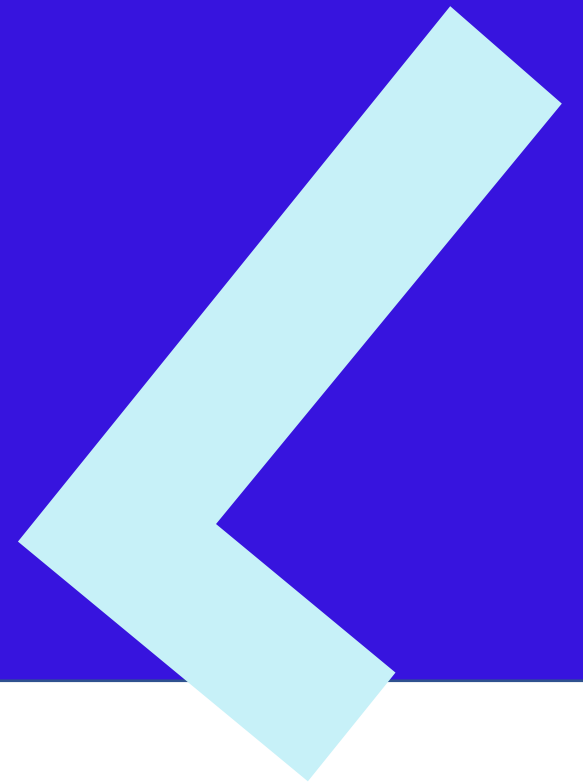




QuickBooks Online: Level 1 Academic Year 2021-2022



Chapter 2: Setting Up a New Company File

Learning Objectives

- Create a new company file
- Customize the company settings
- Edit the Chart of Accounts
- Add users
- Add and categorize services
- Enter the opening balances

Planning and Creating Your Company File

- Decide on a company file start date.
- Create and follow a setup checklist to ensure you have the data you need, including:
 - General company information
 - The business's address
 - The names of its bank accounts
 - Information about the types of goods or services the company will provide

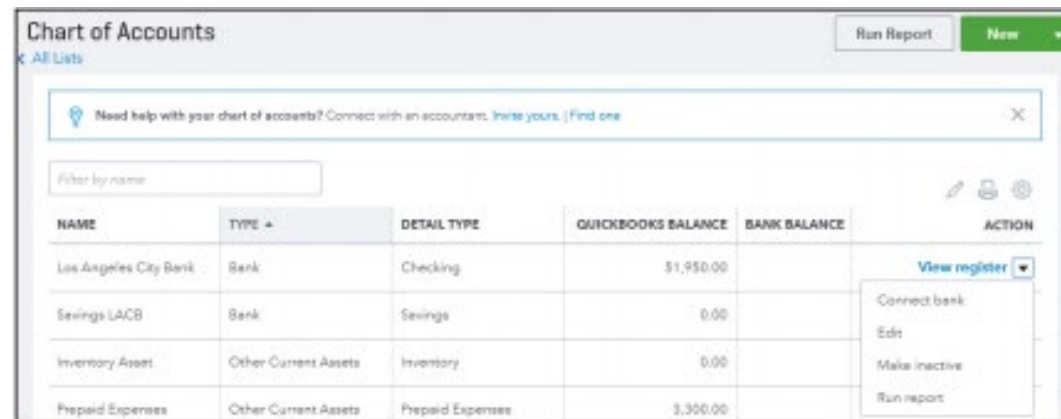
Customizing Your Company File

- Try to customize all specific business settings right from the start.
- The Chart of Accounts will list all transactions in your accounting system or ledger.
- The Chart of Accounts will list accounts by type.

***TIP!** You don't have to stick to the QuickBooks default lingo. For example, you can have QuickBooks Online refer to customers as "clients" or "patients."*

Customizing Your Company File (cont.)

- Each product or service is linked to at least one account in your Chart of Accounts.
- The user can categorize products and services.



NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Los Angeles City Bank	Bank	Checking	\$1,950.00		View register
Savings LACB	Bank	Savings	0.00		Connect bank
Inventory Asset	Other Current Assets	Inventory	0.00		Edit
Prepaid Expenses	Other Current Assets	Prepaid Expenses	3,300.00		Make inactive
					Run report

TIP! QuickBooks Online provides a default Chart of Accounts, as well as default products and services lists, based on the information provided at setup.

Adding and Managing Users

- A QuickBooks Online Plus account will allow:
 - Five users with permission controls
and
 - Two users with Accountant permissions
- The Master Administrator can customize which features and information other users can access.
- The Master Administrator can view the activity of each user.

Opening Balances and Historical Transactions

- The user can choose to enter all previous business transactions or an opening balance.
- Opening balances can be entered as a journal entry or directly into the account register.