



# The biggest QuickBooks Online hacks for your biggest problems

Gisele Doucet

# CPD Process

## In order to receive CPD credit

- Be sure to sign in or scan your badge for this session
- You must stay in the session for the duration of the training
- This session is eligible for **1 hour of CPD**
- CPD certificates are emailed directly to you within 4 weeks of the conference date to the same email address you used to register

# About today's speaker



Gisele Doucet  
CEO, The Art of Accounting

## Platinum-level Advanced Certified ProAdvisor

CURRENT TIER			
BRONZE	SILVER	GOLD	PLATINUM
0-2	3-10 OR QBO Core Certified	11-24 OR QBO Advanced Certified	25+ AND QBO Core Certified

**Member of the Intuit Trainer/Writer Network**

**Intuit Trainer for over 5 years**



**Take a few moments  
to CONNECT with  
your neighbour:**

**What business  
tracking tools do  
you use now?**

# **Agenda**

**Retainers**

**Write Off Bad Debt**

**Sales Tax Adjustment**

**Daily Sales Summary**

**Trouble shooting Bank Reconciliation**

**Use Bank Rules**

**Build an ecosystem**

# How to book and manage Deposits from Clients “Retainers”?





# Retainer

## RETAINERS & DEPOSITS

Your clients may need to track retainers and deposits. To create a retainer or deposit for your clients there are 2 steps to setup.

1. Create an account to track the Retainer or Customer Deposit.
  - a. Go to Chart of Accounts
  - b. Create a liability account called Customer Deposits (or name of your choice).

**Account**

Category Type  
Other Current Liabilities ▼

\*Detail Type  
Current Liabilities  
Current Tax Liability  
Current portion of employee benefits obligations  
Current portion of obligations under finance leases  
Insurance Payable  
Interest payables  
Line of Credit  
Loan Payable

\*Name  
Customer Deposit

Number  
[Empty]

Description  
[Empty]

Currency  
CAD Canadian Dollar ▼

# Retainer

2. Setup a service called Deposits. Link the service item to the Customer Deposits account.

Product/Service information

Service

Change type

Name\*

Customer Deposits

SKU

Category

Choose a category

Sales information

☒ I sell this product/service to my customers.

Designate on sales report

Sales price/rate

0.00

Income account

Customer Deposit

3. View the Customer Deposits on an account report.
- a. Run a Balance Sheet
  - b. Click on the Customer Deposits account.
  - c. Filter the report by the customer to view the report by customer.

Green Tree Landscapes

TRANSACTION REPORT

All Dates

DATE	TRANSACTION TYPE	#	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
= Customer Deposit									
12/05/2016	Invoice	1044	No	Angus Pank		Customer Dep...	Accounts Receivable (A...	\$ -1,000.00	-1,000.00
01/12/2017	Invoice	1101	No	ABC Company Ltd./NW Pro...		Customer Dep...	Accounts Receivable (A...	\$ -5,000.00	-6,000.00
01/12/2017	Invoice	1100	No	ABC Company Ltd./NW Pro...		Customer Dep...	Accounts Receivable (A...	\$5,000.00	-1,000.00
Total for Customer Deposit								\$ -1,000.00	
TOTAL								\$ -1,000.00	



# Retainer

4. Apply the deposit or retainer.
  - a. After the work or services are complete, your client will create a sales transaction as per usual.
  - b. After adding the services or items have been added, you'll add the Customer Deposit/Retainer Item.
  - c. Enter the amount of the deposit to be applied as a negative. This will apply the amount to the transactions and affect the balance in the customer deposits account accurately.

Invoice no. 7763

Customer: Hannah Began | Email: hannah\_mcfarland@rockdicki.com | Payment Options: Get set up

Amount Due: \$10,300.00

Billing address: Hannah Began | Terms: Net 30 | Invoice date: 03/02/2017 | Due date: 04/02/2017

Invoice no.: 7763 | Location: | Item: |

#	PRODUCT/SERVICE	QTY	RATE	AMOUNT/CAGR	SALES TAX
1	Consulting	1	10,000	10,000.00	HST DN
2	Customer Deposits	1	-1,000	-1,000.00	Out of Scope

Subtotal: 9,000.00 | HST (13% @ 12,000.00): 1,300.00

Buttons: Add lines, Clear all lines, Add subtotal, Print or Preview, Make recurring, Customize, Save, Save and close

# Reporting on Retainers

## Reconcile your Retainer Account (Client Deposit)

- 0 opening balance
- 0 ending balance

## Create a custom report – General Leger on the Retainer (Client Deposit Account)

- Filter on “uncleared” transactions

## Create a custom report – General Leger on the Retainer (Client Deposit Account)

- This provides your sub-ledger details to support balance sheet

# How to book and manage bad debt write offs?



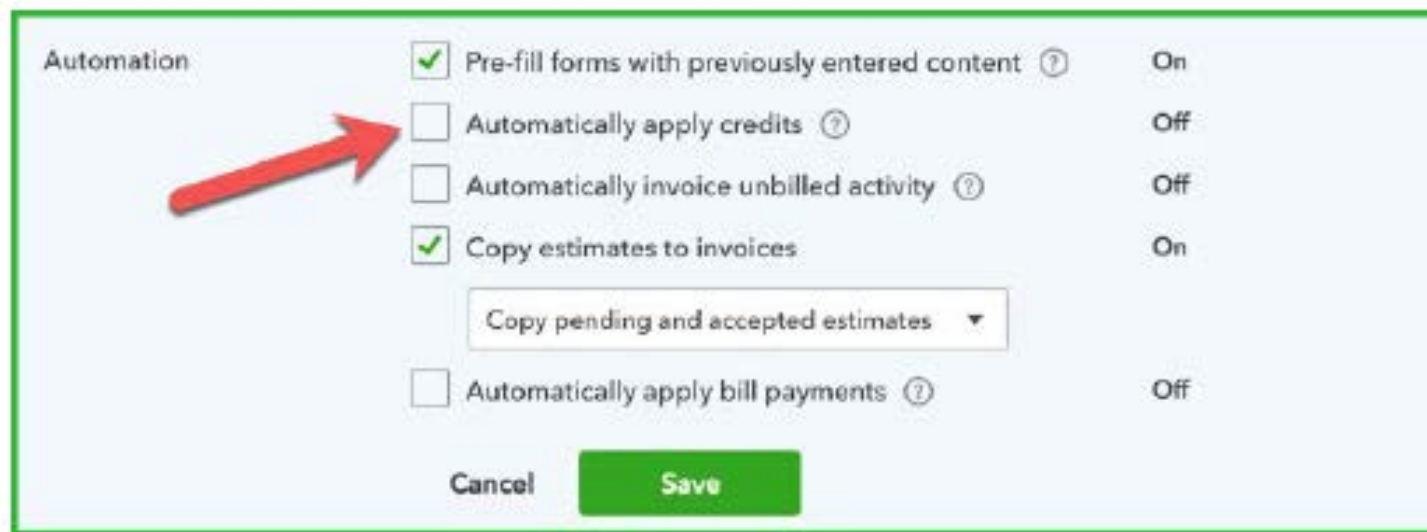
# Bad Debt

## WRITE OFF BAD DEBT

Clients may need to write off bad debt from customers. QBO includes a feature in the Accountant Toolbox called Write Off Invoices. It is recommended that you do NOT use this feature. It is not currently designed to handle the sales tax portion of bad debt.

Step 1: Turn off the Automatically apply credits features in QBO

1. Click the Gear Icon and then click Advanced.
2. Click Automation.
3. Clear the checkmark from Automatically apply credits.



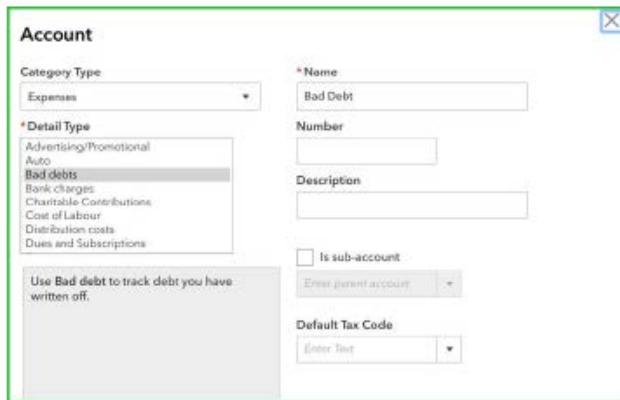
Automation	Setting	Status
<input checked="" type="checkbox"/>	Pre-fill forms with previously entered content ?	On
<input type="checkbox"/>	Automatically apply credits ?	Off
<input type="checkbox"/>	Automatically invoice unbilled activity ?	Off
<input checked="" type="checkbox"/>	Copy estimates to invoices	On
	Copy pending and accepted estimates ▼	
<input type="checkbox"/>	Automatically apply bill payments ?	Off

Cancel Save

# Bad Debt

## Step 2:

1. Create an account to track bad debt.
2. Go to Chart of Accounts.
3. Create an expense account called Bad Debt expense.



**Account**

Category Type: Expenses

\*Detail Type: Bad debts

\*Name: Bad Debt

Number:

Description:

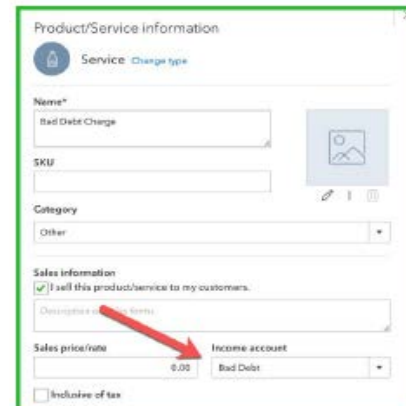
☐ Is sub-account

Default Tax Code:

Use Bad debt to track debt you have written off.

## Step 3:

1. Create an item (service) linked to the Bad Debt Expense.
2. Click the Gear icon > Products and Services.
3. Create a service item linked to Bad Debt Expense.



**Product/Service Information**

Service: Change type

Name\*: Bad Debt Charge

SKU:

Category: Other

Sales information: ☒ I sell this product/service to my customers.

Description:

Sales price/rate: 0.00

Income account: Bad Debt

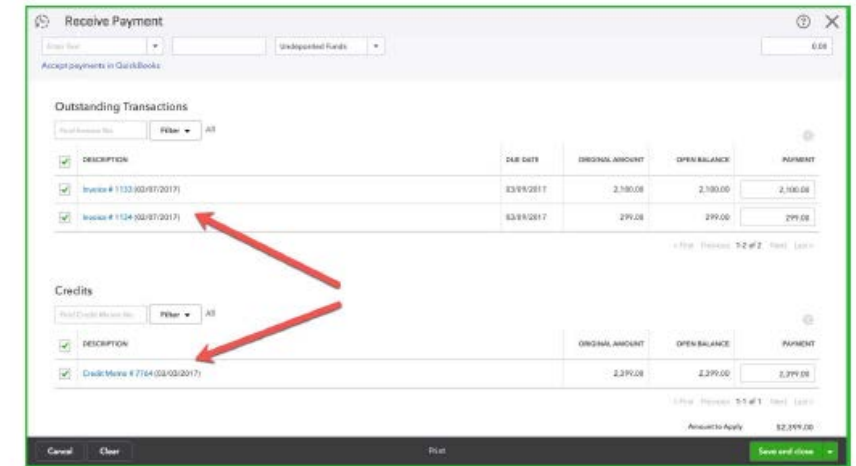
☐ Inclusive of tax

## Step 4:

1. Create a Credit memo for the outstanding amounts for the bad debts.
2. Use the Bad debt service item created in step 3.

## Step 5:

Apply the credit against the outstanding invoices on the Receive Payments window.



**Receive Payment**

Accept payments in QuickBooks

Outstanding Transactions

DESCRIPTION	DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
Invoice # 1133 (03/07/2017)	03/09/2017	2,100.00	2,100.00	2,100.00
Invoice # 1134 (03/07/2017)	03/09/2017	299.00	299.00	299.00

Credits

DESCRIPTION	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
Credit Memo # 7764 (03/08/2017)	2,399.00	2,399.00	2,399.00

Amount to Apply: \$2,399.00

Cancel Clear Print Save and close

# Sales Tax Adjustments





# Sales Tax Adjustments

At time you may have to adjust sales tax for your clients. Specifically adjusting the GST/HST Payable account. It's recommended that you make the adjustment on the File Sales Tax window.

To make an adjustment:

1. Click Taxes.
2. Click Sales Tax.
3. Click Prepare Return.
4. Click Adjust.

Prepare GST/HST return

Filing period: Quarterly, Start date: 2017-01-01, End date: 2017-03-31, Filing date: 2017-04-09, Tax due: \$24,121.51

Goods and Services / Harmonized Sales Tax Return (GST&2)

	Amount	Exemptions	Total amount	
Sales and other revenue	\$1,214,541.97	\$458.00	\$1,215,000.00	
GST/HST collected or collected	\$21,273.32	\$58.00	\$21,331.32	Adjust
Adjustments (Sales)	\$0.00	\$0.00	\$0.00	Adjust
Total GST/HST and adjustments for period			\$21,331.32	
Input tax credits (ITCs)	\$20,474.74	\$114.87	\$20,589.61	Adjust
Adjustments (Purchases)	\$0.00	\$0.00	\$0.00	Adjust
Total ITCs and adjustments			\$20,589.61	

5. Make the adjustment as needed and then click Save.

Adjust GST/HST

Adjustment date: 2017-06-30

Tax rate: HST ON (13%)

Tax line: Line 103

Sales tax account: GST/HST Payable

Adjustment account: GST/HST Payable

Adjustment amount: 34.55

Memo:

How does QuickBooks track an adjustment?

Save

NOTE: you don't have to file the return. You're only using this window to make the adjustment.

# Sales Tax Adjustments

NOTE: You can now use the Journal Entry window to adjust sales tax. Choose the line from the Tax Return under the Sales Tax menu.

Journal Entry no.839020

Currency  
CAD-Canadian Dollar

Journal Date  
06/23/2018

Journal no.  
839020

☐ Is Adjusting Journal Entry?

#	ACCOUNT	DEBITS (USD)	CREDITS (USD)	DESCRIPTION	NAME	SALES TAX	LOCATION	CLASS
1	GST/HST Payable	190.00			Journal Entry	GST/HST	Journal Entry	Journal Entry
2						Adjustment - Line 104		
3						Adjustment - Line 105		
4						Adjustment - Line 111		
5						Adjustment - Line 205		
6						Adjustment - Line 405		
7						HST/ICL/ON - Line 104		
8						HST/ON - Line 105		
9						Charitable Purchases - Line 106		
10						GST (ICL) - Line 106		
11						GST - Line 105		

Total USD190.000.00

Add lines

Clear all lines

Notes

Cancel

Clear

Make recording

Save

Save and run

# Daily Sales Summary



# Daily Sales Summary

1. Create POS or Cash daily sales report
2. Create Sales Items (link to revenue accounts)
3. Create a Customer called Daily Sales
4. Create a Sales Receipt
5. Save the template (Make recurring)
6. Balance the sales receipt to the total sales and payments from the POS report
7. Payment methods (Visa, Mastercard, Debit, Cash)
8. If you choose to use a clearing account, be sure to clear it as a write off)
9. Set up transfers or see the magic happen in the bank feed

# Daily Sales Summary

## Product/Service information



Service [Change type](#)

Name\*

Food Sales

SKU

Category

[Choose a category](#)

### Sales information

☒ I sell this product/service to my customers.

[Description on sales forms](#)

Sales price/rate

Income account

Service/Fee Income

☐ Inclusive of tax

Tax

H

Sales Receipt: no.Oct 2018 Sales

AMOUNT \$0.00

Sales Receipt no. Oct 2018 Sales

Amounts are Exclusive of Tax

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	SALES TAX	
1	Sales-Domestic Bottles		1	8,057.30	8,057.30	Exempt	
2	Sales-Imported Bottles		1	2,147.72	2,147.72	Exempt	
3	Sales-Draught		1	38,202.40	38,202.40	Exempt	
4	Sales-Wine & Coolers		1	10,112.19	10,112.19	Exempt	
5	Sales-Liquor		1	10,872.89	10,872.89	Exempt	
6	Sales-Food		1	137,817.35	137,817.35	Exempt	
7	Payment Method-Visa		1	-70,186.45	-70,186.45	Out of Scope	
8	Payment Method-MC		1	-37,977.02	-37,977.02	Out of Scope	
9	Payment Method-Amex		1	-5,046.67	-5,046.67	Out of Scope	
10	Payment Method-Debit		1	-97,535.58	-97,535.58	Out of Scope	
11	Discounts-IHP		1	-96.05	-96.05	Exempt	
12	Discounts-Coupons		1	-531.84	-531.84	Exempt	
13	Discounts-Discounts		1	-257.09	-257.09	Exempt	
14	Discounts-Gift Cards		1	-1,134.08	-1,134.08	Exempt	
15	Discounts-Staff Meals		1	-2,982.25	-2,982.25	Exempt	
16	Discounts-Petty Cash		1	-1,142.49	-1,142.49	Out of Scope	
17	Payment Method-Cash Deposit		1	-16,883.87	-16,883.87	Out of Scope	
18	Payment Method-Over / Short		1	-1.08	-1.08	Out of Scope	
19	HST		1	0.01	0.01	HST ON	
20	HST		1	-0.01	-0.01	Out of Scope	
21							
					Subtotal	\$-26,564.62	
					HST (ON) @ 13% on 0.01	26,564.62	
					Total	\$0.00	

[Add lines](#) [Clear all lines](#)

Message displayed on sales receipt

# Trouble Shooting Bank Reconciliation





# Trouble Shooting Bank Reconciliation

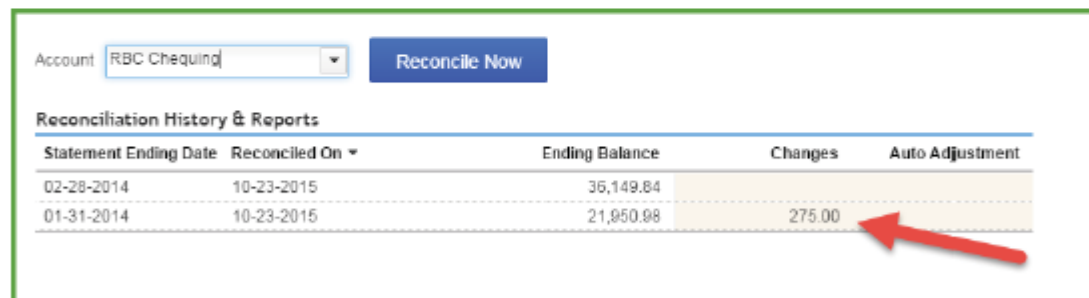
Client files often require troubleshooting and problem solving. There are common problems that often require troubleshooting help.

## BANK RECONCILIATION

There are several reconciliation problems that clients cause. They are often caused by editing, deleting or making any other changes to reconciled transactions. A common problem is when the beginning balance does not match the previous month's ending balance.

To troubleshoot this type of problem, use reports and built in tools to discover the problems.

1. **Bank Reconcile Window** – is where clients make changes to reconciled transactions. QBO records any changes in the Change column on the account reconciliation window.



Statement Ending Date	Reconciled On	Ending Balance	Changes	Auto Adjustment
02-28-2014	10-23-2015	35,149.84		
01-31-2014	10-23-2015	21,950.98	275.00	

2. Click the link to review the change.
3. Click the transaction.
4. Edit the transaction to recreate the original transaction if it as simple as an edited transaction. QuickBooks highlights the change needed.

2. Click the link to review the change.
3. Click the transaction.
4. Edit the transaction to recreate the original transaction if it as simple as an edited transaction. QuickBooks highlights the change needed.



Date	Type	No.	Name	Orig Amt	Curr Amt	Change	Amt Change
01-15-2014	Cheque		Insurance Experts	395.00	120.00	Amount Changed	+275.00

Remaining Changes: 275.00

# Trouble Shooting Bank Reconciliation

If a client deletes a transaction, you'll be able to see that it was deleted in the change column (see below). A deleted transaction CANNOT be opened. To correct the error, recreate the transaction and re-reconcile for the transaction to correct the beginning balance.

Changed Transactions - RBC Chequing, Statement Ending 01-31-2014

These transactions were changed after they were reconciled.  
Click on them to open them in a separate window and edit them (except deleted transactions).

Refresh

Date	Type	No.	Name	Orig Amt	Curr Amt	Change	Amt Change
01-15-20...	Cheque ...		Insurance Experts	395.00	0.00	Deleted	+395.00
Remaining Changes:							395.00

Close

Reconciliation Report

It's easy to undo and re-do bank reconciliations  
This ensures the Change Column is always clean

**Use Bank Rules!**



# Banking Rules to reduce or eliminate data entry

The screenshot shows the 'Rule' configuration window in QuickBooks. It includes fields for 'Rule name' (Hubdoc), 'For' (Money out), and 'In' (All bank accounts). A condition is set: 'When a transaction meets all of these conditions' with 'Bank text' containing 'HUBDOC.COM'. Transaction type is set to 'Expense'. Payee is 'Hubdoc', Category is 'Computer Supplies/Equipment', and Class is 'Overhead'. The Memo is 'Hubdoc subscription'. The checkbox 'Automatically add to my books' is checked. Numbered callouts 1-10 highlight specific fields: 1 (Rule name), 2 (For), 3 (In), 4 (Condition text), 5 (Transaction type), 6 (Payee), 7 (Category), 8 (Class), 9 (Memo), and 10 (Automatically add to my books).

## Automate the banking feed:

- Create Rules to assign Payee, Category, Class, Memo, and even Splits for expenses
- Use a single criteria or multiple conditions
- Use Automatically add to books for routine transfers and expenses
  - You don't have to touch them at all!

# Special features

QuickBooks Online features automate bookkeeping processes



Unlimited Bank  
Feeds with  
Rules



Recurring  
Transactions



Sync from your  
mobile device

# Build an Ecosystem





# Workflow benefits

## Integrated document management

## Automation features

- Bank Rules
- Recurring Transactions

## Ecosystem of Apps



plotoo



# Technical benefits



True Cloud-based  
Application



Access from  
Multiple Devices



Multiple Operating  
Systems



Always up to Date



Real-time  
Multi-user Access



128 Bit Encryption  
Continuous Backup

# Next Steps



# What should you do now?

## Talk to your fellow ProAdvisor to help you!

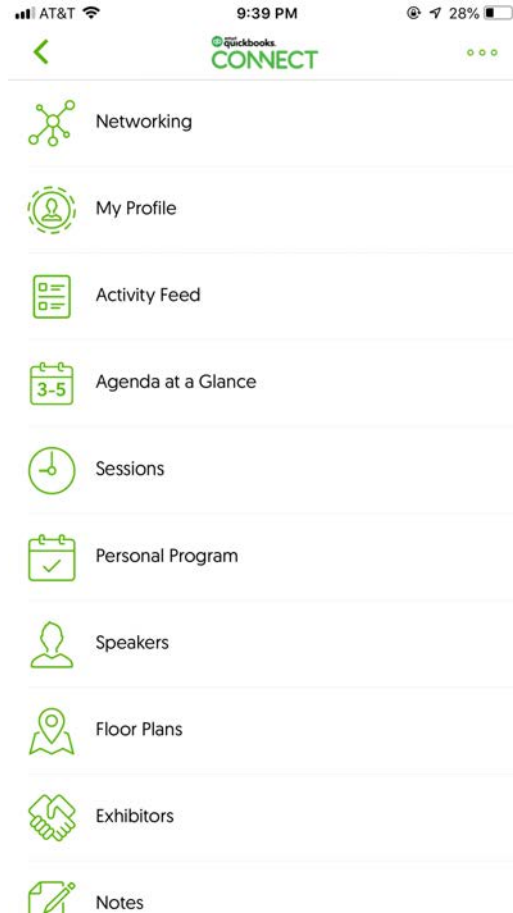
- Automate as many routine workflows as you can to reduce data entry...and human error!
  - Set up BANK RULES!
- Pick one thing today you will work on in your practice
- Explore third-party apps to solve your pain points



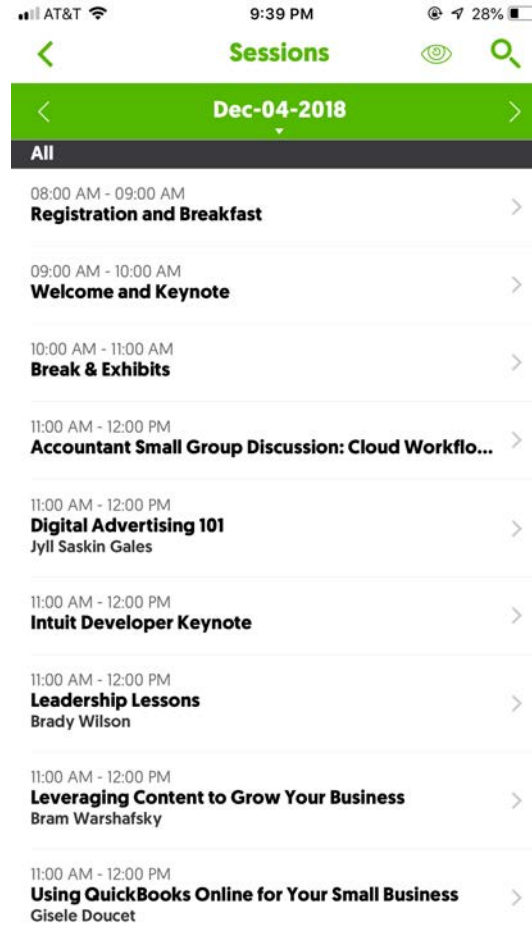
# Questions?

# Rate this session in the mobile app

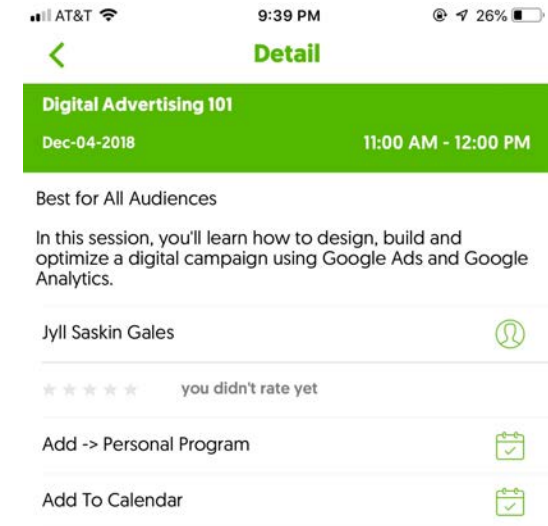
## 1. Select Sessions



## 2. Select Title



## 3. Add Rating





# Material Download

Session slides can be found on the QuickBooks Connect agenda page

- 1) Find the session on the agenda
- 2) Select + for more information
- 3) Download PDF of slides

<https://can.quickbooksconnect.com/agenda/>

11:00 am-12:00 pm	Breakout Sessions	
	Digital Advertising 101	+
	Leveraging Content to Grow Your Business	+
	Leadership Lessons	+
	Using QuickBooks Online for Your Small Business	+
	Warrior Approach to Productivity • session repeats	+
	Accountant Small Group Discussion: Cloud Workflows	+
	Intuit Developer Keynote • session repeats	+



CONNECT

