Preface

*Accounting Fundamentals with QuickBooks Online Essentials Edition* teaches you how to use the Internet-based accounting program QuickBooks Online Essentials. Internet-based software means the QuickBooks Online Essentials software and its data are stored “in the cloud” on web servers. Working in the cloud means your work is always up-to date and accessible if you have an Internet connection. In this book, you will sign up for a free trial of QuickBooks Online Essentials 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 15-20 hours to complete. Try to set aside those hours within the free trial period. If you decide to extend QuickBooks Online Essentials beyond the free trial, there is a monthly subscription fee (at time of printing $26.95/month).

Accounting Fundamentals with QuickBooks Online Essentials is designed for straightforward service-based businesses with broadband connections. Up to 3 users plus your accountant can use it. Or, if a more robust business program is needed, Intuit also offers QuickBooks Online Plus with Payroll for a monthly subscription fee (at printing $71.15/month). Plus is a 5 user plus your accountant program with more features to create invoices, print checks, handle inventory, or track payments, income and expenses.

### Browser Requirements

If you can access QuickBooks Online Essentials' website at [http://quickbooks.com](http://quickbooks.com) you already have what is needed – a computer, a browser, and a modem. Continuous high-speed Internet access is recommended. QuickBooks Online Essentials does work using any Internet access, although processing time can be slow. Minimum
browser requirements are Internet Explorer 10, Firefox, Safari 6.1, or Chrome. Also accessible using Chrome for Android and Safari on iOS7 but not all QuickBooks Online features are available on the mobile versions.¹

**Software Integration Requirements**

QuickBooks Online Essentials Edition uses Pop-ups to access their online website. If your computer does not allow pop-ups, you will be prompted to enable pop-ups. To use QuickBooks Online Essentials’ export to excel feature you need Excel 97 or later on your computer.

**Contents**

The text has Five chapters, three case problems and two appendices:

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

Each Chapter includes:

- Objectives
- Step-by-step instructions with screen captures
- Transactions and reports
- Check your progress exercises

¹ For more system requirement details, access the link to QuickBooks Online Edition’s home page at qbo.intuit.com

Text and screen variations may occur since web-based software products backup and upgrade automatically.
In *Accounting Fundamentals with QuickBooks Online Essentials* you learn how to set up a service business. When you finish this book, you will have a working familiarity with QuickBooks Online Essentials Edition, a cloud computing-based accounting program.

**Chapter 1: Accessing QuickBooks Online Essentials 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 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 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, 20YY.
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.

Appendix A: Review of Accounting Principles

Appendix B: How to Cancel Subscription