Assignment Bookkeeping

Task-

Q: What is the difference between QuickBooks Online (QBO) and QuickBooks Desktop (QBD)?.
Q: How do you record a bank transfer between two accounts in QuickBooks?
Q: What are customer types in QBO, and how can they be used?
Q: How do you enter a bill in QBO, and what does it represent?
Q: What types of reports can you generate in QuickBooks to analyze your business performance?
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Answers-

Q: What is the difference between QuickBooks Online (QBO) and QuickBooks Desktop (QBD)?

QuickBooks Online (QBO), created by Intuit, is a cloud-based accounting program that enables companies to handle their finances from any internet-connected device. This includes paying bills, keeping track of expenses, and producing financial reports. It offers features like mobile compatibility, real-time data access, and integration with multiple third-party applications on subscription.

QuickBooks Desktop (QBD) is accounting software that can be installed locally and is used to manage businesses' finances**.** Installed directly on a particular computer or server, it also provides features for tasks such as bookkeeping, invoicing, and financial reporting. Besides cloud-based alternatives, it also requires manual updates and data backups and is often used by businesses needing detailed accounting functionality and control over their local data.

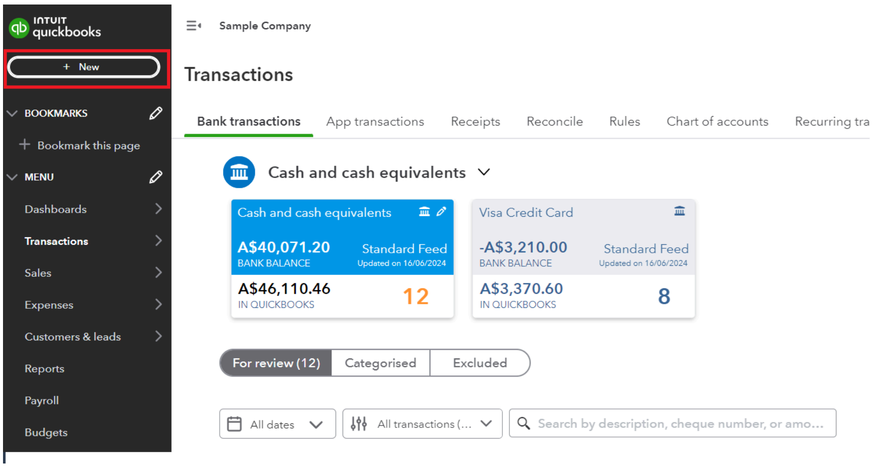
Differences	**QuickBooks Online**	**QuickBooks Desktop**
Deployment	Cloud-based, accessible from anywhere, subscription-based	Locally installed, accessible on specific computers, often a one-time purchase
Features	User-friendly, integrates with many apps, mobile access, and multi-user collaboration.	More advanced features, greater customization, and better for large datasets.
Data Security	Cloud storage, automatic backups.	Local storage and manual backups are required.
Cost	Recurring subscription	One-time purchase,

	fees	optional additional costs for updates.
User Experience	Modern, easy to use.	Traditional interface, more complex.

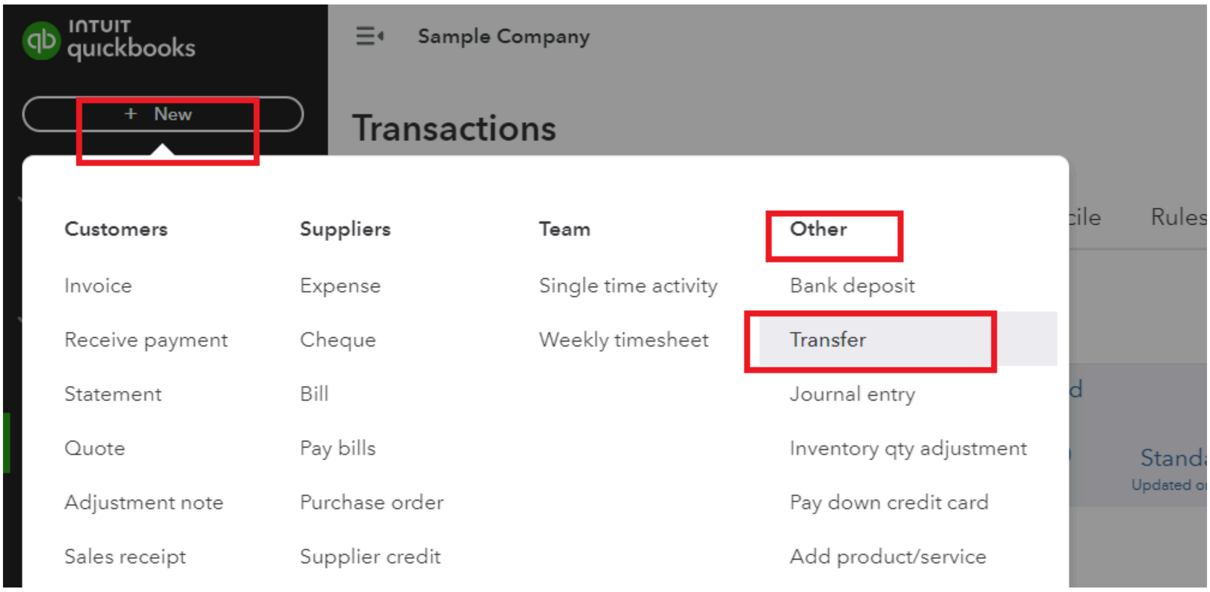
Q: How do you record a bank transfer between two accounts in QuickBooks?

Answer: Steps to record a bank transfer between two accounts in QuickBooks:

Login to Quickbooks and click on the +New Option.



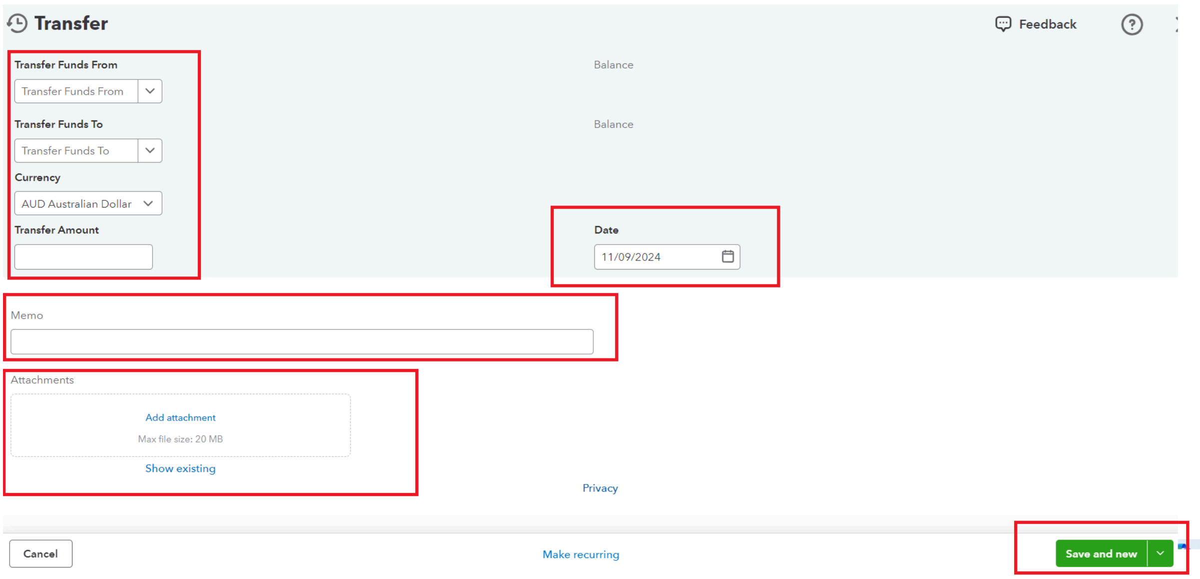
After clicking on the new option, click on Transfer from the other option.



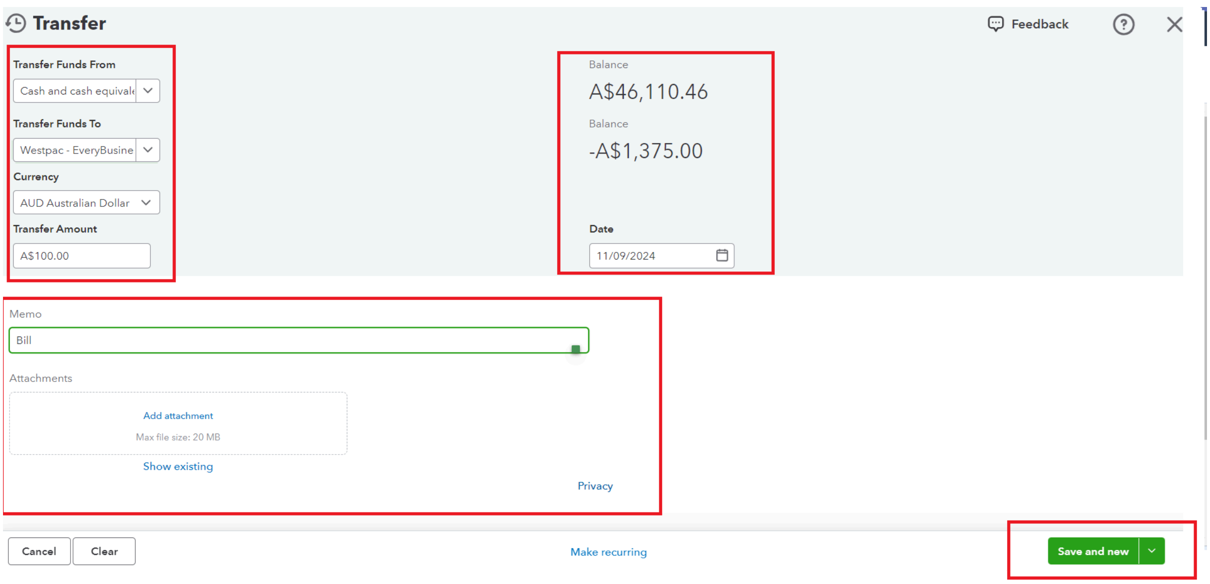
Enter Transfer Details:

- Transfer Funds From: Choose the account you are transferring money from.
- Transfer Funds To: Choose the account you are transferring money to.
- Amount: Enter the amount of the transfer.

- Date: Enter the date of the transfer.
- Memo (optional): Add a description for the transfer.



After filling up the details, click on **Save and New** to record the transfer:



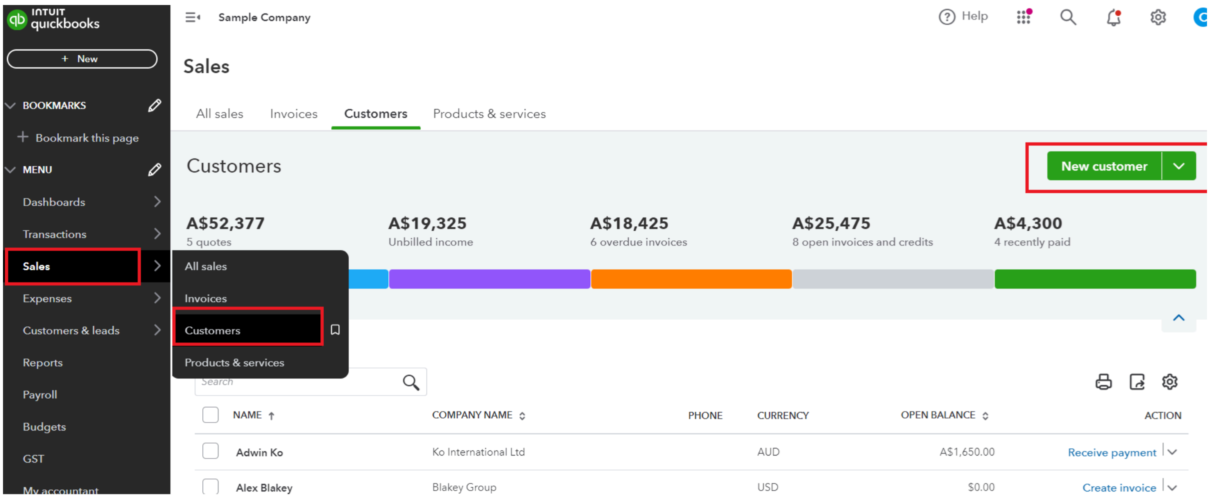
Q: What are customer types in QBO, and how can they be used?

Answer:

Definition: Customer types are predefined or custom categories that help you segment your customer base based on specific characteristics or criteria. Customer kinds are pre-made or specially created categories that assist you in dividing up your clientele according to particular traits or standards.

Usage:

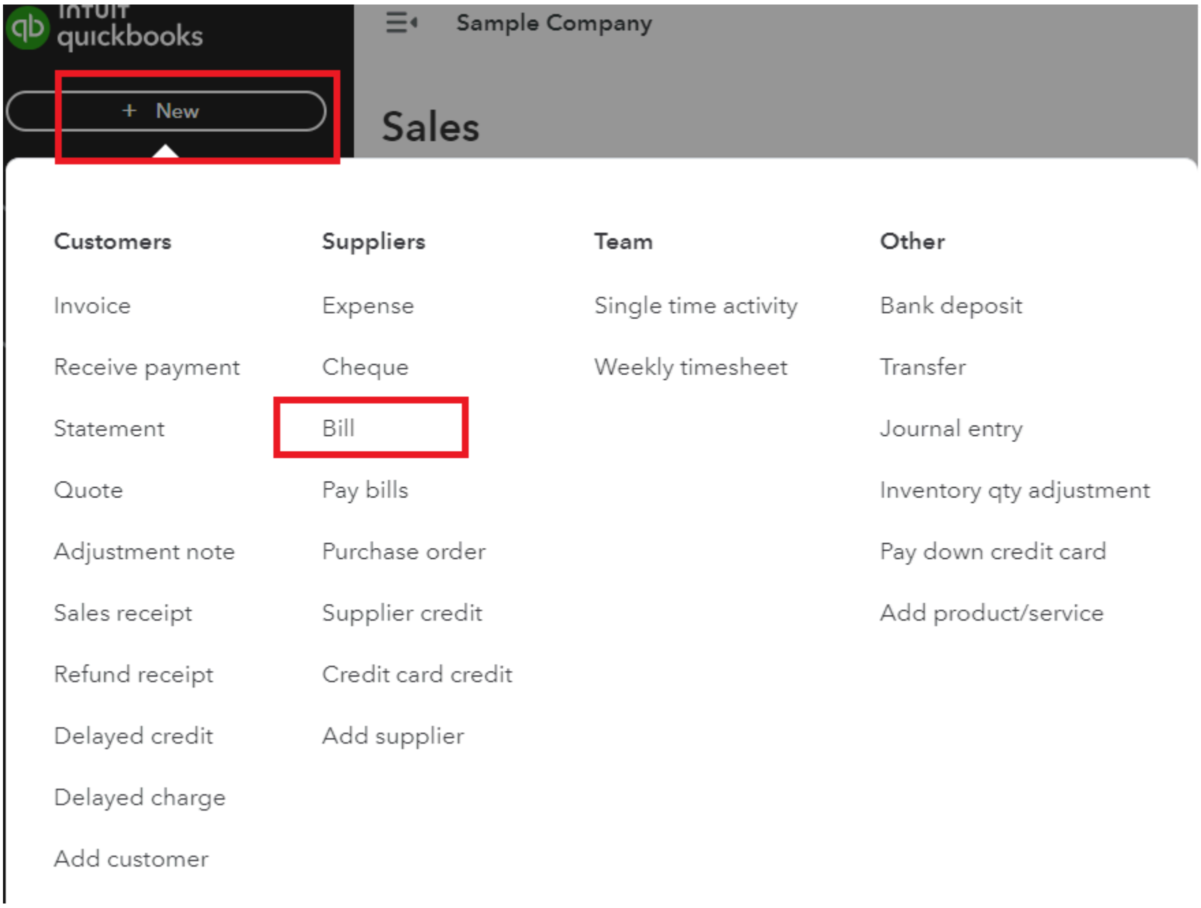
- **Organization**: To simplify management and marketing initiatives, classify consumers according to their category, such as retail, wholesale, or service clients.
- **Reporting**: Create reports that examine various client kinds' performance, including sales totals, profit margins, and unpaid invoices.
- **Targeting**: For more efficient outreach and client engagement, modify marketing campaigns and communications according to the type of customer.

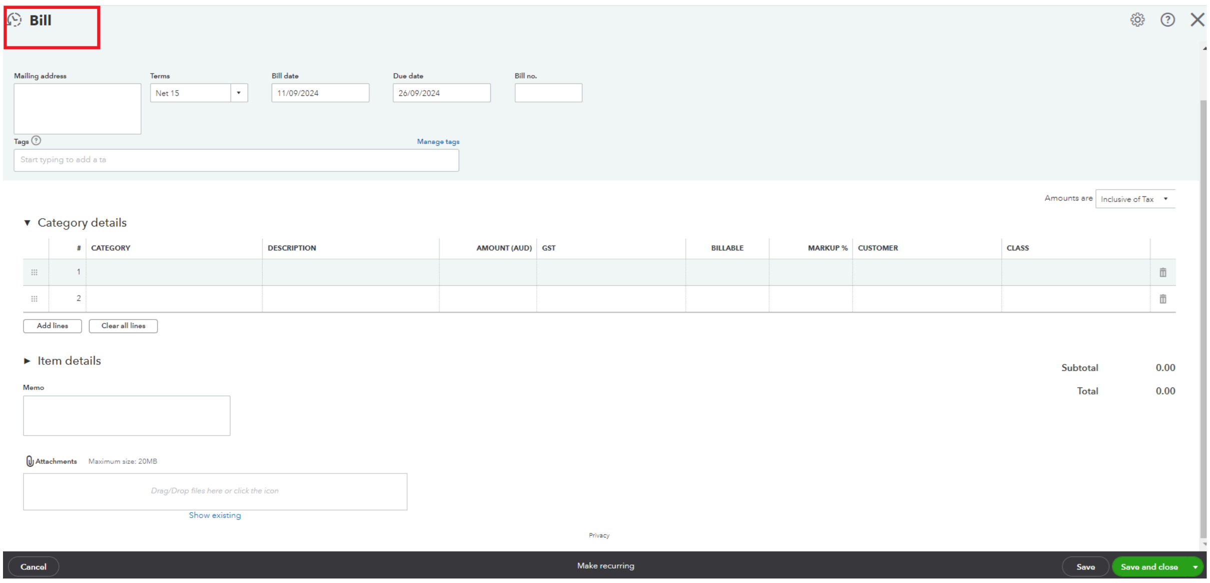


Q: How do you enter a bill in QBO, and what does it represent?

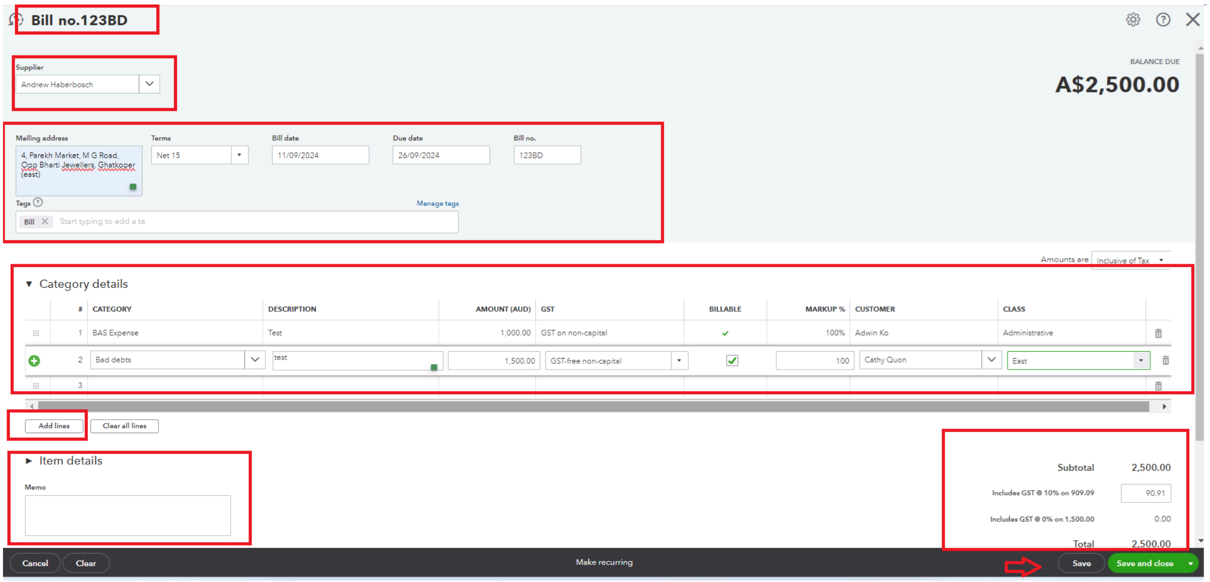
Answer: Steps to enter a bill in QBO

1. Login to Quickbooks and go to the Bills Menu:
    - Click on + New in the left sidebar.
    - Under the Vendors section, select Bill.


intuit quickbooks
Sample Company
+ New
Sales
Customers
Invoice
Receive payment
Statement
Quote
Adjustment note
Sales receipt
Refund receipt
Delayed credit
Delayed charge
Add customer
Suppliers
Expense
Cheque
Bill
Pay bills
Purchase order
Supplier credit
Credit card credit
Add supplier
Team
Single time activity
Weekly timesheet
Other
Bank deposit
Transfer
Journal entry
Inventory qty adjustment
Pay down credit card
Add product/service

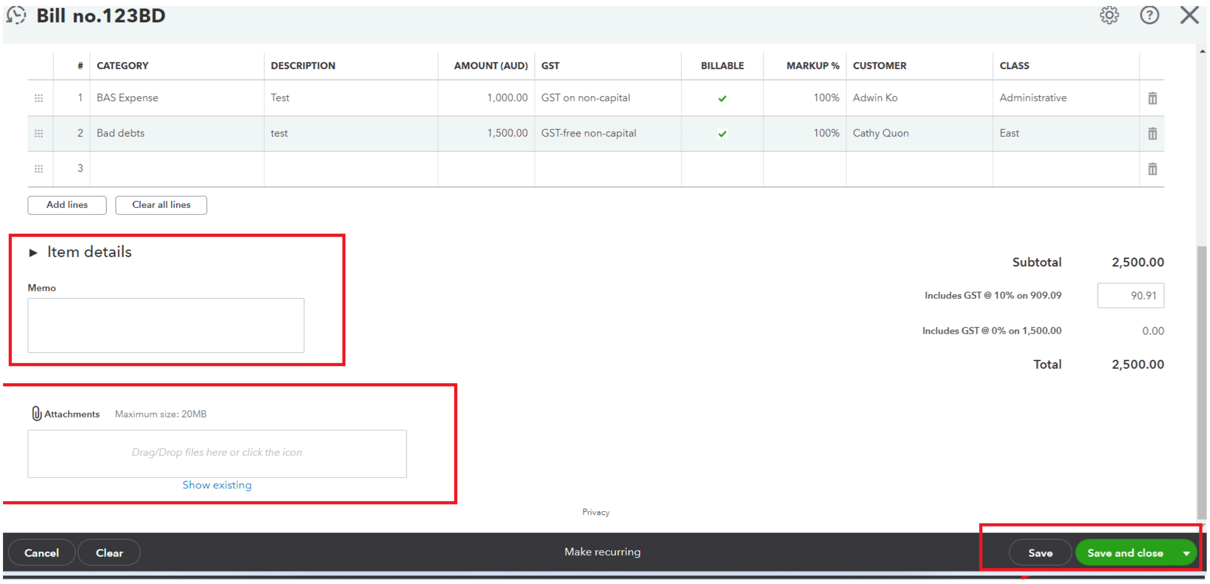

Bill
Mailing address
Terms
Net 15
Bill date
11/09/2024
Due date
26/09/2024
Bill no.
Tags
Manage tags
Amounts are
Inclusive of Tax
Category details
CATEGORY DESCRIPTION AMOUNT (AUD) GST BILLABLE MARKUP % CUSTOMER CLASS
Add lines
Clear all lines
Item details
Subtotal 0.00
Total 0.00
Memo
Attachments
Maximum size: 20MB
Show existing
Cancel
Make recurring
Save
Save and close

2. Enter Bill Details:
    - Vendor: Select the vendor you received the bill from. If the vendor isn't listed, you can add a new one.
    - Bill Date: Enter the date of the bill.
    - Due Date: Enter the due date for payment.
    - Bill Number: Enter the bill number if available.
    - Category: Choose the expense category or account that corresponds to the items or services on the bill.
    - Amount: Enter the amount of the bill.
    - Description (optional): Add details about the bill or items.



3. Add Bill Items (if applicable):
    - If the bill includes specific items or services, you can add them under the Item Details section.
    - Choose the appropriate product or service and enter the quantity and rate.
4. Attach documents (optional):
    - You can attach a digital copy of the bill by clicking the Attach file option and uploading the document.
5. After entering all the details, click on Save and Close.

   Note: Click Save and New if you need to enter another bill.



What a Bill Indicates:

- A bill shows how much money your company owes a supplier or vendor for products or services that it has purchased.
- Accounts Payable: The amount that is still owed to you is updated in your accounts payable records.
- Expense tracking helps you maintain accurate financial records by helping you better manage payments and keep track of your spending.

Q: What types of reports can you generate in QuickBooks to analyze your business performance?

Answer: QuickBooks can be used to create a wide range of reports that assess many aspects of your business performance, including revenue, expenses, cash flow, and profitability.

Key report formats are listed below:

- Profit and Loss (Income Statement)
- Balance Sheet
- Cash Flow Statement
- Accounts Receivable (A/R) Aging
- Accounts Payable (A/P) Aging
- Sales by Customer Summary
- Expense by Vendor Summary
- Budget vs. Actual
- Inventory Valuation Summary
- Sales Tax Liability
- Statement of Equity

- Custom Reports

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Answer: Assignment Loom Video.