

# Preface

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**W**elcome to QuickBooks 2005 Bible — a comprehensive source that discloses pretty much everything you need to know about QuickBooks. Most QuickBooks users concur it's helpful to be told how to perform an accounting function — but it's invaluable when someone also reminds you when and why to perform it, particularly if you're not a seasoned accountant. And if you are an accounting maven, this book is also written with you in mind. It provides legal analysis and coverage of advanced features

## Why This Book Is Essential to Your Business

Most entrepreneurs don't give it much thought, but as your business (or any business) grows, it faces three issues unrelated to producing the goods and services it sells. This inevitable trilogy of headaches includes legal, accounting, and marketing decisions. If your small business is like most, you probably cannot afford to call on expensive professionals whenever you'd like. You need to be able to handle as many of these issues as possible on your own. And besides, many business issues are so interrelated that they defy attempts at delegation. This book recognizes that QuickBooks is not used in a vacuum; everyone in a small business environment needs to know a little bit about what everyone else does. And if you are the owner, you need an aerial view of all the issues.

QuickBooks XP Bible is designed to give you valuable background in the accounting and legal concepts that help you optimize the value of the software. For example, you may not be inclined to go to the library to research the different types of business entities, or have the funds to hire a professional advisor at the start. But QuickBooks asks you to enter your choice of business entity at the outset, and you need enough background to take a decent stab at the question. QuickBooks XP Bible comes to your rescue in this and similar scenarios.

## Who Should Read This Book

Every book makes some assumptions about its readers. You might be interested in knowing what I've assumed about you:

- ◆ You are familiar with Windows and Windows-based software programs, and you understand how to perform such basic operations as opening files and maneuvering through them.

- ◆ Although you may not be the owner of the business, you have some sort of personal stake in its ongoing health and financial vitality, even if that stake extends only as far as your own job. Hence, the repeated references to “your” company or “your” business.
- ◆ The purchasers of this book, as a group, have widely varying levels of familiarity with accounting concepts. Some have never heard the term balance sheet, whereas others have spent a good part of their lives producing and analyzing them. This book is intended to give background information to the novice and added insight to the expert.
- ◆ Everyone reading this book has a competent tax advisor, even if that advisor is yourself. Federal and state taxation are areas that require years of study to attain a level of competence. This book can’t make you a tax expert if you aren’t one already, but it will identify the issues to raise with your tax advisor (or for you to think about if you are one).
- ◆ You are buying this book because you want to learn about accounting concepts relevant to your business, not about accounting in general. For example, if you are a restaurant doing a cash trade, you don’t want to have to wade through a chapter on accounts receivable—it has no relevance to your business or your life. In fact, I don’t think a single person out there actually intends to read this book cover to cover. Taking that into account, each chapter is written as a stand-alone reference source. I try to give information to you on a need-to-know basis. In instances where you do need some background from another chapter, cross references direct you to the information.

## Helpful Icons

This book uses four types of icons as visual cues to annotate the contents of the text:



You’ll see this icon any time an accounting term is introduced that might not be familiar to a layperson. Generally, the concept also is defined in the glossary at the end of the book.



This icon warns you when to watch out or when to take particular care when performing a procedure.



Most people won’t read this book cover to cover, but will instead zero in on the chapter or information they need. This icon tells you that information relevant to the topic you’re reading about is located elsewhere in the book.



This icon offers an aside or extra information about a topic.



This is perhaps the most important icon. It signals the kind of information that saves you time, money, and aggravation.

# How to Find What You Need in This Book

If I have done my job right, this book will be your ultimate reference source. The initial chapters are intended to give you an overview of the system and get you up and running as quickly and painlessly as possible; they're written with the assumption that you'd rather be working on the system than reading about it. Subsequent chapters are divided according to accounting function so you can tailor your reading to the character and needs of your business. Advanced legal and accounting topics are also given thorough treatment in their own chapters, so as to not bog down the reader who's trying to catch the basics or bore the more sophisticated professional with the introductory.

Part I: The QuickBooks System is calculated to give insight into the logic and structure of the program.

Part II: Establishing Your Own QuickBooks Business attempts to address all the obstacles you need to overcome in both the start of a new business and the introduction of a new accounting system.

Part III: Preferences and Data Management covers those features available for customizing and optimizing your QuickBooks accounting system and maintaining the integrity and security of stored data.

Part IV: Managing Your Business with QuickBooks introduces you to the program features that keep you in control of the day-to-day operations of the business.

Part V: Payroll and Taxes covers the range of knowledge necessary to pay your employees and track taxes attributable to them. It also covers sales taxes.

Part VI: Banking and Credit Card Transactions contains everything you need to know about online banking, bill payment, and credit card transactions.

Part VII: Analyzing Business Performance provides an aerial view of business performance to high-flying entrepreneurs.

In addition, the appendixes guide you through the installation process, discuss how to download tax forms from the Internal Revenue Service Web site, and provide you with contact information for the various Internal Revenue Service Centers.

# How to Reach the Author

If you have comments about the book, I encourage you to e-mail me at [taxtalks@wi.rr.com](mailto:taxtalks@wi.rr.com). Your input will be gratefully received and will provide a great service to readers of future editions.

# Acknowledgments

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