QuickBooks Online for Canada: Comprehensive

Academic Year 2021-2022

Chapter 2: Setting Up a New Company File

Learning Objectives

- Create a new company file
- Customize the company settings
- Import external lists and transactions
- Manage users
- Add and categorize products and services
- Convert data from other accounting programs

Planning and Creating Your Company File

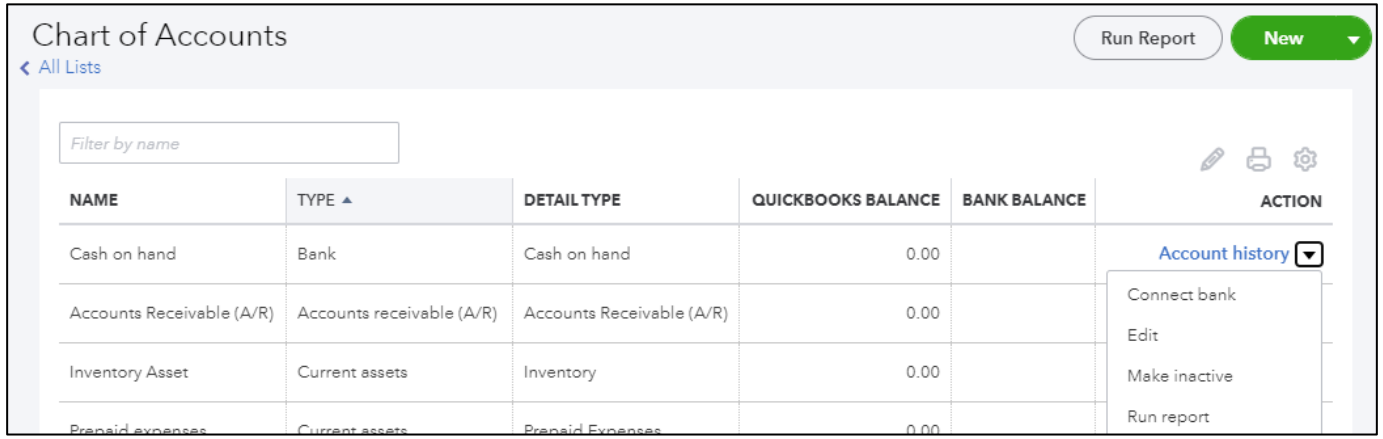
- Ensure you have the data you need, including:
  - general company information
  - the business's address
  - the names of its bank accounts
  - the types of goods or services the company will provide
- If the business has previously been using QuickBooks Desktop, you can migrate that data into QuickBooks Online.
- If not, you can import data from CSV or Excel files.

Customizing Your Company File

- Select settings for your business from the start.
- Account settings include:
  - company information
  - company preferences
  - special features specific to certain businesses
- The Chart of Accounts is the foundation of your file.
  - This list makes up the General Ledger.
  - It categorizes every transaction.
  - It provides the basis for financial statements.

Customizing Your Company File (continued)

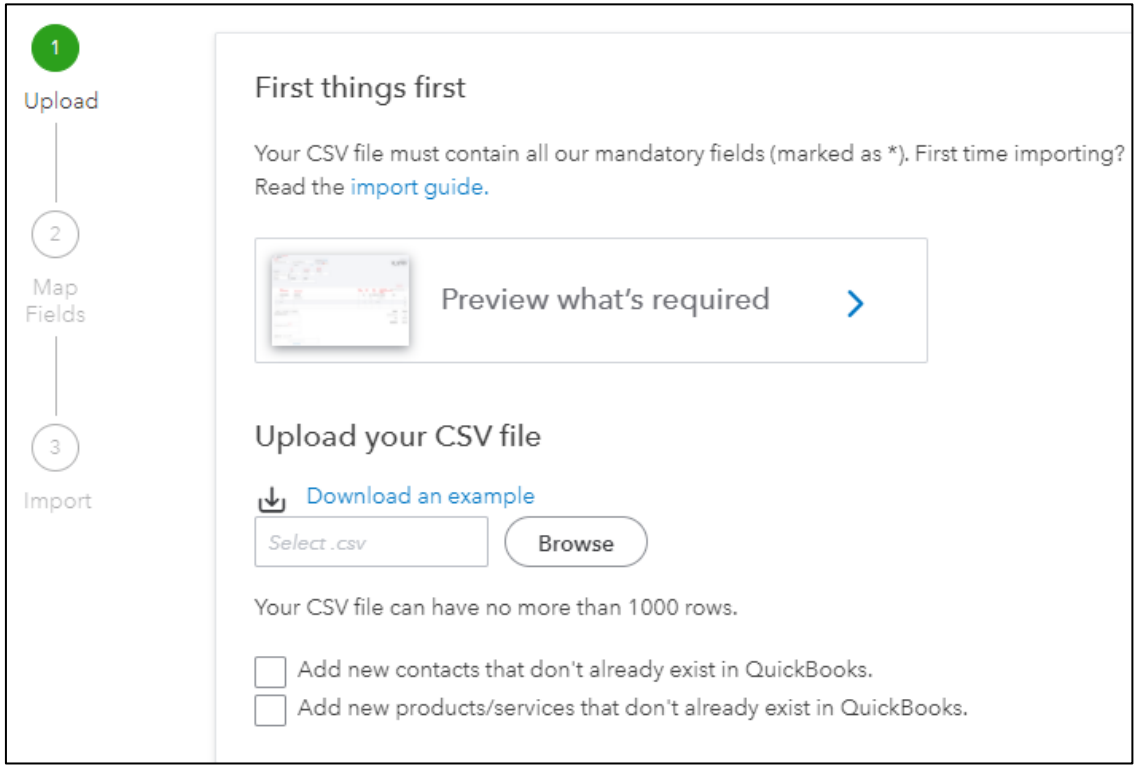
- The Chart of Accounts contains the following account types: Assets, Liabilities, Equity, Income, Cost of Goods Sold and Expenses.



TIP! QuickBooks Online provides a default Chart of Accounts and default products and services lists based on information provided at setup. Each product and service links to at least one account in the Chart of Accounts.

Customizing Your Company File (continued)

- Carefully set up items and services in the Product and Services area. Each item should be linked to at least one account on the Chart of Accounts.
- You can edit or inactivate any unneeded items QBO provides by default.
- Sales Taxes are only required for companies registered to collect and remit sales taxes.
- The Master Administrator controls user access and monitors activity.

Opening Balances and Historical Transactions

- Balances or transactions that existed before the start of the new QBO file must be recorded.
- QuickBooks Online guides you through the three-step process for importing data.