

A FREE GUIDE FOR BUSINESS OWNERS

The QBO Quick-Start Guide

Set up QuickBooks Online the right way, find your way around with confidence, and avoid the mistakes that quietly cost owners thousands.

Written for you by

Carla Seegers

Bookkeeper • Accountant • QuickBooks Online Specialist

A Quick Note Before You Start

Hi, I'm Carla.

I'm a bookkeeper who helps small and medium-sized business owners actually understand their numbers, not just record them. Over the years I've watched the same thing happen again and again: smart, capable owners who bought QuickBooks Online, opened it, felt overwhelmed, and quietly started avoiding it.

If that's you, you're not bad at this. You just haven't been shown how the tool is supposed to work. That's all this guide is, the orientation I wish every owner got on day one.

In the next few pages you'll learn how QBO is organized, the five account types that make everything else make sense, the three reports you should actually look at, and the handful of mistakes that cause the most expensive cleanup later. You can read it in about 20 minutes.

Glad you're here,
Carla Seegers

What's inside this guide

1. How QuickBooks Online is organized	p.3
2. The five account types	p.4
3. The Chart of Accounts (keep it lean)	p.5
4. The three reports every owner needs	p.6
5. Five mistakes that cost owners the most	p.7
6. Your QBO Setup Checklist	p.8

1. How QuickBooks Online is Organized

QBO is built around a left-hand navigation menu. The exact wording shifts as Intuit updates the product, but the major areas stay the same. Once you know what lives where, the whole tool stops feeling like a maze.



The eight areas of QuickBooks Online and what each one does

The areas you'll use most

- **Dashboard** — a snapshot of your business at a glance
- **Transactions / Banking** — your bank feed, where most daily work happens
- **Sales / Customers** — invoices, sales receipts, and customer records
- **Expenses / Vendors** — bills, expenses, and vendor records
- **Reports** — the financial reports that tell you how you're doing
- **Accounting** — the Chart of Accounts and reconciliation tools
- **The Gear icon** — settings, lists, and account info
- **+ New** — the button to create anything (invoice, bill, expense)

Try this first

Before you do anything else in QBO, spend ten minutes just clicking through these eight areas. Don't try to use them yet. You're building a mental map so that later, when you need to find something, you know roughly where to look.

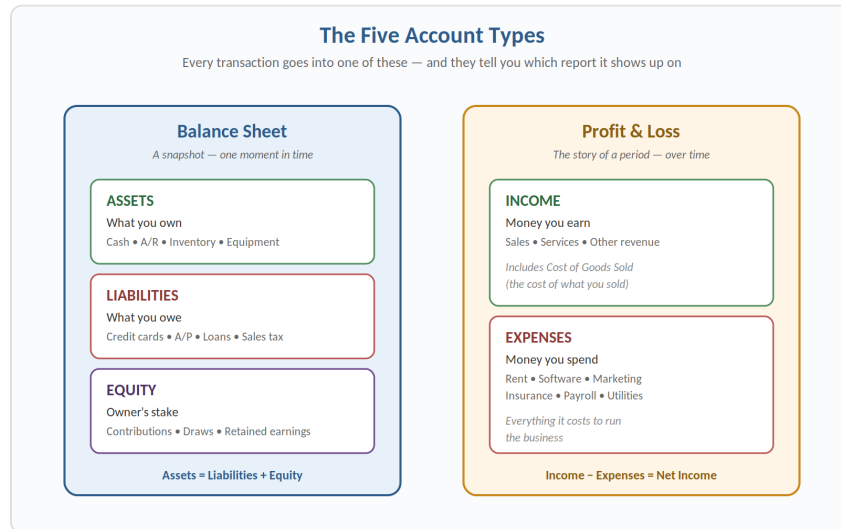
One setting to check right away

Click the Gear icon, then Account and Settings, then Advanced. Find the accounting method setting (cash or accrual). Most growing businesses should run reports on accrual to see the true picture, even if they file taxes on cash basis. Knowing which one you're on matters, because it changes how every report calculates.

2. The Five Account Types

This is the single most useful concept in QuickBooks. Once it clicks, about 80% of QBO suddenly makes sense.

Every transaction you ever record goes into one of five account types. The first three appear on your Balance Sheet. The last two appear on your Profit & Loss. That's why those two reports look so different, they're literally showing you different account types.



The five account types and which report each one appears on

In plain language

- **Assets** — what you own (cash, money customers owe you, equipment)
- **Liabilities** — what you owe (credit cards, loans, unpaid bills)
- **Equity** — your stake in the business (what you put in, what you've taken out)
- **Income** — money you earn from your products and services
- **Expenses** — money you spend running the business

Why this matters

When you can't figure out why something shows up on one report but not the other, the answer is always the account type. The type decides the report. Nothing more complicated than that.

3. The Chart of Accounts

The Chart of Accounts is the backbone of your books, the full list of those account types, broken into the specific categories your business uses. Every transaction gets assigned to one of them.

Keep it lean

New users make one of two mistakes. They either leave the default Chart of Accounts untouched and never customize it, or they go wild and create 200 accounts. The right answer is in the middle.

A typical service business needs about 35 to 50 accounts. A product business with inventory might need 60 to 80. If you have more than 100 active accounts and you're not running a multi-location operation, something has gone wrong, and your reports are probably hard to read because of it.

The most common cause of an unreadable P&L

A bloated Chart of Accounts. If you have ten different lines that all basically mean "software," you can't see what you're actually spending. A clean, lean Chart of Accounts is what makes your Profit & Loss something you can skim in two minutes.

Use sub-accounts sparingly

Sub-accounts can be useful, but they multiply fast. Here's a simple rule: if you wouldn't make a decision differently based on the split, you don't need the sub-account.

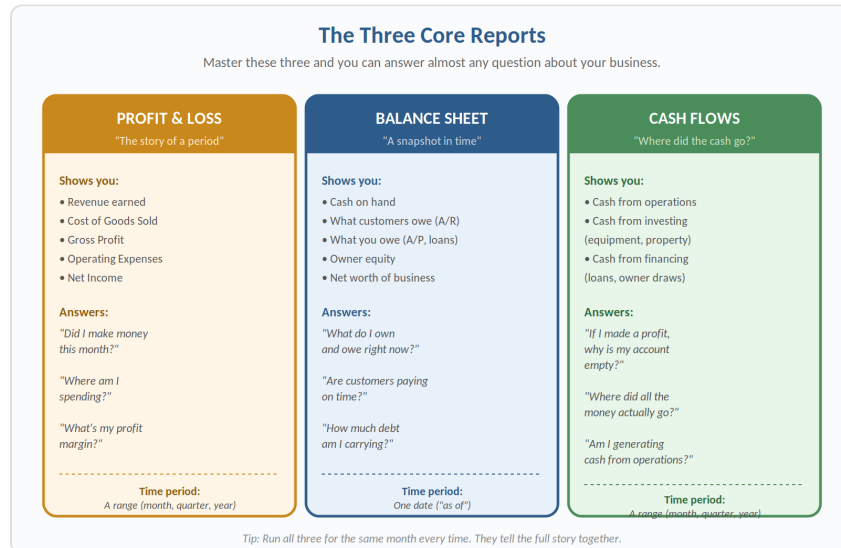
The three lists that keep your data clean

Alongside the Chart of Accounts, three lists drive most of your daily data entry. Keep all three consistent from day one:

- **Customers** — each customer should appear once. "Acme Corp" and "Acme Corporation" are two different customers to QBO.
- **Vendors** — same principle. "Amazon," "Amazon.com," and "AMZN Mktp" will fracture into three vendors if you let them.
- **Products & Services** — what you sell, each mapped to the correct income account.

4. The Three Reports Every Owner Needs

QuickBooks has hundreds of reports. You need three. Master these and you can answer almost any question about your business.



The three core reports and what each one tells you

How to read them

Profit & Loss tells you the story of a period: revenue earned, costs incurred, and what was left. Run it monthly, and always add a comparison column (last month, or the same month last year). A P&L with no comparison tells you very little.

Balance Sheet is a snapshot of one moment: what you own, what you owe, and your stake in the business. Assets always equal Liabilities plus Equity. If they don't, something is wrong with the file.

Statement of Cash Flows explains where your cash actually went. This is the report that answers the question owners ask most: "If I made a profit, why is my bank account empty?"

Profit and cash are not the same thing

You can have a profitable month with very little cash, customers invoiced but not yet paid, a big loan payment, money taken as owner draws. The P&L tells you if the business model works. The cash flow statement tells you if you can pay your team next week. You need both.

5. Five Mistakes That Cost Owners the Most

These are the five I clean up most often. Knowing them now will save you real money and real frustration later.

1. Mixing business and personal

The single biggest source of messy books. Different bank account, different credit card, no exceptions. If you must use a personal card for business, reimburse yourself and record it properly.

2. Using "Ask My Accountant" as a parking lot

It's tempting to dump unclear transactions there and deal with them later. Later never comes. By year-end nobody remembers the context. Categorize your best guess and add a note instead, you can always fix it later.

3. Recording the same sale twice

If you invoice a customer and then also record a sales receipt when they pay, your revenue is doubled. Pick one workflow per type of sale and stick to it.

4. Letting the bank feed pile up

Three months of untouched bank feed is a project, not a task. Clear it weekly, or at minimum every two weeks, and it stays manageable.

5. Coding loan payments to one expense account

A loan payment is really two things: principal (which reduces what you owe) and interest (which is an expense). Code the whole thing to one account and both your Balance Sheet and your Profit & Loss end up wrong. Split every payment.

The pattern behind all five

None of these mistakes happen because owners are careless. They happen because nobody explained the right way once. Bookkeeping is mostly a handful of small habits, done consistently. Get the habits right and everything else stays clean.

6. Your QBO Setup Checklist

Use this to make sure your QuickBooks Online file is set up on a solid foundation. If you're brand new, work through it top to bottom. If you've had QBO for a while, use it as an audit, you may find a few gaps worth closing.

- Subscription tier chosen for your actual business needs
- Company info entered (legal name, EIN, address, business type)
- Accounting method set (cash or accrual)
- Fiscal year start month set correctly
- Sales settings configured (invoice template, payment terms, messages)
- Expense settings configured
- Chart of Accounts reviewed, no duplicates, no clutter
- Customers list populated, no duplicates
- Vendors list populated, no duplicates
- Products & Services list mapped to the correct income accounts
- Business bank accounts connected
- Business credit cards connected
- No personal accounts connected
- Sales tax set up (if it applies to you)
- Accountant or bookkeeper invited as a user (if you have one)

Once your foundation is solid

A well-set-up QBO file is the starting line, not the finish line. The next step is learning to use it day to day, and eventually, to close your books each month so your reports actually tell you the truth.

What to Do Next

If this guide was useful, here's the honest truth: it's a foundation, enough to get oriented and avoid the worst mistakes. But there's a real difference between knowing how QBO is organized and confidently using it every day.

That's exactly what I'm building next.

The QBO Beginner Course is coming soon

A three-week, self-paced course that takes you from "I have QuickBooks and don't really know what I'm doing" to a file you've set up correctly and can use with confidence, with practice exercises, visual guides, and a final check so you know you've got it.

Watch your inbox for the details

In the meantime

- **Work through the checklist** on the previous page. Even an hour spent here will improve your file.
- **Watch for my emails.** I send one short, useful teaching note each week, real QBO questions, common fixes, things you can apply right away.
- **Reply anytime.** If something in your books has you stuck, hit reply to any email I send. I read every one.

One last thing

Your books aren't supposed to be a black box. They're supposed to be a tool, one that tells you exactly how your business is doing whenever you want to know. The difference is just whether someone takes the time to show you how to read them. I'd love to be that person.

Talk soon,

Carla Seegers

Bookkeeper • Accountant • QuickBooks Online Specialist