

## CHAPTER 1

### QUICKBOOKS ONLINE TEST-DRIVE

### INSTRUCTOR'S MANUAL

#### OBJECTIVES

1. Start the sample company, Craig's Design and Landscaping Services.
2. Tour QuickBooks Online (QBO) and the user interface.
3. View recent transactions and reports.
4. Create an invoice, sales receipt, bill, and write checks.
5. Export the Chart of Accounts to Excel.
6. Export reports to Excel and save as PDF files.
7. Display Management reports.
8. Complete Check Your Progress.
9. Review and complete the QuickBooks Resources and Activities.
10. Complete Exercises 1-1, 1-2, 1-3, and Certification Q&A practice tests..

#### SYSTEM REQUIREMENTS

To use QuickBooks Online (QBO), sign in with a web browser. You can access QBO from any PC or Mac with an Internet connection.

#### Recommended specs

- **Windows PC:** Windows 10, Intel Core i5 or comparable processor (2015 or newer) with at least 4 GB of RAM.
- **Mac:** OS X "Panther" 10.13 or newer.
- **Internet connection:** 3 Mbps or higher.

#### Supported Browsers

- Google Chrome, Mozilla Firefox (to preview and print forms on Mac OS, you'll need Firefox PDF plugin), Microsoft Edge, Apple Safari 11 or newer (Mac only)
- Mobile browsers: iPhone/iPad, Android smartphones and tablets, Microsoft Surface.

#### Other

For exporting reports to Excel, use Microsoft Excel 97 or later. Adobe for saving PDF files. The free Adobe Acrobat Reader is available at <https://get.adobe.com/reader/>

#### QBO Tips

- ❖ Start an Internet browser. Go online to <https://qbo.intuit.com/redir/testdrive>.
- ❖ Each time your students start the sample company, Craig's Design and Landscaping Services, security verification is required.
- ❖ Each time the sample company is started, a new session begins. Data is not saved.

- ❖ In Chapter 1, students complete Check Your Progress assignments and compare their results with the answers shown. In subsequent chapters, students provide Check Your Progress answers.
- ❖ Before students start Exercise 1-1, the authors suggest they sign out of QBO. Then, students log into a new session of QBO *before* starting Exercise 1-1. Students complete Exercise 1-1's transactions and continue with Exercise 1-2. Students should not log out until Exercises 1-1, 1-2 are completed.

## QUICKBOOKS RESOURCES AND ACTIVITIES

**Connect:** One or more of the following may be assigned for auto-grading and feedback.

1. Multiple-choice and true or false questions.
2. Analysis question(s).
3. Check Your Progress.
4. Chapter work and end-of chapter exercises.
5. Problem solving.
6. Certification Q&A.
7. Test Bank.
8. Additional student resources.

## Additional Student Resources (ASR)

The following resources can be found on the ASR page in Connect's eBook. If students are not using Connect, the professor provides students with a URL to access the ASR page.

1. Access QBO Sign Up.
2. Narrated PowerPoints.
3. QBO Videos.
  - a. [Get started with QuickBooks](#)
  - b. [Use QuickBooks Shortcuts](#)
  - c. [Explore videos](#).
4. Text Updates.

## INSTRUCTOR RESOURCES AND ADDITIONAL STUDENT RESOURCES

- Intuit Educator Portal
- Instructor's Manual for Chapters 1-12.
- Excel Reports and PDF Reports: Reports are exported to Excel and saved as PDF files in each chapter. Refer to the **Files Saved in Chapter 1** chart on Instructor's Manual page 11.
- Certification Information
- QBO Access, System Requirements, Technical Support, and Resources
- Syllabi

- Test Bank for Chapters 1-12
- Using Accountant Version and Certification for Professors
- Instructor preview for Connect assignments—Multiple-choice and True False quizzes, Analysis Questions, Check Your Progress, Chapter work and End-of-Chapter Exercises, Problem Solving, Certification Q&A quiz. Connect assignments are auto-graded.
- Additional Student Resources online include Narrated PowerPoints, QBO Videos, and Text Updates. The PowerPoints include links to videos.

To access the Instructor's Resources, contact the school's McGraw-Hill Learning Technology Representative at <https://shop.mheducation.com/store/paris/user/findltr.html>.

## ANSWERS ANALYSIS QUESTIONS

The Analysis questions and answers are shown below, and are included within Connect's Instructor login. Within Connect, students' responses are auto-graded.

1. Define the chart of accounts and its categories. How do accounting textbooks define the chart of accounts?

ANSWER:

The Chart of Accounts is a complete list of a business's accounts and their balances. QBO includes the Account name, Type (for financial statement classification), the Detail Type (account subcategory), and Balance.

The chart of accounts includes two categories of accounts:

- **Balance Sheet** accounts: In QBO, these types of accounts reflect what you own and what you owe, like Bank, Credit Card, Assets, Liabilities, Accounts Receivable, Accounts Payable and Equity.
- **Income and expense accounts**: These are categories for tracking how money flows in and out of your company.


In accounting textbooks, the term Chart of Accounts is defined as a list of all the accounts used in the General Ledger. Accounts are used to classify transaction information for reporting purposes.

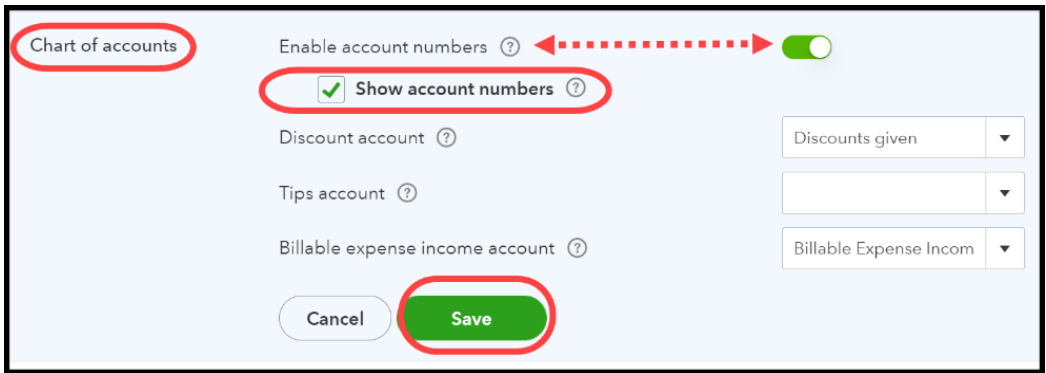
2. What do you select to add account numbers to the Chart of Accounts?


ANSWER:

Adding account numbers is a two-step process.



- a. Go to  > Account and settings > Advanced > in the Chart of accounts area, click on the pencil icon to Enable account numbers and Show account numbers > Save > Done.



- b. After saving, then selecting <Done> on the Advanced Settings page, click  > Chart of Accounts > View Register > Edit > type the account number in the Number field.

3. What numbering system is used for the Chart of Accounts? Complete the following chart.

Numbers	Type
1000s	Assets
2000s	Liabilities
3000s	Equity
4000s	Income
5000s	Cost of Sales
6000s	Expenses

**ANSWERS MULTIPLE-CHOICE AND TRUE FALSE QUESTIONS**

The multiple-choice and true false quizzes are within Connect. The answers are shown below and within Connect’s Instructor login. Within Connect, students’ responses are auto-graded.

1. The following Internet browsers can be used with QB Online:
- a. Microsoft Edge.
  - b. Firefox.
  - c. Google Chrome.
  - d. Safari.
  - e. All of these.

2. To start QuickBooks Online, you need to:
  - a. Insert a software DVD into the drive.
  - b. Go to your hard drive to install software.
  - c. Insert a USB flash drive.
  - d. Start your Internet browser.**
  - e. None of these.
3. When you start the test-drive, you need to:
  - a. Complete security verification.**
  - b. Select the back button.
  - c. Select Start to access the software.
  - d. Install the desktop software.
  - e. All of these.
4. The central place for getting an overview of the company is called the:
  - a. Taskbar.
  - b. Tabs.
  - c. Dashboard.**
  - d. Vendors page.
  - e. All of these.
5. From the + New icon, you can:
  - a. Create an invoice.
  - b. Create a sales receipt.
  - c. Enter a bill.
  - d. Write a check.
  - e. All of these.**
6. Use this icon to search transactions.
  - a. Gear.
  - b. Magnifying-glass.**
  - c. Question mark.
  - d. Plus sign.
  - e. None of these.
7. To navigate the user interface, select:
  - a. Sales.
  - b. Expenses.
  - c. Payroll.
  - d. Reports.

- e. **All of these.**
8. A list of all the accounts used in the General Ledger is called a:
- a. Balance Sheet.
  - b. Journal.
  - c. **Chart of Accounts.**
  - d. Trial Balance.
  - e. Profit and Loss Statement.
9. QBO's Dashboard displays one or more of the following:
- a. Bar and pie charts.
  - b. Line graphs.
  - c. Data metrics and visualization.
  - d. Current bank accounts.
  - e. **All of these.**
10. In which of the following areas, is the Chart of Accounts located?
- a. **Gear list.**
  - b. Customers.
  - c. Vendors.
  - d. Banking.
  - e. Apps.

**True or False:** The True or False questions are within Connect.

11. The QuickBooks Online (QBO) sample company is Bellflower Landscaping.

**False. Craig's Design and Landscaping Services.**

12. QBO can be used on Windows and Mac operating systems.

**True.**

13. Since QBO is web-delivered, you need an Internet connection.

**True.**

14. Each time you log into the sample company, a new session starts.

**True**

15. A chart of accounts is a list of all the accounts used by a company showing identifying numbers assigned to each account.

**True.**

16. The user interface is the link between a user and the software.

**True.**

17. When the Management report Company Overview is selected, the general ledger is shown.

**False. Profit and Loss and Balance Sheet are displayed.**

18. When the Management report Sales Performance is selected, the A/R Aging Detail is displayed.

**True**

19. One way to add an invoice is to click on the gear icon.

**False. Click on the + New icon.**

20. The Journal report shows every transaction during a period of time and includes debits and credits.

**True**

### **Exercise 1-1**

Students complete 12 transactions. They should continue with Exercises 1-2, 1-3, and 1-4 before signing out.

### **Exercise 1-2**

In Exercise 1-2, students export the Journal, Transaction Detail by Account, and Trial Balance to Excel.

**Journal Report:** The Excel report shows the 12 transactions recorded in Exercise 1-1. Go to Instructor Resources > Excel Reports. The Journal shows the date that students entered the transactions. The default date is This Month-to-date.

**Transaction Detail by Account:** The Excel report lists transactions subtotaled by each account on the chart of accounts. It is like the General Ledger without opening balances.

**Trial Balance:** The Excel report shows the Trial Balance after students record the 12 transactions in Exercise 1-1. The Instructor Resources include the Excel Reports saved. Display the trial balance for the dates students used for the Exercise 1-1 transactions.

Exercise 1-2 includes the following Check Your Figures amounts:

#### **Check Figures:**

Checking	1,439.58
Accounts Receivable	6,965.72
Accounts Payable	2,895.61
Design Income	3,225.00
Advertising	324.86



These account balances are based on starting the sample company with Exercise 1-1.  
Depending on when you signed into the test-drive, your balances may differ. All Dates was selected for the Trial Balance.

**Exercise 1-3: Problem Solving**

Exercise 1-3 Problem Solving is available within Connect. Student responses are auto-graded within Connect.

- 1. Display Craig’s Design and Landscaping Services Chart of Accounts.

Display the test drive’s chart of accounts: <https://qbo.intuit.com/redir/testdrive> > Gear > Chart of Accounts.

- 2. How do the View register accounts differ from the Run report accounts? Include information about financial statements in your answer.

The View register accounts show their Chart of Accounts balances. The View register accounts are also called permanent accounts and appear on the Balance Sheet. The Run report accounts do not show balances and are called temporary accounts. Temporary accounts appear on QBO’s Profit & Loss (also called the Income Statement). The Run report accounts are closed at the end of the year.

- 3. When through, sign out.

**Certification Q&A Practice Text**

Certification Q&A multiple-choice questions are available within Connect. For this chapter, the certification practice test is mapped to these exam objectives: QuickBooks Online Administration, Sales and Money In, Vendors and Money Out, Basic Reports and Views. Refer to QBO Certified User\_Exam Objectives.pdf.







**FILES SAVED IN CHAPTER 1**

In Chapter 1, these files are exported to Excel and saved as PDFs. Instructors may want students to add their names to file names shown below.










Chapter/Exercise	Excel and PDF	Page No.
1	Chapter 1_CofA_sample company_Student Name.xlsx	20
	Chapter 1_CofA_sample company_Student Name.pdf	20
1-2	Exercise 1-2_Journal.xlsx	48
	Exercise 1-2_Journal.pdf	48
	Exercise 1-2_Transaction Detail by Account.xlsx	48

Exercise 1-2_Transaction Detail by Account.pdf	48
Exercise 1-2_Trial Balance.xlsx	49
Exercise 1-2_Trial Balance.pdf	49

Instructor Resources includes PDF Reports and Excel Reports. The file names are the same as what is shown in the textbook, and are listed in alphabetic order. Scroll down the page to see both Chapter reports and Exercise reports.

 Chapter 1_CofA_sample company_Student Name.pdf	Microsoft Edge PDF Document
 Chapter 2_Chart of Accounts.pdf	Microsoft Edge PDF Document
 Chapter 3_Oct 1 to Oct 17_Balance Sheet.pdf	Microsoft Edge PDF Document
 Chapter 3_Oct 1 to Oct 17_Journal.pdf	Microsoft Edge PDF Document
 Chapter 3_Oct 1 to Oct 17_Profit and Loss.pdf	Microsoft Edge PDF Document
 Chapter 3_Oct 1 to Oct 17_Trial Balance.pdf	Microsoft Edge PDF Document

Scroll down for exercises.

 Exercise 1-2_Journal.pdf	Microsoft Edge PDF Document
 Exercise 1-2_Transaction Detail by Account.pdf	Microsoft Edge PDF Document
 Exercise 1-2_Trial Balance.pdf	Microsoft Edge PDF Document
 Exercise 2-2_Chart of Accounts.pdf	Microsoft Edge PDF Document
 Exercise 3-2_October Balance Sheet.pdf	Microsoft Edge PDF Document
 Exercise 3-2_October Journal.pdf	Microsoft Edge PDF Document
 Exercise 3-2_October Profit and Loss.pdf	Microsoft Edge PDF Document
 Exercise 3-2_October Trial Balance.pdf	Microsoft Edge PDF Document
 Exercise 3-2_Vendor Contact List.pdf	Microsoft Edge PDF Document

For access to the Instructor Resources, professors should contact their McGraw-Hill Learning Technology Representative at <https://shop.mheducation.com/store/paris/user/findltr.html>.