balance sheet accounts:

![Balance Sheet Image]

However, the value of USD in each account is unchanged from what it was before the adjustment.
The following is a one-day Profit & Loss report that shows the Profit & Loss effect of the other side of the Home Currency Adjustment: £29,354.09 expense in Exchange Gain/Loss [made up of the gain in value of the Accounts Payable - USD account (288.72 + 42.19 for the two suppliers) and the loss in the value of the US Dollar Bank (29,685.00) that day]:

![Profit & Loss report](image-url)
**ACCOUNTANT’S COPY**

There was a time when clients would provide their accounting professionals with a copy of their QuickBooks company data (or printouts from the data) for a given financial period or year, and the accountant would work in that copy of the data while the client continued to enter new information in the live data back at their office. The disadvantages to this method were many:

- The client would often make changes to the financial period (or a period prior to that one), even with a closing date in effect, and then the client and the accountant no longer had exact copies of the data or the balances for the period in question;
- As a result, when the end user would enter the accountant’s list of adjusting journal entries for the period into QuickBooks, the resulting final trial balance would not match the trial balance produced by the accountant and confusion would ensue;
- Furthermore, after the next financial year-end, the opening balances of the copy of file provided by the client to the accountant would not match the previous financial year’s trial balance and the accountant would be required to do extra work to make sure the opening balances matched;
- The accountant would either have to charge for this extra work required (and defend an increased accounting bill) or write off the time they spent getting the previous year’s balances to be correct and not alienate a client;
- The client’s live QuickBooks data often did not report the finalised and accurate balances for many years;
- The client would still be required to enter the accountant’s adjusting journal entries, and often transcription errors would occur.

To circumvent these problems, QuickBooks Pro, Premier and Accountant end users may create an **Accountant’s Copy** of their data to provide to their accounting professional while they continue to do work in their live data. The Accountant’s Copy merges back into the live copy once the changes are made, which eliminates the chance that the data gets “out of sync.”

Clients access this feature by selecting **File > Accountant’s Copy > Client Activities > Save File.**
The steps in creating, using, and incorporating the information from an Accountant’s Copy are as follows:

1. The client uses their live data (filename with format *.QBW) to create an Accountant’s Copy (same filename with date and time of creation, with format *.QBX) with a dividing date, generally the financial year-end; while this copy exists, the live *.QBW working file has some restrictions upon its use;

2. The accountant obtains the *.QBX file (by email or via a flash drive) and turns it into a working file he or she can use (same filename with date and time of creation, with format *.QBA) and works in it;

3. When the accountant is finished, he or she creates an import file of the changes made so that the client will be able to import the changes (same filename with date and time of creation, with format *.QBY);

4. The client imports the *.QBY changes back into the live working file (*.QBW), which removes all previously-existing restrictions on the working file. The client file is now up-to-date with the correct balances and entries that match the accountant’s work, without having to enter any entries manually. All accountant changes are now shown in the live working file.

The filename extension sequence in using the Accountant’s Copy feature is:

QBW -> QBX -> QBA -> QBY -> QBW

The sequence of steps for the client and the accountant are shown in the screen captures below:

Client creates Accountant’s Copy (*.QBX)
Client confirms Accountant's Copy format

Client specifies dividing date
Saving of Accountants Copy

Confirmation of *.QBX file creation

You have successfully created an Accountant's Copy file.

File: C:UsersVos_000lDesktopBCAMS 2016 Traning Company (CuickBooks2016 Acct Transfer Oct 18,2015 03 34 PM).QBX

Dividing Date: 30/09/2015

Next step: Deliver this file to your accountant using e-mail, CD, or some other method.

Click Help for more information about sending the Accountant's Copy to your accountant.
*.QBW file: Accountant's Copy exists

Accountant to convert Accountant's Copy
Or from the **File > Open or Restore Company File** select as below.

**Flowchart of filename types**
Client/Accountant restriction list

Accountant to convert QBX file
Confirmation of QBA file creation

You have opened an Accountant’s Copy with dividing date 30/09/2015.

You can edit transactions dated on or before 30/09/2015 (and add new transactions with any date). Your client will be working on transactions dated after 30/09/2015.

Changes you make to this file will be tracked, and you can view and export them. More information on Accountant’s Copy.

- Do not display this message in the future.

OK

QBA file title bar
Message that the client sees while the Accountants Copy is out with the Accountant

![Accountant's Copy Window]

After accountant has entered all changes — accountant now creates file to send back to Client, for them to import into their working file

![QuickBooks Accountant's Copy Window]
Accountant's Changes

- Review your changes and add a note for your client.
- When your changes are complete, create a file of your changes to send to your client.
- Your client can then incorporate these changes back into his or her company file.

Note for your client

<table>
<thead>
<tr>
<th>Action</th>
<th>Type</th>
<th>Num</th>
<th>Date</th>
<th>Name</th>
<th>Account</th>
<th>Memo</th>
<th>Amount</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Added</td>
<td>Account</td>
<td>1</td>
<td>30/09/2015</td>
<td>Accruals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

BCAMS 2016 Training Company

Dividing date: 30/09/2015

Save Accountant Change File to...

File name: BCAMS 2016 Training Company Accountant Copy (Accruals)

QuickBooks Information

You have successfully exported your changes to a file. Please send this file back to your client so he or she can import these changes into his or her QuickBooks company file.

OK
QBW file: Client importing accountant's changes
QuickBooks recommends that you set a closing date password to prevent any changes to be made to the file.

**NOTE:** The Accountant’s Copy may be created by the client in QuickBooks Pro, Premier or Accountant. However, only the QuickBooks Accountant user is able to read, convert and use the Accountant’s Copy.

**Note:** Additionally, only the file that created the original Accountant’s Copy will accept the Accountant’s Copy back from the accountant or bookkeeper. This gives everyone the assurance that the right changes are being imported back in to the working file.

**Backwards Compatibility Using the Accountant’s Copy**

*QuickBooks Accountant users may read and use and transfer Accountant's Copy files that were created either in the same version year or the year prior.*

In other words, the accounting professional importing the Accountant’s Copy into QuickBooks Accountant can make the changes necessary and send them back to the client for importing into the live working file, and the client can be using either the same version year or the previous year (of QuickBooks Pro, Premier or Accountant) with no compatibility issues and no need for the client to upgrade to the current version year.

For example, a client running QuickBooks Pro 2015 can send the Accountant’s Copy to their accountant who is running QuickBooks Accountant 2016. The accountant can make the appropriate changes and send the file back to the client running QuickBooks Pro 2015 and there will be no issues importing the changes into the live 2015 working file.
EXTERNAL ACCOUNTANT USER

An **External Accountant** is a powerful user type that can access all areas of QuickBooks *except* sensitive customer data, such as credit card numbers. If you log in to your client’s QuickBooks Pro or Premier file (version year 2012 and above) as an External Accountant user, you can segregate the changes you made during your review from other changes made by your clients, including the administrator.

If you are logged in as an **External Accountant user** using your client’s QuickBooks software, you can access the hidden Client Data Review feature in the Pro and Premier editions of QuickBooks (via the **Company** menu), although the feature set is an abbreviated version of the full-featured version of Client Data Review (see below) that is available in QuickBooks Accountant. This is a great way to access many of the accountant-centric features you love from QuickBooks Accountant when you are at your client’s site and using their software. You must be using QuickBooks 2016 to access the 2016 Accountant features (see next section).

**NOTE**: Client Data Review is *not* available in Pro or Premier when logged in as the Admin user.

Create an External Accountant type of user in your client’s company file while signed in as the Admin user. Select **Company > Set Up Users and Passwords > Set Up Users**.

![Company menu](image_url)
From there, follow the prompts to create a name and password, and in the window in which you determine if the user has access to all or select areas of QuickBooks, there is a third option to set up this user as an External Accountant.
CLIENT DATA REVIEW

The Client Data Review (CDR) feature was created to help the accountant or bookkeeper find and clean up typical data entry errors made by clients in QuickBooks without having to search for them manually. The purpose is to do this all seamlessly and quickly, saving the accounting professional a lot of time.

An example of a typical client error is receiving payment against an invoice, whilst making a separate deposit for the funds against revenue into the bank. This double-counts revenue, leaves the Undeposited Funds account uncleared, and the effects on VAT vary.

Client Data Review is a set of tools that can be used as a Monthly or Quarterly or Yearly “checklist” — moving through the tools will ensure you have checked and validated all key areas of the P&L and Balance Sheet. Additionally, notes can be entered, and you can “mark the review complete” when you are finished.

TIP: Another time-saving benefit of the CDR can be to reduce the amount of time it takes for you to account for and provide a quote for a new QuickBooks client engagement. Upon an initial sales meeting with a prospect, you can run this review on the data file and see, at a high level, any errors residing in the QuickBooks file. This will enable you to give a more accurate initial time budget for the job. Alternatively, if you are proposing a fixed fee engagement, this tool can likely reduce the hours you will need for the job and generate a more profitable data file clean-up engagement. Additionally, you can create standardised processes within your firm for working with clients to help improve your efficiency and productivity.

Since CDR may be used in multi-user mode, and since it can be used by any External Accountant user created by the Admin user in QuickBooks Pro and Premier (and any user with sufficient permissions in
QuickBooks Accountant), there is no need to take the client file away, have the client stop working in QuickBooks, and open the client file for CDR using your version of QuickBooks. This can all be achieved at your clients’ locations, or remotely from your location, while your clients continue to work in QuickBooks. No one is inconvenienced. Just remember that only one person may use the CDR function in a QuickBooks data file at a time (while other users may certainly use other areas of QuickBooks.)

**ACCESSING CLIENT DATA REVIEW**

The instructions for accessing CDR depend on which version of QuickBooks is being used.

**In QuickBooks Accountant**, access CDR by selecting **Accountant > Client Data Review**, after which you may select **Client Data Review** from the sub-menu or one of the specific tools in Client Data Review as in the screen capture below. You may then see a prompt to create an External Accountant type of user (unless the prompt has been turned off), although you do not have to create one if you already have access to CDR.

**In QuickBooks Pro & Premier** (when signed in as an External Accountant user), access CDR by selecting **Company > Client Data Review** (this item in the Company menu does not appear in QuickBooks Pro & Premier unless the user is an External Accountant user).

![Image of QuickBooks interface with Client Data Review highlighted]

**NOTE**: Controllers or internal accountants may also use CDR for their own company to clean up the data file periodically. Even if the version of QuickBooks is not Accountant, create a new user which is an External Accountant type of user. This will open up the functionality of CDR from the **Company** menu which even the Admin user would not be able to access. Again, only certain CDR tools would be available in this case.

**TIP**: Always create a backup of your clients’ data before you begin your year-end clean-up. The preferred file type for this is the .QBB file a QuickBooks Backup file. To create this type of file, select **File > Create Backup** (or **File > Create Copy > Backup Copy**) and follow the instructions on each screen prompting you as to where and how to save the backup data file.
Choose the review date range, either from the drop-down list or enter your own custom From and To dates as well as the review basis (Accrual or Cash). If CDR was used previously, you will then be able to select whether or not to keep task notes from the previous review. Select **Start Review**.

The CDR menu contains several tools and reports. Those items which are exclusive to CDR are marked with a wrench icon. The other items without the **spanner** icon are available outside of CDR as well. The list can be customised at the settings cog.
The clean-up tasks of Client Data Review are listed below, organised by area. (Not every QuickBooks company data file will have all these areas visible in CDR if particular functions have not been enabled. For example, if payroll has not been enabled in QuickBooks, there will be no Payroll area clean up tasks in CDR.):

- **Account Balances**
  - Troubleshoot Prior Account Balances
  - Reclassify Transactions
  - Open Working Trial Balance

- **Review List Changes**
  - Chart of Accounts
  - Items
  - Fixed Asset Items
  - Payroll Items
  - Review Items Setup
  - Customers (Customer Centre)
  - Suppliers (Supplier Centre)

- **Accounts Receivable**
  - Fix Unapplied Customer Payments and Credits
  - Clear up Undeposited Funds Account
  - Review AR Ageing Summary Report
  - Write Off Invoices (includes VAT)

- **Accounts Payable**
  - Fix Unapplied Supplier Payments and Credits
  - Review Unpaid Bills Report

- **VAT**
  - Find tax with no Tax Line
  - Adjust VAT Payable
  - File VAT

- **Stock**
  - Review Stock Setup
  - Compare Balance Sheet and Stock Valuation
  - Troubleshoot Stock
  - Adjust Stock Quantity/Value on Hand

- **Payroll**
  - Fix Incorrectly Paid Payroll Liabilities
  - Review Payroll Liabilities
  - Review Employee Default Settings
• Bank Reconciliation
  o Reconcile Accounts
  o Locate Discrepancies in Bank Reconciliation
  o Review Missing Cheques

• Miscellaneous
  o Set Closing Date and Password
  o Review QuickBooks Preferences

Each section of CDR has a *drop-down box for specifying the status* of that function: Not Started, In Progress, Completed, or Not Applicable. Also, the user may select the *clipboard icon* next to the status box for entering notes regarding that particular function.
The CDR window displays who is logged in and currently performing these review tasks. Furthermore, there is a large section on the right of the CDR panel for Review Notes related to the file as a whole, and these notes may be accessed by selecting the pencil icon in the top right corner of the CDR window. The Review may be marked as Complete. The progress of the Review may be printed out or Saved as a PDF at any time by selecting the appropriate button in the bottom left section of the CDR window. Finally, an Audit Trail related to the CDR can be produced at any time by selecting the Audit Trail of Review button.
NOTE: It is important to Mark the Review Complete at the end of the CDR process, because this records your final Trial Balance figures for the period, against which you can compare your figures the next time you perform a Client Data Review for this client.

With notes and status available for each component of CDR as well as CDR as a whole, this enables the accounting practitioner to produce working papers for the file review right in QuickBooks.
RECONCILING ACCOUNTS

While it is important to reconcile bank and credit card accounts monthly (and in a timely fashion), they are by no means the only accounts that may be reconciled. In fact, any balance sheet account with the exception of Retained Earnings may be reconciled using the reconciliation feature in QuickBooks.

Access this feature by selecting Banking > Reconcile.

At this point, you can choose the balance sheet account you wish to reconcile (along with the reconciliation or statement date and any other details such as the mandatory ending balance as of that date) from the drop-down box:
Once the account to be reconciled is chosen and the statement date and ending balances are entered, the Reconcile window pops up with all outstanding transactions (i.e. those transactions that have not undergone reconciliation in the past).

There are several important features of the Reconcile window that make reconciling easier, faster and more accurate. It is a good idea to make use of these by clicking on them.

The first is **Hide transactions after the statement's end date** in the top right corner of the Reconcile window. This box is very important to check for a number of reasons:

- It makes all transactions dated after the statement date go into hiding, so that it is easier to find the transactions to mark as cleared. This is particularly useful if your client’s company data file is more than a month behind on having reconciliations done. It makes doing all the sequential overdue reconciliations easier to handle, as later transactions will not confuse the eye of the person doing the reconciling.

- There is no chance of accidentally clearing a future-dated transaction instead of one dated during the statement period. This can happen especially when there are monthly pre-authorised payments, such as leases on computers and office machines. It is very important to avoid doing this, even if the amounts of the two transactions are identical. The reason for this is that the Reconciliation Summary and Reconciliation Detail reports in QuickBooks, which show the bank balance, cleared and uncleared transactions, show the register balance for that account based on a calculation. If a future-dated transaction is cleared, the calculated register balance will not match the trial balance as of that date and confusion will ensue.
Another important feature is the ability to click on the **column headers** to sort the transactions in the reconciliation window by a particular column’s parameter (either in order or reverse order, based whether the column header was clicked once or twice). Some things to keep in mind:

- Just as is the case in the Customer Centre and Supplier Centre, clicking on a particular column header will sort the listing by that column’s contents. Clicking on it a second time will sort the listing in reverse by that column’s contents.
- Sorting by a column can help in finding a particular transaction to clear, especially if the column used for sorting is the Amount column.
- Keep in mind that it is possible to sort and resort by different columns while reconciling, without losing the checkmarks already clicked on transactions to be cleared. When having difficulty finding one or more uncleared transactions, it is often useful at some point to click on the checkmark column header on both sides of the Reconcile window, so that all uncleared transactions appear together and are easier to find. For many practitioners, this feature alone is reason enough to upgrade a client to the current version of QuickBooks, since it makes the bank reconciliation process so much easier!

The next important part to click is the **Columns to Display** button. Clicking this button makes the **Customise Columns** box appear, and the user can specify which columns should appear on the Cheques & Payments side as well as on the Deposits and other Credits side. This is useful because there may be details in these columns that make the transactions easier to locate, especially when sorting by columns (see above).

A recommended checkbox to click is the **Highlight Marked** checkbox, in the bottom left corner of the **Reconcile** window. When this box is checked, all marked transactions are shown in a slightly shaded colour, visually segregating cleared transactions from those that have not yet been cleared. This is particularly useful in a Reconcile window with many transactions to peruse.

**NOTE:** It is very important to print out the Reconciliation Summary and Reconciliation Detail reports if you are using QuickBooks Pro, which saves (and makes available for printing) only the last completed reconciliation report, either as a PDF or its current state, including any changes made to transactions since the original reconciliation. At the very least, save the reconciliation reports from QuickBooks Pro as PDF files and name and organise them appropriately.

**TIP:** Printing or saving previous reconciliation reports is not necessary in QuickBooks Premier and Accountant (or Enterprise Solutions), which preserve all prior reconciliation reports as PDF’s. These versions of QuickBooks also make it possible to print out all prior reconciliation reports in their current state. Therefore, it can be valuable to open a client’s QuickBooks Pro company file in QuickBooks Premier or Accountant, in order to have access to prior months’ reconciliation reports if necessary.
There are times when a client might inadvertently change or delete a transaction that was already reconciled. When that happens, the opening balance in the Reconcile window would be different from what it should be. It can be useful to compare a PDF version of a bank reconciliation report to one that changes with new data that was entered. This comparison, in conjunction with the Reconciliation Discrepancy report, can help the ProAdvisor undo the changes that skewed the reconciliation.

What if the client has never reconciled the bank or credit card account? Many business owners do not understand the importance of reconciling their bank and credit card accounts regularly. The only way to start reconciling an existing (as opposed to a new) bank or credit card account on a particular statement date is to have all periods prior to that date reconciled. If there are many months, or even years, of statements that have not been reconciled, comprising thousands of transactions, this could present a logistical problem. In this case, there are two options:

- Month by month, reconcile this account in QuickBooks. Make use of the **Hide transactions after the statement's end date** checkbox so that no post-dated transactions litter the Reconcile window, making it easier to find the transactions to clear. Clicking on the column headers and specifying which columns to show will also make it easier to find the transactions to clear.

  - If you are certain that all transactions have been entered into the bank or credit card register, perform one gigantic reconciliation from the beginning of time to the statement end date of the last statement (or whatever statement date you decide). Select **Mark All** and then unmark the transactions you know to have been outstanding as of that date. There will be no individual reconciliation reports to print out or save, but this choice is often the most expedient. The opening balance for this one gigantic reconciliation would be either 0 or the opening balance for the account, if the person who set up QuickBooks for this company used the opening balance option when they created the account.
**BATCH ENTER TRANSACTIONS**

This new feature allows the accounting professional to enter groups of bank-related and credit card-related transactions quickly and easily into QuickBooks. These transactions – cheques/direct debits, deposits, credit card charges and credits, bills & bill credits, invoices & credits, can be entered manually in a line by line data entry fashion with a spreadsheet-like feel, or copied and pasted from Excel into QuickBooks all at once.

To access this time-saving feature, select **Accountant > Batch Enter Transactions**.

Select the transaction type, and then the bank account or credit card account, and then choose from multiple data fields and customise the columns you want in order to streamline data entry. For example, add stock-related columns to track item costs and quantities.

Credit Memos and Bill Credits can be entered with the invoices and bills as negative values. If a transaction has more than one VAT code or Account Code then use the Split button at the bottom of the page to enter each part of the transaction.

**TIP:** you can enter Direct Debits using the Cheques drop down. Instead of having cheque numbers, you can create a numbering scheme for the direct debits – perhaps by using the bank reference number.

**TIP:** the columns are customisable, so you can re-order them to match the way you are entering them, in the case of manual data entry, or if you are pasting from Excel.
Because the QuickBooks Batch Enter Transactions screen allows for only one transaction type to be batch entered at a time, when copying and pasting transactions already in Excel, first sort the transactions in Excel by type so that you can copy and paste groups of data easily into QuickBooks.
DELETE BATCH TRANSACTIONS – NEW TO 2016!

This great new feature available in the 2016 Accountant Version of QuickBooks gives the accounting professional the ability to delete transactions as a batch instead of one by one. From time to time it may be necessary to clear out duplicated or erroneous transactions and to do this one by one is time consuming and tedious.

To access **Delete Batch Transactions** go to **Accountant > Batch Delete/Void Transactions**.

Currently the transactions available for batch deletion are invoices, cheques and bills. Once you have selected the type of transaction you which to delete or void choose whether you would like to sort the transactions by the date they were entered, modified or the transaction date.

This is really useful if for whatever reason you or a client have accessed an old data file and begun to enter transactions in error, you can partition just the day’s input and remove.

From the list of transactions select the transactions you wish to void or delete. You can choose to include previously voided transactions to delete. The list can be sorted in ascending or descending order by clicking on any column in the list. Choose
QuickBooks will warn you if you select an invoice or transaction that is linked to another transaction such as an invoice with an associated payment. It will unlink the transaction that you have chosen to delete but not delete it, in the case of a purchase payment it will remain on the supplier account marked as ‘on account’.

Please also note that when you have selected the erroneous items – you will have the option to either to void or delete and review before you do either. You will remember that we discussed the difference between voiding and deleting in the module on Customer and Supplier Processes. Once you have selected all the relevant transactions Review & Void or Review & Delete.
Check the list presented is correct, QuickBooks will warn you that this is a permanent change & recommend that you Back-up & Delete. It is strongly recommended that you do so – so that you have a copy you can return to if there is any error! Though it will allow you bypass the back-up & to Delete Only.

If you choose to back-up, QB will automatically run the back-up sequence and give you a message & details of the location that you chose.

Once the process is complete you will get a message confirming the number of transactions voided or deleted and have the option to either view the transactions or close.
If you choose to view the transaction summary QuickBooks will display these in a **Voided/Deleted Transactions Summary** report which you should keep for your records. If you are moving the data to another QB DT file you could export the report to Excel, then configure the spreadsheet and batch enter in the correct file.

Used carefully the **Batch Enter** and **Batch Delete/Void** can be used as a basic delete/export/import tool for QuickBooks files.
SEND GENERAL JOURNAL ENTRIES

For a variety of reasons (for example, perhaps the client is not that sophisticated and uncomfortable with more esoteric computer functions), accounting professionals do not always use the Accountant’s Copy feature. What this means is that the accountant or bookkeeper creates a set of journal entries that must be posted in the client’s QuickBooks file so that the entries and the final Trial Balance in the client’s data mirror what the accounting professional has.

This process is often problematic. The client may be uncomfortable entering the transactions, or perhaps they might enter them incorrectly. This would result in a Trial Balance in the client’s live working file being different from what the accounting professional has. This discrepancy would cause problems in creating budgets, reporting year-over-year results, or when doing the year-end the next year as the beginning balances are not accurate.

The Send General Journal Entries feature allows the accounting professional to send an attachment of general journal entries to clients for importing into QuickBooks, rather than sending a list of entries for the clients to read and enter manually.

Access this feature by selecting Accountant > Make General Journal Entries.
Choose the date range in question and select the journal entries you wish to send. Then select **Email as Attachment** to send the entries to your client to import. Alternately, click on **Save as File** and then choose the name and location of the journal entries file to send to the client later.

When selecting **Email as Attachment**, the file is emailed immediately and you do not have control over what the file is called or where it is stored. For that reason, let’s select **Save as File** to demonstrate what happens. The resulting file is a *.QBJ* file and you can rename it and store it anywhere you like.
You then see a message prompting you to send this file to your client, as well as what instructions to give to your client in order to import your entries on their end.

When you send the saved *.QBJ file to your client, instruct them to save the attachment, and then select **File > Utilities > Import > General Journal Entries.** (If you had chosen to Email as Attachment, your client would receive an email with instructions how to import the file.)

**NOTE:** The accounting professional and the client must be using QuickBooks 2016 for this feature to work.

**NOTE:** Most accountants will wish to uncheck the box next to Allow recipient to select which GJEts to post to file in order to ensure that all the transactions you created are indeed entered at the client’s end.
POWER REPORTS

TRIAL BALANCE

Access this report by selecting Reports > Accountant & Taxes > Trial Balance.
This provides you with a trial balance report for any date range, either a pre-set date range from the Dates drop-down box or a user-specified range by selecting the From and To dates. This date range can be as short as one day or as long as the range of all dates for which there are transactions in QuickBooks.

**NOTE:** This date range flexibility feature is not generally available in other accounting packages.
**ADJUSTING JOURNAL ENTRIES REPORT**

This report lists all General Journal Entries that were tagged as “adjusting” (by checking the box next to **Adjusting Entry**) during a given period.

Access this report by selecting **Reports > Accountant & Taxes > Adjusting Journal Entries**. Then, at the top of the report, select the period or range of dates desired.
# Monty's Repair Shop

## Adjusting Journal Entries

**December 2016**

<table>
<thead>
<tr>
<th>Date</th>
<th>Num</th>
<th>Name</th>
<th>Memo</th>
<th>Account</th>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2016</td>
<td>GJ 2</td>
<td>Depreciation for the period</td>
<td>Accumulated Depreciation</td>
<td>100.00</td>
<td>100.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Depreciation for the period</td>
<td>Depreciation Expense</td>
<td>100.00</td>
<td>100.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>100.00</td>
<td>100.00</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**

100.00
100.00
**WORKING TRIAL BALANCE**

The Working Trial Balance was covered in the previous section regarding simplifying period-end tasks, but it bears repeating here as it is indeed a power report.

Especially useful during year-end accounts reconciliations and preparation for tax returns and financial statement preparation, the Working Trial Balance feature allows the accountant to see the beginning balance, the net effect of all transactions for the selected period, plus the net effect of all adjusting entries, and to add work paper references.

Access this feature by selecting **Accountant > Working Trial Balance**. Then select the desired date range, either by choosing a pre-set period from the drop-down box or by selecting a custom period with user-determined From and To dates. Also select Accrual or Cash basis reporting. (Note that QuickBooks can switch between the two at the click of your mouse.)

The user may double-click or “drill down” (see the magnifying glass with the Z in the middle in the screen capture below, indicating that a QuickZoom drill-down function is possible) into any number in this report to find the transactions for this account, and may continue to drill down until a specific transaction is opened for viewing or editing.

The Adjusting General Journal Entries (see previous section, above) are segregated into their own column so that there is a separation between normal entries that are made during the year and any adjustments that are determined by the controller, financial director, auditor, or accounting professional to be necessary for such items as accruals and depreciation, or year-end.

For simplicity, there is also the option to show only accounts with transaction activity by selecting a checkmark in the box in the bottom left corner, **Only show accounts with transaction activity**.
The Working Trial Balance feature allows the accountant to enter adjusting general journal entries directly from this window. Simply select the **Make Adjustments** button in the bottom right section of this window.
**ADJUSTED TRIAL BALANCE**

The Adjusted Trial Balance report works in a fashion very similar to the Working Trial Balance function described in the previous section.

This report displays the unadjusted balances (resulting from regular entries posted in the course of doing business, prior to taking adjusting general journal entries into account), adjustments (in the form of adjusting general journal entries), and adjusted balances (after taking the adjusting general journal entries into account) as of the last day for the specified date range.

Access this report by selecting **Reports > Accountant & Taxes > Adjusted Trial Balance**.
The Adjusted Trial Balance can be used as the basis for a discussion with you client about the errors they are making. Alternately, it can be quite useful in analysing the books prior to an audit.
AUDIT TRAIL

The always-on audit trail tracks all transactions, posting and otherwise, that were entered, modified, or deleted that affect the general ledger. It also tracks who did what and when. For this reason, it is imperative that each user be assigned their own user ID and password. Otherwise, you will see what was done, but not by whom. (The exceptions are that it does not keep track of time tracking entries, reconciliation status, VAT filing status, or changes to lists.) QuickBooks does not allow you to turn off the Audit Trail, as was true with UK QuickBooks versions prior to 2008.

Access the Audit Trail by selecting Reports > Accountant & Taxes > Audit Trail.

The Audit Trail reports on many information fields (some are displayed only if you select Customise Report and checkmark the desired columns in the Display tab) having to do with each transaction on the report, including:

- “Num” or Document Number (user-assigned, such as bill number or invoice number)
- Transaction Number (assigned automatically and sequentially by QuickBooks behind the scenes, regardless of the user-assigned Document Number)
- Transaction Type
- Transaction Date
- Entered/Last Modified Date
- Entering/Modifying User
- Account
- Class
- Quantity
- Unit Price
- Item
- Debit amount
- Credit amount

If a transaction is modified several times, the Audit Trail keeps track of every single version or “State” of that transaction, while highlighting the latest State (which is what appears in the appropriate non-Audit Trail reports). The State column identifies whether you are looking at the most recent version of a transaction (the Latest) or an earlier version of the same transaction (a Prior). Transactions may have multiple Prior entries listed, but only one Latest. Very importantly, the Audit Trail tracks every entry, modification, and deletion, precisely when it was done, and who did it.

TIP 1: The Audit Trail is your most powerful weapon against fraud. QuickBooks has listened to the suggestions of accounting professionals globally and created a report that shows you everything you need to see when troubleshooting a transaction. We encourage you to review the Audit Trail regularly and call any problematic transactions to the attention of the business owner and accounting staff. This puts them on notice that things are being checked regularly and investigated.

TIP 2: You must have separate user names and passwords for each user. Otherwise, the audit trail will show every transaction as being from one user (in the case of a company in which everyone shares a single log-in!)
Any information about the transaction that has been changed is highlighted in **Bold Italic type** in the report. If there are multiple versions of a transaction, the earliest version will have no highlighting, but subsequent versions will highlight each value that differs from the previous version's value in that field by displaying the value in bold italics. If a line item was added to the transaction, that entire line of the report will be highlighted.

Each transaction is identified by a bold heading (for example, Bill 3422a). The transaction heading information always appears in the following order:

1. The type of transaction (deposit, cheque, bill, etc.)
2. The document number (if applicable).

This status (Latest or Prior) is automatically assigned by QuickBooks as transactions are added, deleted, or modified. To view the most current version of the transaction, double-click any field in the **Latest** entry in the report.
One very valuable feature of the Audit Trail is that the user can run a report filtered by two date ranges. The first is the **Report Date Range**, which is the *posting date* of each transaction. The second is the **Entered/Last Modified Date Range**, which is the date on which the last changes were made to a transaction. (Unfortunately, one cannot filter by all modification dates but only the modification date that resulted in the Latest State.)
CLOSING DATE EXCEPTION REPORT

Oftentimes, accountants will run a Trial Balance as of the last financial period and find that it differs from the finalised, printed Trial Balance for that period. This happens because someone in the organisation decided to enter, edit or delete a transaction that was dated either on the last date of the Trial Balance period or before that.

**TIP:** To prevent unwanted changes to prior periods, it is recommended that clients set a closing date and a closing date password to “lock” down everything that is in the company data file from the beginning of time up to and including the closing date. This stops anyone wishing to enter, edit, or delete transactions on or before the closing date. It is a good practice to update (i.e., move forward) the closing date and closing date password regularly. Only the Admin user or the External Accountant user can set or change the closing date or the closing date password. The External Accountant user is described earlier in this course.

Another benefit to establishing and maintaining a closing date and password is that if anyone knowing the password uses it to make changes to a closed period, QuickBooks will keep track of who made what change, and when. This report, called the Closing Date Exception Report, is available only in QuickBooks Premier, Accountant and is accessed by selecting Reports > Accountant & Taxes > Closing Date Exception Report.
This report also lists the history of when the closing date was set or changed.

**TIP**: It is important to note that *if no closing date is set*, then this report will not run and will be of no value.
RECONCILIATION DISCREPANCY REPORT

There is nothing in QuickBooks that stops a client from changing or deleting a transaction that has already been reconciled in the Banking > Reconcile function (unless the Closing Date has been set and the client does not know the password — in which case they cannot change or delete a transaction in the closed period). There is a warning when someone attempts to change the amount of a reconciled transaction, which end users often ignore and select Yes without considering the ramifications of what they are doing:

Similarly, there is a warning when someone attempts to change the (bank or credit card) account of a reconciled transaction, which end users sometimes ignore and select Yes without considering the ramifications of what they are doing:
Similarly, there is a warning when someone attempts to delete a reconciled transaction, which clients sometimes ignore and select Yes without considering the ramifications:

![Delete Transaction dialog box](image)

**NOTE**: QuickBooks does not offer any warning other than “You have changed the transaction. Are you sure you want to record your changes?” for edits to reconciled transactions such as changing the date or adding a memo. Changing a date on a transaction, especially changing it to a date in the future (past the statement date for this account), can have undesired effects on reconciliation reports. See below, in the section on bank reconciliations.)

Because the warnings in QuickBooks are sometimes ignored by clients, and they end up making changes to reconciled transactions, bank and credit card reconciliations can be affected, so that the Beginning Balance on the next reconciliation differs from the Ending Balance on the last reconciliation.
If this happens, the first report you should run is the **Reconciliation Discrepancy Report**. Access this report by selecting *Reports > Banking > Reconciliation Discrepancy Report*. Then select the account for which you want the report.
It can also be accessed at the beginning of a bank or credit reconciliation by selecting **Locate Discrepancies** in the pop-up **Begin Reconciliation** window.

The report will show any changes or deletions to reconciled transactions for the account in question, so that the user may change the transactions back to the original state and the reconciliation will have the correct beginning balance.

If, however, the edited amount was correct and the previously-conducted reconciliation was erroneous because the person who did the reconciling “fudged” entries to force the account to reconcile, it is important to know that it is possible to undo reconciliations (in the same Begin Reconciliation window as seen above) and redo them.
VOIDED/DELETED TRANSACTIONS REPORTS

Access these reports by selecting `Reports > Accountant & Taxes` and choosing one of the two versions of this report available. There are two versions of these reports:

- Voided/Deleted Transactions Summary:

![Voided/Deleted Transactions Summary](image1)

- Voided/Deleted Transactions Detail:

![Voided/Deleted Transactions Detail](image2)

These reports provide valuable extra information in addition to the Audit Trail report, which cannot be programmed to show only deleted or voided transactions.
**Transaction Journal**

It is often a challenge to look at a transaction window (such as a cheque) on the screen and know instantly how the ledgers are affected behind the scenes. There is a simple way to see precisely what has been affected behind the scenes in QuickBooks by any transaction. Firstly, one must open a transaction that was already recorded. (*This will not work on transactions that have not yet been saved.*)

In QuickBooks Accountant, transactions have a Transaction Journal icon at the top of the entry in the Reports tab as seen in the screen capture of this invoice:

Selecting this Transaction Journal icon will produce a Transaction Journal, which may be customised to add or remove columns, change column widths, order of columns and other typical report modifications.

**Tip:** Control+Y is a keyboard shortcut for this Transaction Journal icon and produces the same report.
TRANSACTION HISTORY

There are times when the accountant, when reviewing a client’s financial records, needs to find related transactions to ensure that everything was entered properly. There is a simple way to find the history on transactions in QuickBooks.

Access this feature by selecting the Transaction History icon at the top of an entry in the Reports tab as seen in the screen capture of this invoice. Alternately, select Control+H. Once the Transaction History window opens, the accountant can open up and edit any of the transactions in the Transaction History. Transactions in the Transaction History would be any linked transactions such as Bills and Pay Bills, or Invoices and Receive Payments.
E-MAIL REPORT AS PDF OR EXCEL SPREADSHEET

Any report in QuickBooks may be e-mailed as an attachment (with Outlook and Outlook Express, Mozilla Thunderbird, Gmail, Hotmail, Yahoo Mail or custom SMTP email provider), either in Excel or PDF format. This is very useful for accountants or bookkeepers who wish to send a query to their clients based on what they’ve seen in QuickBooks, or clients who wish to send draft statements to their accountant.

Access this feature by selecting the E-mail button at the top of the report, and then by selecting either Send report as Excel or Send report as PDF.
**Save Report as PDF**

Many accounting professionals and business owners would prefer to save reports on their computers or networks as a PDF, rather than print them out. The advantage of doing this (as opposed to printing or using the e-mail function above) is that the report may be saved anywhere on the computer or network that you choose and you may name the report something unique and meaningful, such as AdjustedTrialBalNov2014SavedDec122014.PDF. (When e-mailing a report, your system saves the PDF in a default location and gives the PDF attachment a generic name.) Naturally, saving the report as a PDF means that it is unlikely that anyone can make unnoticed changes to it.

Access this feature with the desired report open by selecting **File > Save as PDF**.
**Excel Integration**

Any report in QuickBooks may be exported to Excel, and this can be very useful for performing extra formatting and calculations that cannot be done within QuickBooks. But what is really useful is that starting in 2012, *QuickBooks now remembers the link to Excel!* We’ll cover this in more detail in the next section but this is a very powerful feature that is sure to save you a lot of time!

Access this feature with the desired report open by selecting the Excel button at the top of the report. Then choose whether to Create New Worksheet or Update Existing Worksheet.
As with saving a report to PDF, the advantage of doing this (as opposed to printing or using the e-mail function previously mentioned) is that the report may be saved anywhere on the computer or network that you choose and you may name the report something unique and meaningful (e.g. “AdjTrialBalNov2015SavedDec122015.xlsx”).

- There are several options when selecting the Excel button at the top of a report:
  - Create a new worksheet in a new workbook
  - Create a new worksheet in an existing workbook
  - Update an existing worksheet (one-click refresh — see next section for details)
  - Save as a *.csv file (which is useful in case Excel is not installed on the system)
  - Advanced options (by selecting the Advanced button) that include:
    - Auto Outline (allows for collapsing or expanding) — extremely useful
    - Auto Filtering (allows for custom data filtering) — extremely useful
    - Report header to show on the screen or just on the printed report
    - Repeat row labels on each page
Advanced Excel Options

QuickBooks Options:
- Keep the following format options from QuickBooks:
  - [ ] Fonts
  - [ ] Space between columns
  - [ ] Colours
  - [ ] Row height

Excel Options:
- Turn on the following Excel features:
  - [ ] AutoFit (set column width to display all data)
  - [ ] Freeze panes (keep headers and labels visible)
  - [ ] Show Gridlines
  - [ ] Auto Outline (allows collapsing / expanding)
  - [ ] Auto Filtering (allows custom data filtering)

- Include QuickBooks Export Guide worksheet with helpful advice
- Create backup worksheet during update

Printing options:
- Show report header:
  - [ ] On printed report only
  - [ ] On printed report and screen
  - [ ] Repeat row labels on each page

[OK] [Cancel]
ONE-CLICK REFRESH/UPDATE OF EXCEL INTEGRATION

As mentioned above in the section on Excel Integration, any QuickBooks report may be exported to Excel. Many users make a series of specific formatting changes once the Excel export has taken place, such as changing column and row sizes, renaming report headers and column and row headers, and inserting rows and formulas. All these desired formatting changes would have to be repeated any time the same report in QuickBooks was exported to Excel with refreshed data.

With the one-click refresh feature, however, the tedious task of repeating the formatting changes every time the same report is exported to Excel is unnecessary. This can save a busy accounting professional a tremendous amount of time every month!

When a new, refreshed version of a report (that was already exported, formatted and saved in Excel) is run in QuickBooks, access this feature by selecting the Excel button at the top of the desired report in QuickBooks, and then choose Update Existing Worksheet.
**Alternately**, there is another way to update an existing worksheet with refreshed QuickBooks data, but this time from Excel as opposed to from QuickBooks. In Excel, click the **QuickBooks** tab and select **Update Report**.

![Excel QuickBooks Update Report](image)

**NOTE:** The first time you update a report from Excel, QuickBooks must be open. This is important because QuickBooks automatically updates your integrated applications preference. Basically, it tells QuickBooks that Excel has permission to access your data. After that, you can update reports from Excel even if QuickBooks is closed.

**NOTE:** If you select **How it works** in the **Send Report to Excel** window, there is a description of which formatting changes are preserved when updating a QuickBooks report in Excel.
QuickBooks Statement Writer

Accounting professionals wishing to produce professionally formatted financial statements and supporting documents will want to make use of the QuickBooks Statement Writer, available for free and only in QuickBooks Accountant.

With this tool, you can create professional-looking financial statements in accordance with Generally Accepted Accounting Principles for those clients who use QuickBooks. It includes a selection of preformatted Balance Sheets, Income Statements, Statements of Cash Flows, and Statements of Retained Earnings. It also comes with some preformatted title pages, and accountants’ reports, auditors’ reports, review reports and audit reports. You may also upload your own documents and you can create professional reporting packets with the pages printed in any order you specify, and properly paginated and numbered.

Access this feature by selecting Accountant > QuickBooks Statement Writer.
There are over 35 pre-set templates for financial statements and supporting documents, but accounting professionals may also create their own templates.
After choosing or creating and editing a template, an Excel-like window opens with the data populated for the chosen template from the QuickBooks company file.

The accounting professional may insert rows (for subtotals, grouped accounts, and blank rows for spacing), columns (to show prior year balances, and to calculate variances, ratios and percentages), combine fields, rename accounts, make formatting changes, determine rounding, and much more.
This can all be done in a familiar Excel-like interface.

These edits can be changed and applied to refreshed data.
<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>Business Licenses and</td>
<td>0.00 (B22/Current</td>
<td>0.00 (B22/Current</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Permits</td>
<td>...)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Charitable Donations</td>
<td>1590.00 (B23/Current</td>
<td>0.00 (B23/Current</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Computer and Internet</td>
<td>11943.40 (B24/Current</td>
<td>0.00 (B24/Current</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Depreciation Expenses</td>
<td>0.00 (B25/Current</td>
<td>0.00 (B25/Current</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Dues and Subscriptions</td>
<td>2868.45 (B26/Current</td>
<td>0.00 (B26/Current</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Insurance Expense</td>
<td>4151.06 (B27/Current</td>
<td>0.00 (B27/Current</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Interest Expense</td>
<td>0.00 (B28/Current</td>
<td>0.00 (B28/Current</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Meals and Entertainment</td>
<td>0.00 (B29/Current</td>
<td>0.00 (B29/Current</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Miscellaneous Expenses</td>
<td>0.00 (B30/Current</td>
<td>0.00 (B30/Current</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Payroll Expenses</td>
<td>0.00 (B31/Current</td>
<td>0.00 (B31/Current</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Postage and Delivery</td>
<td>0.00 (B32/Current</td>
<td>0.00 (B32/Current</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Printing and Reproduction</td>
<td>663.04 (B33/Current</td>
<td>0.00 (B33/Current</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Real and Rates</td>
<td>20400.00 (B34/Current</td>
<td>0.00 (B34/Current</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Repairs and Maintenance</td>
<td>4000.00 (B35/Current</td>
<td>0.00 (B35/Current</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Staff Training</td>
<td>650.00 (B36/Current</td>
<td>0.00 (B36/Current</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Taxes</td>
<td>0.00 (B37/Current</td>
<td>0.00 (B37/Current</td>
<td></td>
</tr>
</tbody>
</table>

Combined two accounts in this row; may rename this row as well.
The accountant’s information and company information can be inserted, along with footers, page numbers and other edits well beyond the capabilities of QuickBooks reporting. When initially opening up the QuickBooks Statement Writer, the Preferences & Formats button should be selected to enter the accountant’s information.

The statements as they appear in the Excel-like interface can be tweaked using “drag/drop” functions as seen in the screen capture below:

The QuickBooks Statement Writer can produce balance sheets in UK format.
**Other QuickBooks Statement Writer Features**

- Reuse your customised financial statements with the same or multiple different clients
- Supporting Document Editor allows you to prepare complete sets of financial statements, including custom title pages, accountant reports and notes
- Quickly refresh statements with QuickBooks data
- Export to Excel or save as a PDF for printing or emailing

**Average Days to Pay Reports**

These valuable reports, located in the Customers & Receivables section of the Reports menu, allow the accounting professional to alert their clients to the risks of slow-paying customers. This aids in collections, improves cash flow, and reduces bad debt.

- **Average Days to Pay Summary**

  Access the summary version of this report by selecting **Reports > Customers & Receivables > Average Days to Pay Summary.**
• Average Days to Pay

Access the detailed version of this report by selecting Reports > Customers & Receivables > Average Days to Pay. This detailed version shows invoices, the invoice dates, due dates, and paid date, along with other information.
SEARCH

Sometimes the Find feature in QuickBooks does not help the accountant find what they’re looking for, especially if they aren’t that familiar with names or other specifics of this company data file.

The Google-like Search feature allows the accountant or any other user to find list names or transactions quickly. The parameters of the search for transactions can be narrowed by a date range or an amount (either equal to, greater than, or less than).

Access this feature by selecting **Edit > Search** or by hitting **F3**.
An example of using this feature would be searching for the word “main”:
The results that show up may be opened up. In this example, the cheques to Tom’s cleaning were posted to Repairs and Maintenance. Therefore the search terms cast a wide net and result in many “hits,” some of which may be less than useful or even meaningless. But for the accountant who is not familiar with the names that were used in the company data file, this could aid in finding transactions and list entries quickly.
CONCLUSION

As you can see, QuickBooks Accountant is packed with features and benefits that make the accounting professional’s life easier both in terms of working with client accounting files and in terms of managing their client base. This frees up many billable hours for other tasks. The value of the many tools in QuickBooks Accountant cannot be quantified; it is worth many times the price.

Harnessing the power of QuickBooks Accountant by familiarising yourself with these wonderful features and tools will supercharge your practice.