

# Preface

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*Computer Accounting Essentials Using QuickBooks Online Edition* teaches you how to use the Internet-based accounting program QuickBooks Online Edition. In this book, you will sign up for a free trial of QuickBooks Online Edition. Then, you will start a service business from scratch and enter all the business transactions for the service business. The activities will take about 25 hours to complete. Try to set aside those 25 hours within the free trial period. If you decide to extend QuickBooks Online Edition beyond the free trial, there is a monthly subscription fee (at time of printing, \$19.95/month).

QuickBooks Online Edition is designed for straightforward service-based businesses with broadband connections. Up to 3 users plus your accountant can use it. Add-on packages can be purchased separately for payroll, business, or sales or you can subscribe to an enhanced version, Online Edition PLUS that includes these additional packages for a higher monthly subscription fee (at time of printing \$39.95/month).

## **Browser Requirements**

If you can access QuickBooks Online Edition's website at <http://oe.quickbooks.com> you already have what is needed – a computer, a browser, and a modem. QuickBooks Online Edition is an operating system that works with Windows 98, XP, or 2000. Mac OS is not supported. Continuous high-speed Internet access using DSL, cable modem, or T1 is recommended. QuickBooks Online Edition does work using any Internet access, although processing time can be slow. It prefers the browser version 6 or higher of Internet Explorer® on Windows.<sup>1</sup>

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<sup>1</sup> For more system requirement details, access the link to QuickBooks Online Edition's home page at [oe.quickbooks.com](http://oe.quickbooks.com)

## iv Preface

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*Computer Accounting Essentials Using QuickBooks Online Edition* has six chapters:

1. Accessing QuickBooks Online Edition
2. New Company Setup
3. Setting Accounting Defaults
4. Fourth-Quarter Transactions
5. End-of-Year & Beginning-of-Year Transactions
6. Advanced Features

Each Chapter of *Computer Accounting Essentials Using QuickBooks Online Edition* includes:

- Software objectives
- Web objectives
- Step-by-step instructions with screen captures
- Transactions and reports
- Check your progress
- Flashcard review
- Internet homework
- Multiple-choice
- True/false
- Exercises

In *Computer Accounting Essentials Using QuickBooks Online Edition* you learn how to set up a service business. When you finish this book, you will have a working familiarity with QuickBooks Online Edition, a web-based accounting program.

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**Chapter 1: Accessing QuickBooks Online Edition**

In Chapter 1, you will access QuickBooks Online Edition software from the Internet. The step-by-step interview shows you how to do that.

**Chapter 2: New Company Setup**

In Chapter 2, you will learn how to use the software to set up a service business. New Company Setup includes selecting a chart of accounts, entering opening balances, and printing a beginning balance sheet.

**Chapter 3: Setting Accounting Defaults**

In Chapter 3, you will learn how to set defaults for accounts payable, accounts receivable, and cash transactions that follow in Chapter 4. Defaults are information or commands that the software automatically uses. You also learn how to change default settings.

**Chapter 4: Fourth-Quarter Transactions**

In Chapter 4, you will record transactions for the fourth quarter of the year: October, November and December. You will record accounts payable, accounts receivable, and cash transactions. At the end of each month's transactions, you will reconcile the bank statement.

**Chapter 5: End-of-Year & Beginning-of-Year Transactions**

In Chapter 5, you will complete end-of-year adjusting entries, print financial statements, and make closing entries. Chapter 5 also includes transactions for the start of the new year – January 1 - 31, 20XX.

**Chapter 6: Advanced Features**

In Chapter 6, you will learn how to memorize forms, customize forms, copy data to Microsoft Excel and create graphs, and print your activity log.

**Case Problem 1**

Case Problem 1 includes two more months of transactions for your service business – February and March. You will complete the accounting cycle for the first quarter and print reports.

### **Case Problem 2**

Case Problem 2 includes the end-of-quarter transactions for the first quarter. You will complete the accounting cycle for the first quarter and print reports.

### **Case Problem 3**

Case Problem 3 is a student-designed project. You are instructed to write transactions for the next month and complete the accounting cycle showing a net loss for your business.

**Glossary:** Terms that are boldfaced and italicized through the book appear here.

**Index:** The introduction and each Chapter of the book ends with an index. The index at the end of the book is an alphabetic listing of these individual indexes.