

The QuickBooks™ Client Newsletter

Helping You Grow a Profitable Business with QuickBooks™ Software



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How QuickBooks Helps You Accelerate Receivables

Getting paid by your customers in a timely fashion is one of the biggest challenges of being a business owner. QuickBooks can help in several ways.

You are meeting your sales goals. You are keeping inventory balanced. You also are making sure that every billable hour gets invoiced; taking advantage of vendor discounts. Basically, you are doing everything in your power to keep cash flow humming.

But you cannot control how quickly your customers pay you.

You *can*, though, use QuickBooks' tools to:

- Make it easier for customers to remit their payments,
- Remind customers about unpaid balances, and
- Keep a close eye on unpaid invoices.

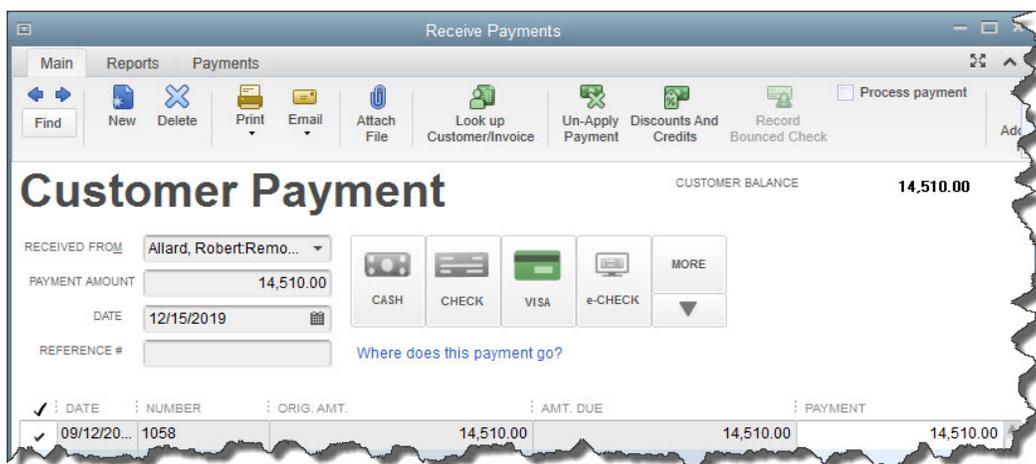


Figure 1: QuickBooks lets you accept payments from customers in multiple forms. Accepting credit cards and e-checks is likely to speed up your receivables.

Process Plastic

You can, of course, offer customers a discount for paying early. That may work in some cases. But accepting credit cards and e-checks is likely to be more effective. It also has other positive impacts on your business, including:

A more professional image: What do *you* think when you purchase goods or services from a business that doesn't accept credit cards? In 2015, this is unusual. It may make customers wonder why. And you work too hard to preserve your reputation to give anyone reason to question your standing.

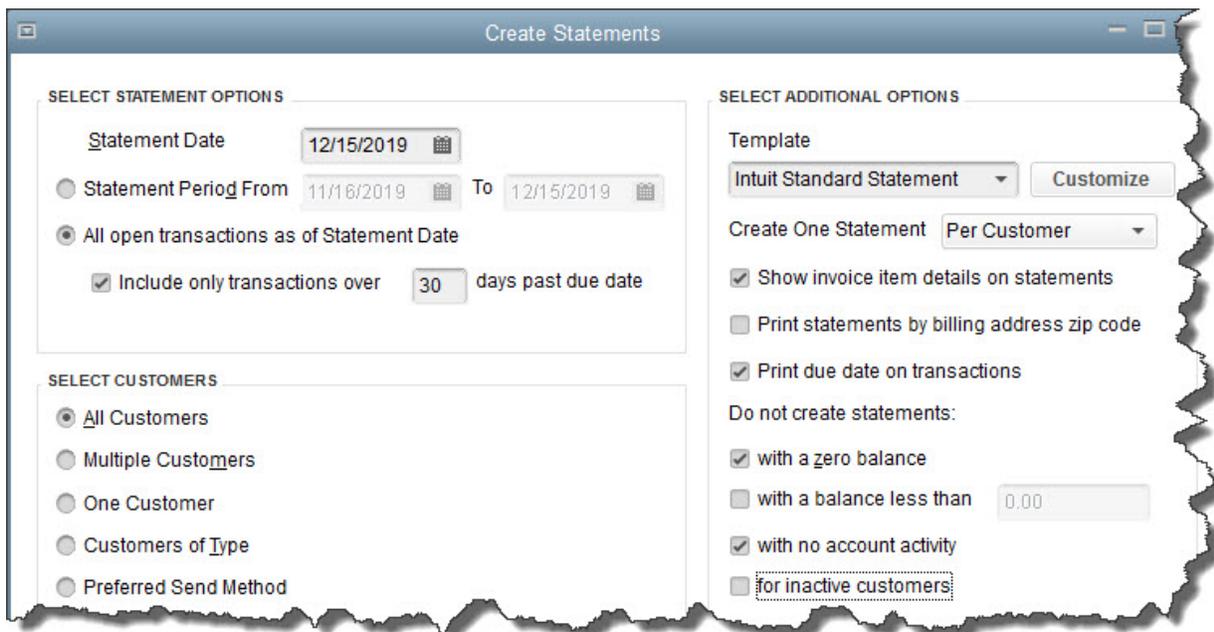
Time savings for you: How much time do you spend logging checks and running to the bank with deposits? It is must faster to simply record a credit card payment.

Convenience and goodwill for customers: Your customers will appreciate the time that *they will* save, which translates to a feather in your cap.

There *are* extra costs associated with setting up what is called a "merchant account." And you will have to learn how to set up an account and process payments. But once you have done so, you will be able to invoice customers in QuickBooks and let them pay immediately by credit card. If you ever have occasion to accept payments out of the office, you will be able to use your smartphone or tablet to accept them.

We would like to see you take this positive step for your business, so let us know when you are ready. We will help with setup and implementation.

Send Statements



The screenshot shows the 'Create Statements' window in QuickBooks. It is divided into two main sections: 'SELECT STATEMENT OPTIONS' and 'SELECT ADDITIONAL OPTIONS'.
SELECT STATEMENT OPTIONS:
- Statement Date: 12/15/2019
- Statement Period From: 11/16/2019 To: 12/15/2019
- Radio buttons: 'All open transactions as of Statement Date' is selected.
- Checkboxes: 'Include only transactions over 30 days past due date' is checked.
SELECT CUSTOMERS:
- Radio buttons: 'All Customers' is selected.
SELECT ADDITIONAL OPTIONS:
- Template: 'Intuit Standard Statement' with a 'Customize' button.
- Create One Statement: 'Per Customer' dropdown.
- Checkboxes: 'Show invoice item details on statements', 'Print due date on transactions' are checked. 'Print statements by billing address zip code' is unchecked.
- Do not create statements: 'with a zero balance', 'with no account activity' are checked. 'with a balance less than 0.00' and 'for inactive customers' are unchecked.

Figure 2: You have a lot of options to choose from when you create statements in QuickBooks.

This may be an area of QuickBooks you have never explored. Statements are just what they sound like: detailed summaries of what each customer owes over a period of time that you email or print and send by U.S. Mail.

QuickBooks makes this very easy. Start by either clicking the **Statements** icon on the home page or by opening the **Customers** menu and selecting **Create Statements**. The window above appears, laying out the three steps required:

- **SELECT STATEMENT OPTIONS.** Be sure that the **Statement Date** is correct. Then indicate whether you want your statements to include transactions within a specified date range or all transactions are past due by more than a specified number of days.
- **SELECT CUSTOMERS.** You can generate statements for one customer, all customers, or a designated group in between.
- **SELECT ADDITIONAL OPTIONS.** You will have several decisions to make here about your statements' content and appearance. Let us know if you have questions about any of these.

Track Outstanding Receivables

Modify Report: Open Invoices

Display Filters Header/Footer Fonts & Numbers

REPORT DATE RANGE

Dates **This Fiscal Quarter-to-date** From the first day of the current fiscal quarter through today

From 10/01/2019 To 12/15/2019

COLUMNS

Search Columns

Sort by Default

Sort in Ascending order Descending order

Billing Status

Split

Print

Paid

Pay Meth

Aging

Open Balance

Put a check mark next to each column that you want to appear in the report.

Advanced... Revert

*Figure 3: When you create the **Open Invoices** report, make sure that the **Aging** and **Open Balance** columns will display.*

As a small business owner and/or manager, there are certain QuickBooks reports that you should be looking at frequently. One of them, **Open Invoices**, gives you an instant status update on your outstanding receivables. But it is important that you set up the report to give you the exact information you need.

Open the **Reports** menu and select **Customers & Receivables | Open Invoices**. If you need to change the date range, click the down arrow to the right of the **Dates** field in the upper left to display your options and choose. Then click **Customize Report** above that. The window pictured above opens. Grab the scroll bar under **COLUMNS** and move it down until you see **Aging** and **Open Balance**. If there are no check marks in front of them, click in the column to create them.

There are other reports you will want to look at regularly as you try to accelerate incoming customer payments, like **A/R Aging Summary** and **A/R Aging Detail**. If we are not already working with you on reports, creating and analyzing the critical financial reports that we should be generating monthly or quarterly, let's set up a meeting. We can give your copy of QuickBooks a tune-up at the same time to ensure that you can keep accepting those payments accurately.

We hope you find this month's QuickBooks tips helpful. Please visit our company website <http://www.accountingconnections.org> often as it is updated constantly and offers a wealth of tax and accounting tips, along with links to better serve your business needs. Our QuickBooks Tips newsletters are archived on our website as well.

Accounting and Taxation is **our** business; having us a part of your team allows **you** to concentrate on **your** core business.



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ENROLLED AGENT | AMERICA'S TAX EXPERT
NATIONAL ASSOCIATION OF ENROLLED AGENTS

*An **Enrolled Agent (EA)** is a federally licensed tax professional, who has taken an extensive test in taxation and must comply with continuing education in tax law to maintain their license.*

Enrolled Agents are allowed to represent clients before all administrative levels of IRS without their clients' presence (the same as a CPA or Tax Attorney).