

Note: Disregard the dates used in the sample transactions!

Opening Bank Account Balances

Note: Press Tab to move from field to field

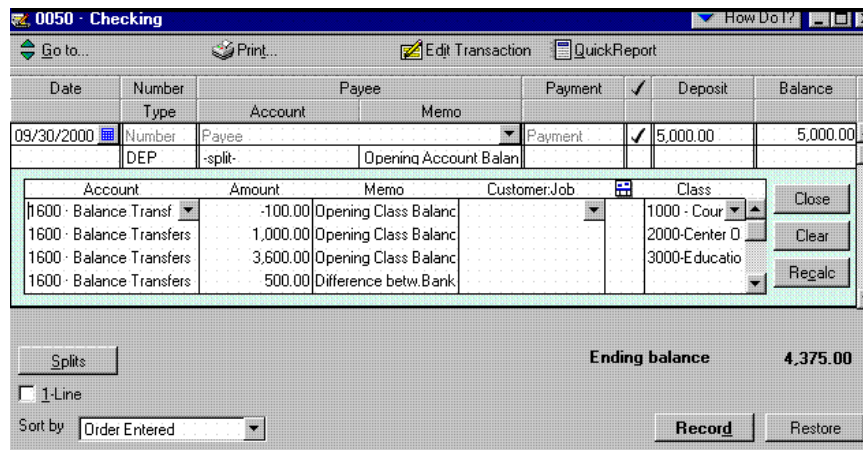
The Opening Balances should be established in QuickBooks only after the Bank statement balance has been reconciled!!!

Data required:

- Ending bank statement balance as of December 31st or last bank statement date.
- Difference between your **Ending** bank statement balance and your ending checkbook balance. This is the **total** of outstanding checks minus **total** of outstanding deposits.
- Ending Fund (Class) balances for each Class (1000, 2000, 3100, 3200, all 3300s, 4000, 5000, 6000, 7000, 8000, 9000).

Explanation: Record opening balances as information "before" your starting date. Quickbooks needs two types of Balances: The "Cleared" Balance or your last Ending Bank Statement balance and the Checkbook balance

Illustration A



1. Under the Lists menu, open the Chart of Accounts and double-click on the Checking account. This will open the Check Register. (double-click on Savings account when appropriate)
2. Enter the date as the day before your start date (i.e. enter December 31, 2001 as the day before the January 1, 2002 start date).
3. Place a ✓ in the CheckMark Column. (The opening balance will show as a Deposit on the Bank Reconciliation screen if you do not insert the ✓)

4. Enter the **ending** bank statement balance in the Deposit amount column.
(If your ending bank statement balance is negative, then enter the amount in the Payment amount column).
 5. Enter in the Memo field - Opening Account Balance.
 6. Click on the Split button at the bottom of the Register window. Allocate the balance across all the Funds (Classes and Subclasses).
 7. In the Splits screen, select the 1600-Balance Transfer under the Account field.
 8. Enter the Amount for the first Class balance. (Enter negative amounts with minus sign preceding the amount (i.e. -222.34)
 9. Enter "Opening Class Balance" in the Memo field.
 10. Enter the Class code. --- Press Tab to move to next Line!
 11. Repeat steps 7 to 9 for each Class balance until all Class balances are entered. Be sure to include all short course balances!
- At this point, you should have a difference that exactly matches the total of all outstanding checks minus outstanding deposits.*
12. For the last line, enter 1600 in the Account field, the amount field will be the difference that already appears in the amount field.
 13. Enter "Difference betw. Bank & Book" in Memo field.
 14. Do **NOT** enter a Class code !!!!
 15. Press Tab and Click on **Record Button** to save this opening balance transaction.
(you must record the split or individual Class balances will not show on reports).
See following example for reconciled difference.

For example:

Ending Bank statement balance =	\$5,000
Your CIS or checkbook balance =	<u>\$4,500</u>
Difference is =	\$ 500

Total Outstanding Checks =	\$ 600
Total Outstanding Deposits =	<u>\$ - 100</u>
Difference is =	\$ 500

16. Repeat above steps for creating the **Savings** Opening Balance.
You do not need to allocate the balance among Class codes!

Outstanding Checks and Deposits

QuickBooks also needs to know what checks and deposits have not cleared the bank as of the bank statement date.

Enter the Outstanding Checks (checks that have not yet cleared the bank)

Enter **each outstanding check** in the Checking Account Register to reconcile at the end of the month. (Do not group checks into one transaction)

Illustration B

Date	Number	Payee	Payment	✓	Deposit	Balance
	Type	Account	Memo			
09/30/2000				✓	5,000.00	5,000.00
	DEP	-split-	Opening Account Balance			
08/18/2000	133	Pitney Bowes	300.00	*		4,700.00
	CHK	1600 · Balance Transfers	Postage meter			
09/07/2000	139	University of Missouri (Jesse Hall)	250.00	*		4,450.00
	CHK	1600 · Balance Transfers	guidesheets			
09/20/2000	144	Department of Agronomy	50.00	*		4,400.00
	CHK	1600 · Balance Transfers	special testing			

1. Open the **Checking account Register** (if not already opened).
2. Enter the actual Check date (this date will be earlier than your opening balance date). **See Illustration B.**
3. Enter the Check number.
4. Enter the Amount of the Check in the **Payment** field.
5. Enter **1600-Balance Transfer** in the **account** field
6. Enter the **Payee** and **Memo** information.
7. Click **Record** to save the transaction.
8. Repeat steps 2 to 7 to enter another outstanding Check.

Enter the Outstanding Deposits (deposits that have not yet cleared the bank)

Enter the **TOTAL** of each outstanding Deposit. **Do not enter individual transactions.** Example: If you have 4 income transactions for Deposit 123 and 2 income transactions for Deposit 124, you will create only 2 separate Total Deposit transactions in QuickBooks for these outstanding Deposits.

Illustration C

09/27/2000	11			*	100.00	4,500.00
	DEP	1600 · Balance Transfers				

1. Open the Checking account Register (if not already opened).
2. Enter the actual Deposit Date (this date will be earlier than your opening balance date). **See Illustration C.**
3. Enter the Deposit number, if any.
4. Enter the Total amount of the Deposit in the Deposit field.
5. Enter 1600-Balance Transfer in the account field
6. Leave the Payee and memo fields Blank.
7. Click Record to save the transaction.
8. Repeat steps 2 to 7 for separate “group” of Deposits (do not enter individual income transactions)

Accounts Receivable and Accounts Payables

QuickBooks needs to know of any outstanding accounts receivables (invoices) not yet received, and any outstanding accounts payables (bills) that you have not yet paid, but were entered in your financial books.

Accounts Receivable:

Create Accounts Receivable Invoices for Customers, if any exist.

- Go to Customers, "Create Invoice."
- Customize the UOE Invoice to add Class column so each transaction has a Class associated with it. The Class column will appear on bottom half of Invoice screen as well as the Class field at top of screen.
- Use actual date of Invoice.
- Enter Customer, Item, Description, Amount.
- Click on Save button.

Accounts Payable

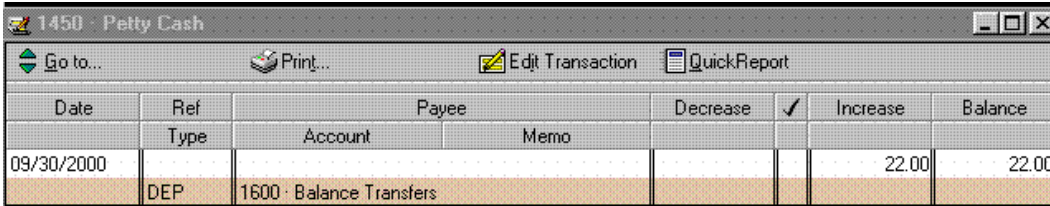
Create Accounts Payable Bills for Vendors, if any exist.

- Go to Vendors, "Enter Bills."
- Use actual date of Bill or accts. payable.
- Enter Vendor, Amount Due, Account number, Amount, Memo, Class.
- Click on Save button.

Petty Cash - Optional

- Create a Petty Cash account as "Other Current Asset" account, (1450) under Chart of Accounts.
- Under Chart of Accounts, double-click on Petty Cash account to open the Register.

Illustration D



Date	Ref	Payee	Decrease	Increase	Balance
Type	Account	Memo			
09/30/2000	DEP	1600 - Balance Transfers		22.00	22.00

- Enter the date as the day before your start date (i.e. December 31, 2001 as the day before the January 1, 2002 start date). **See Illustration D.**
- Use "1600-Balance Transfer" Account
- Enter the ending Petty Cash balance in the Deposit field.
- Enter in the Memo field = Opening Account balance.
- Press Tab and Click on the **Record button** to save this opening balance.