



The QuickBooks™ Client Newsletter

Helping You Grow a Profitable Business with QuickBooks™ Software
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Sales Receipts, Invoices, and Statements in QuickBooks

QuickBooks allows you to create multiple types of sales forms for different situations. Here is a look at what they are and when to use them.

When you buy something at a store, you want a receipt that shows what you purchased and what you paid. If you receive products or services before you pay for them, you certainly expect to receive a detailed bill. If you have several transactions with the same company and want clarification on what you have paid, along with what you may still owe for a specific time-period; the company can usually send you a summary.

Your customers want the same things from you. That financial documentation might be difficult for you to provide if you are still doing your accounting manually on paper.

Fortunately, QuickBooks has a solution; actually, QuickBooks has several solutions. The QuickBooks software includes templates for all of the sales forms that you will need: invoices, sales receipts, and statements. Here is an introduction to when and how to use them.

Sales Receipts

ITEM	DESCRIPTION	QTY	RATE	AMOUNT	TAX
Subs:Painting	Painting	24	35.00	840.00	Tax

When a customer pays you on the spot, you can create a sales receipt.

When you receive full payment for a product or service at the time of the sale, the correct form to use in QuickBooks is the **Sales Receipt**. Click the **Create Sales Receipts** icon on the home page or open the **Customers** menu and select **Enter Sales Receipts**. You will see a form like the partial one pictured above.

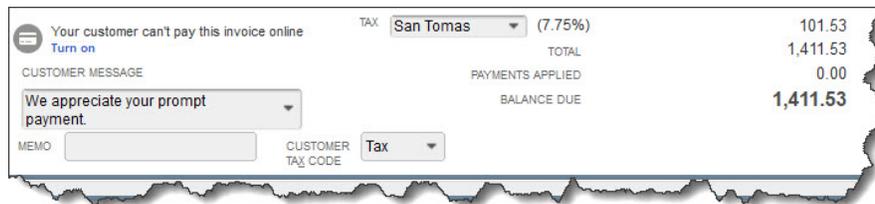
Click the down arrow in the **Customer:Job** field and select the correct one or **<Add New>**. If you assign transactions to **Classes**, pick the right one in that list. The **Template** field should default to the

appropriate form. If you have created more than one sales receipt template, select the one that you want. Click the icon above the correct payment type.

Select the appropriate **Item(s)** from that drop-down list and enter a **Qty** (Quantity). Be sure to apply the sale's **Tax** status by opening that list.

If you know that you are responsible for paying sales tax on at least some of your sales but you have not set this tracking up in QuickBooks yet, we can work with you on that. It is important. When you have finished filling in the table with all the goods or services you sold, you can save the transaction and either print it or email it to your customer.

Invoices



The screenshot shows the top portion of a QuickBooks invoice form. On the left, there is a 'CUSTOMER MESSAGE' section with a dropdown menu containing the text 'We appreciate your prompt payment.' Below this is a 'MEMO' field. To the right, the 'TAX' section is set to 'San Tomas' at a rate of 7.75%. A summary table on the right side of the form shows: 'TOTAL' 1,411.53, 'PAYMENTS APPLIED' 0.00, and 'BALANCE DUE' 1,411.53. At the bottom right of the form, there is a 'CUSTOMER TAX CODE' dropdown menu set to 'Tax'.

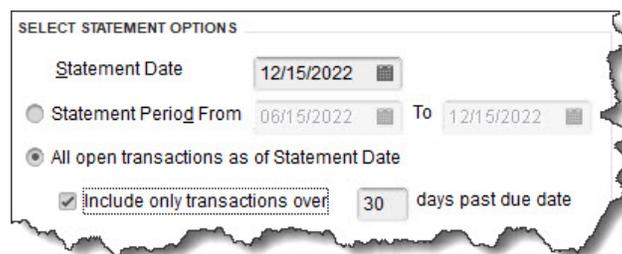
After you have completed the top half of an invoice, you will see something like this at the bottom.

You will create and send **Invoices** to customers when you have received either a partial payment or no payment at the time of the sale. Those completed transactions become a part of your total **Accounts Receivable** (money owed to you). Click **Create Invoices** on the home page or go to **Customers | Create Invoices**. Fill out the fields at the top of the screen like you did with your sales receipt; the forms are almost the same. Invoices, though, have **Bill To** and **Ship To** addresses, as well as fields for the sale's **Terms** and **Due Date**.

You should not have to do anything with the bottom half of the screen (pictured above) unless you want to include a **Customer Message**, since the information here is carried over from the top of the screen. Check to make sure the **Tax Code** is correct, though.

It is important to note, it is an "either/or situation" when it comes to creating an invoice and a sales receipt for the same transaction. It is best **not** to use sales receipts for invoice payments, as it will cause issues.

Statements



The screenshot shows the 'SELECT STATEMENT OPTIONS' dialog box. It includes a 'Statement Date' field set to 12/15/2022. Below that, there are radio buttons for 'Statement Period From' (06/15/2022) 'To' (12/15/2022) and 'All open transactions as of Statement Date'. At the bottom, there is a checked checkbox for 'Include only transactions over' 30 days past due date.

When you create statements, you will first choose the customers who should receive them.

Statements are very useful when you have multiple customers who are past due on their payments (you can find this out by running the **A/R Aging Summary** report, which you will find under **Reports | Customers & Receivables**). Click the **Statements** link on the home page or go to **Customers | Create Statements**. You will first have to select the customer(s) who should be on your list, as pictured above. Please note there are several other options on this page that will help you refine this group of customers. You may want to send statements to a few customers; then again, you may want to send to all your customers. When you are done, QuickBooks will automatically generate them, and you can print or email them.

Statements as an Audit Tool

Sending statements to all your customers monthly is a great policy to minimize internal fraud, or fix any missing payments or misapplied payments, which will allow your customers to pay you.

The first step is to create a customer message on the “statement” template, giving a telephone number or email of someone other than the employee who is sending out invoices or receiving payments (separation of duties). The customer message should give the contact information of whom your customer can call should there be an error on their statement (preferably contacting you or a manager).

To add a message to the statement, choose **Lists, Templates, and Statement**. Make a copy of the statement and name it something you will recognize, i.e., *YourCompanyName-Statement*.

Next, open the statement you just created and at the bottom of the screen choose **Layout Design**. At the top of the menu, click the **Add** button. Choose **Text** from the drop-down box. Now type a customer message, stating a contact to call or email should there be a discrepancy on their statement. Position the text box in the body of the statement, towards the bottom. Click **OK**.

You will save time when you use QuickBooks’ sales receipts or invoices. You may see an improvement in cash flow when sending out monthly statements to all customers. Your bookkeeping will be accurate, and it will be easier to track down specific transactions. If you use them conscientiously, you will be able to run reports that provide comprehensive overviews of various elements of your finances.

Do you have questions about any of this, or are you just getting started with QuickBooks? We are happy to schedule a consultation to determine what your needs are and how we can assist.

We hope you find these QuickBooks tips helpful. Please visit our company website often at <http://www.accountingconnections.org> for we update it constantly. Our website offers a wealth of tax and accounting tips, along with links that will better serve your business needs. We archive our QuickBooks Tips newsletters on our website as well. They are printable PDFs for easy reference, as are our tax tips PDFs.

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



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