



QUICKBOOKS DESKTOP 2021 STUDENT GUIDE

Lesson 1

Get Started

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Based in Toronto, Canada, Esther has the unique distinction of holding ProAdvisor certifications in the United States, Canada and the United Kingdom. She has authored materials and delivered educational and certification courses for Intuit in all those countries, as well as Australia where she conducted live QuickBooks Online training. She has spoken at Scaling New Heights, QuickBooks Connect and other conferences, and has written countless articles for Intuit Global.

Esther's clients include companies worldwide and accounting professionals who seek her out on behalf of their own clients. She is sought out for her expertise in multicurrency and various countries' editions of QuickBooks Desktop and Online, and for her talent in customizing QuickBooks usage for different industries. She also teaches QuickBooks Core and Advanced certification classes to accounting professionals in Canada.

Esther holds a BSc from the University of Toronto in Actuarial Science and Mathematics, and an MBA in Marketing and Finance from York University's Schulich School of Business.

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Lesson Objectives

- Gain an overview of the course and the topics to be covered
- Understand how QuickBooks Desktop (aka QuickBooks) works and how to get around in it
- Learn common business terms used by QuickBooks
- Practice using the QuickBooks Help tools
- See how to exit QuickBooks

Forms

You record most of your daily business transactions in QuickBooks Desktop on a QuickBooks form, which looks just like a paper form. Here’s an example of the form you use when you want to record a bill from one of your vendors.

Expenses \$122.68 **Items** \$0.00

ACCOUNT	AMOUNT	M...	CUSTOMER:JOB	BILL...	CLASS
65100 - Utilities:65110 - Gas and Electric	122.68		Overhead	<input type="checkbox"/>	Overhead

NOTES

Lists

The list is another basic QuickBooks feature. You fill out most QuickBooks forms by selecting entries from a list.

NOTE: In the Enter Bills window above, the information in the Vendor, Terms, Account and Customer/Job fields are pulled from lists.

QuickBooks uses lists to store information about customers, vendors, employees, items or services you sell, and so on. Lists save time and help you enter information consistently and correctly.

When you're filling out an invoice form and you select a customer name from the Customer/Job list, QuickBooks not only fills in the name, but also the address, payment terms and customer's sales tax, based on the information previously entered in the customer's record in the Customer Center.

Here's an example of the Customers & Jobs list in the Customer Center. You can customize columns in the list by right-clicking a column header and choosing **Customize Columns**.

The screenshot shows the QuickBooks interface for the 'Customers & Jobs' list. The list is titled 'Active Customers' and contains a table with columns for NAME, BALANCE TOT., NOTES, and ATTACH. A context menu is open over the 'CUSTOMIZE COLUMNS' header, showing options such as Find..., Use, Refresh, Edit Customer/Job, New Customer, Delete Customer/Job, Add/Edit Multiple Customer/Jobs, Add Job, Make Customer/Job Inactive, Re-sort List, Hierarchical View, Flat View, Customize Columns..., Show Customer List and Details, Create Invoices, Create Estimates, Show Estimates, Create Sales Orders, Receive Payments, Make Deposits, Enter Sales Receipts, Enter Statement Charges, Create Credit Memos/Refunds, Create Statements, Assess Finance Charges, Use Register, QuickReport: Abercrombie, Kristy, Open Balance: Abercrombie, Kristy, and Attach.

NAME	BALANCE TOT.	NOTES	ATTACH
Abercrombie, Kristy	0.00		
Family Room	0.00		
Kitchen	0.00		
Remodel Bathroom	0.00		
Allard, Robert	14,510.00		
Remodel	14,510.00		
Babcock's Music Shop	0.00		
Remodel	0.00		
Baker, Chris	0.00		
Family Room	0.00		
Garage Repair	0.00		
Balak, Mike	0.00		
Utility Shed	0.00		
Barley, Renee	0.00		
Repairs	0.00		
Bauman, Mark	0.00		
Home Remodel	0.00		
Bolinski, Rafal	0.00		
2nd story addition	0.00		
Bristol, Sonya	0.00		
Repairs	0.00		
Utility Shed	0.00		
Burch, Jason	1,005.00		
Room Addition	1,005.00		
Campbell, Heather	13,900.00		
Remodel	13,900.00		
Carr's Pie Shop	0.00		
Remodel	0.00		
Castillo, Eloisa	0.00		
Bay Window	0.00		
Utility Room	0.00		
Cook, Brian	9,397.33		

NOTES

Registers

In addition to forms and lists, you'll also work with registers in QuickBooks. Just as you use your paper checkbook register to see a record of all the transactions in your checking account – checks you've written, other withdrawals you've made, as well as deposits – a QuickBooks register is a record of all the activity in that one account. (Some people use registers for entering transactions, although the preferred method is to use forms.) Almost every QuickBooks account on the balance sheet (all assets, liabilities and equity accounts) has its own register. (The exception is Retained Earnings.) See the next section *All the Accounting You Need to Know* for more information.

Accounts Receivable is the record of money owed to that business; that is, the outstanding invoices for which a business has not yet received payment from customers.

Here's an example of the register for an Accounts Receivable account.

DATE	NUMBER	TYPE	CUSTOMER	DESCRIPTION	ITEM	QTY	RATE	AMT CHRG	AMT PAID
						CLASS		BILLED DATE	DUE DATE
12/12/2025	306		Teschner, Anton	Sun Room					3,500.00
		PMT							
12/12/2025	1093		Lew Plumbing - C	Storage Expansion				220.00	
		INV							01/11/2027
12/12/2025	10586		Nguyen, Tuan	Garage					2,200.00
		PMT							
12/14/2025	986		Jacobsen, Doug	Kitchen					2,000.00
		PMT							
12/14/2025	1094		Natello, Ernesto	Kitchen				2,080.11	
		INV							Paid
12/14/2025	1095		Natello, Ernesto	Kitchen				8,656.25	
		INV							Paid
12/14/2025	1096		Natello, Ernesto	Kitchen				2,824.03	
		INV							Paid
12/15/2025			Roche, Diarmuid	Garage repairs					440.00
		PMT							
12/15/2025			Abercrombie, Kristy	Remodel Bathroom					7,633.28
		PMT							
12/15/2025	1097		Robson, Darcy	Robson Clinic				12,420.98	
		INV							12/15/2026
12/15/2025	1098		Cook, Brian	Kitchen				1,636.69	
		INV							01/14/2027
12/15/2025	42000		Natello, Ernesto	Kitchen					13,560.39
		PMT							
12/20/25									
ENDING BALANCE									93,007.93

NOTES

Get Around in QuickBooks

QuickBooks provides access to information to help you get started.



Step-by-Step: Get Started

1. Select **F1** on your keyboard or, in the Help menu, select **QuickBooks Desktop Help**. Scroll down the window that appears.

Have a Question?

Search questions, keywords or topics

Get started with QuickBooks Desktop

by QuickBooks • 2 • Updated February 10, 2021

After you create a company file, you can start using QuickBooks right away. However, we recommend that you continue setting up your business to make sure your financial statements are accurate.

Although you set up your basic company information when you created your company file, you still need to set up additional, company-specific information. You can enter this information as you work, or you can enter this information now.

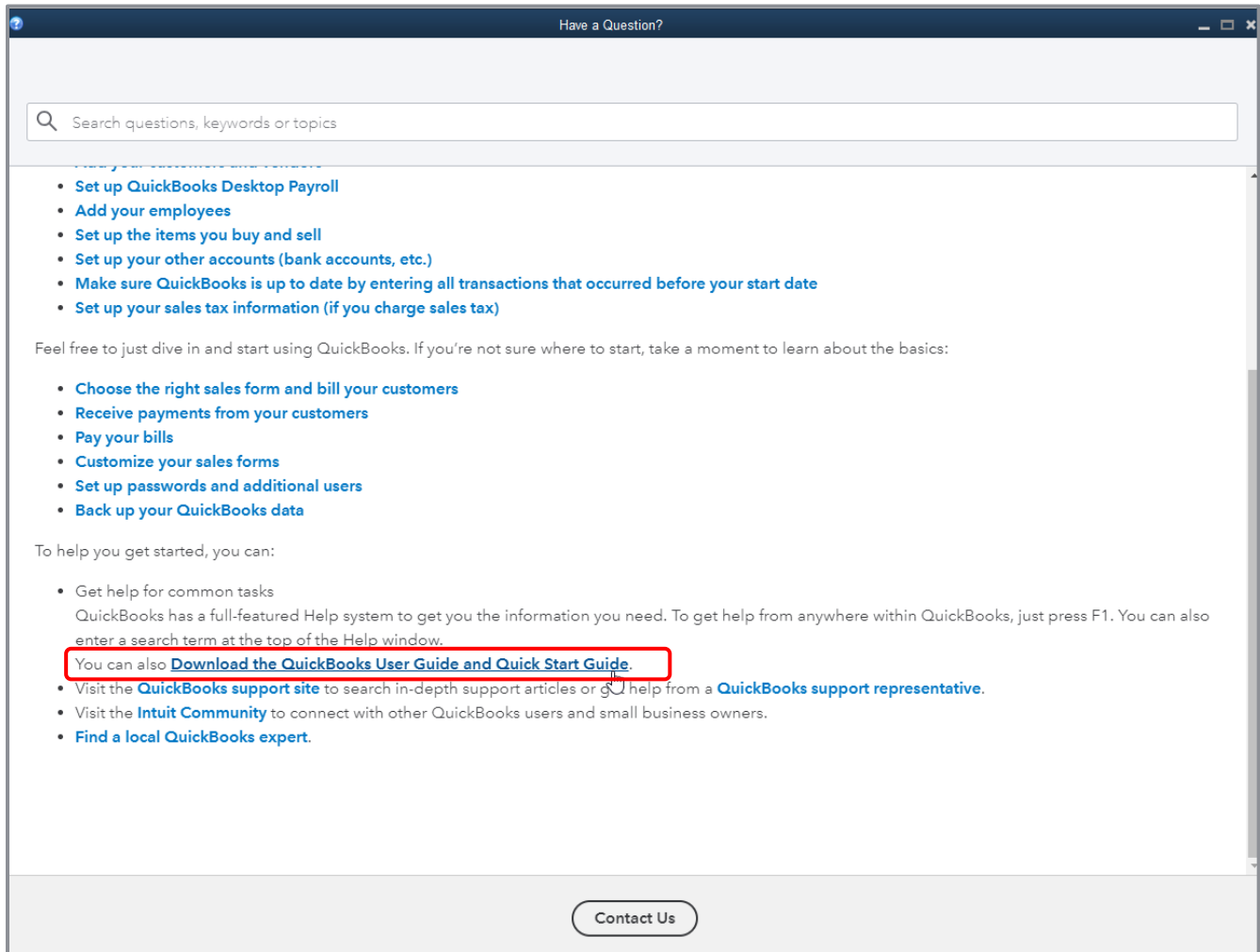
- [Add your customers and vendors](#)
- [Set up QuickBooks Desktop Payroll](#)
- [Add your employees](#)
- [Set up the items you buy and sell](#)
- [Set up your other accounts \(bank accounts, etc.\)](#)
- [Make sure QuickBooks is up to date by entering all transactions that occurred before your start date](#)
- [Set up your sales tax information \(if you charge sales tax\)](#)

Feel free to just dive in and start using QuickBooks. If you're not sure where to start, take a moment to learn about the basics:

- [Choose the right sales form and bill your customers](#)
- [Receive payments from your customers](#)
- [Pay your bills](#)
- [Customize your sales forms](#)
- [Set up passwords and additional users](#)
- [Back up your QuickBooks data](#)

Contact Us

2. Click the link **Download the QuickBooks User Guide and Quick Start Guide**.



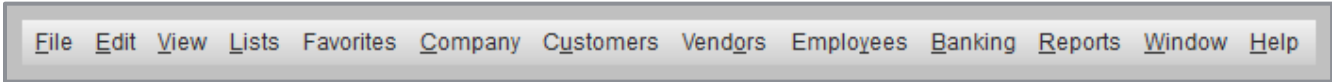
3. Click the link(s) to download the guide(s).

The screenshot shows the QuickBooks Help website. The main heading is "Get QuickBooks Desktop user guides". Below this, there is a "SOLVED" badge and a list of tags: "by QuickBooks", "QuickBooks Desktop Payroll", "7", and "Updated 3 weeks ago". There are social media sharing icons for Facebook, Twitter, LinkedIn, and Email. The text says: "Find out where to get user guides, training, and pro advice for QuickBooks Desktop. Whether you're a new or experienced user, these resources will give you the answers you need for QuickBooks Desktop." Under the heading "Get training and support", it says: "Everything you need to know about QuickBooks is on our support site. Whether you want do-it-yourself articles, training, or an expert to help you, it's all there at your fingertips." There are two bullet points: "Check out training and support options" and "Browse community answers or ask a question". Under the heading "See user guides", it says: "These quick start and user guides will help you get familiar with QuickBooks Desktop. They generally apply for all recent years of the product even if they're dated for a different year." A red box highlights a list of links: "QuickBooks Quick Start Guide", "QuickBooks User Guide", "QuickBooks 2016: The Missing Manual - The Official Intuit Guide to QuickBooks", and "QuickBooks for Mac 2016 official eBook". On the right side, there is a "Sign in for the best experience" section with a "Sign In / Sign Up" button. Below that is a "Related Q&A" section with links to "QuickBooks Desktop Point of Sale User Guide", "QuickBooks Desktop Enterprise install guides", "QuickBooks Time printable user guides", "QuickBooks Desktop Users and Restrictions", and "QuickBooks year end guide".

4. By looking under *See user guides*, you can open, or download and save as PDF various resources from QuickBooks Desktop for Windows. These include the two-page QuickBooks Quick Start Guide and the 22-page QuickBooks User Guide, which includes a visual guide. You will also see the 792-page *QuickBooks 2016: The Missing Manual – The Official Intuit Guide to QuickBooks*, also available to download [here](#), which will help guide you through many tasks, including the following. Lastly, you'll be able to access the 282-page *QuickBooks for Mac 2016 official eBook*.

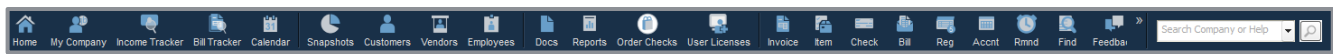
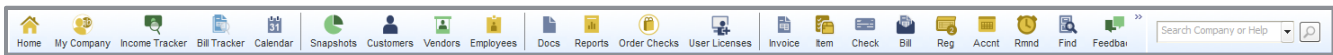
QUICKBOOKS DESKTOP NAVIGATION OPTIONS

- **Manage your open windows** - QuickBooks can be set to display one window (such as an individual report or transaction form) at a time or several windows (organized side-by-side or cascaded)
- **Use the menu bar** - You can find all commands on the menu bar

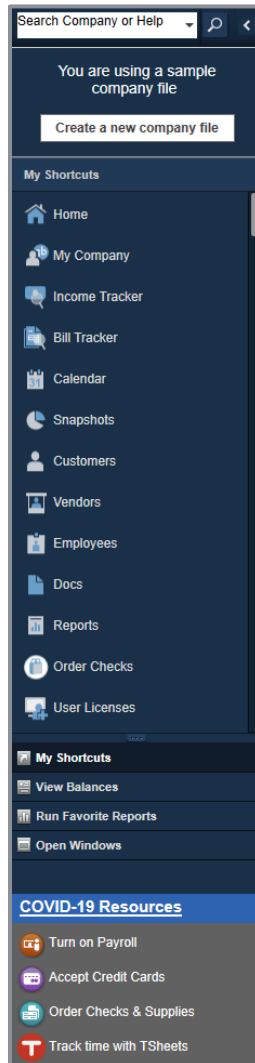


File Edit View Lists Favorites Company Customers Vendors Employees Banking Reports Window Help

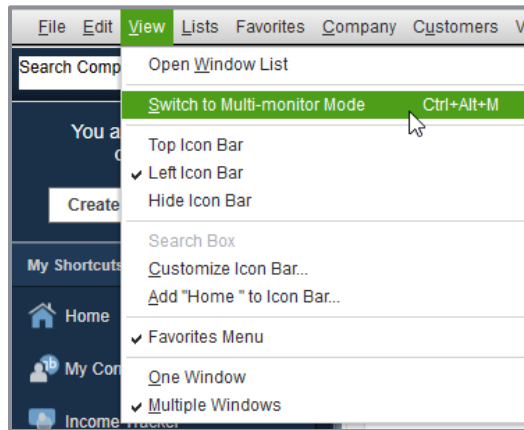
- **Use the top icon bar** - The top icon bar allows you to manage your business more quickly and provides quick access to the centers. Note that, depending on which Desktop View preference has been chosen, this top icon bar may appear either light or dark:



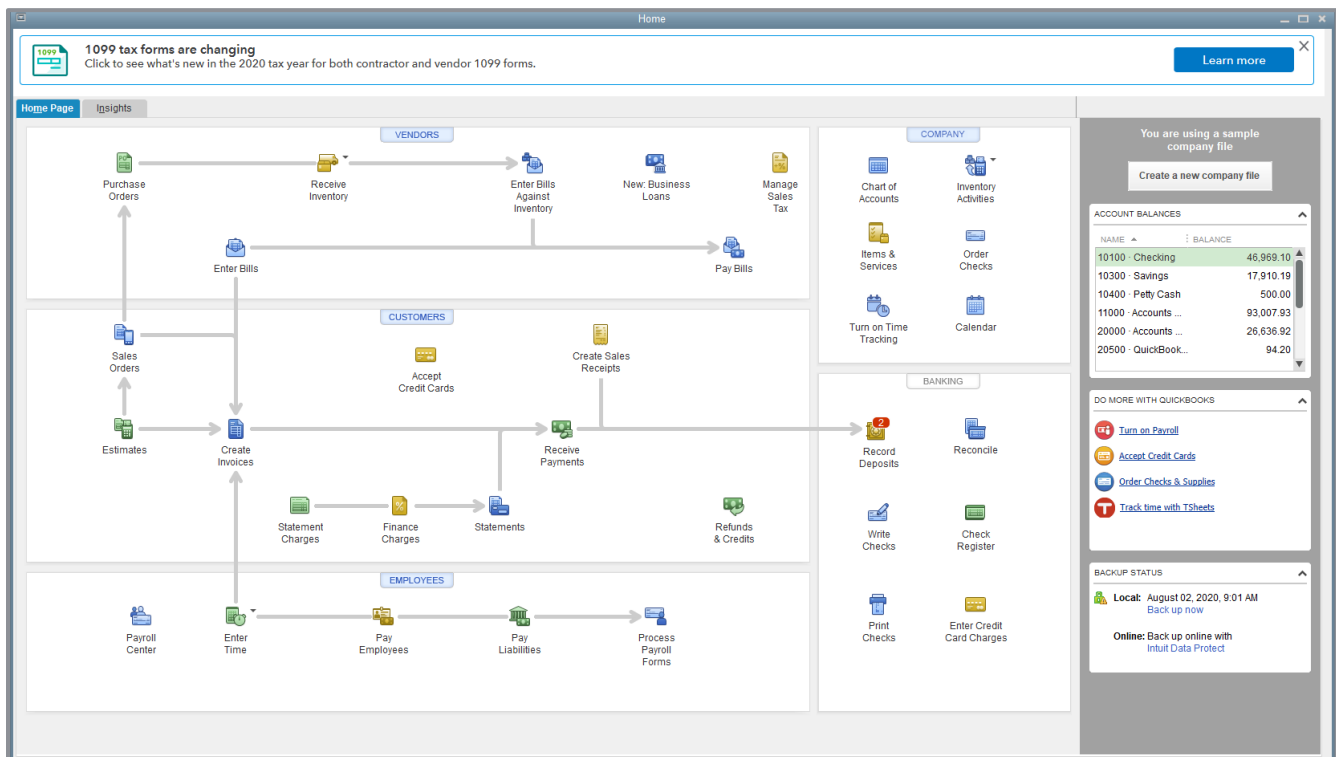
- **Use the left side navigation** – The left side navigation acts like the top icon bar, allowing you access to quick and easy shortcuts. Use the top icon bar, the left side navigation or neither. You cannot use both the top icon bar and the left side navigation at the same time.



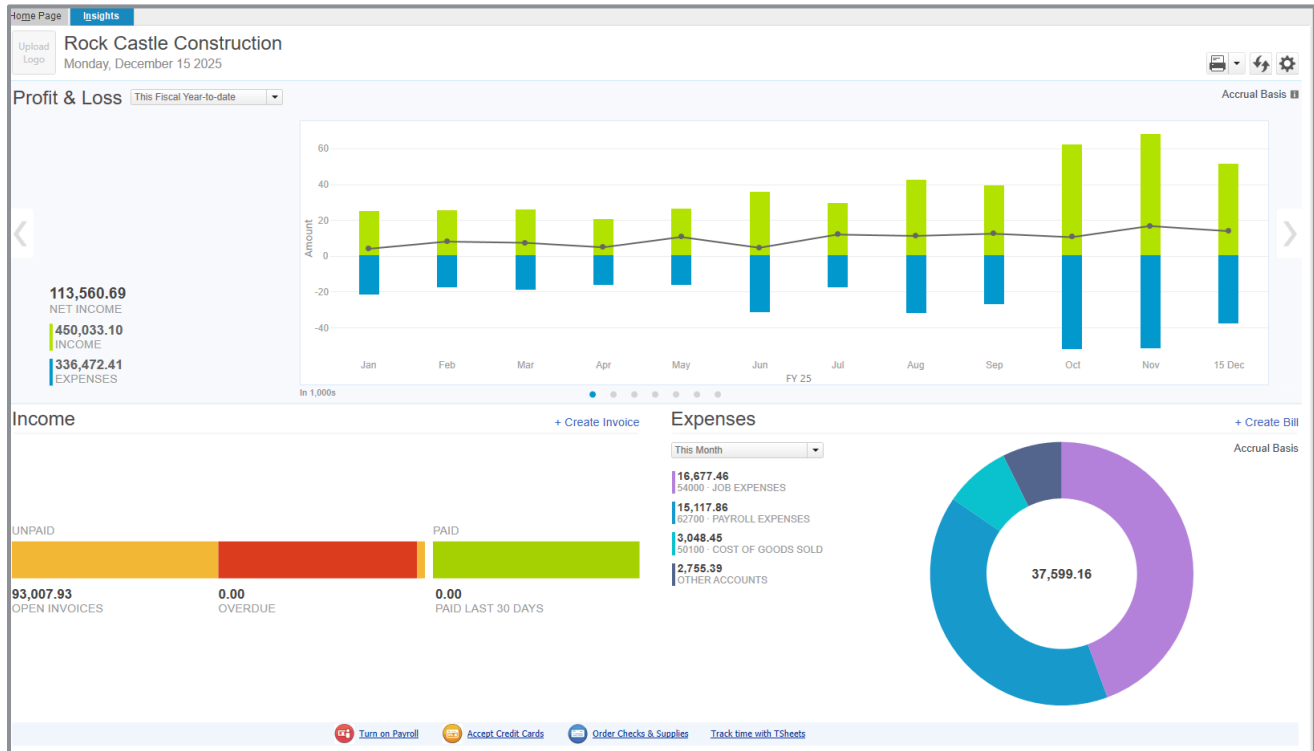
- **View in Multi-Monitor Mode** - QuickBooks Desktop can be displayed in one monitor, but you can choose a View option to have it displayed in two or even three monitors



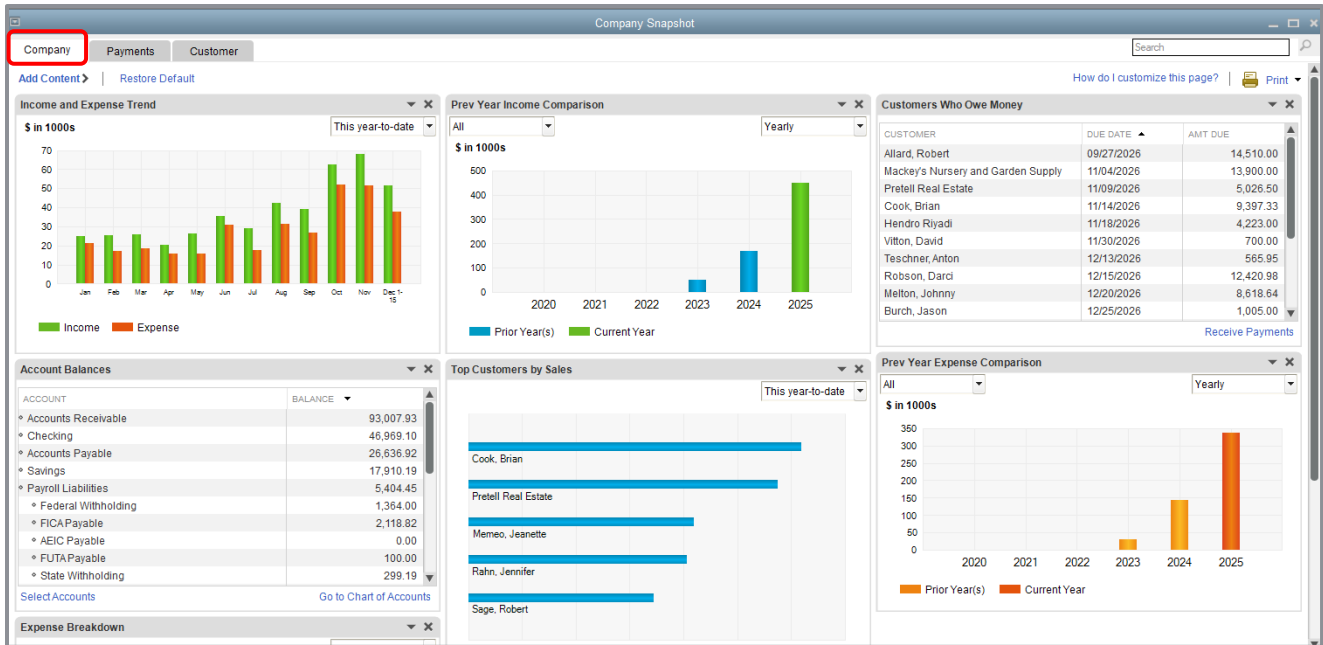
- **QuickBooks Centers** - For Customers, Vendors, Employees, Reports and Bank Feeds, these Centers offer quick access to common tasks
- **Make the Home page your starting point** - The Home page provides a graphical representation of the workflow, organized into logical groups. You can click any of these icons on the Home page to launch a window or transaction represented by the icon.



- **Get an overview of your company** - The Insights tab of the Home page gives you real-time information about how your company is doing and provides a location where you can keep track of the tasks you need to perform



- Get more details about your company** – You can also get more detailed information from the Company Snapshot found in both the Reports and the Company drop-down menus. There are snapshots available for Payments and to spotlight an individual Customer, so be sure to select the **Company** tab.



NOTES

All the Accounting You Need to Know

ABOUT THE CHART OF ACCOUNTS

- Chart of Accounts
 - The Chart of Accounts is a complete list of your business accounts and their balances
 - An account is a tracking category for your business's assets, liabilities, equity, income and expenses
- When you keep books for a company, you want to track:
 - Where the income comes from
 - Where you put it
 - What the expenses are for
 - What you use to pay them
- You track this flow of money through the Chart of Accounts

NAME	TYPE	BALANCE TOTAL	ATTACH
10100 - Checking	Bank	46,969.10	
10300 - Savings	Bank	17,910.19	
10400 - Petty Cash	Bank	500.00	
11000 - Accounts Receivable	Accounts Receivable	93,007.93	
12000 - Undeposited Funds	Other Current Asset	2,440.00	
12100 - Inventory Asset	Other Current Asset	30,683.38	
12800 - Employee Advances	Other Current Asset	832.00	
13100 - Pre-paid Insurance	Other Current Asset	4,050.00	
13400 - Retainage Receivable	Other Current Asset	3,703.02	
15000 - Furniture and Equipment	Fixed Asset	34,326.00	
15100 - Vehicles	Fixed Asset	78,936.91	
15200 - Buildings and Improvements	Fixed Asset	325,000.00	
15300 - Construction Equipment	Fixed Asset	15,300.00	
16900 - Land	Fixed Asset	90,000.00	
17000 - Accumulated Depreciation	Fixed Asset	-110,344.60	
18700 - Security Deposits	Other Asset	1,720.00	
20000 - Accounts Payable	Accounts Payable	26,636.92	
20500 - QuickBooks Credit Card	Credit Card	94.20	
20600 - CalOil Credit Card	Credit Card	382.62	
20700 - Due to Owner	Other Current Liability	0.00	
24000 - Payroll Liabilities	Other Current Liability	5,404.45	
24010 - Federal Withholding	Other Current Liability	1,364.00	
24020 - FICA Payable	Other Current Liability	2,118.82	
24030 - AEIC Payable	Other Current Liability	0.00	
24040 - FUTA Payable	Other Current Liability	100.00	
24050 - State Withholding	Other Current Liability	299.19	
24060 - SUTA Payable	Other Current Liability	110.00	

ABOUT ASSETS, LIABILITIES AND EQUITY

● Assets

- Include both what you have or own and what others owe you
- The money people owe you from outstanding invoices is called your accounts receivable or A/R for short. QuickBooks uses an accounts receivable account to track the money owed to you by customers from invoices. You may have additional notes receivable if the business has issued loans that are due for repayment. These additional notes receivable would not be classified as A/R as they're not related to sales and so they'd be classified either as an Other Current asset (if the money is owed within a year) or an Other asset (if it's owed for a longer period than a year).
- The rest of your company's assets may include checking accounts, savings accounts, petty cash, fixed assets (such as equipment or trucks), inventory and undeposited funds (money you've received from customers but haven't yet deposited in the bank)

● Liabilities

- What your company owes to others
- The money you owe for unpaid bills is your accounts payable or A/P for short. QuickBooks uses an accounts payable account to track the money you owe to vendors or suppliers for bills
- A liability can be a formal loan, an unpaid bill, or sales and payroll taxes you owe to the government. When setting up your company file in QuickBooks, note that even though unpaid bills are liabilities, they will be set up as accounts payable type accounts in QuickBooks.

● Equity

- Equity is the difference between what you have (your assets) and what you owe (your liabilities): $\text{Equity} = \text{Assets} - \text{Liabilities}$

CASH VERSUS ACCRUAL BOOKKEEPING

- Cash basis
 - Income is recorded when money (from sales) is received; expenses are recorded when money (from bills) is paid. In other words, income and expenses are recognized based on the date money changes hands.
- Accrual basis
 - Income is recorded at the time of the sale, based on the date of the sales form; expenses are recorded when you receive the bill, based on the bill date. In other words, income and expenses are recognized based on the date of the paperwork, regardless of when payments are made.



TIP: You can change or set the default reporting basis (accrual or cash) for summary reports in the preferences of the company, based on the bookkeeping method you have chosen for tax purposes. You can change the reporting basis of individual reports (except transaction detail reports) by customizing the reports.

MEASURE BUSINESS PROFITABILITY

- **The Balance Sheet** - A snapshot of your company on one date. It shows:
 - What your business has, including what others owe your business (assets and accounts receivable)
 - What your business owes to others, including to vendors/suppliers (liabilities and accounts payable)
 - The net worth of your business (equity)
- **The Profit & Loss Statement** - Also known as the Income Statement, it covers activity over a particular date range (with a start date and an end date). It shows:
 - Income
 - Expenses
 - Net profit or loss (income less expenses)
- **The Statement of Cash Flows** - This also covers activity over a particular date range (with a start date and an end date). It shows:
 - Receipts
 - Payments

GENERAL JOURNAL TRANSACTIONS

- Traditional accounting method
- Known as double-entry accounting
- Total amount in the Debit column equals the total amount in the Credit column
- Each amount is assigned to an account in the Chart of Accounts
- To view the journal entry for a transaction, open the transaction and press **Ctrl+y** or, from the Reports tab in the transaction window, click **Transaction Journal**
- If necessary, click **Customize Report** and choose to display the **Credit** and **Debit** columns (rather than the **Amount** column)

The screenshot displays the QuickBooks Desktop interface. On the left, an invoice is visible for 'Cook, Brian:Kitchen' with a total of 1,636.69. The main window shows the 'Transaction Journal' report for 'Rock Castle Construction' on 12/15/25. The report is customized to show Debit and Credit columns. The 'Comments on Report' button is highlighted with a red box. The report table is as follows:

Trans #	Type	Date	Num	Name	Memo	Item	Item Description	Account	Class	Sales Price	Debit	Credit
1050	Invoice	12/15/2025	1096	Cook, Brian:Kitchen				11000 Accounts...	Remodel		1,636.69	
				Cook, Brian:Kitchen	Gas Rangetop	Appliance		40140 Materials L...	Remodel	247.50		247.50
				Cook, Brian:Kitchen	Double oven	Appliance		40140 Materials L...	Remodel	350.00		350.00
				Cook, Brian:Kitchen	Dishwasher	Appliance		40140 Materials L...	Remodel	450.00		450.00
				Cook, Brian:Kitchen	Greenhouse Window	Window...		40140 Materials L...	Remodel	475.00		475.00
				Cook, Brian:Kitchen	Removal labor	Remova...	Removal labor	40130 Labor Inco...	Remodel	45.50	0.00	
				Cook, Brian:Kitchen	Framing labor	Framing...	Framing labor	40130 Labor Inco...	Remodel	66.00	0.00	
				Cook, Brian:Kitchen	Installation la...	Instalati...	Installation labor	40130 Labor Inco...	Remodel	38.50	0.00	
				Cook, Brian:Kitchen	Install tile or c...	Subs.Tl...	Install tile or counter	40150 Subcontra...	Remodel	1,320.00	0.00	
				Cook, Brian:Kitchen	Painting	Subs.Pa...	Painting	40150 Subcontra...	Remodel	825.00	0.00	
				Cook, Brian:Kitchen	Plumbing	Subs.Plu...	Plumbing	40150 Subcontra...	Remodel	1,100.00	0.00	
				Cook, Brian:Kitchen	Install drywall	Subs.Dr...	Install drywall	40150 Subcontra...	Remodel	1,000.00	0.00	
				State Board of Equ...	CA sales tax...	San Dom...	CA sales tax, San...	25500 Sales Tax...	Remodel	7.5%		114.19
TOTAL											1,636.69	1,636.69

NOTES

Get Help While Using QuickBooks

QuickBooks provides extensive help in various formats. When you have questions, QuickBooks provides:

- Onscreen QuickBooks Desktop Help to provide conceptual information and step-by-step instructions, which includes links to *The QuickBooks Quick Start Guide* and the *QuickBooks User Guide* as described in the section *Get Around in QuickBooks*
- New Features section highlights new and improved features in the current version year of QuickBooks
- The *Year End Guide* and *Checklist for QuickBooks Desktop* – enter this in the Search field in the Help section and follow the links to the Year End Resources for the year
- Contact Us and Ask Intuit links for answers to specific questions

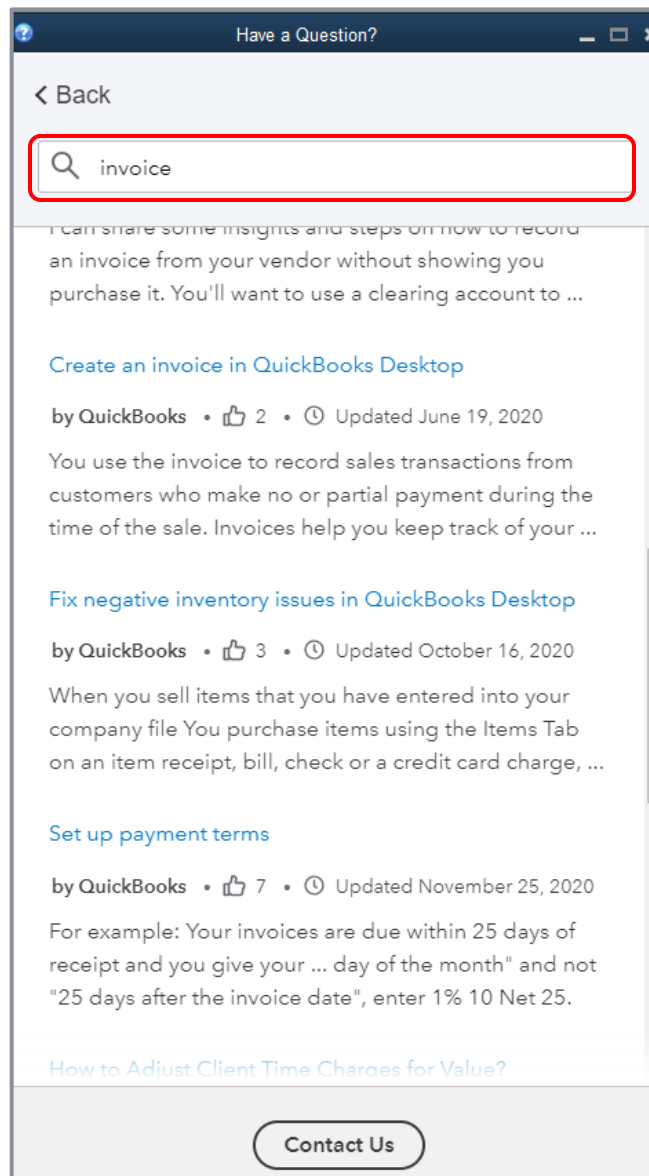
The onscreen Help provides several different types of information:

- Conceptual explanations of how to apply QuickBooks to your particular business situation
- Step-by-step instructions
- A search engine that provides a list of topics related to the word or phrase you enter
- Information relevant to the task you are currently performing
- Send feedback online
- Access to the QuickBooks Tool Hub for setup and file issues



Step-by-Step: Find a Topic in Onscreen Help

1. Press **F1** or from the Help menu choose **QuickBooks Desktop Help**. This brings up the Have a Question? window.
2. In the Have a Question? window, use the search box to type in a full question or one or more keywords, then select **Enter**. QuickBooks displays a list of help articles and community forum answers.



NOTES

Exit QuickBooks

Unlike most other Windows programs, QuickBooks doesn't require you to save your data before exiting. It does an automatic save while you're working (after every reconciliation and/or every transaction and/or any list entry is created, changed or deleted) and every time you leave the program.

- To exit QuickBooks, from the File menu, choose **Exit**

To prevent or minimize data loss, you should make regular backup copies of your QuickBooks company data. In the event of data loss, you can restore your data from the backup copy.

- To make a backup copy, from the File menu, choose **Back Up Company**. A copy is a compressed complete copy of your data file used to restore your working file in case it is compromised. It is a best practice to store your backups on a different drive from your working file.

NOTES

Move between Company Files

If you work with several companies, you'll work with multiple QuickBooks company files. You can switch from one company file to another at any time, but you can have only one company file open at a time. (Two exceptions are QuickBooks Accountant Desktop and QuickBooks Desktop Enterprise Solutions, which allow you to open two company files at one time.)

QuickBooks provides an easy way to find and open a company file you've worked with before.



Step-by-Step: Open a Previously Opened File

1. From the File menu choose **Open Previous Company**.
2. From the submenu select the company file you want to open.



Step-by-Step: Change the Number of Company Files Displayed in the Submenu

1. Make sure you're logged into a QuickBooks company file as the Admin user.
2. From the File menu choose **Open Previous Company**.
3. Choose **Set number of previous companies**.
4. Enter the number of company files you want QuickBooks to display (up to 20).
5. Click **OK**.

Alternately:

1. From the File menu choose **Close Company/Logoff**.

The No Company Open screen will appear.

2. Click **Edit List** to hide companies you no longer wish to see in this list or in the Open Previous Company list.
3. Click a checkmark in the **Hide** column next to each company you no longer wish to appear in the list.
4. Click **OK**.

Get Started – Review Questions

1. List the three main ways you enter data in QuickBooks.

_____ / _____ / _____

2. List three ways to access features in QuickBooks.

_____ / _____ / _____

3. What bookkeeping methods can you use to create reports in QuickBooks?

4. Which of the following would you not include in the Chart of Accounts?

- a. Checking account
- b. Vendor record
- c. Depreciation expense
- d. Accounts payable

5. Which of the following is an asset?

- a. Accounts payable
- b. Accounts receivable
- c. Company delivery van
- d. Both a and b
- e. Both b and c

6. Checking, savings and petty cash should be set up as which of the following account types in QuickBooks?
 - a. Expense
 - b. Other current asset
 - c. Bank
 - d. Equity
7. Which of the following best describes a balance sheet?
 - a. A summary of a company's finances over the past year
 - b. A financial snapshot of a company at a specific point in time
 - c. A summary of a company's revenue and expenses for a fiscal year
 - d. None of the above

Answers to Review Questions

1. List the three main ways you enter data in QuickBooks.

Forms, lists, register

2. List three ways to access features in QuickBooks.

Menu bar, Icon bar (top or left), Centers, Home page

3. What bookkeeping methods can you use to create reports in QuickBooks?

Accrual basis and cash basis are the two bookkeeping methods. You can change or set the default reporting basis for summary reports in the preferences of the company. You can change the reporting basis of individual reports (except transaction detail reports) by customizing the reports.

4. Which of the following would you not include in the Chart of Accounts?

- a. Checking account
- b. ✓ Vendor record
- c. Depreciation expense
- d. Accounts payable

5. Which of the following is an asset?

- a. Accounts payable
- b. Accounts receivable
- c. Company delivery van
- d. Both a and b
- e. ✓ Both b and c

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6. Checking, savings and petty cash should be set up as which of the following account types in QuickBooks?
- a. Expense
 - b. Other current asset
 - c. ✓ *Bank*
 - d. Equity
7. Which of the following best describes a balance sheet?
- a. A summary of a company's finances over the past year
 - b. ✓ *A financial snapshot of a company at a specific point in time*
 - c. A summary of a company's revenue and expenses for a fiscal year
 - d. None of the above