QuickBooks® for Homebuilding

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Introduction

I am Rick Powell, president of BSE Companies. For the decade between 1980 and 1990 I built over 170 new homes in Fort Worth, Texas and the surrounding areas. During those years I learned early on how important estimating and job cost accounting was for my homebuilding business.

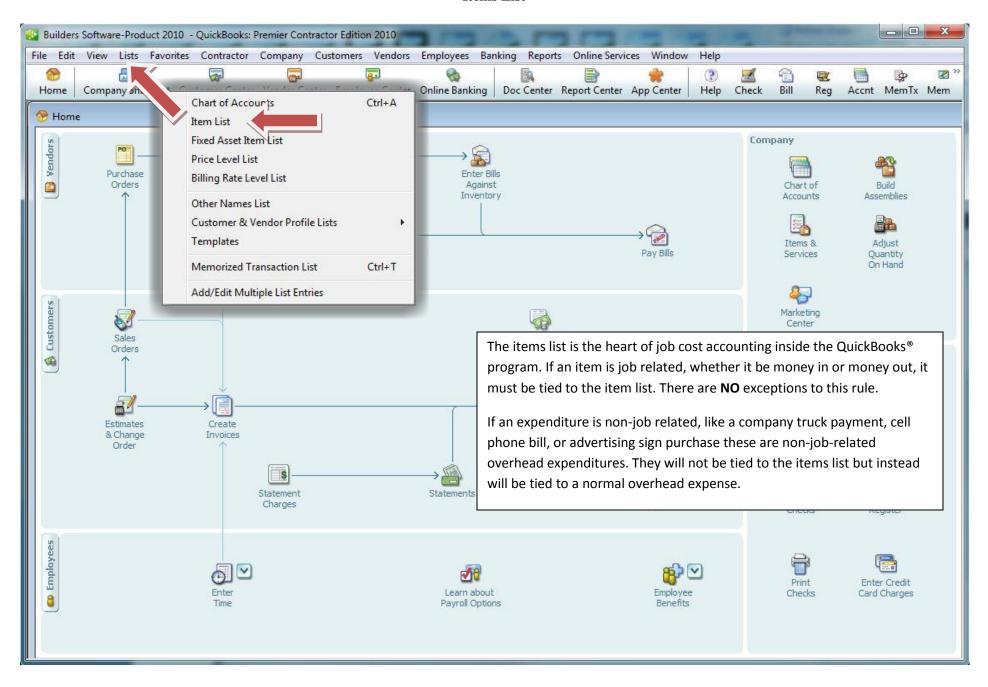
In the early 1980's I created a primitive program on my old 8088 PC. Initially, I coupled that estimating program with Quicken to write my job-related checks. In 1993 I was selected as a beta tester for Intuit's project "Snoopy" that became QuickBooks® Version #1 for "DOS". I then have spent the last 20 years teaching homebuilders how to sharpen their pencils when it comes to estimating the price of building a home, coupled with using QuickBooks® as the job cost and general ledger accounting solution.

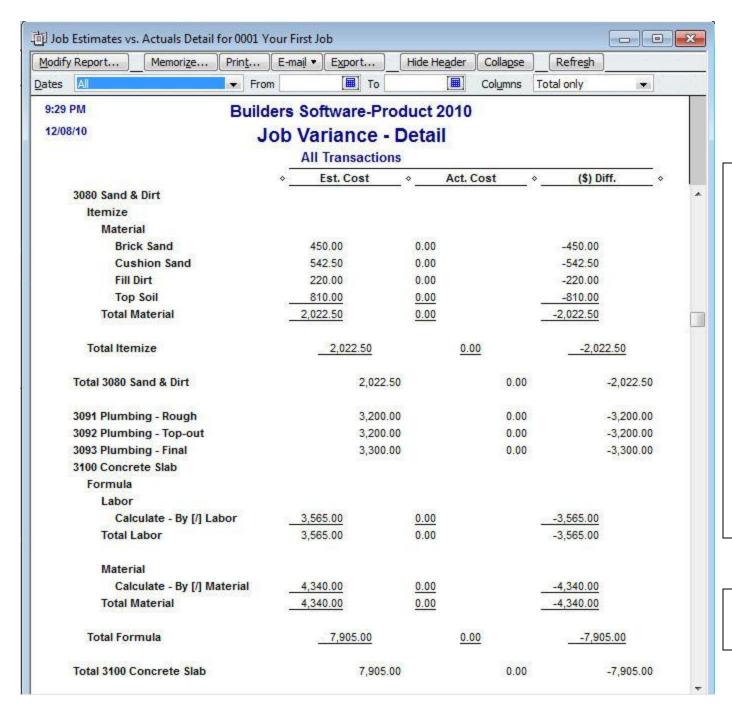
The contents of this PDF is a composite of the last 30 plus years of trial and error as a homebuilder coupled with two decades of working out the kinks to get job cost & general ledger to work in harmony within QuickBooks®.

For many years through the 1990's homebuilder's would fly in from all over the country to Arlington, Texas for a three-day seminar to learn how to operate their estimating software and it's interface with QuickBooks®. During those years I was approached by a homebuilder who requested that we build him a website similar to websites we had built for BSE Companies. Since then BSE Companies has diversified into building websites also. Over the years, we have built hundreds of custom websites for homebuilders, builders associations, land developers, electricians, etc.

BSE Companies has also branched out into other contractor tools like the "Builder Communicator" for two way communication between a contractor & their client, as well as many photo and video services specializing in new homes, and the list goes on and on.

Items List





Out of all the reports available through QuickBooks® the most important report to the homebuilder should be the variance report. This report shows your estimated costs versus your actual costs and what the plus and minus cash difference is broken down by line item through the construction process.

Also notice how plumbing is broken out into phases. Once the plumbing rough is completed and paid for the variance report is still in balance. The top out in final will be completed and paid for further along in the construction process.

Show some of the other reports right here.

Chapter 7

Profit & Loss and Balance Sheet Always Mathematically Sound

In summary what have we learned? As you can see it is possible to keep your Profit and Loss and Balance Sheet in complete harmony at all times in your home building business. Over the last 20 years of working with homebuilders I have seen QuickBooks® set up dozens of different ways. The way that QuickBooks® is set up in the demonstration I just showed you, is the only way that I have ever seen QuickBooks® operate correctly in all facets of a homebuilder's business. Most homebuilders who use QuickBooks® for their accounting solution panic when their banker asks them for financials. Normally, the homebuilder has to run to the office, back-up his or her QuickBooks® to a disk, and then run off to the CPAs office to get financials generated. After waiting a few days for the CPA to generate financials, then and only then can you pick up the financials and take them to the bank. Several days or a week or more can pass before you have completed this task. As you can see, by setting up your QuickBooks® correctly and by closing your jobs to the general ledger as you are completing each job, your QuickBooks® can be mathematically sound at all times. When you're banker calls you for financials you simply go to your office, print off a Profit and Loss and Balance Sheet and head to the bank. Less stress and less cost don't you agree?