



QuickBooks Online Student Guide

# Chapter 12

# Company Activities Part II



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In this chapter, you'll learn how QuickBooks handles advanced transactions and tasks in QuickBooks. Growing businesses need additional features and functions to manage the new tasks they're required to manage. You'll learn how QuickBooks handles the year-end and what tasks you'll need perform.

## Lesson Objectives

In this chapter, you'll learn how to:

- Customize form templates
- Setting for communicating with customers
- Setup and use class tracking
- Setup budgets
- File annual sales tax return
- Enter year-end journal entries

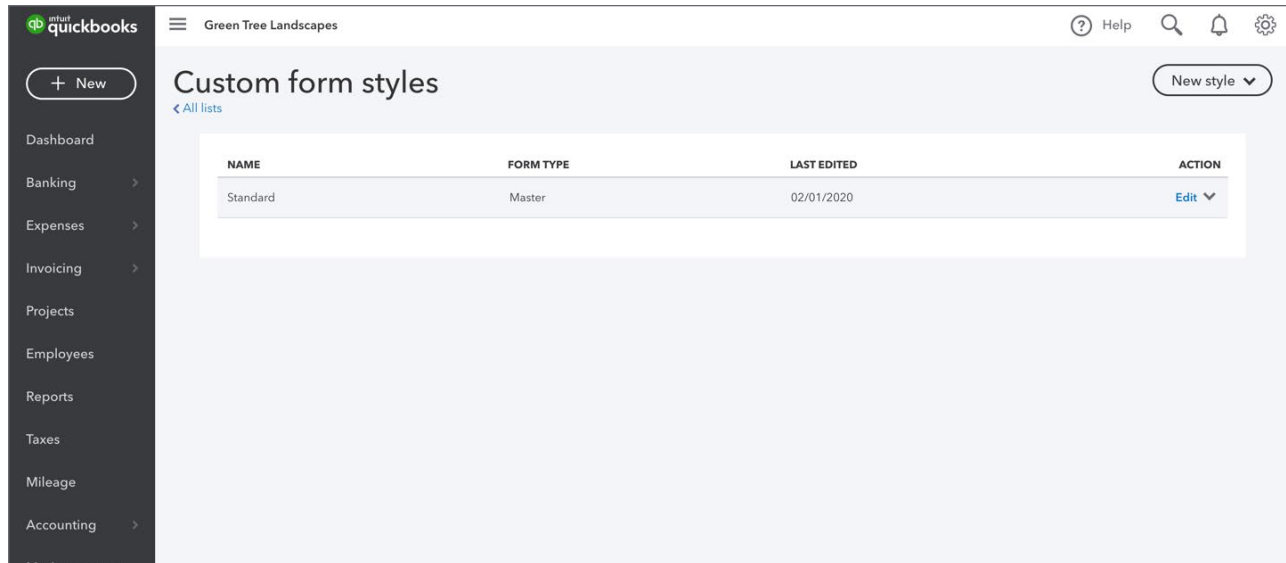
## Customize Form Templates

As your business grows you may want to add more customization in QuickBooks. You can customize the style of invoices, sales receipts, and estimates, plus you can control which data entry fields are available on sales forms. QuickBooks lets you add, remove, and customize items like the logo, column widths, fonts and much more.

You can add new templates as needed. You may need to customize a template for a customer, or industry type of customer or for whatever specific need your company requires.

To add a new style or customize an existing one:

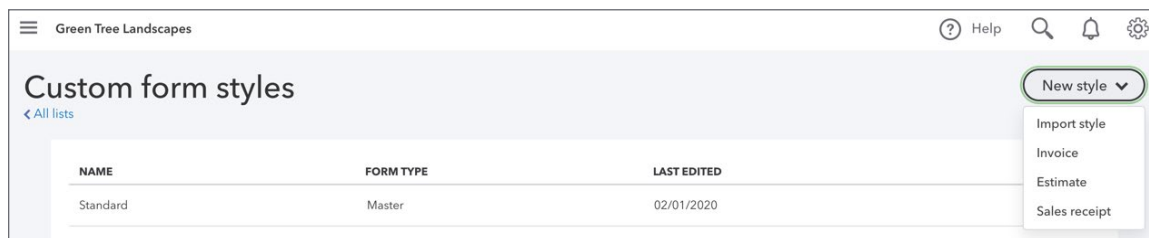
1. Click the **Gear** icon.
2. Click **Custom Form Styles**.
3. Click **New Style**.



## ▶ Create a New Custom Form Style

You can create a new form style for the Invoice, Estimate and Sales Receipts. To create a new custom form style:

1. Click **New Style**.
2. Choose the custom form style. QuickBooks opens the customization window. There are four areas that you can customize.



- Click **Design** to edit one of 5 areas.


Create invoices that turn heads and open wallets Share feedback

**Design** Content Emails Payments

My INVOICE Template - 1-3 (56557)

- Dive in with a template
- Make logo edits
- Splash on some colour
- Get choosy with your font
- When in doubt, print it out

**Green Tree Landscapes**



**Invoice**

**INVOICE TO**  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

**INVOICE#** 12345  
**DATE** 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the item	2	225.00	450.00
Item name	Description of the item	1	225.00	225.00

SUBTOTAL	675.00
DISCOUNT 2%	-13.50
HST @ 10.0%	113.00
GST @ 5.0%	105.00
DEPOSIT	10.00
TOTAL	\$893.00
BALANCE DUE	\$893.00

**Tax summary**

RATE	TAX	NET
HST @ 10.0%	90.00	450.00
GST @ 5.0%	11.25	225.00

[Preview PDF](#) [Done](#)

- On the **Design** tab you can start with a template that QuickBooks provides for you. Click **Change up the template**.


Create invoices that turn heads and open wallets Share feedback

**Design** Content Emails Payments

My INVOICE Template - 1-3 (56557)

- Airy new
- Airy classic
- Modern
- Fresh
- Bold
- Friendly
- Make logo edits
- Splash on some colour
- Get choosy with your font
- When in doubt, print it out

**Green Tree Landscapes**



**Invoice**

**INVOICE TO**  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

**INVOICE#** 12345  
**DATE** 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the item	2	225.00	450.00
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HST @ 10.0%	113.00
GST @ 5.0%	105.00
DEPOSIT	10.00
TOTAL	\$893.00
BALANCE DUE	\$893.00

**Tax summary**

RATE	TAX	NET
HST @ 10.0%	90.00	450.00
GST @ 5.0%	11.25	225.00

[Preview PDF](#) [Done](#)


- Edit the template name.

6. Choose your template style. After choosing your template, QuickBooks displays the corresponding template on the right side of the window.
7. Click **Make logo edits**.

Edit invoices that turn heads and open wallets Share feedback ✕

**Design** | Content | Emails | Payments

Change up the template


 Size:  S  M  L
 Placement:  Left  Center  Right


Hide logo

Splash on some colour

Get choosy with your font

When in doubt, print it out

**Green Tree Landscapes**

  
 GREEN TREE  
 LANDSCAPES

**Invoice**

**INVOICE TO**  
 Smith Co.  
 123 Main Street  
 City, ON K1T 2T1

INVOICE# 12345  
 DATE 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

---

SUBTOTAL	675.00
DISCOUNT 2%	-13.50
HST @ 10.0%	113.00
GST @ 5.0%	105.00
DEPOSIT	10.00
TOTAL	\$893.00
<b>BALANCE DUE</b>	<b>\$893.00</b>

**Tax summary**

RATE	TAX	NET
HST @ 10.0%	90.00	450.00
GST @ 5.0%	11.25	225.00

8. Add a logo from your computer. Choose your **Size** and **Placement** for your company logo.


9. Click **Splash on some colour** to change the colors on your template.

Edit invoices that turn heads and open wallets Share feedback X

**Design** | Content | Emails | Payments

Change up the template


Make logo edits

 #4F90BB

Get choosy with your font

When in doubt, print it out

**Green Tree Landscapes**

  
GREEN TREE  
LANDSCAPES

**Invoice**

**INVOICE TO**  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

**INVOICE#** 12345  
**DATE** 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

---

SUBTOTAL	675.00
DISCOUNT 2%	-13.50
HST @ 10.0%	113.00
GST @ 5.0%	105.00
DEPOSIT	10.00
TOTAL	\$893.00
BALANCE DUE	<b>\$893.00</b>


**Tax summary**

	RATE	TAX	NET
HST @ 10.0%		90.00	450.00
GST @ 5.0%		11.25	225.00

Preview PDF Done

10. Click your color and the template preview will reflect your selection. Alternatively, you can enter a color # in the field to match your template with a specific colour.


11. Click **Get choosy with your font**.


 Try other colours

Helvetica ▼ 10pt ▼

12. Choose your font.

13. Click **Edit print settings**.

 Select a different font

 Edit print settings

#### 14. Edit the Page Margins.

Page margins

Top	Left	Bottom	Right	
<input style="width: 50px;" type="text" value="0.5"/>	<input style="width: 50px;" type="text" value="0.25"/>	<input style="width: 50px;" type="text" value="0.5"/>	<input style="width: 50px;" type="text" value="0.25"/>	<a href="#">Reset</a>
<input type="checkbox"/> Fit printed form with paystub in window envelope				
<input type="checkbox"/> Use letterhead paper				

After editing the Design elements, you can edit the **Content**. To edit the content settings do the following:

1. Click **Content**. The template displays on the right-side of the window in a grayed out format. There are three sections to edit: **Header**, **Body** and **Footer**.

Edit invoices that turn heads and open wallets
Share feedback ✕

Design
Content
Emails
Payments

Click the pencils on the right to edit each section.

Green Tree Landscapes

INVOICE TO  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

INVOICE# 12345  
DATE 07/01/2018

GREEN TREE  
LANDSCAPES

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT	
Item name	Description of the Item	2	225.00	450.00	
Item name	Description of the Item	1	225.00	225.00	

	SUBTOTAL	675.00	
	DISCOUNT 2%	-13.50	
	HST @ 10.0%	113.00	
	GST @ 5.0%	105.00	
	DEPOSIT	10.00	
	TOTAL	\$893.00	
	BALANCE DUE	\$893.00	

Tax summary	RATE	TAX	NET
HST @ 10.0%		90.00	450.00

Preview PDF
Done

2. Click the **Header** to edit the content in that section.
3. Select the options available to add to the Header. Uncheck any items to remove them from the Header portion of the template.



4. In the **Form** section you can edit the title of the form.

Edit invoices that turn heads and open wallets Share feedback ×

Design **Content** Emails Payments

**Header**

Business name  
Green Tree Landscapes

Phone  
+1 4694084011

Email  
hank+100@inboxkitten.com

[+ Address](#)

[+ Website](#)

**Form**

Form names

Invoice: Invoice


Estimate: Estimate

Sales receipt: Sales Receipt

Form numbers

Use custom transaction numbers

**Green Tree Landscapes**



**INVOICE**

INVOICE TO  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

INVOICE# 12345  
DATE 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

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DISCOUNT 2%	-13.50
HST @ 10.0%	113.00
GST @ 6.0%	105.00
DEPOSIT	10.00
TOTAL	\$893.00
BALANCE DUE	\$893.00

**Tax summary**

RATE	TAX	NET
HST @ 10.0%	90.00	450.00

[Preview PDF](#) [Done](#)

5. In the **Display** section, select or deselect all the information you want to display on the template.

**Display**

Billing address

Shipping

Terms

Due date or expiration date

Customer Business Account Number

[+ Custom field](#)



**NOTE** You can add up to three custom fields to a template. For example, you could track a Sales Rep on the sales invoice, or add other important information that you need to track on a sales form.

Edit invoices that turn heads and open wallets Share feedback

Design **Content** Emails Payments

Table

Account summary

Show on invoice

Activity table

COLUMNS

Date

Product/Service

Include description here

Category

Description

Include Quantity and Rate

Quantity

Rate

Tax

Amount

[EDIT LABELS AND WIDTHS](#)

Green Tree Landscapes

INVOICE

INVOICE TO  
Smith Co.  
123 Main Street  
City, ON K1T 2T1

INVOICE# 12345  
DATE 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

SUBTOTAL 675.00  
 DISCOUNT 2% -13.50  
 HST @ 10.0% 113.00  
 GST @ 5.0% 105.00  
 DEPOSIT 10.00  
 TOTAL \$893.00  
 BALANCE DUE \$893.00

Tax summary

RATE	TAX	NET
HST @ 10.0%	90.00	450.00

Preview PDF Done

- Click the **Body** of the template to edit the body of the form. QuickBooks displays a new set of customization options. In this section you can add or remove columns, reorder columns (left to right) and edit the column labels and widths.

COLUMNS [EDIT LABELS AND WIDTHS](#)

Date

Product/Service

Include description here

Category

Description

Include Quantity and Rate

Quantity

7. Select the column options on the left-hand column. Drag and drop the icon next to the Column title to reorder the columns.

**Edit invoices that turn heads and open wallets** Share feedback

Design **Content** Emails Payments

Table

Account summary

Show on invoice

Activity table

COLUMNS HIDE LABELS AND WIDTHS

- Date Date
- Product/Service** Activity 20
  - Include description here
  - Category
- Description** Description 43
  - Include Quantity and Rate
- Quantity** Qty 10
- Rate** Rate 10
- Tax** Tax
- Amount** Amount 16

**Green Tree Landscapes**

Invoice

INVOICE TO: Smith Co, 123 Main Street, City, ON K1T 2T1

INVOICE# 12345 DATE 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

Tax summary

RATE	TAX	NET
HST @ 10.0%	90.00	450.00

Preview PDF Done

8. Click **Edit Labels and Widths**. Edit the title of the column. Drag the slider option to edit the width of the column. The template will adjust accordingly.

**Edit invoices that turn heads and open wallets** Share feedback

Design **Content** Emails Payments

Footer

**Display**

- Discount
- Deposit
- Tax summary
- Estimate summary (email and web only)

**Message to customer on**

Invoices and other sales forms

We appreciate your business and look forward to helping you again soon. 8pt

**Add payment details and footer**

Give your customers some payment detail options for how you'd like to be paid (email for e-money transfer, bank account number for bank transfers) 8pt Centred

**Green Tree Landscapes**

Invoice

INVOICE TO: Smith Co, 123 Main Street, City, ON K1T 2T1

INVOICE# 12345 DATE 07/01/2018

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Item name	Description of the Item	2	225.00	450.00
Item name	Description of the Item	1	225.00	225.00

Tax summary

RATE	TAX	NET
HST @ 10.0%	90.00	450.00

Preview PDF Done

9. Finally, click the **Footer** to edit the footer information on the template. Edit the fields to display the messages and other information for the customer.
10. To edit the email settings when sending emails to customers, click the **Emails** link.
11. Edit the **Subject** and **Message to Customer** and any other email information.

Click **Preview PDF** to view a preview of the template. Click **Done** to complete the customization.

Edit invoices that turn heads and open wallets
Share feedback ✕

Design
Content
Emails
Payments

**Sales form type**

Invoice ▼

How your invoice appears in emails

Full details

Summarized details

PDF Attached

---

Standard email

Edit the email your customers get with every sent form

Invoice ▼

**Subject**

Invoice [Invoice No.] from Green Tree Landscapes

Use greeting    Dear ▼    [FullName] ▼


**Message to customer**

Here's your invoice! We appreciate your prompt payment.

Thanks for your business!  
Green Tree Landscapes

Subject    Invoice 12345 from Green Tree Landscapes

From       quickbooks@notification.intuit.com



**GREEN TREE LANDSCAPES**

Green Tree Landscapes

Dear [customer full name]


Here's your invoice! We appreciate your prompt payment.

Thanks for your business!  
Green Tree Landscapes

INVOICE 12345 DETAILS

\$893.00

Preview PDF
Done

Green Tree Landscapes


## INVOICE

**INVOICE TO**  
Hilltop Dry Goods  
123 Main Street  
City, ON K1T 2T1

**INVOICE #** 12345  
**DATE** 12/01/2016

---

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
<b>Product name</b>	Description of the product	2	225.00	450.00
<b>Service name</b>	Description of the service	1	225.00	225.00
				SUBTOTAL
				TOTAL
				<b>BALANCE DUE</b>
				<b>\$893.00</b>

**TAX SUMMARY**

RATE	TAX	NET
HST @ 10.0%	113.00	450.00
GST @ 5.0%	105.00	225.00

 To learn how to customize sales forms watch this video: <https://youtu.be/UmY758NrNKc>

## ▶ Communicating with Customers Settings

QuickBooks makes it easy to communicate with your customers. You can email forms directly from QuickBooks making it easy for your customer view and pay their invoices. There are several important settings you can use to manage the email communication. To review these settings, go to **Account and Settings** and then click **Sales** and then click **Messages**.

**Account and Settings** Help ×

Company

Sales

Expenses

Advanced

**Messages**

Default email message sent with sales forms

Use greeting Dear [Full Name]

Sales form ?

Invoice Use standard message

Email subject line

Invoice [Invoice No.] from Green Tree L

Email message

Here's your invoice! We appreciate your prompt payment.

Have a great day,  
Green Tree Landscapes

Email me a copy at donotreply@intuit.com

Copy (Cc) new invoices to address

*Cc (Separate multiple emails with a comma)*

Blind Copy (Bcc) new invoices to address

*Bcc (Separate multiple emails with a comma)*

Sales form

Estimate ?

Done

Edit the email details for the default email messaging. You can setup a default for estimates, credit memos, sales receipts, statements, and refund receipts.

<b>Invoice</b>
Estimate
Credit Memo
Sales Receipt
Statement
Refund Receipt

Edit the Email message as needed for each form. You can choose to email yourself a copy by selecting **Email me a copy at....**

**Account and Settings** Help ✕

Company

Sales

Expenses

Advanced

**Messages**

Default email message sent with sales forms

Use greeting Dear [Full Name]

Sales form ?

Invoice Use standard message

Email subject line

Invoice [Invoice No.] from Green Tree L.

Email message

Here's your invoice! We appreciate your prompt payment.

Have a great day,  
Green Tree Landscapes

Email me a copy at donotreply@intuit.com

Copy (Cc) new invoices to address

Cc (Separate multiple emails with a comma)

Blind Copy (Bcc) new invoices to address

Bcc (Separate multiple emails with a comma)

Sales form

Estimate ?

Done

Click **Save**. Click the **Reminders** section to edit the default email message went with reminders.

**Account and Settings** Help ✕

Company

Sales

Expenses

Advanced

**Reminders**

Auto invoice reminders ☐

Create up to three automatic reminders. Automatic reminders only apply to new invoices. Turning off automatic reminders will remove them all from your invoices.

**Create an email template to send with your reminders.**

Add placeholders for [Invoice No.] and [Company Name] in subject/message. We'll update each placeholder with the right information.

Email subject line

Reminder: Your payment to Green Tree Landscapes is due

Use greeting Dear [Full Name]

Email message

We're sending a reminder to let you know that invoice [Invoice No.] has not been paid. If you already paid this invoice or have any questions, let us know!

Have a great day,  
Green Tree Landscapes

[Reset to default email template](#)

Email me a copy at donotreply@intuit.com

Cancel Save

Online delivery ✎

Email options for all sales forms

Done

## Send Reminders

You can send reminders for overdue/outstanding invoice form the Customer centre.

1. Click **Sales** and then click **Customers**.
2. Choose a **Customer** with an overdue balance and click the drop-down arrow next to their name.
3. Click **Send Reminder**.

The screenshot shows the QuickBooks interface for 'Green Tree Landscapes'. The 'Sales Transactions' section is active, displaying a summary of sales activity. A table lists transactions with columns for DATE, TYPE, NO., CUSTOMER, DUE DATE, BALANCE, TOTAL BEFORE, SALES TAX, TOTAL, and STATUS. A context menu is open over the invoice for customer 'Higgs Food...' (Invoice No. 1012), with a green arrow pointing to the 'Send reminder' option.

DATE	TYPE	NO.	CUSTOMER	DUE DATE	BALANCE	TOTAL BEFORE	SALES TAX	TOTAL	STATUS
02/01/2020	Time Charge		Christopher...	02/01/2020	\$0.00	\$400.00	\$0.00	\$400.00	Open
02/01/2020	Payment		Blakey's Bin...	02/01/2020	\$0.00	\$0.00	\$0.00	\$0.00	Closed
02/01/2020	Payment		Blakey's Bin...	02/01/2020	\$0.00	\$0.00	\$0.00	\$0.00	Closed
02/01/2020	Invoice	1012	Higgs Food...	01/02/2020	\$52,500.00	\$50,000.00	\$2,500.00	\$52,500.00	Open
02/01/2020	Invoice	1001	Christopher...	01/02/2020	\$0.00	\$0.00	\$0.00	\$0.00	Voided

### Send reminder email for 1012

**To** Cc/Bcc

**Subject**

**Message**

Dear Higgs Food Market,

Just a reminder that we have not received a payment for this invoice yet. Let us know if you have questions.

Thanks for your business!  
Green Tree Landscapes

4. Click **Send**.

## Class Tracking

Classes provide a system for categorizing transactions that goes beyond the basic ways of assigning transactions to expense or income accounts. A common accounting term used is “departments”. Class tracking lets you track your income and expenses by department, business unit, separate properties you own, or any other meaningful breakdown of your business.

With classes, you can categorize each detail line on a transaction. This lets you write one cheque to the office supply store for things bought for two different classes and still track the business unit for those purchases.

For example, suppose you have a consulting business and an installation business. Class tracking is ideal for you if it is typical to have purchases and sales that include both types of work. By specifying the appropriate class on each detail line, you can run a **Profit and loss by Class** report that will tell you if your consulting business is more or less profitable than the installation business.

Examples of how people use classes are:

- Departments
- Enterprises
- Properties
- Construction industry standard categories (General, Site Work, Concrete, Masonry, and so on)
- Manufacturers
- Partners
- Product lines



**NOTE** Classes are only available in the QuickBooks Online Plus version of QuickBooks.

### *Using Classes Overview*

1. Turn on class tracking (in **Account and Settings**).
2. Add classes that are meaningful to your business.
3. When you enter invoices, cheques, credit card charges, or other transactions, assign a class to the transaction (or detail lines of the transaction), if it makes sense.
4. Create Class Reports.

Here are some general tips for using classes:

- Set up classes according type of reporting that you want to do, and consider how you want to see your business segmented on reports.
- Set up a class such as “other” that you can use to deliberately classify transactions that don’t fit into any specific class that you’ve defined.



- Don't use classes for two different purposes. For example, don't create classes for tracking office residential/commercial business in addition to tracking partners.
- Consistently enter the class information on your forms and registers to ensure that Class information is valid and useful.

### *Enable Class Tracking*

To enable class tracking:

1. Click the **Gear** icon.
2. Click **Account and Settings**.
3. Click **Advanced** and then click **Categories**.

Choose the appropriate options for tracking classes.

1. Select **Track Classes**.
2. Select the option labeled **Warn me when a transaction isn't assigned a class**. This option makes sure you don't forget to add class information to every transaction by reminding you to add class tracking to sales, expenses, and other transactions.
3. Choose the **Assign Classes** option. You can choose one of the two following options:
  - a. **One to entire transaction**. This means that you're going to assign one class per transaction. Choose this option if you never make purchases or sales with multiple classes.
  - b. **One to each row in transaction**. Choose this option if you want to assign more than one class per transaction. For example, if you purchase supplies at Home Depot you will assign a portion of the supplies to Class A and another portion to Class B. This option requires more work, but may be required for accurate class tracking in your business.

#### 4. Click **Save**.

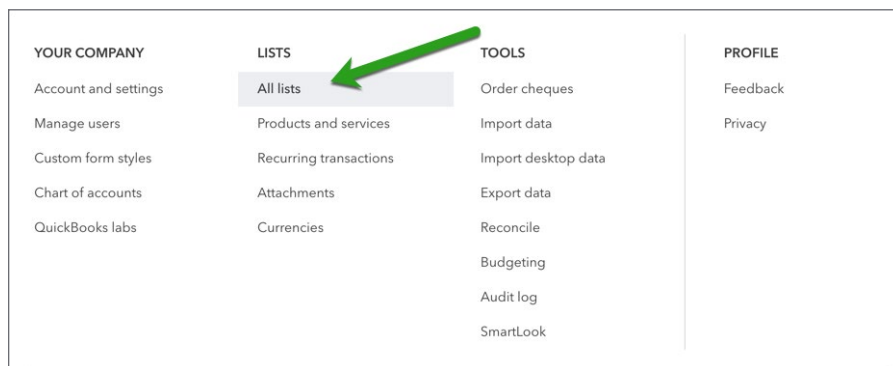
**Account and Settings** Help ✕

Company	Company type	Tax form	Sole proprietor	
Sales	Chart of accounts	Enable account numbers	Off	
Expenses		Discount account	Discounts given	
Advanced		Markup income account	Markup	
		Billable expense income account	Billable Expense Income	
<b>Categories</b>		Track classes <span>?</span>	<input checked="" type="checkbox"/>	
		<input checked="" type="checkbox"/> Warn me when a transaction isn't assigned a class		
		Assign classes		
		One to each row in transaction		
		Track locations <span>?</span>	<input type="checkbox"/>	
		<input type="button" value="Cancel"/> <input type="button" value="Save"/>		
<b>Automation</b>		Pre-fill forms with previously entered content	On	
		Automatically apply credits	On	
		Automatically invoice unbilled activity	Off	
		Automatically apply bill payments	On	
<b>Projects</b>		Organize all job-related activity in one place	On	

### Add Classes

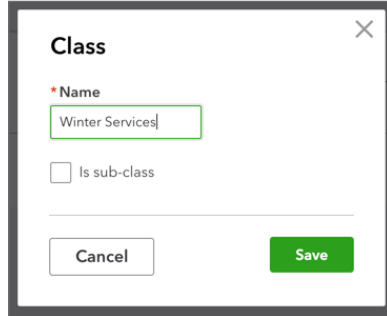
Now you'll add classes that apply to your business. You can add classes as you go, but it's a good practice to set them up in advance. To add classes, open the Class list.

1. Click the **Gear** icon.
2. Click **All Lists**.



3. Click **Classes**. QuickBooks displays the Class list.
4. Click **New**.
5. Enter the **Name** of the class.

6. Click **Save**.



The screenshot shows a 'Class' dialog box. At the top left is the title 'Class' and a close button (X). Below the title is a red asterisk followed by the label '\*Name'. A text input field contains the text 'Winter Services'. Below this is a checkbox labeled 'Is sub-class' which is currently unchecked. At the bottom of the dialog are two buttons: 'Cancel' on the left and 'Save' on the right.



**NOTE** QuickBooks Online allows you to setup sub-classes under classes. To do this add the new class and sub class enter it in the following format: Construction: Residential. The colon is required to identify the sub-class.

### *Tracking Classes on Transactions*

After setting up classes you must ensure that every transaction in QuickBooks includes a class. This means that every income or expense transactions must include a class. QuickBooks labels that transaction with the class you choose and then reports on classes in the Profit & Loss report.

### *Classing Sales Transactions*

After turning on classes you will see a class field on every transaction. Depending on your setting you may have one field for every transaction or you may see class on every line item on transactions. To track classes on sales transactions:

1. Click the **+ New** menu.
2. Click **Invoice**.
3. Enter the **details of the transaction as you normally would**.
4. Choose the **Class** on the transaction.

- Click **Save**. QuickBooks labels the transaction (sales amount) to be added to Class reports.

The screenshot shows the QuickBooks Invoice form. At the top right, the balance due is \$200.00. The main form includes fields for Customer (Blakey's Bin Liners), Customer email (blakeybins@example.ca), Billing address, Terms (Net 30), Invoice date (03/01/2020), and Due date (02/02/2020). A table of line items is visible, with the first item being 'Snow removal' for a quantity of 1, rate of 200, and amount of 200.00. A green arrow points to the 'CLASS' dropdown menu for this line item, which is currently set to 'Summer Services'. The dropdown menu is open, showing options for 'Summer Services' (00.00) and 'Winter Services' (\$0.00). At the bottom of the form, there are buttons for 'Cancel', 'Clear', 'Print or Preview', 'Make recurring', 'Customize', 'Save', and 'Save and close'.

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	SALES TAX	CLASS
1	Snow removal	Snow removal	1	200	200.00	Enter Text	Summer Services
2							

### Classing Expense Transactions

You'll add classes to expense and purchase transactions in the same way.

- Click the **+ New** menu.
- Click **Expense**.
- Enter the details of the transaction as you normally would.

- Choose the **Class** on the transaction.

**Expense** Take a tour Help

Payee: Bobcat Unlimited | Payment account: Mastercard | Balance \$2,940.00 | **AMOUNT \$630.00**

Payment date: 03/01/2020 | Payment method: What did you pay with? | Ref no.:

Amounts are: Exclusive of Tax

#	CATEGORY	DESCRIPTION	AMOUNT	SALES TAX	BILLABLE	CUSTOMER	CLASS
1	Subcontractors	Snow removal outsourced	600.00	GST	<input type="checkbox"/>	Enter Text	Winter Services
2							

Subtotal: \$600.00  
GST @ 5% on 600.00: 30.00  
Total: \$630.00

Buttons: Cancel, Clear, Print, Make recurring, Save, Save and close

- Click **Save**. QuickBooks labels the transaction (expense amount) to be added to Class reports.

## ▶ Class Reporting

This report shows how much you are making or losing within each segment of your business, as defined by the QuickBooks classes you have set up. To create a Profit and Loss by Class report:

- Click **Reports**.
- Scroll to **Business Overview**.
- Click **Profit and Loss by Class**.

The screenshot shows the QuickBooks interface for 'Green Tree Landscapes'. The left sidebar contains navigation options like Dashboard, Banking, Expenses, Invoicing, Projects, Employees, Reports (highlighted), Taxes, Mileage, Accounting, and My Accountant. The main area is titled 'Reports' and includes a search bar 'Find report by name'. Under the 'Business overview' section, a list of reports is displayed, including 'Profit and Loss by Class', which is highlighted with a green arrow.

QuickBooks displays the Profit and Loss broken down by classes.

Collapse Sort Add notes





Green Tree Landscapes

**PROFIT AND LOSS BY CLASS**  
January 1-3, 2020

	SUMMER SERVICES	WINTER SERVICES	TOTAL
▼ INCOME			
Sales	4,000.00	50,000.00	\$54,000.00
<b>Total Income</b>	<b>\$4,000.00</b>	<b>\$50,000.00</b>	<b>\$54,000.00</b>
<b>GROSS PROFIT</b>	<b>\$4,000.00</b>	<b>\$50,000.00</b>	<b>\$54,000.00</b>
▼ EXPENSES			
Freight and Delivery	-200.00		\$ -200.00
Rent or lease payments	3,000.00		\$3,000.00
Subcontractors	-474.00	600.00	\$126.00
<b>Total Expenses</b>	<b>\$2,326.00</b>	<b>\$600.00</b>	<b>\$2,926.00</b>
<b>PROFIT</b>	<b>\$1,674.00</b>	<b>\$49,400.00</b>	<b>\$51,074.00</b>



**NOTE** There is a **NOT SPECIFIED** column on the report. This means that these transactions have not been assigned a class. If you have a lot of information in this column it typically means that your reports will not be accurate. You should review these transactions and add a class to each one to ensure that each transaction include a class. To drill down on any transaction, click the amounts on the report.

Collapse Sort Add notes    

**Green Tree Landscapes**  
**PROFIT AND LOSS BY CLASS**  
January 1-3, 2020

	SUMMER SERVICES	WINTER SERVICES	NOT SPECIFIED	TOTAL
▼ INCOME				
Sales	4,000.00	50,000.00	2,000.00	\$56,000.00
<b>Total Income</b>	<b>\$4,000.00</b>	<b>\$50,000.00</b>	<b>\$2,000.00</b>	<b>\$56,000.00</b>
<b>GROSS PROFIT</b>	<b>\$4,000.00</b>	<b>\$50,000.00</b>	<b>\$2,000.00</b>	<b>\$56,000.00</b>
▼ EXPENSES				
Freight and Delivery	-200.00			\$ -200.00
Job Materials			0.00	\$0.00
Rent or lease payments	3,000.00			\$3,000.00
Subcontractors	-474.00	600.00	-3,799.00	\$ -3,673.00
<b>Total Expenses</b>	<b>\$2,326.00</b>	<b>\$600.00</b>	<b>\$ -3,799.00</b>	<b>\$ -873.00</b>
<b>PROFIT</b>	<b>\$1,674.00</b>	<b>\$49,400.00</b>	<b>\$5,799.00</b>	<b>\$56,873.00</b>

 To learn how to use class tracking watch this video: <https://youtu.be/fewOEzSRU4w>

## Budgets in QuickBooks

You can use a budget to estimate future income and expenses. Then, as time goes by, you can compare actual income and expense activity with your budget.

A basic budget includes a row for each of your income and expense accounts. There is a column for each month. Additionally, you can track an amount in the intersection of each row and column.

A subdivided budget lets you be even more specific about what you track. You can track monthly account amounts for each class, each department/location, or each customer.

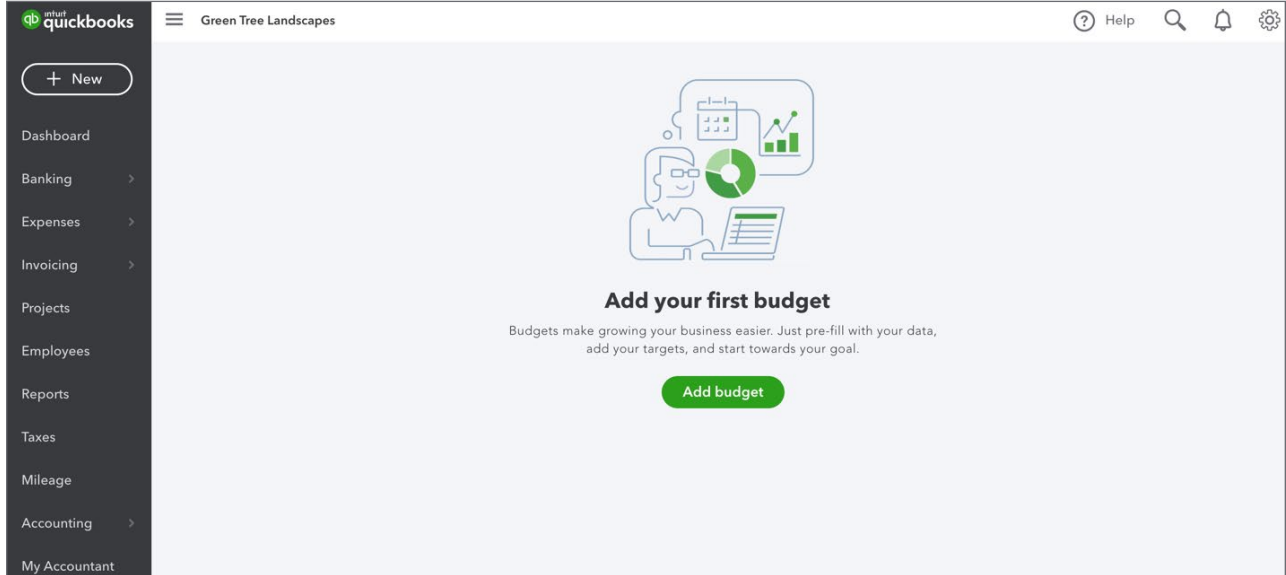


**NOTE** Budgets are only available in QuickBooks Online Plus.

To create a budget in QuickBooks:

1. Click the **Gear** icon.

2. Click **Budgeting**.



3. Click **Add budget**.

QuickBooks lets you create a budget in 2 different ways:

**Actual amounts from**—This method of budgeting will pull actual amounts from the selected period.

**No Amounts. Create budget from scratch**—You will create the budgets from scratch.

New Budget
✕

<b>Name *</b>	<b>Fiscal Year</b>	<b>Interval</b>	<b>Pre-fill data?</b>	<b>Subdivide by</b>
FY20	FY2020 (Jan 2020 - Dec 2020)	Monthly	No	Don't subdivide

ACCOUNTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
▼ INCOME													
Billable Expense Income													
Discounts													
Discounts given													
Refunds-Allowances													
Sales													
Sales of Product Income													
Shipping and Delivery Income													
Shipping Income													
Unapplied Cash Payment Inco...													
Uncategorized Income													
Uncategorized Income ( 9 )													
Total Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
▼ OTHER INCOME													
Interest earned													

Next



1. Enter a **Name** for your budget.
2. Choose the **Fiscal Year**.
3. Choose your **Interval**. This means the monthly, quarterly or other time periods for the budget.
4. Choose to **Pre-fill data**.
5. QuickBooks let you **subdivide** the budget by **Classes, Customers, or Location**. This is helpful when budgeting for large projects or locations.
6. Click **Save**.

FY 20 Budget by Department ✕

Name \*  
FY 20 Budget by Department

ACCOUNTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Total Income	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	1,200,000.00
▼ OTHER INCOME													
Interest earned													
Other Ordinary Income													
Other Portfolio Income													
Total Other Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
▼ COST OF GOODS SOLD													
Cost of Goods Sold	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	276,000.00
Cost of Labour - COS													
Freight and delivery - COS	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Inventory Shrinkage													
Legal and professional fees	3,000.00						1,500.00						4,500.00

**Save** ▼

 To learn how to setup budgets watch this video: <https://youtu.be/ISwgvuiRk-Y>

### Reporting on Budgets

QuickBooks includes two important reports for budgeting. To review your budget, you can create the Budget Overview report.

1. Click **Reports** and then click **Business Overview**.

2. Click **Budget Overview**.

Green Tree Landscapes		
BUDGET OVERVIEW: FY20 BY DEPARTMENT - FY20 P&L CLASSES		
January - December 2020		
	SUMMER SERVICES	TOTAL
Income		
Sales	48,000.00	\$48,000.00
<b>Total Income</b>	<b>\$48,000.00</b>	<b>\$48,000.00</b>
Cost of Goods Sold		
Cost of Labour - COS	120,000.00	\$120,000.00
Freight and delivery - COS	2,400.00	\$2,400.00
Subcontractors - COS	240,000.00	\$240,000.00
<b>Total Cost of Goods Sold</b>	<b>\$362,400.00</b>	<b>\$362,400.00</b>
GROSS PROFIT	\$ -314,400.00	\$ -314,400.00
Expenses		
Freight and Delivery	-200.00	\$ -200.00
Rent or lease payments	3,000.00	\$3,000.00
Subcontractors	-474.00	\$ -474.00
<b>Total Expenses</b>	<b>\$2,326.00</b>	<b>\$2,326.00</b>
NET OPERATING INCOME	\$ -316,726.00	\$ -316,726.00
NET INCOME	\$ -316,726.00	\$ -316,726.00

To view your progress against your budget, open the **Budget vs. Actuals** Report. This report compares the budgeted amount to the actual amount in income or expensed. QuickBooks also provides you with % of budget and amounts over budget.

Green Tree Landscapes											
BUDGET VS. ACTUALS: FY20 BY DEPARTMENT - FY20 P&L CLASSES											
January - December 2020											
	SUMMER SERVICES				WINTER SERVICES				NET		
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET	ACTUAL	BUDGET	
Income											
Sales	4,000.00	48,000.00	-44,000.00	8.33 %	50,000.00	50,000.00	2,000.00		2,000.00	\$0.00	
<b>Total Income</b>	<b>\$4,000.00</b>	<b>\$48,000.00</b>	<b>\$ -44,000.00</b>	<b>8.33 %</b>	<b>\$50,000.00</b>	<b>\$0.00</b>	<b>\$50,000.00</b>	<b>0.00 %</b>	<b>\$2,000.00</b>	<b>\$0.00</b>	
Cost of Goods Sold											
Cost of Labour - COS		120,000.00	-120,000.00								
Freight and delivery - COS		2,400.00	-2,400.00								
Subcontractors - COS		240,000.00	-240,000.00								
<b>Total Cost of Goods Sold</b>	<b>\$0.00</b>	<b>\$362,400.00</b>	<b>\$ -362,400.00</b>	<b>0.00 %</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00 %</b>	<b>\$0.00</b>	<b>\$0.00</b>	
GROSS PROFIT	\$4,000.00	\$ -314,400.00	\$318,400.00	-1.27 %	\$50,000.00	\$0.00	\$50,000.00	0.00 %	\$2,000.00	\$0.00	
Expenses											
Freight and Delivery	-200.00	-200.00	0.00	100.00 %							
Job Materials									0.00		
Rent or lease payments	3,000.00	3,000.00	0.00	100.00 %							
Subcontractors	-474.00	-474.00	0.00	100.00 %	600.00		600.00		-3,799.00		
<b>Total Expenses</b>	<b>\$2,326.00</b>	<b>\$2,326.00</b>	<b>\$0.00</b>	<b>100.00 %</b>	<b>\$600.00</b>	<b>\$0.00</b>	<b>\$600.00</b>	<b>0.00 %</b>	<b>\$ -3,799.00</b>	<b>\$0.00</b>	
NET OPERATING INCOME	\$1,674.00	\$ -316,726.00	\$318,400.00	-0.53 %	\$49,400.00	\$0.00	\$49,400.00	0.00 %	\$5,799.00	\$0.00	

## ▶ File Sales Taxes

Filing sales tax is a two-part process. First, prepare your sales tax return in QuickBooks. Second, close your filing period in QuickBooks and record the payment to the CRA.

### Step 1 - Prepare your return

1. In the navigation bar, click **Sales Tax**.
2. Click **Prepare Return**.

The screenshot displays the QuickBooks interface for a user named 'Green Tree Landscapes'. The main heading is 'Sales Tax'. A summary box shows the amount owed to the Canada Revenue Agency for the current period (January 1 - March 31, 2020) as \$2,383.70. The breakdown is as follows:

Canada Revenue Agency	
<b>\$2,383.70</b>	
January 1 - March 31, 2020	
CURRENT PERIOD	
Collected on sales	\$2,500.00
Paid on purchases	- \$116.30
Adjustment	\$0.00
	<b>\$2,383.70</b>

Below the summary, there are tabs for 'Filings' and 'Payments'. A 'New' button is visible. The 'To file' section shows a progress indicator with three steps: 1. Prepared, 2. Filed, and 3. Paid. A 'Prepare return' button is located at the end of the 'To file' section.

3. Edit the start date and the end date to match your tax period.

Prepare GST/HST return

Filing period: Quarterly | Start date: 01/10/2019 | End date: 31/12/2019 | Filing date: 15/01/2020

TAX DUE: **\$3,947.10**

[How to file a return](#)

### Goods and Services / Harmonized Sales Tax Return

Canada Revenue Agency

Green Tree Landscapes (Business account # 12526276RT0001)  
01/10/2019 - 31/12/2019

Accrual basis  
Filing date: 15/01/2020

Sales and other revenue.....	Line 101	\$98,241.00	
GST/HST collected or collectible.....	Line 103	\$4,912.05	Adjust
Adjustments (Sales).....	Line 104	\$0.00	Adjust
Total GST/HST and adjustments for period.....	Line 105	\$4,912.05	
Input tax credits (ITCs).....	Line 106	\$964.95	Adjust
Adjustments (Purchases).....	Line 107	\$0.00	Adjust
Total ITCs and adjustments.....	Line 108	\$964.95	
Net Tax.....	Line 109	\$3,947.10	
Installments and other annual filer payments.....	Line 110	\$0.00	

Print | Export

**Mark as filed**

4. Enter the **Filing Date**.
5. Click **Mark as Filed**.
6. Click **Continue**.

**All done?**

This will mark your return as filed and close the books for this GST/HST period. Transactions from this period that are changed later will show up in the GST/HST exception report.

Cancel **Continue**

7. Click **Record payment**.

**✓ Sales tax marked as filed**

If you paid this sales tax return, record a payment now to keep your books up-to-date.

Pay later **Record payment**

8. Choose your payment information including the account, payment date and payment amount.

9. Click **Record Payment** to pay the sales tax liability in QuickBooks.

**Sales tax payment**

PAYMENT TO: Canada Revenue Agency

PAYMENT FROM: Chequing

PAYMENT DATE: 03/01/2020

TOTAL PAYMENT: \$3,947.10

**Outstanding tax payments**

REMAINING BALANCE	FILING AMOUNT	FILING PERIOD	PAYMENT AMOUNT
<input checked="" type="checkbox"/> \$3,947.10	\$3,947.10	October 1 - December 31, 2019	3,947.10

Tax filings total: \$3,947.10  
 Remaining balance: \$3,947.10  
 Total payment: \$3,947.10

**Record Payment**



**NOTE** This does not record the sales tax payment with the CRA or Minister of Finance (or other provincial authority).

**Green Tree Landscapes**

Canada Revenue Agency

**\$2,383.70**

January 1 - March 31, 2020  
CURRENT PERIOD

Collected on sales	\$2,500.00
Paid on purchases	- \$116.30
Adjustment	\$0.00
<b>Total</b>	<b>\$2,383.70</b>

Filings | Payments

Open & filed returns

**To file**

<b>\$2,383.70</b> GST/HST	January 1 - March 31, 2020	1 Prepared	2 Filed	3 Paid	Prepare return
------------------------------	----------------------------	------------	---------	--------	----------------

**Filed**

<b>\$3,947.10</b> GST/HST	October 1 - December 31, 2019	✓ Prepared	✓ Filed	✓ Paid	View summary
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To learn how to file sales tax watch this video: <https://youtu.be/C1lhGG9Ssp8>

## ▶ Make Journal Entries

At the end of your fiscal year, QuickBooks automatically closes out your income and expense accounts and make the necessary adjustments to the Retained Earnings account. If you need to do additional journal entries, you can make them using the **Journal Entry** window.

1. Click the **+ New** menu.
2. Click **Journal Entry**.
3. Enter the **date**.
4. Enter the **Debit** and **Credit** amounts.
5. Enter any **memo**.
6. Repeat for each line of the entry.
7. Click **Save**.

**Journal Entry no.1**

**Currency**  
CAD Canadian Dollar ▼

**Journal date**  
02/01/2020

**Journal no.**  
1

	#	ACCOUNT	DEBITS (CAD)	CREDITS (CAD)	DESCRIPTION	NAME	SALES TAX	
	1	Prepaid expenses	100.00					
	2	Commissions and fees		100.00				
	3							
	4							
	5							
	6							
	7							
	8							

Cancel
Clear
Make recurring
Save
Save and new ▼