



QuickBooks Online Certification Exam Prep

Getting ready for Certification



Session Trainer



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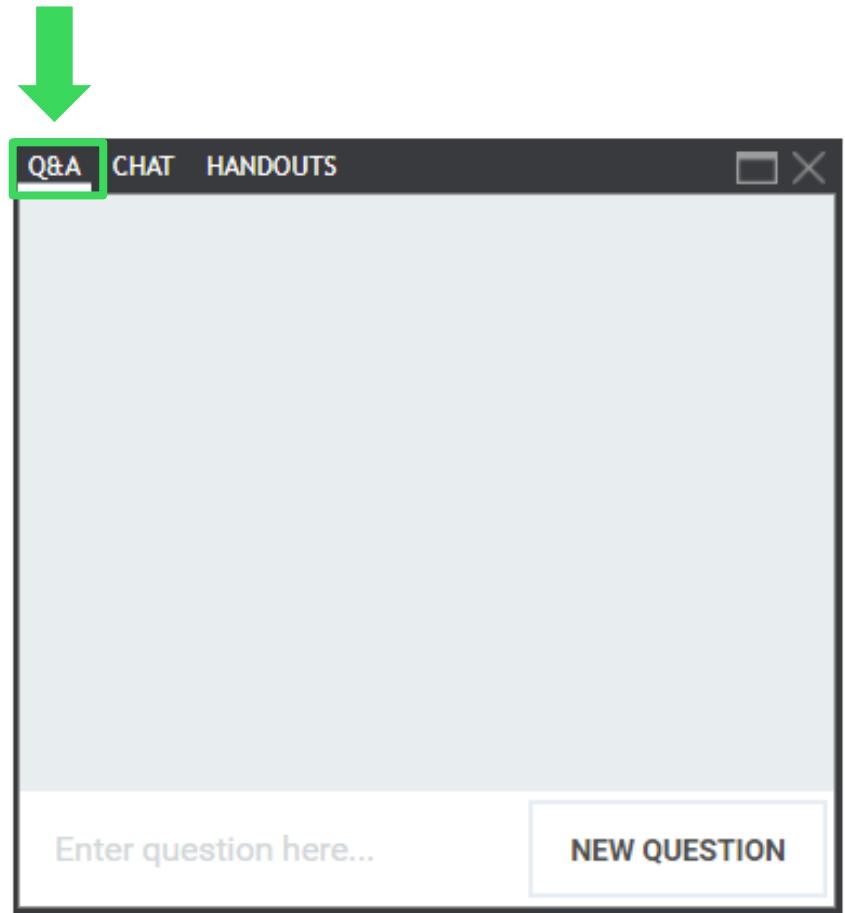
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Housekeeping: Q&A

Please use the “Questions & Answers” panel if you have a question

- Submitted questions will not be visible until they are answered
- We will attempt to answer all questions during the presentation

Presentation will stream audio exclusively through your device speaker

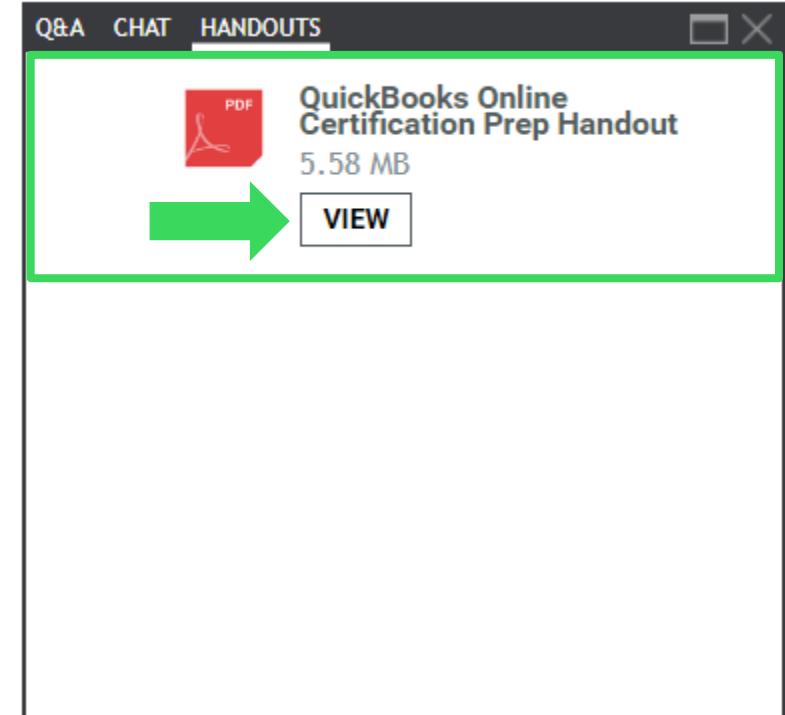


Housekeeping: Handouts

Handouts are accessible via the Handouts panel

- Click "View"
- The handout will automatically start downloading in a new window
- Click the downloaded file to open or save it

You can log back into this event after it ends using the same link to download the handout and access the on demand recording



Housekeeping: Widgets

- 1. Restore:** Restores all windows to default
- 2. Video:** Displays video window
- 3. Slides:** Displays slide window
- 4. Q&A:** Displays questions and answers window
- 5. Chat:** Displays chat window
- 6. Handouts:** Displays handouts window
- 7. Abstract:** Displays event description
- 8. Speaker:** Displays speaker bio
- 9. Certificate tracker:** Displays course requirements



NOTE: All windows may be resized and/or rearranged within the online event platform

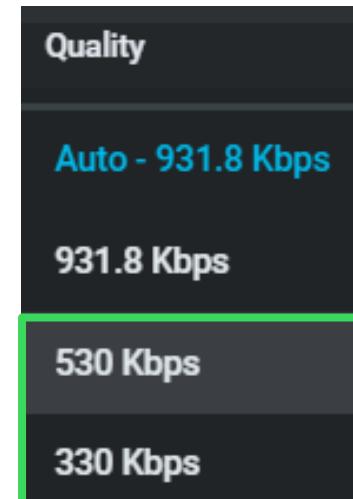
Housekeeping: Best practices

- Please make sure your speakers are on
- Please close any programs that you may have running in the background
- If you are experiencing any issues, try to refresh your browser

You can also adjust the video quality by clicking the gear icon in the bottom right corner of the video screen, clicking "Quality"



Then choosing 530 Kbps or 330 Kbps



CPE Process

In order to receive CPE credit in each training session, you must:

- Be present for a minimum of 50 minutes to earn 1 CPE credit.
- Answer 1 polling question per hour during each session
- Your certificate will be emailed to the email address you registered with within 1-2 business days after the webinar ends.
- For questions regarding your CPE, please contact accountant_training@intuit.com
- Please note: We do not support partial CPE credits for this event.

Community Chat Guidelines

To participate in our community chat you must agree to the following:

1. You will not spam the chat room.
2. No hateful, harassing or discriminatory language, behavior, or content is permitted in any form.
3. Limit personal talk and please try to keep on topic.
4. No sharing of answers to any certification exam questions.

Failure to abide by our community guidelines will result in being removed from the chatroom.

Sign up for QuickBooks Online Accountant

This is included in the ProAdvisor Program, free to you!

Go to: **bitly.com/pap_join** or **quickbooks.com/proadvisor**



Agenda

Topics covered in the exam with deep dives

- QuickBooks Online solutions
- Configuring a QuickBooks Online company
- Setting up QuickBooks Online features
- Using transaction types and features in QuickBooks Online
- Banking and Tools
- Reporting and analytics
- Closing the accounting cycle
- Managing your clients and work

Welcome to QuickBooks Online Certification Exam Prep

How can Certification prep help?

We'll answer the most common questions about certification, including:

- What is QuickBooks Online Certification?
- How will certification benefit me, my business, and my clients?
- What does the certification exam cover?
- What are the rules of the exam?
- What training and experience should I have before taking the exam?

NOT READY TO CERTIFY?: Don't worry—there is a wide range of free training that will help you get up to speed.



Lesson 1: How to become Certified in QuickBooks Online

In this lesson, we will cover:

What it means to be a Certified ProAdvisor in QuickBooks Online

The benefits of being certified

- Trusted expertise
- Faster growth with the **Find-A-ProAdvisor Directory**
- Tiered benefit levels
- Recognition with the **Certified ProAdvisor badges**
- ProAdvisor preferred pricing and revenue share programs
- Unlocked certifications



Who can benefit from being certified?

Kristal has used QuickBooks Online for the three months; she's been working at her aunt's accounting firm as a bookkeeper. Her key tasks there include:

- Adding new customers and vendors for the firm's clients
- Entering customers' bank details
- Creating invoices, sales receipts, and payments



Who can benefit from being certified?

What are Kristal's goals?

Kristal wants to start doing direct client-facing work and to be able to do all basic bookkeeping without support in six months.

She's learning QuickBooks Online and wants to pass the QuickBooks Online Certification exam in one year.



Who can benefit from being certified?

Andrew recently joined a small bookkeeping practice to provide a mixture of accounting and bookkeeping services to existing clients. He's been using QuickBooks Online for about two months to do basic bookkeeping tasks for clients, such as:

- Reconciling accounts and making adjusting entries where appropriate
- Reviewing and closing the books in preparation for period end
- Running basic reports, including the Balance Sheet and Profit and Loss



Who can benefit from being certified?

What are Andrew's goals?

Like Kristal, Andrew wants to start doing direct client-facing work. His boss also wants him to onboard new clients so he can help grow the business. Andrew wants to pass the QuickBooks Online Certification exam in one year.



Who can benefit from being certified?

Rebecca graduated with a BS in Accounting three years ago and immediately joined a prestigious local firm with 50 employees. She is assigned to some of the firm's most important clients and she uses QuickBooks Online to carry out basic bookkeeping tasks such as:

- Adding and removing users in the client's QuickBooks Online account
- Integrating third-party applications



Who can benefit from being certified?

What are Rebecca's goals?

Rebecca's very ambitious. She aims to be promoted to manager in 12 months and raise her profile among her firm's partners.

She's currently studying to take the QuickBooks Online Certification exam.

After that, she intends to become an Advanced Certified ProAdvisor in QuickBooks Online.



Your journey to certification



Your journey to becoming a Certified ProAdvisor in QuickBooks Online

- Sign up for QuickBooks Online Accountant
 - Access QuickBooks Online product training
 - Gain experience working with client files
 - You are here**  Check your readiness for the certification exam
 - Pass the QuickBooks Online Certification exam
 - Gain access to Certified ProAdvisor benefits
- Continue your journey towards becoming an Advanced Certified ProAdvisor in QuickBooks Online



Your journey to certification

To help **decide if you are ready** to take the exam, ask yourself the following questions:

- Am I an experienced bookkeeper or accounting professional?
- Do I know what's expected of a Certified ProAdvisor?
- Do I know my way around QuickBooks Online Accountant and QuickBooks Online?
- Am I experienced at using QuickBooks Online Accountant with my clients?
- Have I used the QuickBooks Online training for ProAdvisors to boost my knowledge and skills?



How the certification exam works

While we can't give you the answers to the exam questions, we can tell you how the exam works, including:

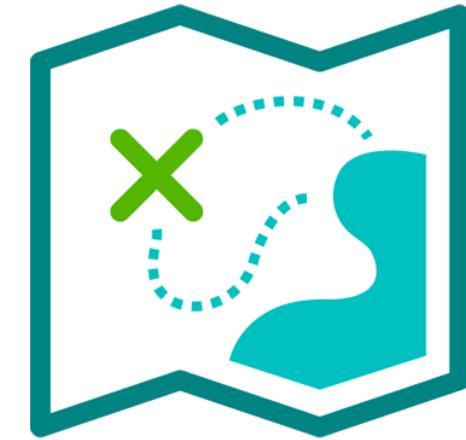
- What the certification exam rules are
- What grade you need to pass the exam
- How many times you can take the exam
- What happens if you don't pass first time



Navigating the exam

Take one section at a time.

- Multiple sections that can be completed in any order
- Not timed
- Finish each section after starting because it may log you out after an extended period of inactivity
- Have a reliable internet connection and enough time to finish a section before starting
- After all questions are answered in a section, there is a chance to review and change answers before submitting



Pass requirements

Sections all done? Time for your grade.

- Complete all the sections in the exam before submitting the entire exam for grading
- 80% or higher on each section to pass the exam
- Submit the final exam with only one browser tab open to avoid grading inaccuracies



If you don't pass

You have 3 attempts to pass the exam.

- Retake only the sections where you scored below 80%
- Submit all completed sections for the exam when you're ready
- If you don't pass all the sections after your third attempt, you'll be locked out of the exam and your progress will be reset
- You must wait 60 days for the exam to unlock and to take all the sections of the exam again



Keeping your Certification up to date

How do I know when I need to recertify?

- Intuit will email you, providing everything you need to know and what you need to do
- You'll also be prompted to recertify when you go to the ProAdvisor training tab in QuickBooks Online Accountant



Keeping your Certification up to date

What does recertification involve?

- To maintain your status as a Certified ProAdvisor, you'll need to pass a short exam to show you're up to date with the latest features and product changes
- Access to the QuickBooks Online recertification exam is available in QBOA between April and June of each calendar year



Keeping your Certification up to date

What if I haven't used QuickBooks Online for a while?

- If you're a little rusty with QuickBooks Online, relax; there is training
- New product training is added to the QBOA training library every year
- Training covers the new features and product changes that have launched since you last certified



Keeping your Certification up to date

Do I need to take the full certification exam every year?

- No, the recertification process is to ensure you're keeping your knowledge of QuickBooks Online up to date
- The recertification exam only covers new features or product changes since you last certified



Keeping your Certification up to date

How does the recertification exam work?

- The recertification exam has fewer questions
- It works in the same way as the full QuickBooks Online Certification exam



Lesson 2: Topics covered in the Certification exam with deep dives

In this lesson, we will cover:

What the QuickBooks Online Certification exam covers

QuickBooks Online solutions

The exam will determine your ability to recommend the best QuickBooks solution for specific client needs.

You will be assessed on:

- Workflows for onboarding clients
- The key tools and workflows to use when setting up clients in QuickBooks Online
- Reviewing a client's existing QuickBooks Online books
- The different subscription options and levels



QuickBooks Online solutions continued

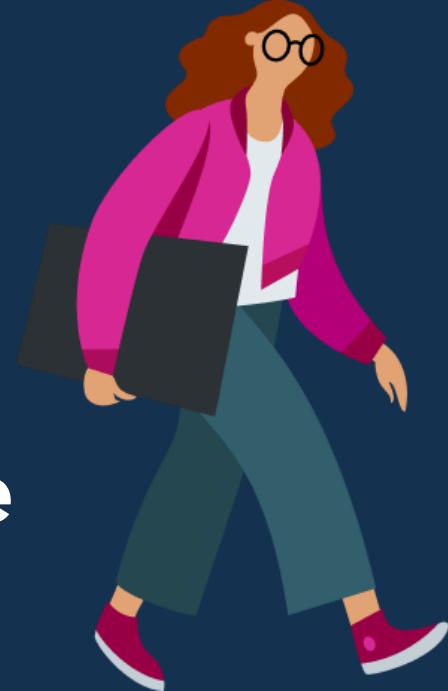
You will also be assessed on:

- Identifying the right QuickBooks Online subscription for a client's needs
- The pricing and billing options
- The benefits of adding QuickBooks Time and QuickBooks Online Payroll to QuickBooks Online
- QuickBooks Online subscriptions
- Billing options
- Adding QuickBooks Time and QuickBooks Online Payroll



Identifying the right QuickBooks Online subscription for a client's needs

EXAM TOPIC DEEP DIVE

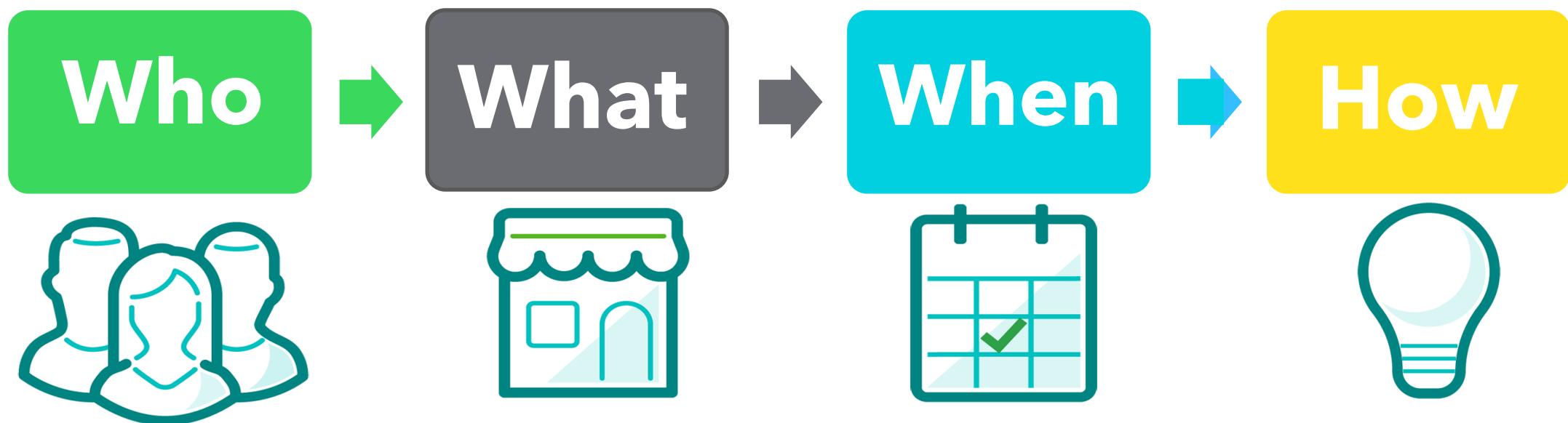


Subscription levels

 Simple Start 	Simple Start Designed for sole proprietors, LLCs, partnerships, and other types of small businesses. This subscription level is the best fit for solopreneurs and small business owners with basic accounting needs.
 Essentials 	Essentials Has all the features of Simple Start but with extra functionality for businesses with more complex needs. However, it's not designed for clients who need to buy, sell, and track inventory, or who need to create purchase orders and budgets. For that, they need Plus.
 Plus 	Plus Designed for small businesses employing staff and carrying out functions such as budgeting, managing inventory, and tracking multiple jobs. Plus is the most popular subscription level for clients with small businesses.
 Advanced 	Advanced Our flagship subscription, aimed at growing businesses that are approaching mid-market size.

Gathering requirements

Discover and target your clients' needs by using the New Client Checklist to help you gather the right information, focusing on the:



New Client Checklist

A handy resource for getting to know new clients, download the [New Client Checklist](#)

The image shows two Google Sheets documents side-by-side. The left document is titled 'NewClientChecklist 2022' and contains sections for 'How to use:', 'New Client/Business Profile', and 'QuickBooks Features & Solutions'. The right document is also titled 'NewClientChecklist 2022' and contains sections for 'Client Needs Assessment' and 'QuickBooks Bookkeeping Onboarding'. Both documents have green header bars and are displayed in a browser window.

New Client Checklist

How to use:
Try using this handy form in your initial meeting with your new client to establish their requirements and help you:
1. Client Profile: Collect basic information about your client's business
2. Needs Assessment: Identify which business processes they use
3. QuickBooks Features & Solutions: Based on your needs assessment, specific QuickBooks features will be recommended in column C in order to recommend the appropriate solution
4. Mileage: If your client needs to track mileage, collect their vehicle profile information
5. QuickBooks Onboarding: A checklist to standardize and streamline your firm's onboarding process for your QuickBooks Self-Employed profile
6. QuickBooks Self-Employed profile: Collect the additional information you need to set up a new QuickBooks Self-Employed profile

New Client/Business Profile

Company profile

Company name (DBA):
Legal name (if different from above):
Industry:
Primary contact name:
Primary phone number:
Primary mobile number:
Primary email:
Company website:
Address: Street, City
Address: State, Zip
Tax entity/Tax form:
FEIN/SSN:
Accounting year end:
Year(s) in business:
Current overall accounting solution:
Accounting team members:
Annual gross revenue:
Number of employees: (if applicable)

QuickBooks Features & Solutions

Client Needs Assessment

Talk to your client about their business processes to identify which ones they use, mark them as Yes/No in column B. The Help resources offer further guidance on how QuickBooks supports these business processes.

Assessment category	Yes/No	Notes/Advisories	Help resources
Sales and accounts receivable			
Estimates	Choose from dropdown		When to use Estimates
Simple invoices (no customer tracking)	Choose from dropdown		Simple invoicing in QuickBooks Self-Employed
Custom invoices (accounts receivable tracking)	Choose from dropdown		When to use Invoices
Sales receipts	Choose from dropdown		When to use Sales Receipts
Statements	Choose from dropdown		When to use Statements
Sales tax (list states in notes/advisory column)	Choose from dropdown		How to set up Sales Tax
Price levels	Choose from dropdown		When to use Price Rules
Progress invoicing	Choose from dropdown		When to use Progress Invoicing
Multicurrency	Choose from dropdown		Understanding Multicurrency
Average number of transactions per month	Enter number		
Expenses and accounts payable			
Accrual-based (bills and bill payments)	Choose from dropdown		When to use bills, checks, and expense reports
Approvals	Choose from dropdown		Apps to manage Accounts Payable Automation
Checks (indicate manual, printed, or both in notes/advisory column)	Choose from dropdown		How to write a check
Credit card expenses	Choose from dropdown		Record an expense
Electronic payments	Choose from dropdown		Bill Pay in QuickBooks Online
Loans (list types in notes/advisory column)	Choose from dropdown		How to record a loan and its payments
Multicurrency	Choose from dropdown		About multicurrency in QuickBooks
Separation of personal and business expenses in same bank/credit card account	Choose from dropdown		Separating personal from business financials
Petty cash expenses	Choose from dropdown		Set up and track Petty Cash

QuickBooks Bookkeeping Onboarding

New Client Checklist, QuickBooks Features and Solutions

Column A populates automatically from the Needs Assessment tab.

Column B can be used to mark any additional functionality needed.

The color-coding helps you easily identify the right subscription level for your client!

	A	B	C	D	E	F	G	H
3	Recommended features from Needs Assessment	Additional features required		Self-Employed	Simple Start	Essentials	Online Plus	Online Advanced
4		Number of users		1	1	Up to 3	Up to 5	Up to 25
5		Estimated Taxes (Schedule C)		X				
6		Mileage Tracking		X				
7		Simple Invoices		X				
8		Separate personal and business expenses		X				
9		Custom Invoices			X	X	X	X
10		Sales Receipts			X	X	X	X
11		Product & Service Items			X	X	X	X
12		Estimates			X	X	X	X
13		Sales Tax			X	X	X	X
14		Statements			X	X	X	X
15		Convert from QuickBooks Desktop			X	X	X	X
16		Import lists from Excel			X	X	X	X
17		Integrate Apps			X	X	X	X
18		Print Checks			X	X	X	X
19		Payroll			X	X	X	X
20		Prepare and file 1099-MISC			X	X	X	X
21		Progress Invoicing			X	X	X	X
22		Accounts Payable			X	X	X	X
23		Custom fields			X	X	X	X
24		Recurring Transactions			X	X	X	X
25		Multicurrency			X	X	X	X
26		Delayed Charges			X	X	X	X
27		Time Tracking			X	X	X	X
28		Time-Tracking-Only Users			X	X	X	X
29		Billable Hours			X	X	X	X
30		Expenses by Customer			X	X	X	X
31		Billable Expenditures			X	X	X	X
32		Class Tracking			X	X	X	X
33		Customer Types			X	X	X	X
34		Location Tracking			X	X	X	X
35		Budgets			X	X	X	X
36		Inventory [FIFO]			X	X	X	X
37		Price Rules			X	X	X	X
38		Project Tracking			X	X	X	X
39		Purchase Orders			X	X	X	X
40		Reports-Only Users			X	X	X	X
41		Custom User Permissions			X	X	X	X
42		Import Invoices			X	X	X	X
43		Smart Reporting Powered by Fathom			X	X	X	X
44		Priority Support and Free Training			X	X	X	X

New Client Checklist, Mileage

Use the Mileage tab to collect profile information on vehicles.

This can be added to the Quickbooks Online Mobile app to track mileage for business trips.

Vehicle Profile	
If your client needs to track mileage, collect their vehicle profile information below. Repeat this for each vehicle. You can copy and paste the table for as many vehicles as necessary. You need to enter this information as part of their QuickBooks Online setup process.	
Vehicle 1	
Vehicle make and model:	
Vehicle year:	
Ownership status:	
Purchase date:	
Purchase cost:	
Date vehicle placed in service:	
Odometer reading:	
Vehicle 2	
Vehicle make and model:	
Vehicle year:	
Ownership status:	
Purchase date:	
Purchase cost:	
Date vehicle placed in service:	
Odometer reading:	
Vehicle 3	
Vehicle make and model:	
Vehicle year:	
Ownership status:	
Purchase date:	
Purchase cost:	
Date vehicle placed in service:	
Odometer reading:	

Client Profile Needs Assessment QuickBooks Features & Solutions **Mileage** QuickBooks Bookkeeping Onboard! QBSE profile +

New Client Checklist, Client Onboarding Checklist

QuickBooks Bookkeeping Onboarding Checklist	
1	<p>How to use this checklist:</p> <ol style="list-style-type: none">1. This Client Onboarding checklist will provide you with a project management template to standardize and streamline your firm's onboarding process for your new QuickBooks clients2. You can use this checklist in combination with the Intuit QuickBooks Online Accountant Work Center. Go to the Work Center in QuickBooks Online Accountant and select the Client onboarding project template. You can then add subtasks and assign them to team members3. You may also need to reorder or add additional onboarding tasks based on your specific client's needs.
2	<p>Additional resources/tools that can be used in combination with this checklist:</p> <ol style="list-style-type: none">1. Intuit QuickBooks Online Accountant: https://quickbooks.intuit.com/accountants/products-solutions/accounting/online/2. Ultimate Client Onboarding Guide to QuickBooks Online: https://www.firmofthefuture.com/content-guides/fotf-guide-to-qbo-onboarding/
3	<ol style="list-style-type: none">1. Meet with new client and sign contract2. Gather new client data and documents3. Create new QuickBooks Online subscription4. Set up client's company information5. Import lists6. Set up payroll7. Customize sales templates8. Connect apps9. Connect QuickBooks Payments10. Connect bank feeds11. Train your new client for long-term success12. Set up repeating projects
4	<p> </p>
5	<p> </p>
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13	<p> </p>
14	<p> </p>
15	<p> </p>

◀ ▶ ... | Mileage **QuickBooks Bookkeeping Onboardi** QBSE profile +

New Client Checklist, QuickBooks Self-Employed Profile

1 QuickBooks Self-Employed Profile		
2	3 Tax profile	Profile information
4	5 Marital status:	Additional details/notes
6	Are they the head of the household?	
7	Number of dependants:	
8	Personal exemption:	
9	Annual W2 income:	
10	Federal withholding:	
11	Spouse annual W2 income:	
12	Spouse federal withholding:	
13	Standard or itemized deduction amount	
14	Home office sq. ft.	
14 Healthcare profile		
15	What's their healthcare insurance situation?	
16	Do they contribute to a Health Savings Account (HSA)?	
17	Does an employer contribute to their HSA? If so, how much?	
18	Do they have a high-deductible health plan (HDHP)?	
19	Who is covered by this HDHP?	
20	What's their date of birth?	
21	Will they be enrolled in Medicare at any time this year?	
22 Vehicle profile		
23	Vehicle make and model:	
24	Vehicle year:	
25	Ownership status:	
26	Purchase date:	
27	Purchase cost:	
28	Date vehicle placed in service:	
29		

View Usage Limits in a QuickBooks Online Account

Gear > Account and Settings > Usage

The screenshot shows the 'Usage' section of the 'Account and Settings' page. On the left, a sidebar lists 'Company', 'Billing & Subscription', 'Usage' (which is selected and highlighted in grey), 'Sales', 'Expenses', 'Payments', and 'Advanced'. The main content area is titled 'Usage limits' and contains four sections: 'Billable users' (3 OF 5, 3 user(s)), 'Chart of accounts' (147 OF 250, 147 account(s)), 'Classes and locations' (2 OF 40, 0 class(es) and 2 locations), and 'Tag Groups' (0 OF 40, 0 group(s)). A message at the top says, 'These are your usage limits for QuickBooks Online Plus. Need more room? Upgrade to a plan with more capacity.' Below this, a link reads 'Find out more about usage limits.' To the right, a large callout box titled 'It's time to power up!' lists benefits of upgrading to Advanced: 'Accelerated invoicing' (Create invoices 37% faster), 'Smart reporting powered by Fathom' (Get deeper insights with visual reports and interactive tools), 'Custom roles' (Manage your team's access to invoices and more), and 'Priority Circle membership' (Get dedicated support and training). It also highlights 'PLUS' features: 'Up to 25 billable users', 'Unlimited accounts', and 'Unlimited classes and locations'. A green 'Upgrade now' button is at the bottom of the callout. At the very bottom right of the main content area is a small 'Done' button.

Usage limits in QuickBooks Online

Usage limits

QuickBooks Online Plan Limits				
	Simple Start	Essentials	Plus	Advanced
Classes and locations (combined)	0	0	40	No limit
Chart of Accounts		250		No limit
Tags (ungrouped)		Unlimited		
Tag Groups	40 (each group can include up to 300 tags)			No limit
Billable users	1	3	5	25
Accountant users		2		3
Reports-only users	0		No limit	
Time tracking-only users	0	No limit		

Configuring a QuickBooks Online company



Understand how to configure a QuickBooks Online company.

The certification exam will cover:

- Customizing the chart of accounts
- Importing the chart of accounts, products and services, customer and vendors
- Managing the products and services list
- Managing customers and vendors
- Managing bank feed connections
- Adding and managing users
- Select and add apps

Customizing the chart of accounts

EXAM TOPIC DEEP DIVE



The benefits of having a customized chart of accounts

Companies have various needs based on:

- Product-based companies
- Professional services
- Real estate
- Construction

- Sole owner
- Partnership
- Corporation
- Not for profit

- Point of Sale
- Sales on account (account receivable)
- Payroll
- Sales tax
- Loans
- Job costing

GOALS:

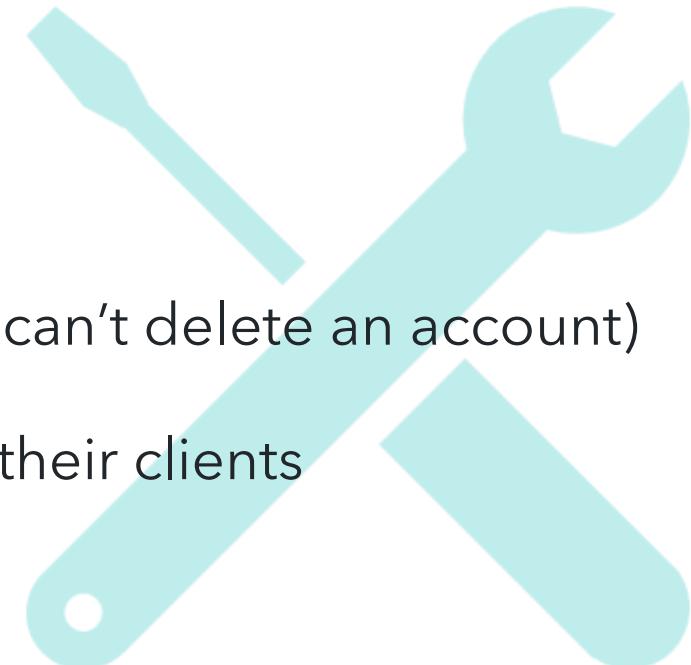
- Data is accurate, complete, and meaningful
- Reports can be generated to provide insight into business performance

Ways to customize the chart of accounts

As well as adding accounts, edits to a default COA can include:

- Editing the names of default accounts
- Adding account numbers
- Merging duplicate accounts
- Making unused or redundant accounts inactive (you can't delete an account)

Many firms use a standard Chart of Accounts across all their clients



Adding account numbers

Create consistency across all clients or to comply with the industry or the government's accounting standards.

To enable account numbers:

- **Gear icon > Account and settings**
- Select **Advanced** tab from the left
- In Chart of accounts area, move slider next to **Enable account numbers** option
- Next, check the **Show account numbers** option
- Select **Save and Done**

Adding account numbers

QuickBooks Online may automatically assign account numbers, but these can be changed very efficiently for multiple accounts if needed.

To do this:

- **Gear** icon > **Account and settings** or select **Transactions** from left-hand navigation and select **Chart of accounts**
- Select **Pencil** icon above action column
- In the Number column, enter desired account numbers
- When done, select **Save**

Editing account names

To edit an account name, you need to be in the chart of accounts:

- Find the account to rename and, from the **Action** column dropdown, select **Edit**
- In the Edit account panel, enter the new account name in the Account name field
- When done, select **Save**

Transactions

Bank transactions App transactions Receipts Reconcile Chart of accounts

Feedback Run report New ▾

Chart of accounts [All lists](#)

Batch actions Filter by name or num: All

NAME ACCOUNT TYPE DETAIL TYPE QUICKBOOKS BALANCE BANK BALANCE ACTION

<input type="checkbox"/> Penalties & Settlements	Other Expense	Penalties & Settlements			Run report ▾
<input type="checkbox"/> Miscellaneous	Other Expense	Other Miscellaneous Expense			Run report ▾
<input type="checkbox"/> Depreciation	Other Expense	Depreciation			Edit Make inactive (reduces usage)
<input type="checkbox"/> Other Portfolio Income	Other Income	Other Miscellaneous Income			

Edit account

Income Expenses Banks Assets Credit cards Liabilities Equity

Save account under *

Tax form section *

Account name *

Description

Profit & Loss Balance as of 10/02/2023 [EDIT ACCOUNT PREVIEW](#)

Uncategorized Expense Utilities Gas and Electric

Cancel Save



Merging accounts and making accounts inactive

A cluttered Chart of Accounts confuses clients and makes reports less effective.

Make an account inactive when it:

- Is not relevant to the client's business
- Has been closed and the balance is zero
- Is no longer needed

Merge an account when:

- Two accounts serve the same categorical purpose
- There are duplicates (example: misspelling)

IMPORTANT: Merging accounts is not reversible. It is permanent and cannot be undone.

Sales and customers

As a Certified ProAdvisor in QuickBooks Online, you need to be able to help clients with a variety of sales transactions.

The certification exam will assess your ability to:

- Customize sales forms
- Create estimates and convert them to purchase orders and invoices
- Create customer statements
- Use credit memos and Refund receipts
- Set up QuickBooks Payments
- Set up the sales tax in the Taxes center

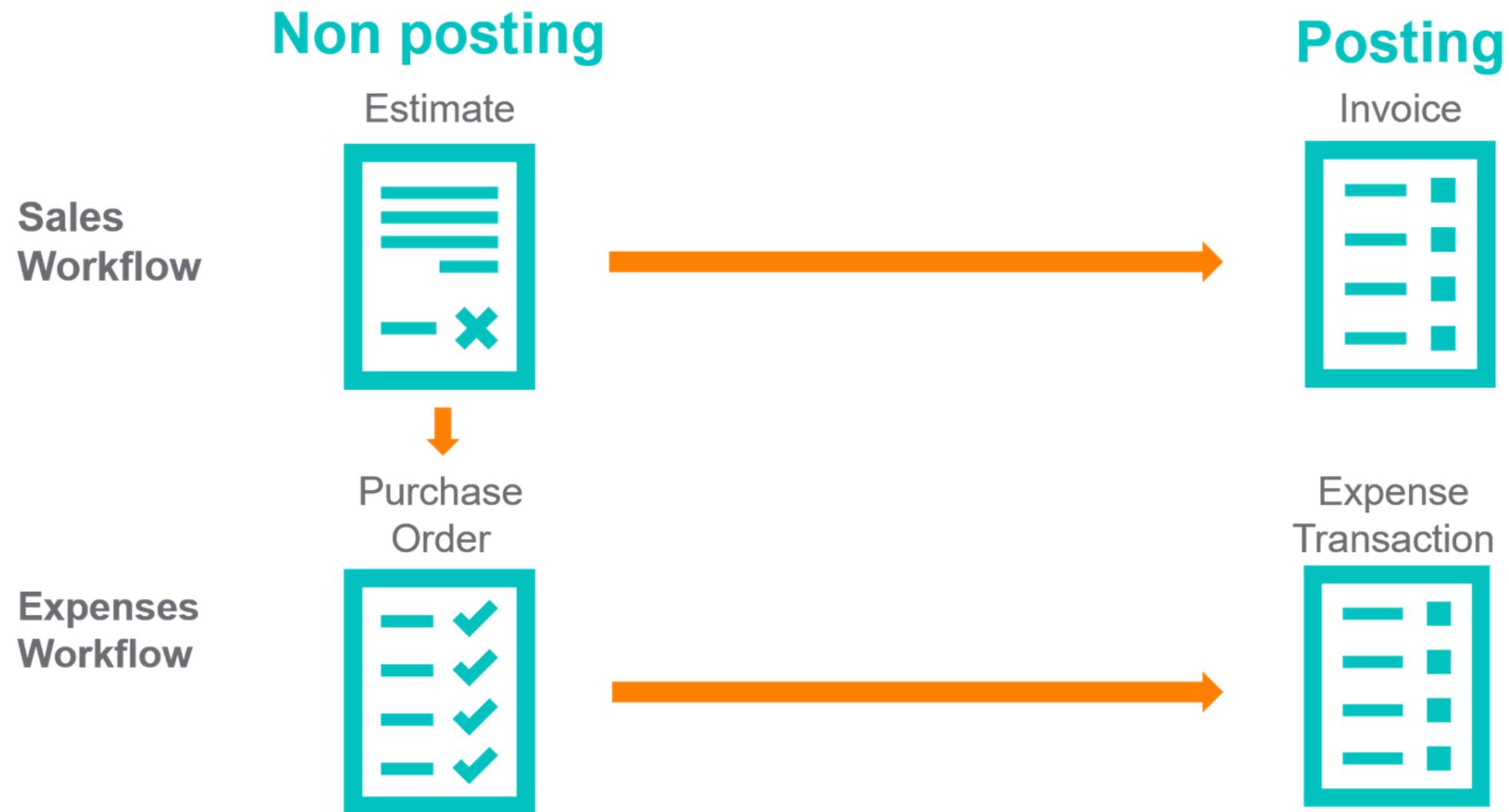


Working with estimates and purchase orders

EXAM TOPIC DEEP DIVE



Overview of estimate workflow



Overview of estimate workflow continued

- Any estimates created by the client are saved in the **Sales** center.
- View and manage their estimates in the **All sales** tab by filtering by transaction type.

The screenshot shows the QuickBooks Sales center interface. At the top, there's a navigation bar with 'Larry's Landscape & Supply, Inc.' and 'Accountant Tools'. On the right are icons for 'My experts', 'Help', 'Search', 'Bell', 'Settings', and a user profile. Below the navigation is a section titled 'Sales' with tabs for 'Overview', 'All sales' (which is selected and highlighted in green), 'Invoices', 'Customers', and 'Products and services'. Below these tabs are summary counts: '8 estimates', 'Unbilled income', '44 overdue invoices', '79 open invoices and credits', and '5 recently paid'. A large horizontal progress bar at the bottom of this section is divided into colored segments: blue, orange, grey, and green. Underneath the progress bar are several filter options: 'Batch actions', 'Type' (set to 'Estimates'), 'Date' (set to 'Last 12 months'), 'Customer', 'All statuses', and 'Delivery method'. To the right is a 'New transaction' button. The main area displays a table of estimates with columns for DATE, TYPE, NO., CUSTOMER / PROJECT, MEMO, AMOUNT, STATUS, and ACTION. The table contains five rows of estimate data:

DATE	TYPE	NO.	CUSTOMER / PROJECT	MEMO	AMOUNT	STATUS	ACTION
2/24/23	Estimate	1007	Adam's Candy Shop:Remodel outdoor dining space		\$31,950.00	Accepted	Edit Convert to invoice
2/13/23	Estimate	1005	Balak, Mike:330 Main St:Rear patio remodel		\$750,000.00	Accepted	Edit Convert to invoice
2/9/23	Estimate	1004	Balak, Mike:330 Main St:Rear patio remodel		\$7,147.00	Accepted	Edit Convert to invoice
3/29/23	Estimate	1015	Megan's Marvelous Masterpieces:Megan's Test Project		\$261.00	Pending Sent 3/29/23	Edit Mark accepted

At the bottom of the table, there's a 'Total' row showing '\$4,869,272.96'. Below the table are navigation links: 'First', 'Previous', '1-14 of 14', 'Next', and 'Last'.

Overview of estimate workflow continued

- Some clients may have access to the **Estimates** tab in the Sales center.
- If so, you can also manage everything to do with estimates there.

The screenshot shows the QuickBooks Sales center interface. At the top, there's a navigation bar with 'Sample Company' dropdown, 'Accountant Tools' icon, 'My experts' user profile, 'Help' link, search icon, notification bell, settings gear, and a blue circular 'R' icon. Below the navigation is a section titled 'Sales' with a logo placeholder and the company name 'Craig's Design and Landscaping Services'. A horizontal menu bar below the title includes 'Overview', 'All sales', 'Invoices', 'Estimates' (which is highlighted in green), 'Payment links', 'Customers', and 'Products and services'. Underneath the menu are filters for 'Status' (set to 'All') and 'Date' (set to 'Last 12 months'). A prominent green button labeled 'Create estimate' is located on the right. The main area displays a table of estimates with columns: a checkbox, 'DATE', 'NO.', 'CUSTOMER', 'AMOUNT', 'STATUS ▲', and 'ACTION'. Six rows of data are listed:

	DATE	NO.	CUSTOMER	AMOUNT	STATUS ▲	ACTION
<input type="checkbox"/>	8/9/23	1001	Cool Cars	\$230.00	Pending	Edit Send
<input type="checkbox"/>	7/11/23	1001	Sonnenschein Family Store	\$362.07	Converted	Edit Print
<input type="checkbox"/>	7/10/23	1001	Paulsen Medical Supplies	\$1,005.00	Converted	Edit Print
<input type="checkbox"/>	7/10/23	1001	Red Rock Diner	\$70.00	Converted	Edit Print
<input type="checkbox"/>	7/2/23	1001	Geeta Kalapatapu	\$582.50	Converted	Edit Print

At the bottom of the table are navigation links: 'First', 'Previous', '1-5 of 5', 'Next', and 'Last'.

Creating an Estimate

+ New + Log

CUSTOMERS **VENDORS**

Invoice Expense

Receive payment Check

Estimate Estimate

Credit memo Pay bills

Sales receipt Purchase order

Refund receipt Vendor credit

Delayed credit Credit card cred

Delayed charge Print checks

Add customer Add vendor

Time >

Estimate

Customer: Amy's Bird Sanctuary Email: Birds@Intuit.com Co/Bcc: Send later

Billing address: Amy Lauterbach, Amy's Bird Sanctuary, 4581 Finch St., Bayshore, CA 94326

Estimate date: 10/17/2023 Expiration date:

Tags: Manage tags

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design:Design	Custom Design	1	375	375.00	Delete
2	Landscaping:Installation	Installation of landscape design	1	1,650	1,650.00	Delete
3						Delete

Subtotal: \$2,025.00

Add lines Clear all lines Add subtotal

Message displayed on estimate:

Cancel Clear Print or Preview Make recurring Customize Save Save and send

Enabling purchase orders

Account and Settings

Company

Billing & subscription

Usage

Sales

Expenses

Payments

Time

Advanced

Bills and expenses

Show Items table on expense and purchase forms On

Show Tags field on expense and purchase forms Off

Track expenses and items by customer On

Make expenses and items billable On

Default bill payment terms

Purchase orders

Use purchase orders

Custom fields
Go to [Settings > Lists > Custom Fields](#) to manage your custom fields.

Custom transaction numbers

Default message on purchase orders

Cancel **Save**

Done

Enabling purchase orders continued

For product and service items to show up on a purchase order, clients must set them up to be used on purchase transactions.

The screenshot shows the 'Products and services' section in QuickBooks Online. A modal window is open for a product named 'Rock Fountain'. The modal includes fields for Description, Sales price/rate, Income account, Sales tax, Price rules, Purchasing information, Cost, Expense account, Preferred Vendor, and a 'Save and close' button. The 'Purchasing information' field is highlighted with a green border, indicating it's the focus of the current step. The background shows a list of other products like 'Fountain', 'Design', and 'Monthly Gardening Service'.

Using an estimate to create a purchase order

Estimate #1001

Help X

Purchase Order

Vendor: Tania's Nursery Email: plantqueen@taniasnursery.com Co/Bcc: Open ▾

Mailing address: Tania Kronberg, Tania's Nursery, 1111 Elm St., Middlefield, CA 94482 USA

Ship to: Bill's Windsurf Shop Purchase Order date: 11/30/2022

Shipping address: Craig's Design and Landscaping Services, 123 Sierra Way, San Pablo, CA 87999

Ship via: [empty field]

Tags: Start typing to add a tag Manage tags

Category details

Item details

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	CUSTOMER
1	Landscaping:Soil	2 cubic ft. bag	12	6.50	78.00	[trash]

Print Make recurring Save Save and close

AMOUNT \$120.00

Create invoice Copy to purchase order

DATE	AMOUNT	TAX
10	120.00	✓ [trash]
		[trash]

Subtotal \$120.00

Save Save and send

Converting a purchase order to an expense or bill

The screenshot shows the 'Expenses' section of the QuickBooks Online interface. At the top, there are navigation links for 'Sample Company', 'Accountant Tools', 'My Experts', 'Help', and settings. Below the navigation is a section titled 'Expenses' with tabs for 'Expenses' and 'Vendors'. The 'Vendors' tab is selected, showing a summary of vendor activity: \$155 for 2 PURCHASE ORDERS (Unbilled Last 365 Days), \$848 for 4 OVERDUE (Unpaid Last 365 Days), \$1,603 for 5 OPEN BILLS (Paid), and \$3,888 for 20 PAID LAST 30 DAYS. To the right of these summary boxes are buttons for 'Prepare 1099s' and 'New vendor'. Below the summary, there is a search bar labeled 'Find a vendor' and a 'Batch actions' dropdown menu. The main table lists vendors with columns for 'VENDOR ▲ / COMPANY', 'PHONE', 'EMAIL', 'OPEN PURCHASE ORDERS', 'PO AMOUNT', and 'ACTION'. Two rows are visible: 'Hicks Hardware' and 'Tim Philip Masonry'. For 'Hicks Hardware', the 'ACTION' column contains a dropdown menu with 'Create bill' and 'Create expense' options, where 'Create expense' is highlighted with a green box. For 'Tim Philip Masonry', the 'ACTION' column also contains a 'Create bill' option.

VENDOR ▲ / COMPANY	PHONE	EMAIL	OPEN PURCHASE ORDERS	PO AMOUNT	ACTION
Hicks Hardware	(650) 554-1973	dave@hickshardware...	1 Open purchase order	\$30.00	Create bill Create expense
Tim Philip Masonry	(800) 556-1254	tim.philip@timphilip...	1 Open purchase order	\$125.00	Create bill

Converting a purchase order to an expense or bill continued

The screenshot shows the QuickBooks "Expense" window. On the left, there are fields for Payee (Hicks Hardware), Payment account (Checking), and Balance (\$1,201.00). In the center, there are fields for Payment date (09/13/2022), Payment method (What did you pay with?), Ref no., and Tags (Start typing to add a tag). On the right, a sidebar titled "Add to Expense" shows a summary of a Purchase Order #1005 from Sept 13: Total \$30.00, Balance \$30.00, and a note about Fountain Pump. Buttons for "Add" and "Open" are visible. At the bottom, there's a table for Category details with two rows, and buttons for Add lines, Clear all lines, Save, and Save and close.

Payee
Hicks Hardware

Payment account
Checking
Balance \$1,201.00

AMOUNT
\$0.00

Payment date
09/13/2022

Payment method
What did you pay with?

Ref no.

Tags
Start typing to add a tag

Manage tags

Purchase Order #1005
Sept 13
Total \$30.00
Balance \$30.00
Fountain Pump

Add

Open

▼ Category details

#	CATEGORY ?	DESCRIPTION	AMOUNT	BILLABLE ?	TAX	CUSTOMER ?
1	What tax category fits?	What did you pay for?				
2						

Add lines

Clear all lines

Cancel

Make recurring

Save

Save and close

Converting a purchase order to an expense or bill continued

The screenshot shows the QuickBooks software interface for managing expenses. At the top, the navigation bar includes 'Rock Castle Construction LLC' (with a dropdown arrow), 'Accountant Tools' (with a briefcase icon), 'My experts' (with a lock icon), 'Help' (with a question mark icon), and various status icons.

The main title 'Expenses' is displayed above the bill creation window. The bill window has the following details:

- Bill** (header)
- 1 linked Purchase Order**
- Vendor:** A vendor/customer - V
- Mailing address:** A vendor/customer - V
- Terms:** (dropdown menu)
- Bill date:** 08/16/2023
- Due date:** 08/16/2023
- Bill no.:** (empty field)
- Permit no.:** (empty field)
- BALANCE DUE:** \$12,500.00

The item details section shows the following table:

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER / PROJECT	CLASS
1	Consulting	Consulting	100	125	12,500.00				
2									

At the bottom of the bill window, there are buttons for 'Add lines', 'Clear all lines', 'Cancel', 'Clear', 'Make recurring', 'Save', and 'Save and close'.

A green arrow points from the 'View/Edit' dropdown menu in the bill window to a context menu that is overlaid on the expense list. This context menu contains the following options:

- Send (disabled)
- Copy to bill** (highlighted with a green box)
- Print
- View/Edit
- Copy
- Delete

The expense list on the right side of the screen shows several entries with amounts like \$2,500.00, \$12,500.00, \$350.00, \$15,000.00, \$100.00, and \$350.00, each with a 'View/Edit' dropdown.

Converting an estimate to an invoice

Sales

Overview All Sales Invoices Estimates Payment links Customers Products and services

Sales transactions [Feedback](#)

\$120.00
1 estimate

\$5,281.52
20 overdue invoices

\$5,281.52
20 open invoices and credits

\$0.00
0 recently paid

Type Date Customer

Batch actions ▾ Estimates Last 12 months Search New transaction ▾

Open ▾ Delivery method ▾

<input type="checkbox"/>	DATE ▾	TYPE	NO.	CUSTOMER	MEMO	DUE DATE	BALANCE	AMOUNT	STATUS	ACTION
<input type="checkbox"/>	11/30/2022	Estimate	1001	Bill's Windsurf Shop		12/14/2022	\$0.00	\$120.00	Pending Sent 11/9/2022	Mark accepted ▾ Convert to invoice
Total							\$0.00	\$120.00		View/Edit First Previous 1-1 of 1 Duplicate Send Print Update Status Delete

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Expenses and vendors

As a Certified ProAdvisor in QuickBooks Online, you also need to be able to help clients with a variety of expense transactions.

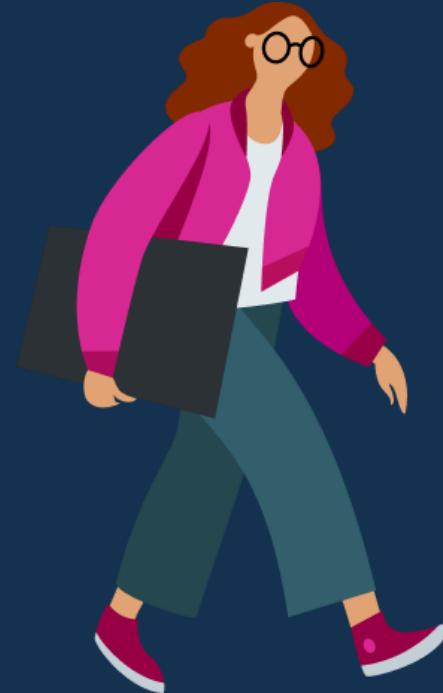
The certification exam will assess your ability to:

- Set up QuickBooks Bill Pay
- Manage bills and receipts
- Create vendor credits
- Use the Pay down credit card feature

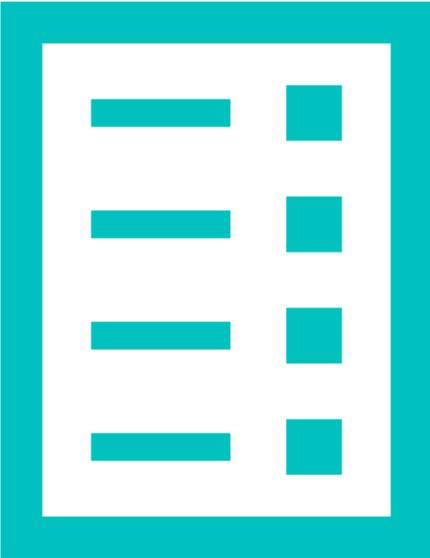


Creating vendor credits

EXAM TOPIC DEEP DIVE



About vendor credits



- Decreases Accounts Payable balances
- Can be applied to an existing open bill
- Can be held to apply to a future bill
- Can be automatically applied if setting is selected (similar to Credit Memo)

About vendor credits

The screenshot shows the 'Expenses' section of the QuickBooks Online interface. The top navigation bar includes 'Sample Company', 'Accountant Tools', '+', 'My experts', 'Help', a search icon, a bell icon, a gear icon, and a profile icon with the letter 'R'. Below the navigation is a sub-menu with tabs for 'Expenses' (which is selected and highlighted in green), 'Bills', 'Vendors', and 'Contractors'. The main area is titled 'Expense Transactions' with buttons for 'Print Checks' and 'New transaction'. A 'Filter' dropdown set to 'Last 365 Days' and a 'Batch actions' button are visible. At the bottom right are print, export, and settings icons, along with navigation links for 'First', 'Previous', '1-64 of 64', 'Next', and 'Last'. The table below lists expense transactions:

<input type="checkbox"/>	DATE	TYPE	NO.	PAYEE	CATEGORY	MEMO	TOTAL	ACTION
<input type="checkbox"/>	08/03/2023	Vendor Credit		Norton Lumber ...	Inventory Asset		-\$125.00	View/Edit
<input type="checkbox"/>	08/02/2023	Credit Card Exp...			Automobil...		\$34.00	
<input type="checkbox"/>	07/22/2023	Credit Card Credit			Checking	Monthly Payment	-\$900.00	
<input type="checkbox"/>	07/20/2023	Credit Card Exp...		Squeaky Kleen ...	Automobil...		\$19.99	

Creating a vendor credit

The screenshot shows the QuickBooks Desktop interface for 'Sample Company'. On the left, the 'Vendors' section is open, displaying various payment-related options. The 'Vendor credit' option is highlighted with a green box. The main window is titled 'Vendor Credit' and shows details for creating a credit to 'Norton Lumber and Building Materials'. The 'CREDIT AMOUNT' is set to '\$125.00'. The 'Mailing address' field contains the information: Julie Norton, Norton Lumber and Building Materials, 4528 Country Road, Middlefield, CA 94303. The 'Payment date' is set to '10/31/2022'. The 'Item details' section shows a single line item for a 'Rock Fountain' with a quantity of 1, rate of 125, and amount of 125.00. The total amount at the bottom right is \$125.00. Navigation buttons at the bottom include 'Cancel', 'Clear', 'Make recurring', and a large green 'Save and close' button.

CUSTOMERS

- Invoice
- Receive payment
- Estimate
- Credit memo
- Sales receipt
- Refund receipt
- Delayed credit
- Delayed charge

VENDORS

- Expense
- Check
- Bill
- Pay bills
- Purchase order
- Vendor credit**
- Credit card credit
- Print checks

Vendor Credit

Vendor: Norton Lumber and Building Materials

Mailing address: Julie Norton
Norton Lumber and Building Materials
Materials
4528 Country Road
Middlefield, CA 94303

Payment date: 10/31/2022

Ref no.: [Empty]

Tags: Start typing to add a tag

Category details:

Item details:

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Design:Fountains:Rock Fountain	Rock Fountain	1	125	125.00			
2								

Total: \$125.00

Memo: [Empty]

Buttons: Cancel, Clear, Make recurring, Save and close

Applying vendor credit

Expenses

Expenses Bills Vendors

Expense Transactions

Filter ▾ Last 365 Days

Batch actions ▾

Print Checks ▾ New transaction ▾

< First Previous 1-65 of 65 Next Last >

	DATE ▾	TYPE	NO.	PAYEE	CATEGORY	MEMO	TOTAL	ACTION
<input type="checkbox"/>	10/31/2022	Vendor Credit		Norton Lumber and B...	-Split-		-\$125.00	View/Edit ▾
<input type="checkbox"/>	10/01/2022	Bill		Norton Lumber and B...	Inventory Asset		\$125.00	Schedule payment ▾
<input type="checkbox"/>	09/11/2022	Credit Card Expense			Automobile		\$34.00	Mark as paid
<input type="checkbox"/>	08/31/2022	Credit Card Credit			Checking	Monthly Payment	-\$900.00	View/Edit
<input type="checkbox"/>	08/29/2022	Credit Card Expense		Squeaky Kleen Car Wash	Automobile		\$19.99	Copy

Applying vendor credit

Bill Payment #1

Payee: Norton Lumber and Building Matx | Bank/Credit account: Mastercard | Balance \$157.72 | AMOUNT PAID: **\$0.00**

Mailing address: Julie Norton, Norton Lumber and Building Materials, 4528 Country Road, Middlefield, CA 94303 | Payment date: 10/01/2022 | Ref no.: 1

Amount: 0.00

Outstanding Transactions

<input type="checkbox"/>	DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input type="checkbox"/>	Bill (08/17/2022)	08/17/2022	205.00	205.00	<input type="text"/>
<input checked="" type="checkbox"/>	Bill (10/01/2022)	10/01/2022	125.00	125.00	125.00

< First Previous 1-2 of 2 Next Last >

Credits

<input type="checkbox"/>	DESCRIPTION	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input checked="" type="checkbox"/>	Vendor Credit (10/31/2022)	125.00	125.00	125.00

Save and close ▾

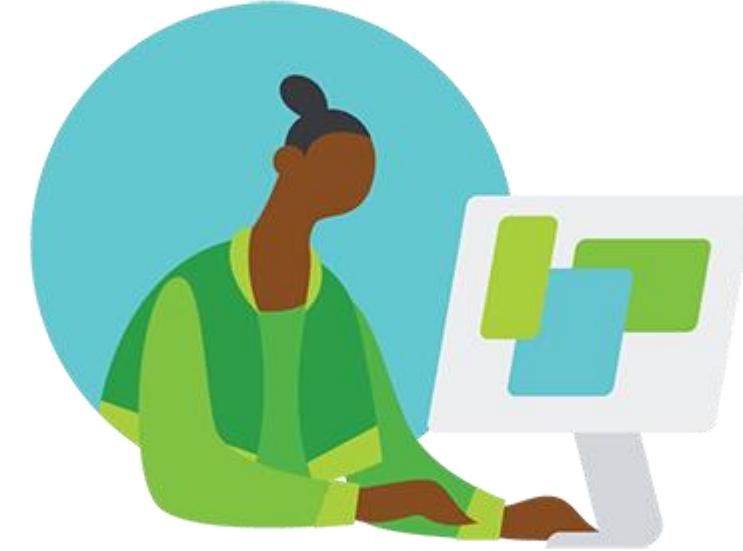
Cancel **Clear**

Banking

QuickBooks Online can link clients' online banking data with business transactions through the Banking center, the one-stop shop for all bank- and transaction-related tasks.

The certification exam will assess your ability to:

- Exclude bank transactions
- Manage the bank feed connections
- Set up and use bank rules
- Record undeposited funds
- Create and use recurring transactions
- Record deposit transactions
- Use journal entries
- Use the Transfer function
- Reconcile accounts
- Correct beginning balances for reconciliations



Using the Transfer function

EXAM TOPIC DEEP DIVE



About the Transfer function

- The Transfer function is for moving funds between two balance sheet accounts
- It is not used for recording income or expense
- It is also not for making transfers between a client bank account and their vendor's bank account
- A transfer is a 1:1 transfer of funds—there are no splits allowed
- There are no fields available for customers, vendors, employees, or Products and Services items involved

Recording a transfer

 Transfer

Transfer Funds From: Checking Balance: \$1,201.00

Transfer Funds To: Savings Balance: \$800.00

Transfer Amount: 500.00 Date: 10/18/2023

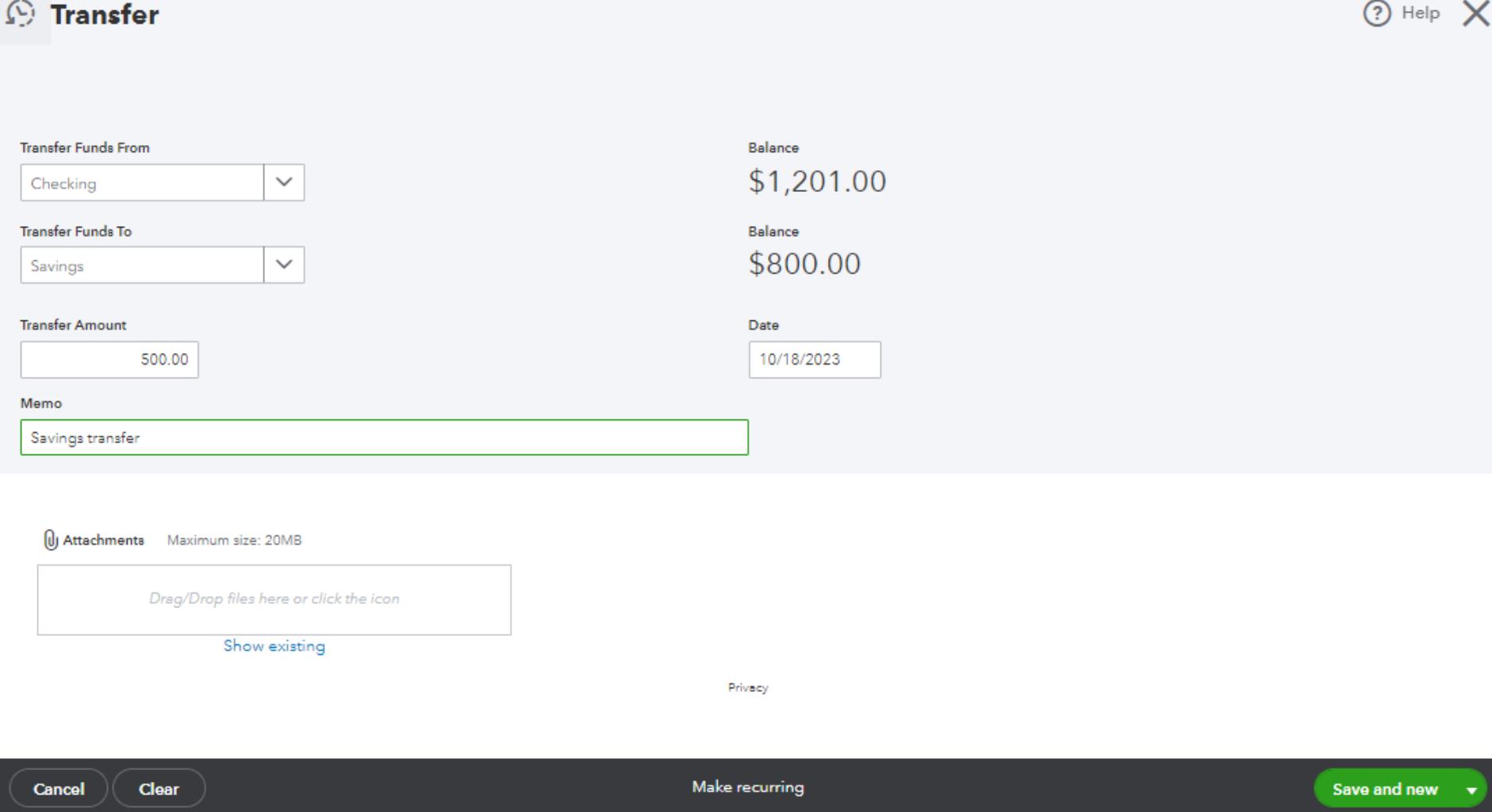
Memo: Savings transfer

Attachments: Maximum size: 20MB
Drag/Drop files here or click the icon

Show existing

Privacy

Cancel Clear Make recurring Save and new ▾

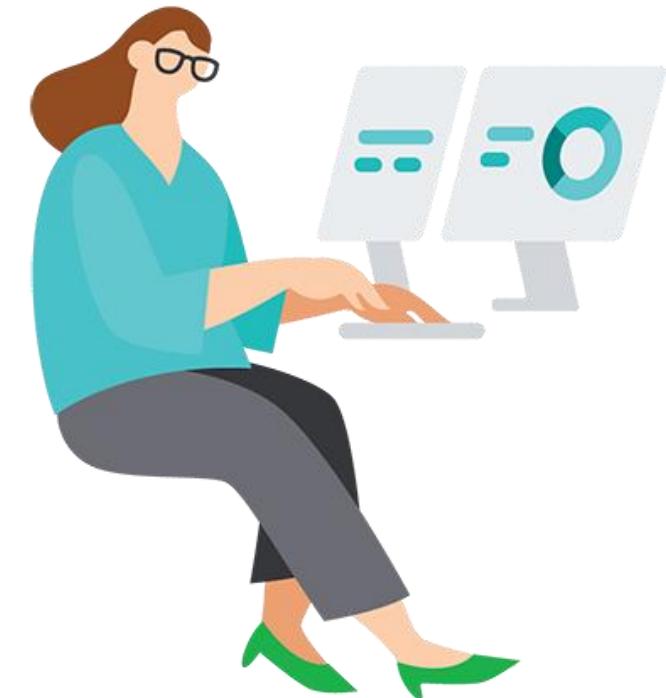


Reports

The Reports center contains a list of preset reports that give you a summary—and detailed information—about various aspects of your client's business.

To pass the QuickBooks Online Certification exam, you need to demonstrate that you can:

- Run basic reports
- Analyze the Profit and Loss and Balance Sheet reports
- Use reports to answer common business questions
- Customize reports
- Create meaningful management reports
- Set up and use tags



The Profit and Loss and Balance Sheet reports

EXAM TOPIC DEEP DIVE



The Profit and Loss Report

The Profit and Loss report is the report that clients are most familiar with.

It summarizes the financial activity associated with each income or expense account for a specific period, with the last line showing the net income (or loss) for that defined period.

This indicates whether your client is operating at a profit or a loss.

Rock Castle Construction LLC	
Profit and Loss	
January 1 - August 25, 2023	
	TOTAL
▼ Income	
Markup	-947.50
Product Sales Revenue	0.75
Sales	17,131,027.78
Sales of Product Income	23,425.00
Total Income	\$17,153,506.03
▼ Cost of Goods Sold	
Commission	95,500.00
Cost of Goods Sold	115,849.54
Labor - Owner's Allocation	0.00
Total Cost of Goods Sold	\$211,349.54
GROSS PROFIT	\$16,942,156.49
▼ Expenses	
Advertising & Marketing	100.00
Bank Charges & Fees	50.00
Contractors	8,250.00
Insurance	100.00
Miscellaneous	0.00
Office Supplies & Software	200.00
▼ Payroll Expenses	
▼ Company Contributions	
Health Insurance	105.00
Retirement	100.00
Total Company Contributions	205.00
Construction Crew	1,289.23
Distribution Depot Manager	769.23
▼ Taxes	
Construction Payroll Tax Expenses	133.87
Total Taxes	215.24
Wages	349.11
Total Payroll Expenses	1,159.00
Purchases	3,771.57
Rounding	0.00
Uncategorized Expense	0.02
Total Expenses	\$12,671.59
NET OPERATING INCOME	\$16,929,484.90
▼ Other Expenses	
Reconciliation Discrepancies	17,431.14
Total Other Expenses	\$17,431.14
NET OTHER INCOME	\$ -17,431.14
NET INCOME	\$16,912,053.76

The Profit and Loss Report continued

Comparison

Compare a business' performance with that of a different period.

Can reveal business cash flow spending and earnings trends.

Use the **Compare another period** dropdown to customize the way the data is displayed.

The screenshot shows the 'Profit and Loss Comparison Report' page in the Intuit QuickBooks Online interface. At the top, it displays the company name 'Rock Castle Construction LLC' and the 'Accountant Tools' icon. The main title is 'Profit and Loss Comparison Report'. Below the title, there are several filter options: 'Report period' set to 'Last Year' from '01/01/2022' to '12/31/2022', 'Display columns by' set to 'Other', 'Show non-zero or active only', 'Compare another period' (which is currently expanded to show 'Previous year' selected), and 'Accounting method' set to 'Accrual'. To the right of these filters are 'Customize' and 'Save customization' buttons, and a 'Run report' button. A large dropdown menu for 'Compare another period' is open, listing various options: 'Previous period (PP)', 'Previous year (PY)', 'Year-to-date (YTD)', 'Previous year-to-date (PY YTD)', '% of Row', '% of Column', '% of Income', and '% of Sales'. The 'Previous year (PY)' option is checked. On the far right of the screen, there are icons for envelope, printer, and file download, along with a date range 'JAN - DEC 2021 (PY)'.

The Profit and Loss Report continued

Comparison

This example shows how a Profit and Loss Comparison report compares expenses and income during the same period in 2023 and, for comparison, 2022.

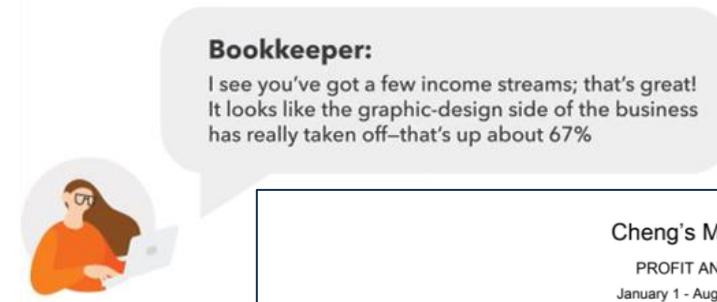
Rock Castle Construction LLC						
Profit and Loss Comparison						
January 1 - August 25, 2023						
	JAN 1 - AUG 25, 2023	JAN 1 - AUG 25, 2022 (PY)	CHANGE	% CHANGE	% OF INCOME	% OF EXPENSE
Income				TOTAL		
Consignment Sales		25,132.50	-25,132.50	-100.00 %		
Discounts given		-2,711.14	2,711.14	100.00 %		
Fee income	3,750.00		3,750.00		28.25 %	4.99 %
Sales	7,500.00	1,113,026.00	-1,105,526.00	-99.33 %	56.50 %	9.98 %
Sales of Product Income	2,025.00	124,809.30	-122,784.30	-98.38 %	15.25 %	2.69 %
Total Income	\$13,275.00	\$1,260,256.66	\$ -1,246,981.66	-98.95 %	100.00 %	17.67 %
Cost of Goods Sold						
Commission	1,400.00		1,400.00		10.55 %	1.86 %
Cost of Goods Sold	963.00	50,155.00	-49,192.00	-98.08 %	7.25 %	1.28 %
Cost of Materials		10.00	-10.00	-100.00 %		
Inventory Shrinkage		-32,100.00	32,100.00	100.00 %		
Materials		85,000.00	-85,000.00	-100.00 %		
Total Cost of Goods Sold	\$2,363.00	\$103,065.00	\$ -100,702.00	-97.71 %	17.80 %	3.14 %
GROSS PROFIT	\$10,912.00	\$1,157,191.66	\$ -1,146,279.66	-99.06 %	82.20 %	14.52 %
Expenses						
Advertising & Marketing	6,994.50	4,000.00	2,994.50	74.86 %	52.69 %	9.31 %
Contractors	35,500.00		35,500.00		267.42 %	47.25 %
Insurance		2,800.00	-2,800.00	-100.00 %		
Job Supplies	34.75	-1,000.00	1,034.75	103.48 %	0.26 %	0.05 %
Office Supplies & Software	4,000.00	25.00	3,975.00	15,900.00 %	30.13 %	5.32 %
Payroll Expenses						
Payroll Taxes		311.76	-311.76	-100.00 %		
Wages	8,610.45	2,699.23	5,911.22	219.00 %	64.86 %	11.46 %
Total Payroll Expenses	8,610.45	3,010.99	5,599.46	185.97 %	64.86 %	11.46 %
Rent & Lease	20,000.00	20,000.00	0.00	0.00 %	150.66 %	26.62 %
Uncategorized Expense						
Total Expenses	\$75,139.70	\$28,835.99	\$46,303.71	160.58 %	566.02 %	100.00 %
NET OPERATING INCOME	\$ -64,227.70	\$1,128,355.67	\$ -1,192,583.37	-105.69 %	-483.82 %	-85.48 %
Other Income						
Late Fee Income	324,875.78	32,251,247.03	-31,926,371.25	-98.99 %	2,447.28 %	432.36 %
Total Other Income	\$324,875.78	\$32,251,247.03	\$ -31,926,371.25	-98.99 %	2,447.28 %	432.36 %
NET OTHER INCOME	\$324,875.78	\$32,251,247.03	\$ -31,926,371.25	-98.99 %	2,447.28 %	432.36 %
NET INCOME	\$260,648.08	\$33,379,602.70	\$ -33,118,954.62	-99.22 %	1,963.45 %	346.88 %

Analyzing the Profit and Loss Report

Look for discrepancies or unexpected numbers.

Review the following items:

- Total income
- Total expenses
- Gross profit
- Net income (AKA the “bottom line”)
- The Uncategorized Income and Uncategorized Expense accounts (and any transactions in the Ask My Accountant account, if there is one)
- Changing trends and significant differences from previous period



Bookkeeper:

I see you've got a few income streams; that's great! It looks like the graphic-design side of the business has really taken off—that's up about 67%

Cheng's MasterVA				
PROFIT AND LOSS				
January 1 - August 15, 2019				
<hr/>				
	JAN 1 - AUG 15, 2019	JAN 1 - AUG 15, 2018 (PY)	% CHANGE	% OF INCOME
Income				TOTAL
Graphic Designer Business Bootcamps	2,576.00			2.46 %
Public Speaker		890.00	-100.00 %	
Services				
Graphic Design Services Income	76,646.20	46,000.00	66.62 %	73.30 %
Private Consulting Meeting Income	22,770.04	25,527.15	-10.80 %	21.77 %
Social Media Services Income	1,688.00	15,500.00	-89.11 %	1.61 %
Total Services	101,104.24	87,027.15	16.18 %	96.69 %
Uncategorized Income_Need to Classify	890.00			0.85 %
Total Income	\$104,570.24	\$87,917.15	18.94 %	100.00 %
GROSS PROFIT	\$104,570.24	\$87,917.15	18.94 %	100.00 %
Expenses				
1099 Subcontractors	17,879.30	8,797.65	103.23 %	17.10 %
Automobile Expense				
Actual Auto Expenses	200.00			0.19 %

Dan:

Wow, I didn't realize it had gone up by that much

The Balance Sheet Report

The Balance Sheet report summarizes the financial position of a business at a specific point in time.

That's why it's commonly referred to as a snapshot of the business.

This report reflects whether the assets the business owns are sufficient to offset its liabilities to leave a net equity balance after all liabilities have been paid off.

Rock Castle Construction LLC	
Balance Sheet	
As of December 31, 2022	
	TOTAL
▼ ASSETS	
▼ Current Assets	
▶ Bank Accounts	\$300,793.89
▶ Accounts Receivable	\$34,901,831.90
▶ Other Current Assets	\$1,067,491.30
Total Current Assets	\$36,270,117.09
▼ Fixed Assets	
Accumulated Depreciation	-6,000.00
Total Fixed Assets	\$ -6,000.00
TOTAL ASSETS	\$36,264,117.09
▼ LIABILITIES AND EQUITY	
▼ Liabilities	
▼ Current Liabilities	
▶ Accounts Payable	\$507,072.25
▶ Credit Cards	\$476.82
▶ Other Current Liabilities	\$263,625.12
Total Current Liabilities	\$771,174.19
Total Liabilities	\$771,174.19
▼ Equity	
Opening Balance Equity	10,540.00
Owner's Contribution	200.00
Owner's Investment	139,625.69
Retained Earnings	901,648.51
Net Income	34,440,928.70
Total Equity	\$35,492,942.90
TOTAL LIABILITIES AND EQUITY	\$36,264,117.09

The Balance Sheet Report continued

Comparison

Compare a business' current or past performance with that from a different period.

Shows the financial position of the business over different periods, indicating trends or directions of change.

Use the **Compare another period** dropdown to customize the way the data is displayed.

The screenshot shows the 'Reports' section of the QuickBooks Online interface. The title is 'Balance Sheet Comparison Report'. The 'Report period' dropdown is set to 'Last Year' with dates '01/01/2022' to '12/31/2022'. The 'Display columns by' dropdown is set to 'Other'. The 'Compare another period' dropdown is highlighted and set to 'Previous year'. The 'Accounting method' dropdown is set to 'Accrual'. A tooltip for the 'Compare another period' dropdown is open, showing options: 'Previous period (PP)' (unchecked), '\$ change' (unchecked), '% change' (unchecked), 'Previous year (PY)' (checked), '\$ change' (unchecked), '% change' (unchecked), '% of Row' (unchecked), '% of Column' (unchecked), and 'Reorder columns'. At the bottom, there are two columns: 'AS OF DEC 31, 2022' and 'AS OF DEC 31, 2021 (PY)'. The word 'ASSETS' is visible at the bottom left.

The Balance Sheet Report continued

Comparison

This example illustrates how clients can use a Balance Sheet Comparison report to dive into how the business' equity on a specific date compares to their equity on the same date in the previous year.

Rock Castle Construction LLC				
Balance Sheet Comparison				
As of July 31, 2023				
	AS OF JUL 31, 2023	AS OF JUL 31, 2022 (PY)	CHANGE	% CHANGE
ASSETS		TOTAL		
Current Assets				
Bank Accounts	\$239,076.97	\$ -808,941.80	\$1,048,018.77	129.55 %
Accounts Receivable	\$35,256,239.22	\$34,005,733.94	\$1,250,505.28	3.68 %
Other Current Assets	\$822,294.30	\$1,082,016.70	\$ -259,722.40	-24.00 %
Total Current Assets	\$36,317,610.49	\$34,278,808.84	\$2,038,801.65	5.95 %
Fixed Assets	\$ -6,000.00	\$ -6,000.00	\$0.00	0.00 %
TOTAL ASSETS	\$36,311,610.49	\$34,272,808.84	\$2,038,801.65	5.95 %
LIABILITIES AND EQUITY				
Liabilities	\$548,068.20	\$750,279.01	\$ -202,210.81	-26.95 %
Equity				
Opening Balance Equity	150,165.69	9,345.50	140,820.19	1,506.82 %
Owner's Contribution	200.00	200.00	0.00	0.00 %
Owner's Investment	0.00	139,625.69	-139,625.69	-100.00 %
Retained Earnings	35,342,577.21	901,648.51	34,440,928.70	3,819.77 %
Net Income	270,599.39	32,471,710.13	-32,201,110.74	-99.17 %
Total Equity	\$35,763,542.29	\$33,522,529.83	\$2,241,012.46	6.69 %
TOTAL LIABILITIES AND EQUITY	\$36,311,610.49	\$34,272,808.84	\$2,038,801.65	5.95 %

Analyzing the Balance Sheet Report

Look for discrepancies or unexpected numbers.

Review the following items:

- Bank and credit card balances
- Accounts receivable
- Uncategorized Asset
- Any new asset purchases
- Any prepaid expenses
- Accounts payable
- Loan accounts
- Owner transactions
- Net income



Bookkeeper:

I see you've got \$33,475.00 in accounts receivable. That's a lot of money you're owed, is that right?

Dan:

Hmm, I have no idea why that's showing. All my clients have paid me.



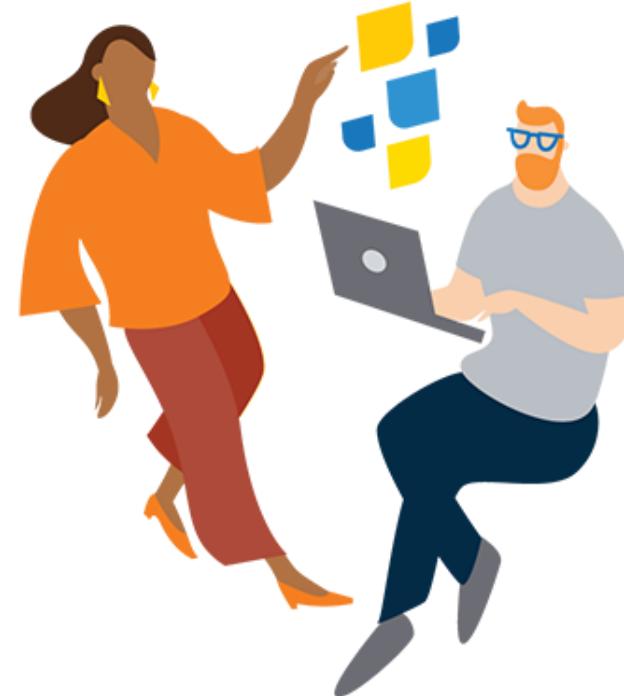
Cheng's MasterVA Business Services	
BALANCE SHEET	
	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
ChaseChecking #1234- Operations Account	29,939.12
ChaseSavings #4567 - Tax Savings Account	4,102.25
Total Bank Accounts	\$34,041.37
Accounts Receivable	
Accounts Receivable (A/R)	33,475.00
Total Accounts Receivable	\$33,475.00
Total Current Assets	\$67,516.37
TOTAL ASSETS	\$67,516.37
LIABILITIES AND EQUITY	
Liabilities	
Long-Term Liabilities	
Good SMB Loan	15,000.00
Total Long-Term Liabilities	\$15,000.00
Total Liabilities	\$15,000.00
Equity	
Owner's Investment	
Owner's Capital	1,000.00
Owner's Pay	-25,765.00
Total Owner's Investment	-24,765.00
Retained Earnings	375.00
Net Income	76,906.37
Total Equity	\$52,516.37
TOTAL LIABILITIES AND EQUITY	\$67,516.37

Managing your work, team, and clients

QuickBooks Online Accountant offers many useful features to manage your business, your team, and your clients' subscriptions.

The certification exam will validate your ability to:

- Troubleshoot issues with common workflows
- Manage the Clients menu
- Check your clients' usage limits
- Manage clients' subscriptions
- Manage your teams and their user permissions
- Use the Work menu to manage your team's workload
- Send client requests



Managing client subscriptions

EXAM TOPIC DEEP DIVE



Checking your clients' subscription levels

The Client List

The screenshot shows the QuickBooks Accountant software interface. The top navigation bar includes the 'qb Accountant' logo, 'GO TO QUICKBOOKS' dropdown, 'Accountant Tools' icon, 'Help' button, search icon, notifications icon, settings icon, and a blue profile icon. The main title 'Garcia Consulting' is displayed, along with the subtitle 'Lisa's clients'. On the left, a sidebar titled 'YOUR PRACTICE' shows 'Clients' selected, with options like 'Team', 'ProAdvisor', 'Work', and 'Apps'. Below that, 'YOUR BOOKS' includes 'Overview', 'Dashboard', 'Tasks', 'Banking', 'Sales', and 'Cash flow'. A callout box highlights 'QuickBooks Payroll Premium' and 'QuickBooks Online Plus'. The main content area features tabs for 'Overview', 'Bookkeeping', and 'Payroll', a 'Find a client' search bar, and a 'CLIENT / CONTACT' section showing 'A non QBO client'. The table lists clients with columns for 'BANKING', 'PAYROLL ALERTS', 'PREP FOR TAXES', 'TAX RETURNS', 'LEAD', and 'ACTIONS'. Each client row includes a 'Create tax return' button, initials (e.g., HS, DD, EK, LG), and an 'Edit client' link.

CLIENT / CONTACT	BANKING	PAYROLL ALERTS	PREP FOR TAXES	TAX RETURNS	LEAD	ACTIONS
A non QBO client				Create tax return		Edit client ▾
b BAM Graphics				Create tax return	MR	Edit client ▾
qb Cheng's Master V...	0 unaccepted transactions as of 576 days ago			Create tax return	HS	Make active
qb Cherry Tree Busine...				Create tax return	HS	Make active
qb Chris Grier Master ...	Chris Grier			Create tax return	DD	Make active
qb Quality-Built Cons...				Create tax return	EK	Edit client ▾
	QuickBooks Payroll Premium QuickBooks Online Plus			Create tax return	DD	Edit client ▾
qb Rock Castle Constr...		Review Data		Create tax return	LG	Edit client ▾

Checking your clients' subscription levels continued

Subscriptions and billing

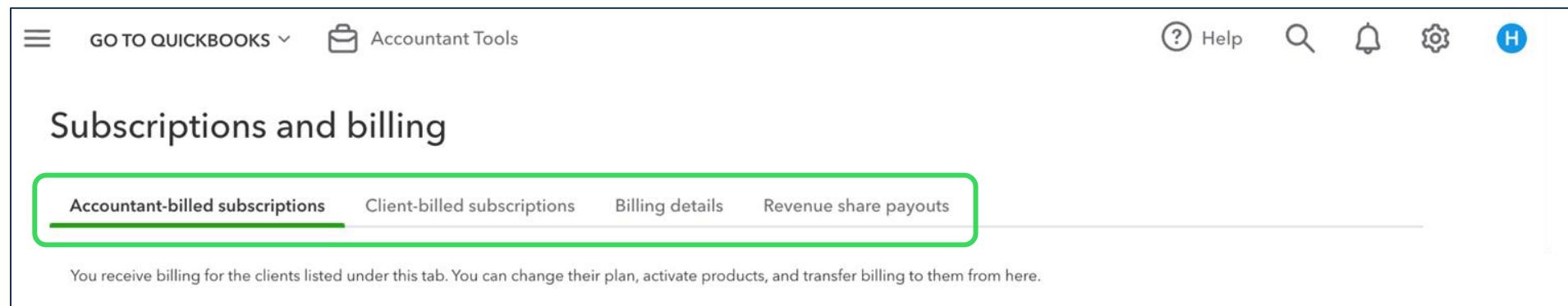
The screenshot shows the QuickBooks Online Accountant Tools interface. On the left, there's a sidebar with 'YOUR PRACTICE' and 'YOUR BOOKS' sections. The main area displays 'Garcia Consulting' under 'Lisa's clients'. A central modal window titled 'Accountant Tools' contains three tabs: 'SETTINGS', 'LISTS', and 'TOOLS'. The 'SETTINGS' tab includes links like 'Company settings', 'Custom form styles', 'Chart of accounts', 'Payroll settings', 'QuickBooks labs', and 'Themes'. The 'LISTS' tab includes 'All lists', 'Products and services', 'Recurring transactions', 'Attachments', 'Custom fields', and 'Tags'. The 'TOOLS' tab includes 'Manage workflows', 'Reclassify transactions', 'Order checks', 'Import data', 'Import desktop data', 'Export data', 'Reconcile', 'Budgeting', 'Spreadsheet Sync', 'Audit log', 'Back up company', 'Merge duplicate clients', 'SmartLook', 'Transfer clients', and 'Resolution center'. On the right, a vertical sidebar titled 'YOUR COMPANY' has a green button labeled 'Subscriptions and billing' which is highlighted with a green oval. Other options in this sidebar include 'Your team', 'Getting started', 'Sample company', 'Feedback', 'Privacy', and 'Switch company'. The top navigation bar includes 'GO TO QUICKBOOKS', 'Help', 'Search', 'Bell', 'Settings', and a user profile icon.

Checking clients' subscription levels continued

Subscriptions and billing

QuickBooks Online puts clients into different tabs based on how they pay for the subscription:

- The Accountant-billed subscriptions tab
- The Client-billed subscriptions tab
- The Revenue share payouts tab



Checking your clients' subscription levels continued

Subscriptions and billing

The screenshot shows the QuickBooks Online dashboard under the 'Accountant' role. The top navigation bar includes links for 'GO TO QUICKBOOKS', 'Accountant Tools', 'Help', 'Search', 'Notifications', 'Settings', and a user icon.

The main title 'Subscriptions and billing' is displayed prominently. Below it, there are four tabs: 'Accountant-billed subscriptions', 'Client-billed subscriptions', 'Billing details' (which is selected and highlighted with a green border), and 'Revenue share payouts'. A green button labeled 'Edit billing information' is located on the right side of the 'Billing details' tab.

The 'Accountant-billed subscriptions' section displays the following information:

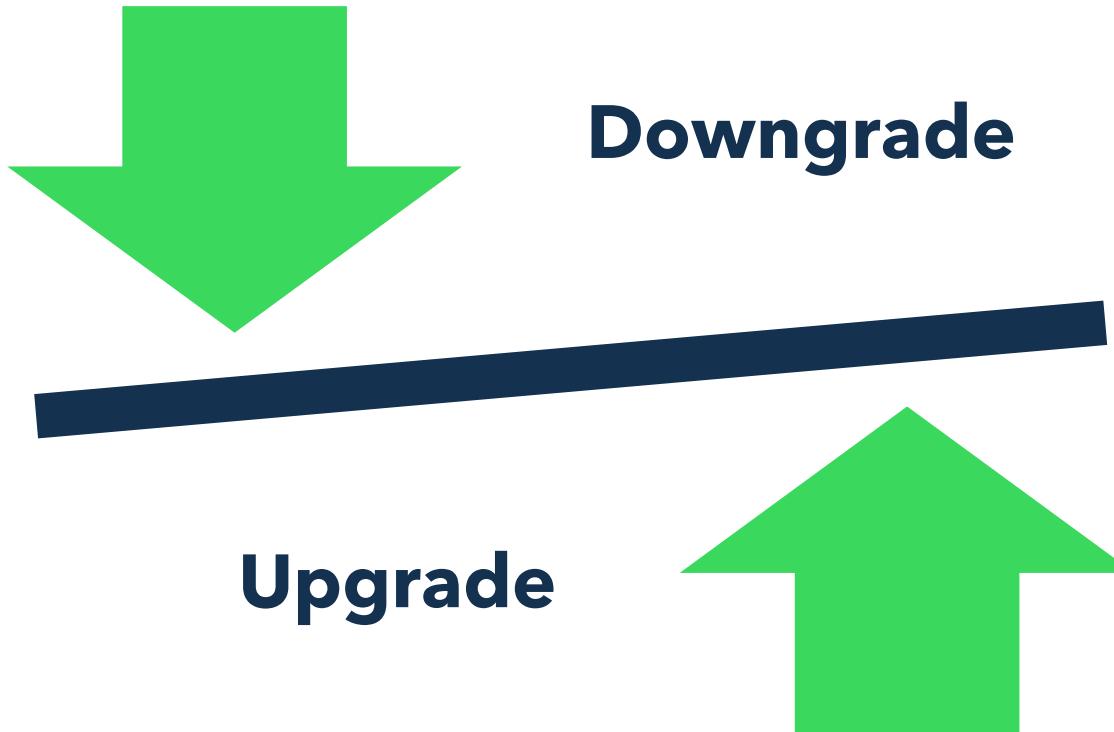
- Number of clients: 18
- Next bill date: 08/15/2019
- Estimated monthly total: \$620 (+ applicable taxes)

A Visa payment method is listed: Visa *4859 (expires 02/2024).

The 'Billing and payment history' section shows a table of transactions:

DATE	INVOICE OR CREDIT NUMBER	PAYMENT METHOD	AMOUNT	ACTION
07/15/2019	123456789	Visa *4859	\$575.00	View PDF Download csv
06/15/2019	234567890	Visa *4859	\$400.00	View PDF Download csv
05/15/2019	345678901	Visa *4859	\$550.00	View PDF Download csv
04/15/2019	456789012	Visa *4859	\$475.00	View PDF Download csv

Changing a client's subscription level



Thing to consider before changing a subscription level

Downgrading means that certain features will no longer be available.

Changing a plan could affect third-party apps that are connected to QuickBooks Online.

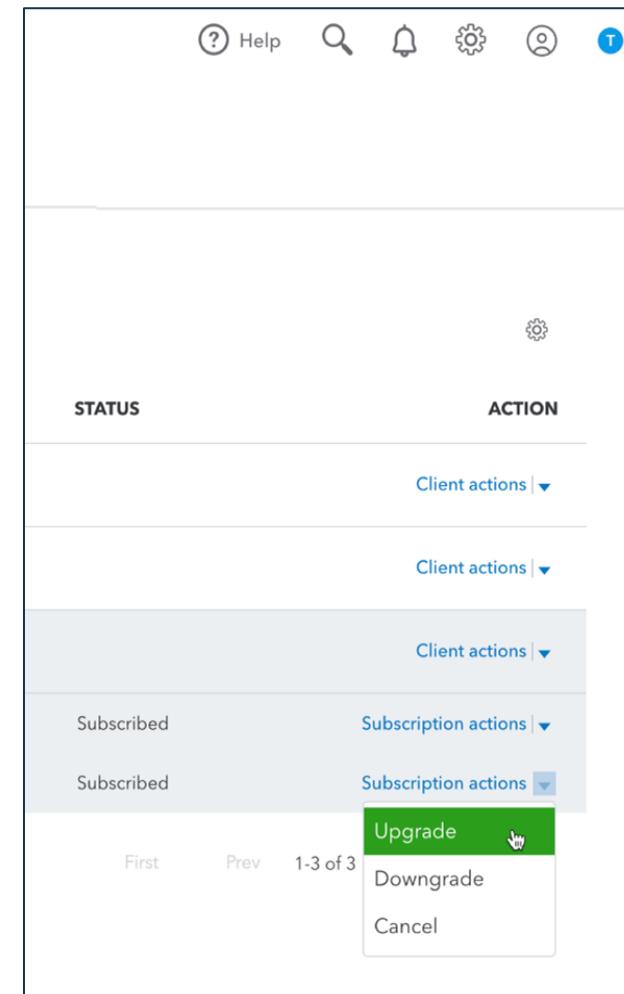
Current plan discounts rates won't change but the amount will based on the base subscription price.



NOTE: If you are downgrading a client with attached payroll or payments, contact support to complete the downgrade.

Changing an accountant-paid subscription level

- Navigate to Gear > Subscriptions and billing.
- Select the Accountant-billed subscriptions tab.
- From the options in the Action column, select either Downgrade or Upgrade.
- Choose the preferred subscription plan and follow the on-screen steps to complete the process.



Changing a client-paid subscription level

Account and Settings

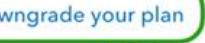
Company ID: 1234567890123456789012345678901234567890

Payment Method:  Master Card *6660 (expires 10/2022) 

[Allow billing transfer to your accountant?](#)

QuickBooks Advanced
SUBSCRIBED Next charge on 10/24/2022

\$180 \$90/mo
+ applicable taxes

[Downgrade your plan](#) 

[View payment history](#) [Cancel subscription](#) [Switch to annual billing](#)

QuickBooks Online Payments

Accept payments online or in person.

- Customers can pay by credit, debit card, Apple Pay, or bank transfer
- Your books are reconciled automatically

[Learn more](#)

[Connect an existing QuickBooks Online Payments account](#)



Changing the payment method

If you pay for your clients' subscription

qb Accountant GO TO QUICKBOOKS ▾ Account Tools ? Help 🔎 Search 📡 Notifications ⚙️ Settings 🌐 H

+ New

Subscriptions and billing

YOUR PRACTICE

Clients

Team

ProAdvisor >

Work

Apps

YOUR BOOKS

Overview

Dashboard >

Tasks

Banking >

Sales >

Accountant-billed subscriptions Client-billed subscriptions **Billing details** Revenue share payouts

Accountant-billed subscriptions

Number of clients: **18**

Next bill date: **08/15/2019**

Estimated monthly total: **\$620** (+ applicable taxes)

Edit billing information

VISA Visa *4859 (expires 02/2024)

Billing and payment history

DATE	INVOICE OR CREDIT NUMBER	PAYMENT METHOD	AMOUNT	ACTION
07/15/2019	123456789	Visa *4859	\$575.00	View PDF Download csv
06/15/2019	234567890	Visa *4859	\$400.00	View PDF Download csv
05/15/2019	345678901	Visa *4859	\$550.00	View PDF Download csv
04/15/2019	456789012	Visa *4859	\$475.00	View PDF Download csv

Changing the payment method

If the client pays for the subscription

The screenshot shows the QuickBooks Online interface. At the top, it displays "Rock Castle Construction LLC" and "Accountant Tools". The navigation bar includes "My experts", "Help", a search icon, a notifications icon, a gear icon, and a user profile icon with the letter "S". Below the navigation, there are sections for "Company ID" and "Payment Method", which is set to "Master Card *4024 (expires 02/2025)". A blue button labeled "Allow billing transfer to your accountant?" is present. Two subscription plans are listed: "QuickBooks Plus" (Subscribed, \$90/mo) and "QuickBooks Online Payroll Premium" (Subscribed, \$75/mo). Each plan has options to "Upgrade your plan", "Downgrade your plan", "View payment history", "Cancel subscription", and "Switch to annual billing".

Subscription Plan	Status	Cost	Next Charge
QuickBooks Plus	SUBSCRIBED	\$90/mo	09/27/2023
QuickBooks Online Payroll Premium	SUBSCRIBED	\$75/mo	09/27/2023

Period and year end

QuickBooks Online Accountant has powerful tools to help you support your clients at year end. Using these tools effectively to review, identify issues, and resolve them, and then closing the books is a key part of being certified.

The exam will assess your ability to:

- Use the Books review center
- Complete key tasks at year end
- Use the Reclassify transactions tool
- Close the books and set a closing date and password
- Run an Exceptions to Closing Date report



Key tasks at year end

EXAM TOPIC DEEP DIVE



Year-end review checklist

This checklist applies to most QuickBooks Online companies at year-end.

Year-end task	Accessible from Books review?	Which tab in Books review?
Review key year-end reports (Balance Sheet, Profit and Loss)	Yes	Setup
		Final review
Ensure transactions are categorized correctly	Yes	Setup
		Transaction review
		Account reconciliation
		Final review
Analyze fixed asset purchases and depreciation expenses	Partially	Setup
		Final review
Evaluate accounts receivable (A/R) and accounts payable (A/P)	No	N/A
Ensure that account reconciliations are up to date	Yes	Account reconciliation
Produce any management reports	Yes	Wrap-up

Year-end review checklist continued

Review key year-end reports:

Launch the Profit and Loss and Balance Sheet reports for the **Setup** tab.

The screenshot shows the 'Books review' interface for 'Larry's Landscape & Supply, Inc.' The 'Setup' tab is active. At the top, it shows the period from 'October 2021 - September 2022' and a status of 'IN PROGRESS'. Below the tabs, there are sections for 'COMPANY SETTINGS' and 'FINANCIAL STATEMENTS'.

COMPANY SETTINGS

- Industry: Landscaping services
- Tax entity: Small business corporation, two or more owners
- Accounting method: Accrual
- First month of fiscal year: October
- Books closing date: None

[Edit settings](#)

FINANCIAL STATEMENTS

Check the reports to find your starting point.

Balance sheet [Get report](#)

Profit and loss [Get report](#)

Year-end review checklist continued

Review Key Year-End Reports:

For both reports, add a Previous Year (PY) column and look for any unusual or unexpected balances.

The screenshot shows the 'Reports' section of the QuickBooks Online interface. The 'Balance Sheet Report' is selected, showing financial data for 'Larry's Landscape & Supply, Inc.' as of September 30, 2023. The report includes a 'TOTAL' row and a 'PY' (Previous Year) column for comparison. The data is organized into categories: ASSETS, LIABILITIES, and EQUITY. The ASSETS section includes Current Assets (Bank Accounts, Accounts Receivable, Other Current Assets), Inventory Asset, Prepaid Insurance, Undeposited Funds, and Total Current Assets. The LIABILITIES section includes Liabilities and Equity. The EQUITY section includes Retained Earnings and Total Equity.

	TOTAL	AS OF SEP 30, 2023	AS OF SEP 30, 2022 (PY)
ASSETS			
Current Assets			
Bank Accounts			
Barter Account	0.00	0.00	0.00
Cash Expenditures	225.23		
Checking	-49,457.81	43,533.65	
Savings	277,122.50	277,112.50	
Total Bank Accounts	\$227,889.92	\$320,646.15	
Accounts Receivable			
Accounts Receivable	12,512.42	7,498.94	
Total Accounts Receivable	\$12,512.42	\$7,498.94	
Other Current Assets			
Inventory Asset	6,613.17	3,379.70	
Prepaid Insurance	700.00		
Undeposited Funds	10,612.64	12,321.59	
Total Other Current Assets	\$17,925.81	\$15,701.29	
Total Current Assets	\$258,328.15	\$343,846.38	
LIABILITIES			
Current Liabilities			
Bank Accounts			
Barter Account	0.00	0.00	0.00
Cash Expenditures	225.23		
Checking	-49,457.81	43,533.65	
Savings	277,122.50	277,112.50	
Total Bank Accounts	\$227,889.92	\$320,646.15	
Accounts Payable			
Accounts Payable	12,512.42	7,498.94	
Total Accounts Payable	\$12,512.42	\$7,498.94	
Other Current Liabilities			
Inventory Asset	6,613.17	3,379.70	
Prepaid Insurance	700.00		
Undeposited Funds	10,612.64	12,321.59	
Total Other Current Liabilities	\$17,925.81	\$15,701.29	
Total Current Liabilities	\$258,328.15	\$343,846.38	
EQUITY			
Retained Earnings			
Total Retained Earnings	\$140,518.80	\$140,518.80	
Total Equity	\$140,518.80	\$140,518.80	

Year-end review checklist continued

Ensure transactions are categorized correctly:

You can verify that transactions are categorized correctly by going to Books review's **Transaction review**.

View and fix the following:

- Uncategorized transactions
- Transactions without payees
- Transactions sitting in Undeposited Funds (Payments to Deposit)
- Unapplied payments

The screenshot shows the 'Books review' interface for 'Larry's Landscape & Supply, Inc.' under the 'Cleanup' tab, with the date range 'October 2021 - September 2022' and status 'IN PROGRESS'. The 'Transaction review' tab is selected and highlighted with a green box. Below it, there are tabs for 'Setup', 'Account reconciliation', 'Final review', and 'Wrap-up'. The main area is titled 'Transaction review' and contains a section 'BEFORE YOU START' with the instruction 'Make sure the books are up to date.' A 'Bank transactions (1)' section shows one transaction with a 'To do' button and a link to 'Review now'. The 'OPEN ISSUES' section is titled 'Uncategorized transactions (2)' and lists two expense transactions from 2022. The 'Transactions without payees (1)' section lists one expense transaction from March 2022. The 'Undeposited funds (1)' section lists one payment transaction from September 2022. The 'Unapplied payments (0)' section is empty. Each issue section has a 'To do' button and a 'CLIENT INFO' column.

DATE	TYPE	NO.	VENDOR/PAYEE	ACCOUNT	MEMO	AMOUNT	CLIENT INFO	ACTIONS
09/29/2022	Expense	--	Verizon	Uncategorized Expense	VZWRLLSS*APO...	\$385.85	--	⋮
09/14/2022	Expense	--	Intuit	Uncategorized Expense	INTUIT *QBook...	\$191.43	--	⋮

DATE	TYPE	NO.	VENDOR/PAYEE	ACCOUNT	MEMO	AMOUNT	CLIENT INFO	ACTIONS
03/07/2022	Expense	--	--	Automobile	CLASSY CHASS...	\$12.75	--	⋮

DATE	TYPE	NO.	VENDOR/PAYEE	ACCOUNT	MEMO	AMOUNT	CLIENT INFO	ACTIONS
09/30/2022	Payment	--	Andres, Cristina	--	--	\$12,431.59	--	⋮

Year-end review checklist continued

Ensure transactions are categorized correctly:

You can verify that transactions are categorized correctly by going to Books review's **Setup** tab.

Run the Profit and Loss and Balance Sheet:

- Drill down on each value to open a Transaction Detail report.
- Review all transactions on each report to verify they are categorized correctly.
- Open transactions (double click) and make any necessary changes.

The screenshot shows the 'Books review' section of the QuickBooks software. At the top, it says 'Larry's Landscape & Supply, Inc.' and 'Accountant Tools'. The navigation bar includes 'Books review' (selected), 'Cleanup' (dropdown), 'IN PROGRESS' (status), 'October 2021 – September 2022' (date range), 'Client requests' (button), and other accountants' names. Below the navigation is a tabs menu: 'Setup' (selected and highlighted with a green box), 'Transaction review', 'Account reconciliation', 'Final review', and 'Wrap-up'. Under the 'Setup' tab, there are two main sections: 'COMPANY SETTINGS' and 'FINANCIAL STATEMENTS'. In 'COMPANY SETTINGS', details are listed: Industry (Landscaping services), Tax entity (Small business corporation, two or more owners), Accounting method (Accrual), First month of fiscal year (October), and Books closing date (None). There is also an 'Edit settings' link. In 'FINANCIAL STATEMENTS', it says 'Check the reports to find your starting point.' with two buttons: 'Balance sheet' and 'Profit and loss', both with 'Get report' links. A 'To do' list is visible on the right side of the screen.

NOTE: You can also access these reports from the Final review tab in the Additional items section.

Year-end review checklist continued

Analyze fixed assets and depreciation:

Review the Balance Sheet and Profit and Loss statements by going to **Books review > Setup.**

Check and modify the following items on the Balance Sheet report:

- Add a column for the previous year.
- Compare the fixed asset balances year-over-year to see if there were additions or subtractions.
- Double-click the **Fixed Asset account balances** to make sure that all fixed assets have been accounted for.
- Compare Accumulated Depreciation against the balances for the prior year. This may indicate that you need to enter depreciation.

The screenshot shows the 'Reports' section of the QuickBooks Online interface. The 'Reports' tab is selected. The report displayed is the Balance Sheet for 'Larry's Landscape & Supply, Inc.' The table shows the following asset categories and their values:

	TOTAL
Other Current Assets	
Inventory Asset	6,613.17
Prepaid Insurance	700.00
Undeposited Funds	10,612.64
Total Other Current Assets	\$17,925.81
Total Current Assets	\$258,328.15
Fixed Assets	
Truck	
Accumulated Depreciation	-1,725.00
Original Purchase	13,750.00
Total Truck	12,025.00
Total Fixed Assets	\$12,025.00
TOTAL ASSETS	\$270,353.15
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,579.90
Total Accounts Payable	\$1,579.90

Year-end review checklist continued

Analyze fixed assets and depreciation:

Review the Balance Sheet and Profit and Loss statements by going to **Books review > Setup**.

In the Profit and Loss report, check:

- Whether any fixed asset purchases were mistakenly entered against expense or cost of goods sold accounts.
- Whether depreciation has been recorded for the current year. If so, check with the tax preparer to make sure the amount of depreciation is correct.

The screenshot shows the Profit and Loss report for 'Larry's Landscape & Supply, Inc.' The report is divided into two tabs: 'Reports' (selected) and 'Performance center'. The 'Reports' tab displays a table of income and expenses. Two specific sections are highlighted with green boxes: 'Cost of Goods Sold' and 'Depreciation'. The 'Cost of Goods Sold' section shows a total of \$4,556.73. The 'Depreciation' section shows a total of \$575.00.

	TOTAL
Total Landscaping Services	\$37,082.44
Retail Sales	401.57
Service	2,413.00
Total Income	\$39,885.03
▼ Cost of Goods Sold	
Cost of Goods Sold	4,556.73
Total Cost of Goods Sold	\$4,556.73
GROSS PROFIT	\$35,328.30
▼ Expenses	
▼ Automobile	
Fuel	1,256.49
Insurance	427.62
Total Automobile	1,684.11
Bank Service Charges	306.00
Delivery Fee	160.00
Depreciation	575.00
Insurance	500.00
Interest Expense	1,234.62
▼ Job Expenses	

Year-end review checklist continued

Evaluate accounts receivable:

Confirm that all invoices for work performed or paid for during the year have been recorded.

Review and confirm the Customer Balance Detail:

- Payments are applied to invoices.
- Uncollectible balances are written off.
- The report total matches the accounts receivable balance on the accrual-basis balance sheet.

Customer Balance Detail All Dates						
DATE	TRANSACTION TYPE	NUM	DUUE DATE	AMOUNT	OPEN BALANCE	BALANCE
▼ Amy's Bird Sanctuary						
07/26/2022	Invoice	1021	08/25/2022	459.00	239.00	239.00
Total for Amy's Bird Sanctuary					\$459.00	\$239.00
▼ Bill's Windsurf Shop						
06/30/2022	Invoice	1027	07/30/2022	85.00	85.00	85.00
Total for Bill's Windsurf Shop					\$85.00	\$85.00
▼ Freeman Sporting Goods						
▼ 0969 Ocean View Road						
08/17/2022	Invoice	1036	09/16/2022	477.50	477.50	477.50
Total for 0969 Ocean View Road					\$477.50	\$477.50
▼ 55 Twin Lane						
06/30/2022	Invoice	1028	07/30/2022	81.00	81.00	81.00
08/08/2022	Invoice	1005	09/07/2022	54.00	54.00	135.00
08/15/2022	Payment		08/15/2022	-54.00	-54.00	81.00
Total for 55 Twin Lane					\$81.00	\$81.00
Total for Freeman Sporting Goods					\$558.50	\$558.50

Year-end review checklist continued

Evaluate accounts payable:

Confirm that all bills for purchases and services received or paid for during the year have been recorded.

Review and confirm the Vendor Balance Detail report:

- Bill payments are applied to bills.
- Paid bills have bill payments recorded instead of checks that will duplicate the expense.
- The report total matches the accounts payable balance on the accrual-basis balance sheet.

Craig's Design and Landscaping Services 🔗						
Vendor Balance Detail All Dates						
DATE	TRANSACTION TYPE	NUM	DUUE DATE	AMOUNT	OPEN BALANCE	BALANCE
▼ Brosnahan Insurance Agency						
08/10/2022	Bill		08/20/2022	241.23	241.23	241.23
10/30/2022	Bill Payment (Credit Card)	1	10/30/2022	-241.23	-241.23	0.00
Total for Brosnahan Insurance Agency					\$0.00	\$0.00
▼ Diego's Road Warrior Bodyshop						
08/15/2022	Bill		09/14/2022	755.00	755.00	755.00
Total for Diego's Road Warrior Bodyshop					\$755.00	\$755.00
▼ Norton Lumber and Building Materials						
08/17/2022	Bill		08/17/2022	205.00	205.00	205.00
Total for Norton Lumber and Building Materials					\$205.00	\$205.00
▼ PG&E						
07/03/2022	Bill		08/02/2022	86.44	86.44	86.44
Total for PG&E					\$86.44	\$86.44
▼ Robertson & Associates						
08/17/2022	Bill		08/17/2022	315.00	315.00	315.00
Total for Robertson & Associates					\$315.00	\$315.00

Year-end review checklist continued

Evaluate accounts payable and accounts receivable:

Additional reports to evaluate:

- Accounts payable, including aging
- Unpaid Bills
- Accounts receivable, including aging
- Open Invoices



Year-end review checklist continued

Ensure reconciliations are up to date:

In the **Account reconciliation** tab of the Books review center, verify all the client's accounts are reconciled and balances match the balance sheet.

What reports should you run?

- Reconciliation Summary
- Reconciliation Discrepancy

The screenshot shows the 'Books review' interface for 'Larry's Landscape & Supply, Inc.' The 'Account reconciliation' tab is selected. The timeline at the top shows 'October 2021 - September 2022' with an 'IN PROGRESS' status. Below the timeline, tabs include 'Setup', 'Transaction review', 'Account reconciliation' (underlined), 'Final review', and 'Wrap-up'. Under 'Account reconciliation', there is a 'CURRENT STATUS' section with the instruction 'Make sure everything is up to date.' A 'Select accounts' button is present. A table lists bank and credit card accounts with their reconciliation status. The columns are: NAME, UNRECONCILED, RECONCILED THROUGH, and STATEMENT. The 'RECONCILED THROUGH' column is highlighted with a green border. The data in the table is as follows:

NAME	UNRECONCILED	RECONCILED THROUGH	STATEMENT
Capital One CC #6660	25 transactions	09/22/2022	
Checking	0 transactions	09/30/2022	
Savings	1 transaction	09/30/2022	
CalOil Card	0 transactions	10/05/2022	
Barter Account	0 transactions	09/30/2022	
QuickBooks Credit Card	0 transactions	09/28/2022	

Year-end review checklist continued

Management reports:

Access management reports in the **Prepare reports** section of the **Wrap-up** tab.

The screenshot shows the QuickBooks Online interface for a company named "Larry's Landscape & Supply, Inc.". The top navigation bar includes "Accountant Tools", "My Experts", "Help", and a search bar. The main title is "Books review | Cleanup". Below it, the period is listed as "October 2021 - September 2022" with a status of "IN PROGRESS". The "Wrap-up" tab is currently selected. Under the "Wrap-up" section, there is a "SUMMARY TASKS" heading with the instruction "Share key reports with your client and close out the wrap-up period." Three tasks are listed: "Prepare reports" (with a "Select" button), "Send report package" (with a "Send" button), and "Close the books" (with a "Close now" button). Below this, there is an "ADDITIONAL ITEMS" section with a table:

ITEM	LINK	STATUS
> Call client for meeting	Sales by Sales rep report	To do

NOTE: Only reports that have already been created will be shown here by default.

Year-end review checklist continued

Additional tasks:

There may be additional year-end tasks, depending on the client's business.

Add these **Additional items** to the **Final review** tab.

ADDITIONAL ITEMS		
ITEM	LINK	STATUS
› Make sure chart of accounts has industry-specific accounts	Chart of accounts	To do  ▾
› Make sure chart of accounts has entity-specific accounts	Chart of accounts	To do  ▾
› Check for duplicate accounts	Chart of accounts	To do  ▾
› Prepare and submit 1099s	Prepare 1099s	To do  ▾
› Submit W-2s	Payroll tax forms	To do  ▾
› Record mileage at year-end	Mileage	To do  ▾

Year-end review checklist continued

Additional tasks:

Review any sales tax liabilities and payments

If the client collects sales tax, you should consult the Sales Tax center.

NOTE: Learn more about setting up and using sales tax in the *Basic sales tax set up* lesson.

The screenshot shows the 'Sales Tax' section of the QuickBooks Online interface. At the top, it displays 'Maverick Custom Autos' and 'Accountant Tools'. Below that, it says 'Taxes' and 'Sales tax 1099 filings'. A dropdown menu for 'Select an agency' shows 'North Dakota Office ...'. There are four cards representing different state tax agencies:

- CONNECTICUT DEPARTMENT OF REVENUE SERVICES**: \$0.00, October 01 - October 31, 2022, Accrual basis. [More details](#)
- INDIANA DEPARTMENT OF REVENUE**: \$0.00, October 01 - October 31, 2022, Accrual basis. [More details](#)
- NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER**: \$962.44, October 01 - October 31, 2022, Accrual basis. [More details](#). Subdetails include Taxable sales, Non-Taxable sales, Gross sales, Adjustments, and Sales tax owed.
- CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION**: \$0.00, October 01 - October 31, 2022, Accrual basis. [More details](#)

At the bottom, there are filters for 'Status' (All) and 'Tax Period Date' (This Year), and a table header for 'AGENCY', 'PERIOD', 'DUE DATE', 'AMOUNT', 'STATUS', and 'ACTION'.

Year-end review checklist continued

Additional tasks:

Submit W-2s and 1099s

If the client paid any employees or subcontractors in the last year, they'll need to submit W-2 and 1099 forms.

NOTE: You can find out more about 1099s in the training on *preparing and filing 1099 forms*.

	a Employee's social security number OMB No. 1545-0008	This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.						
b Employer identification number (EIN)			1 Wages, tips, other compensation	2 Federal income tax withheld				
c Employer's name, address, and ZIP code			3 Social security wages	4 Social security tax withheld				
			5 Medicare wages and tips	6 Medicare tax withheld				
			7 Social security tips	8 Allocated tips				
d Control number			9	10 Dependent care benefits				
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans	12a See instructions for box 12 Code			
				13 Statutory employee <input type="checkbox"/>	12b Retirement plan <input type="checkbox"/>			
				14 Other	12c Third-party sick pay <input type="checkbox"/> 12d			
f Employee's address and ZIP code		15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
Form W-2 Wage and Tax Statement Tax Year _____ Department of the Treasury—Internal Revenue Service Copy C—For EMPLOYEE'S RECORDS (See Notice to Employee on the back of Copy B.) Prepare and eFile Your Tax Return at eFile.com								

Year-end review checklist continued

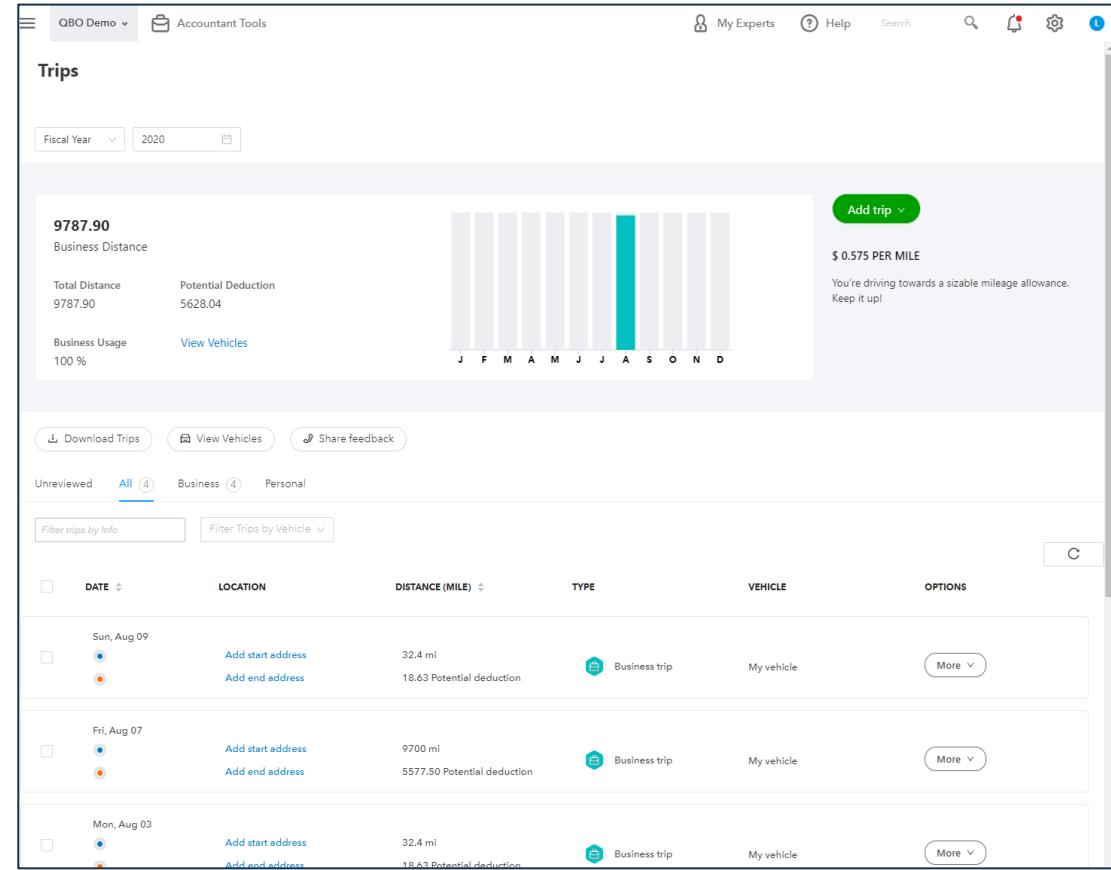
Additional tasks:

Record mileage at year end

IRS guidelines require specific information to substantiate deductible automobile expenses.

In the **Mileage** center you need to:

- Check the calculated mileage
- Look for vehicle changes (bought or sold)
- Ensure all trips have been reviewed
- View Manage Vehicles
- View all the recorded trips



NOTE: If your client uses the QuickBooks Mileage Tracker throughout the year it's easy to prepare the log for auto expense deduction.

Year-end review checklist continued

Additional guidance on recording mileage at tax time:

Download a CSV trips file

- Go to **Mileage** in the Expenses center
- Select the required **tax year** from the dropdown, followed by **Download**

As a QuickBooks Online Accountant user, your only option in a client's Mileage center is to download their trips.

The screenshot shows the QuickBooks Online interface. At the top, there is a navigation bar with 'Rock Castle Construction LLC' (dropdown), 'Accountant Tools' (dropdown), 'My experts' (dropdown), 'Help' (link), a search icon, a bell icon, a gear icon, and a user profile icon with the number '5'. Below the navigation bar, the word 'Expenses' is displayed. Under 'Expenses', there are tabs for 'Expenses', 'Bills', 'Vendors', 'Contractors', and 'Mileage', with 'Mileage' being the active tab. A large central area has a heading 'Mileage' and a call-to-action button 'Download your client's trip log'. Below this, there is a date selector 'Jan 01, 2023 - Dec 31, 2023' and a green 'Download' button. To the right, there is an illustration of a person working at a computer with two monitors showing data. The overall theme is accounting and financial management.

A	B	C	D	E	F	G	H	I	J
Date	Type	Trip Purpose	Vehic	Start Address	End Address	Distanc	Deducti	Logging	Method
9/21/2019	PERSONAL			st Main Road, Ports	Ragansett Boulevard, Ports	4.67		Auto-Tracked	
9/2/2019	PERSONAL			mes Street, Newpo	ean Avenue, Newport, RI-0	4.31		Auto-Tracked	
9/2/2019	PERSONAL			an Avenue, Newpo	imes Street, Newport, RI-0	8.14		Auto-Tracked	
9/3/2019	BUSINESS	Pick up supplies		ies Street, Newport	le Road, Portsmouth, RI-02	11.89	6.9	Auto-Tracked	
9/3/2019	BUSINESS	Post office run		ine Boulevard, Taur	ylston Street, Boston, MA-0	38.1	22.1	Auto-Tracked	
9/3/2019	BUSINESS	Client visit		lliam S Canning Bou	ounty Street, Taunton, MA-	17.86	10.36	Auto-Tracked	
9/3/2019	BUSINESS	Accountex		lston Street, Boston,	n, MA-02215 US	2.23	1.29	Auto-Tracked	
9/7/2019	BUSINESS	Accountex		nsberry Street, Bos	mond Street, Boston, MA-0	18.53	10.75	Auto-Tracked	
9/7/2019	PERSONAL			ton Avenue, Provid	stone Street, Smithfield, RI	2.2		Auto-Tracked	

Year-end review checklist continued

Additional guidance on recording mileage at tax time:

If the client has a mileage expense account, you can create a journal entry to record a mileage expense.

Journal Entry #1

Journal date: 12/31/2023 Journal no.: 1

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Mileage Expense	251.75		To record mileage for tax year 2023	Craig Intuit
2	Due to Owner		251.75	To record mileage for tax year 2023	Craig Intuit
3					
4					
5					
6					
7					
8					
	Total	251.75	251.75		

Buttons: Cancel, Clear, Make recurring, Save, Save and new ▾

Next Steps



Your journey to certification



Your journey to becoming a Certified ProAdvisor in QuickBooks Online

- Sign up for QuickBooks Online Accountant
 - Access QuickBooks Online product training
 - Gain experience working with client files
 - You are here** Check your readiness for the certification exam
 - Pass the QuickBooks Online Certification exam
 - Gain access to Certified ProAdvisor benefits
- Continue your journey towards becoming an Advanced Certified ProAdvisor in QuickBooks Online



What's next?

You now have a few options for what to do next.

Feel like you need to brush up on your knowledge first?

No problem, there is an extensive library of training materials to help you

Feeling ready?

You can take the certification exam straight away



Access additional training under ProAdvisor > Training

The screenshot shows the ProAdvisor dashboard with the 'Training' tab selected. A green box highlights the top navigation bar with four tabs: 'Training home', 'Personalized path', 'Certification hub', and 'Training library'. The main content area features a 'Get your knowledge badge!' section with a 'Get started' button and an illustration of a person. Below this, there's a 'Explore your training hub' section with three cards: 'Your personalized path', 'Get certified', and 'View all training'. The 'Your personalized path' card includes a progress bar at 0% and a 'Continue your personalized path' button. The 'Get certified' card has a 'Boost your profile with a certification' button and a 'Go to certifications' link. The 'View all training' card has a 'New training is now available' link and a 'Go to training library' button.

+ New

YOUR PRACTICE

Clients

Team

ProAdvisor >

Work

Apps

BOOKMARKS

+ Add a bookmark

YOUR BOOKS

Accountant overview

Dashboards

Transactions

Sales

Expenses

Reports

Payroll

Time

Budgets

ProAdvisor

Benefits Training

Training home Personalized path Certification hub Training library

Get your knowledge badge!

Are you ready to take your training to the next level? Choose your learning path and earn knowledge badges to show off your achievements.

Get started

2024 training now live!

An in-depth look at the latest product features, helping you prepare to take the certification exam.

Learn more

Explore your training hub

Your personalized path

Boost your career options with a personalized training path.

Progress

0%

Continue your personalized path

Get certified

Check out new ways to boost your profile and stand out.

Boost your profile with a certification

Go to certifications

View all training

Check out the training library to get all the info you need.

New training is now available

Go to training library

Accessing the exam

The screenshot shows the 'Certification hub' section of the ProAdvisor portal. The 'Training' tab is selected. The main content area is titled 'QuickBooks Online Certification Prep' and contains three numbered steps:

- 1 Self-paced training (Yet to start)**

You haven't taken any training yet. Check out the [training library](#) or create a personalized [training path](#) to get started.
- 2 Certification prep (Yet to start)**

Take this training to find out all about the benefits and the certification process. Use the practice questions to see whether you're ready for the exam or if you need to complete additional training.

 - How to become certified in QuickBooks Online**
10 mins
 - Topics in the QuickBooks Online Certification exam**
26 mins
 - QuickBooks Online Certification: Sample questions**
44 mins
- 3 Take exam**

If you're confident go ahead and take the exam, good luck!

[Take exam](#)

More certifications

When you've passed the QuickBooks Online certification exam, you can unlock even more ways to grow your practice. Check out the other certifications waiting for you.

QuickBooks Online Advanced Certification Prep

Demonstrate your practice's Advanced Bookkeeping capabilities, show off with a neat badge and an enhanced listing on the Find An Accountant portal.

QuickBooks Online Payroll Certification Prep

Demonstrate your practice's Advanced Bookkeeping capabilities, show off with a neat badge and an enhanced listing on the Find An Accountant portal.

After you pass your exam

- Download your new Certified ProAdvisor badge and certificate from the same button you clicked to take the exam.
- Use your badge on your website, business cards, etc.
- Create or update your ProAdvisor Profile in the Find-a-ProAdvisor Referral Database.
- Best Practices:
 - Include a picture, not your logo
 - Include a short bio about the services you offer
 - Select the certifications you have completed



Continued Education and Recertification

Continued Education:

- Stay up to date on product innovations with the monthly "In The Know" webinar.
- You can also continue your education on other QuickBooks Online topics via webinars, virtual conferences and in-person training. See a complete list and register for the "In The Know" webinar at: www.qbtrainingevents.com

Recertification Requirements:

- If you completed QBO Certification between Nov 1, 2022 and October 31, 2023, you need to recertify in Spring 2024 (by June 30, 2024) to maintain your certification status for another year.
- The recertification exam is much shorter than the full exam. It only includes questions on product changes and features added in the previous year.

Thank you
