

Introduction

I think that running or working in a small business is one of the coolest things a person can do. Really. I mean it. Sure, sometimes the environment is dangerous — kind of like the Old West — but it's also an environment in which you have the opportunity to make tons of money. And it's also an environment in which you can build a company or a job that fits you. In comparison, many brothers and sisters working in big-company corporate America are furiously trying to fit their round pegs into painfully square holes. Yuck.

You're wondering, of course, what any of this has to do with this book or with QuickBooks. Quite a lot, actually. The whole purpose of this book is to make it easier for you to run or work in a small business by using QuickBooks.

About QuickBooks

Let me start off with a minor but useful point: QuickBooks comes in several different flavors — QuickBooks Basic, QuickBooks Pro, QuickBooks Premier, and QuickBooks Premier: Accountants Edition.

This book, however, talks about QuickBooks Premier.

Does this mean that I've somehow left you adrift if you've got one of these other flavors? No way. I wouldn't do that to you. QuickBooks Premier is a superset of QuickBooks Basic and QuickBooks Pro, so by describing how you use QuickBooks Premier, I also tell you how to use the other flavors of QuickBooks.

What's more, for the readers of this book, there's no discernible difference between QuickBooks Premier and QuickBooks Pro. You aren't reading this book to prepare for the CPA exam, right? Right. The extra whistles and bells that make QuickBooks Premier, well, *premier* are all things that only accountants care about: remote access to QuickBooks and your QuickBooks data, reversing general entries, extra security for general ledger closings, and so on. So I don't really talk about these things.



The bottom line? Yes, there are several flavors of QuickBooks, but if you're just trying to get started and want to use QuickBooks, this book works for QuickBooks Basic, QuickBooks Pro, and QuickBooks Premier.

About This Book

This book isn't meant to be read from cover to cover like some *Harry Potter* page-turner. Instead, it's organized into tiny, no-sweat descriptions of how you do the things you need to do. If you're the sort of person who just doesn't feel right not reading a book from cover to cover, you can, of course, go ahead and read this thing from front to back. You can start reading Chapter 1 and continue all the way to the end (which means through Chapter 22 and the appendixes).



I actually don't think this from-start-to-finish approach is bad because I tell you a bunch of stuff (tips and tricks for example) along the way. I tried to write the book in such a way that the experience isn't as rough as you might think, and I really do think you get good value from your reading.

But you also can use this book like you would use an encyclopedia. If you want to know about a subject, you can look it up in the table of contents or the index. Then you can flip to the correct chapter or page and read as much as you need or enjoy. No muss, no fuss.

I should, however, mention one thing: Accounting software programs require you to do a certain amount of preparation before you can use them to get real work done. If you haven't started to use QuickBooks yet, I recommend that you read through the first few chapters of this book to find out what you need to do first.



Hey. There's something else I should tell you. I have fiddled a bit with the Windows display settings. For example, I've noodled around with the font settings and most of the colors. The benefit is that the pictures in this book are easy to read. And that's good. But the cost of all this is that my pictures look a little bit different from what you see on your screen. And that's not good. In the end, however, what the publisher found is that people are really happier with increased readability. Anyway, I just thought I should mention this here, up front, in case you have any questions about it.

Oh yeah, another thing I did was remove what QuickBooks calls its Open Window list from the left edge of the QuickBooks program window. I did this to enlarge the windows that you work with and into which you enter data. (You turn the Open Window list off and on by choosing View⇨Open Window List.)

What You Can Safely Ignore

Sometimes I provide step-by-step descriptions of tasks. I feel very bad about having to do this. So to make things easier for you, I describe the tasks by using bold text. That way, you know exactly what you're supposed to do. I

also provide a more detailed explanation in the text that follows the step. You can skip the text that accompanies the step-by-step boldface directions if you already understand the process.

Here's an example that shows what I mean:

1. Press Enter.

Find the key that's labeled Enter (Windows) or Return (Mac). Extend your index finger so that it rests ever so gently on the Enter key. In one sure, fluid motion, press the Enter key with your index finger. Then remove your finger from the key.

Okay, that example is kind of extreme. I never actually go into that much detail. But you get the idea. If you know how to press Enter, you can just do that and not read further. If you need help — maybe with the finger part or something — just read the nitty-gritty details.



Can you skip anything else? Let me see now. . . . You can skip the Technical Stuff icons, too. The information next to these icons is really only for those of you who like that kind of stuff.



For that matter, I guess that you can safely ignore the stuff next to the Tip icons, too — even if the accumulated wisdom, gleaned from long hours slaving over a hot keyboard, can save you much weeping and gnashing of teeth. If you're someone who enjoys trying to do something another way, go ahead and read the tips.



Sometimes, I use made-up examples (along with examples from my own experience) to help you understand how some topic or area of QuickBooks helps you and your business. This is just my way of continuing the giving. But sure, you can skip these.

What You Should Not Ignore (Unless You're a Masochist)



Don't skip the Warning icons. They're the ones flagged with the picture of the nineteenth-century bomb. They describe some things that you really shouldn't do.

Out of respect for you, I'm not going to put stuff such as *Don't smoke!* next to these icons. I figure that you're an adult. You can make your own lifestyle decisions. So I'm reserving the Warning icons for more urgent and immediate dangers — things akin to *Don't smoke while you're filling your car with gasoline.*



This icon is a friendly reminder to do something. Not to be too pushy, but it's probably not a good idea to ignore these babies.

Three Foolish Assumptions

I'm making three assumptions:

- ✓ You have a PC with Microsoft Windows 95 or later or Windows NT 4.0 or higher. (I took pictures of the QuickBooks windows and dialog boxes while using Windows XP, in case you're interested.)
- ✓ You know a little bit about how to work with your computer.
- ✓ You have or will buy a copy of QuickBooks, QuickBooks Pro, or QuickBooks Premier for each computer on which you want to run the program.



Personally, I use QuickBooks Premier, so this book includes some features unique to the Premier version of QuickBooks. If you're trying to decide which version to buy, I should tell you that QuickBooks Pro and Premier include networking capabilities (which I describe in Appendix C) and the ability to create estimates (which I describe in Chapter 16). The standard version of QuickBooks doesn't include these features.



This book works for QuickBooks 2006, although in a pinch you can probably also use it for QuickBooks 2005 or 2007. (I've got to say, however, that if you have QuickBooks 2005, you might instead want to return this book and trade it in for *QuickBooks 2005 For Dummies* by yours truly, published by Wiley.)

By the way, if you haven't already installed QuickBooks and need help, refer to Appendix A, which tells you how to install QuickBooks in ten easy steps. And if you're just starting out with Microsoft Windows, peruse Chapter 1 of the Windows User's Guide or one of these books on your flavor of Windows: *Windows 2000 Professional For Dummies*, *Microsoft Windows Me For Dummies*, or *Windows XP For Dummies*, 2nd Edition, all by Andy Rathbone (and all published by Wiley).

How This Book Is Organized

This book is divided into five mostly coherent parts.

Part I: Quickly into QuickBooks

Part I covers some upfront tasks that you need to take care of before you can start using QuickBooks. I promise I don't waste your time here. I just want to make sure that you get off on the right foot.

Part II: Daily Entry Tasks

The second part of this book explains how you use QuickBooks for your daily financial record keeping: preparing customer invoices, recording sales, and paying bills — that kind of stuff.

Just so that you know, you'll be amazed at how much easier QuickBooks will make your life. QuickBooks is a really cool program.

Part III: Stuff You Do from Time to Time

Part III talks about the kinds of things that you should do at the end of the week, the end of the month, or the end of the year. This part explains, for example, how you print checks, explore QuickBooks online resources, do payroll, and create a business budget.

While I'm on the subject, I also want to categorically deny that Part III contains any secret messages that you can decipher by reading backward. Yllaer.

Part IV: Housekeeping Chores

Part IV talks about some of the maintenance that you need (or someone needs) to perform to keep your accounting system shipshape: account reconciliations, financial report generation, job costing mechanics, file management — and oh yes, fixed assets accounting.

Part V: The Part of Tens

Gravity isn't just a good idea; it's a law.

By tradition, the same is true for this part of a *For Dummies* book. The Part of Tens provides a collection of lists: ten things you should do if you own a business, ten things to do when you next visit Acapulco — oops, sorry about that last one. Wrong book.

Also by tradition, these ten-item lists don't need to have exactly ten items. You know the concept of a baker's dozen, right? You order a dozen doughnuts but get 13 for the same price. Well, *For Dummies* ten-item lists have roughly ten items. (If the Dummies Man — the bug-eyed, paleface guy suffering from triangle-shaped-head syndrome who appears on the cover of this book and on icons throughout these pages — were running the bakery, a 10-doughnut order might mean that you get anywhere from 8–13 doughnuts.) Do you believe that I'm an accountant? So exacting that it's scary.

Part VI: Appendixes

An unwritten rule says that computer books have appendixes, so I include three. Appendix A tells you how to install QuickBooks in ten easy steps. Appendix B explains small business accounting, provides a short biography of an Italian monk, and explains double-entry bookkeeping. Appendix C describes how to set up QuickBooks for use by multiple users — and for multiple users on a network. Yikes.

Conventions Used in This Book

To make the best use of your time and energy, you should know about the conventions that I use in this book.

When I want you to type something such as **with a stupid grin, Martin watched the tall blonde strut into the bar and order grappa**, it's in bold letters. When I want you to type something that's short and uncomplicated, such as **Jennifer**, it still appears in boldface type.

Except for passwords, you don't have to worry about the case of the stuff you type in QuickBooks. If I tell you to type **Jennifer**, you can type **JENNIFER** or you can follow poet e. e. cummings' lead and type **jennifer**.

Whenever I tell you to choose a command from a menu, I say something like, *Choose Lists⇨Items*, which simply means to first choose the Lists menu and then choose Items. The ⇨ separates one part of the command from the next part.

You can choose menus and commands and select dialog box elements with the mouse. Just click the thing you want to select.

While we're on the subject of conventions, let me also mention something about QuickBooks conventions because it turns out that there's not really any good place to point this out. QuickBooks doesn't use document windows the same way that other Windows programs do. Instead, it locks the active window into place and then displays a list of windows in its Navigator pane, which is like another little window. To move to a listed window, you click it.



You can tell QuickBooks to use windows the way that every other program does, however, by choosing View⇨Multiple Windows. (I did this in chapters to make the figures bigger and, therefore, easier for you to read.) You can even remove the Navigators pane by choosing View⇨Open Window List. (You can also move the other locked pane, which lists windows and is called the Shortcuts list, by choosing View⇨Shortcut List.)

Like many computer books, this book uses *icons*, or little pictures, to flag details that don't quite fit into the flow of things.