# Customers, Tracking Income, Cash Sales Receipts, Invoices and Deposits

Recordkeeping for Successful Value-Added Enterprises

Danny Morris

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SOUTHERN EXTENSION RISK MANAGEMENT EDUCATION

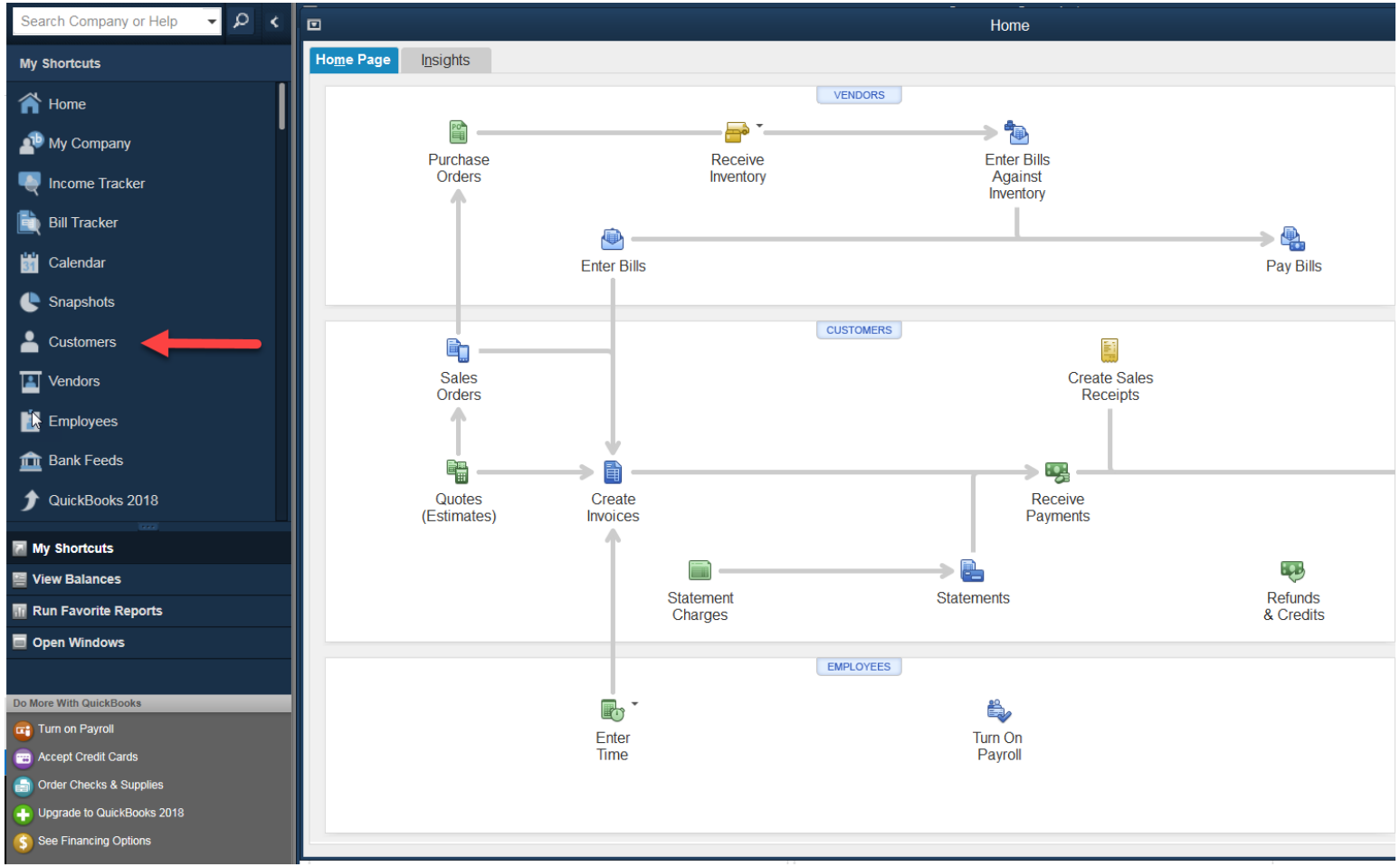
# Outline

- Adding customers in QuickBooks
- Tracking income from items sold
  - Creating quotes
  - Creating invoices
  - Creating sales receipts
- Depositing proceeds from sales

# Customers in QuickBooks

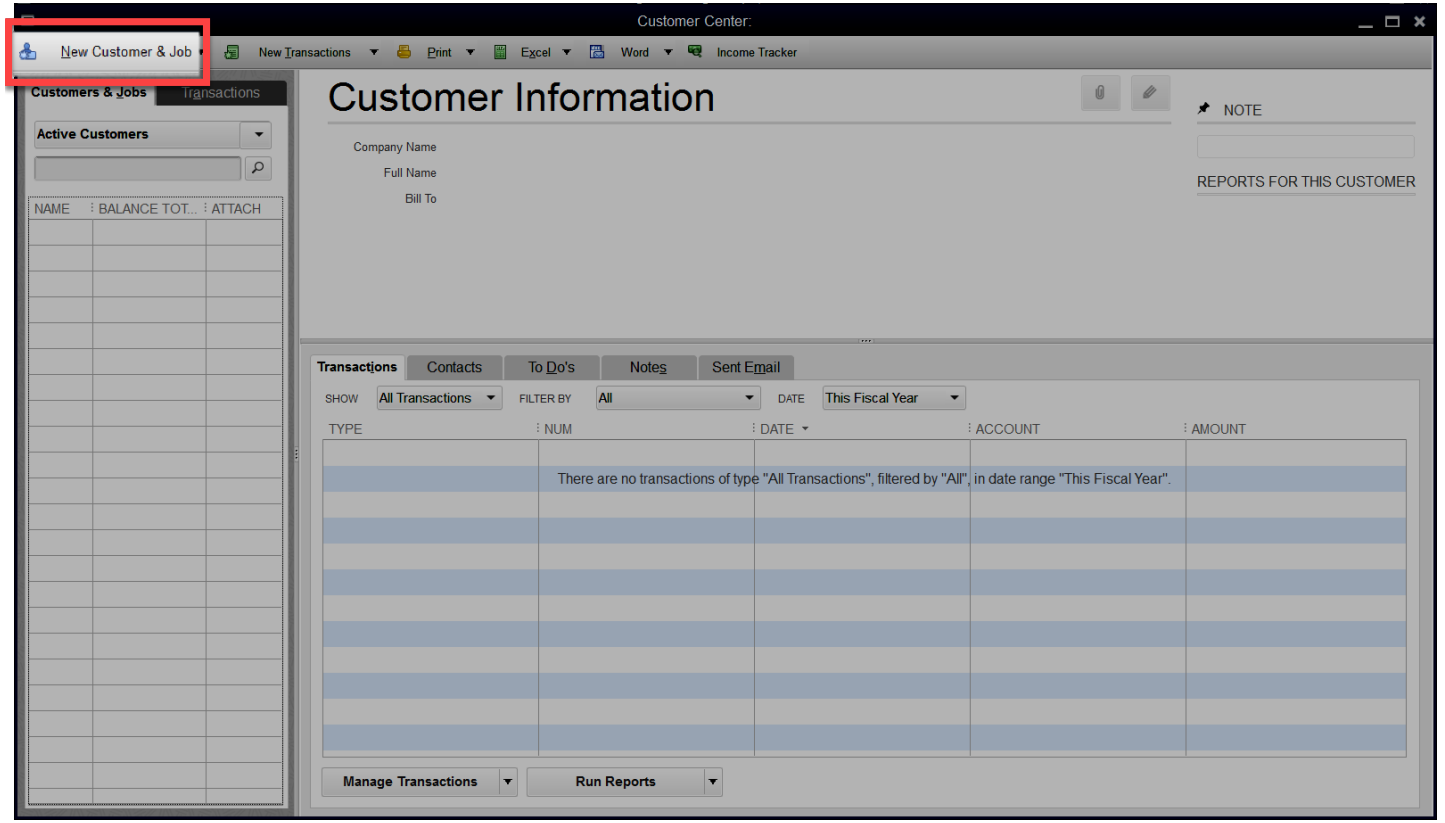
- Customer transactions will include:
  - Estimates
  - Invoices
  - Sales Receipts
  - Received Payments
  - Credit Memos
  - Refunds

- To add a customer, you will click on Customers, under My Shortcuts.



# Adding Customers

You can add a new customer by clicking New Customer & Job in the upper right hand corner of the screen.

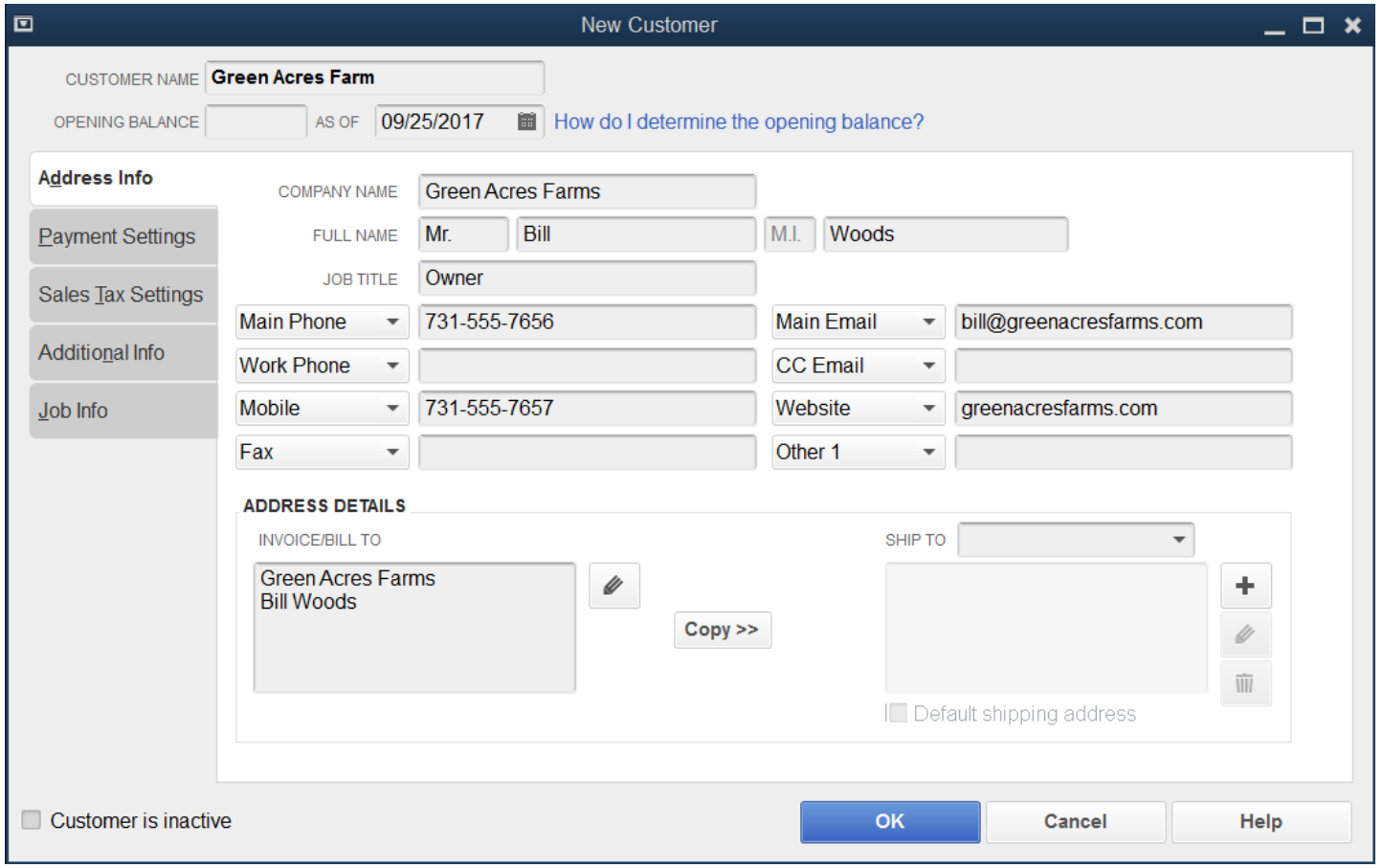


## Adding Customers

You will then be prompted to enter your customer's data. For reoccurring customers, it is important to include names, phone numbers, addresses, email addresses, etc.

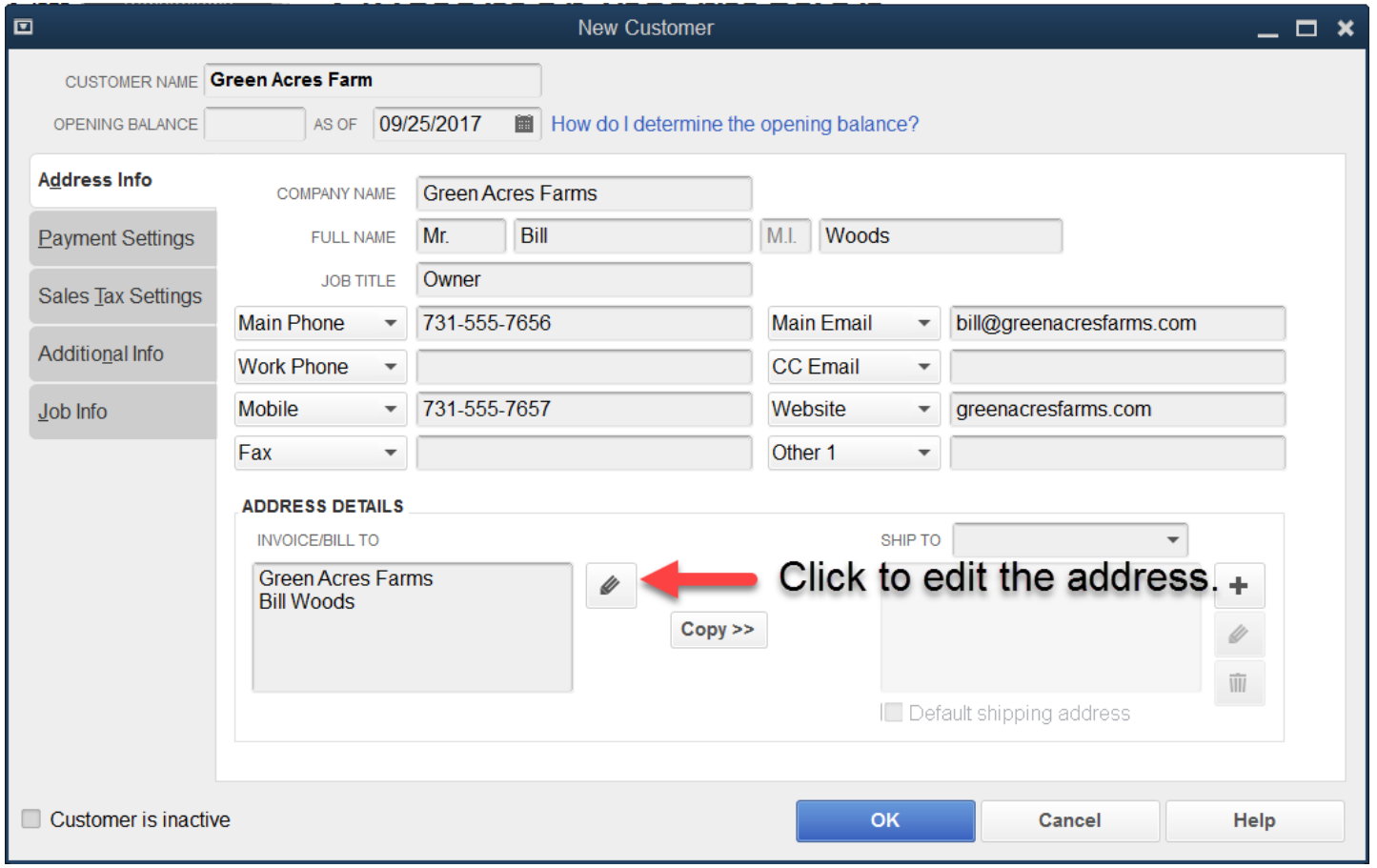
# Adding Customers

A new customer dialogue box will open up. Here is where you will need to add customer information.



# Adding Customers

In order to add an address, you will need to click the pencil icon in the Address Details section. This will open a new dialogue box where you can enter in addresses.



# Adding Customers

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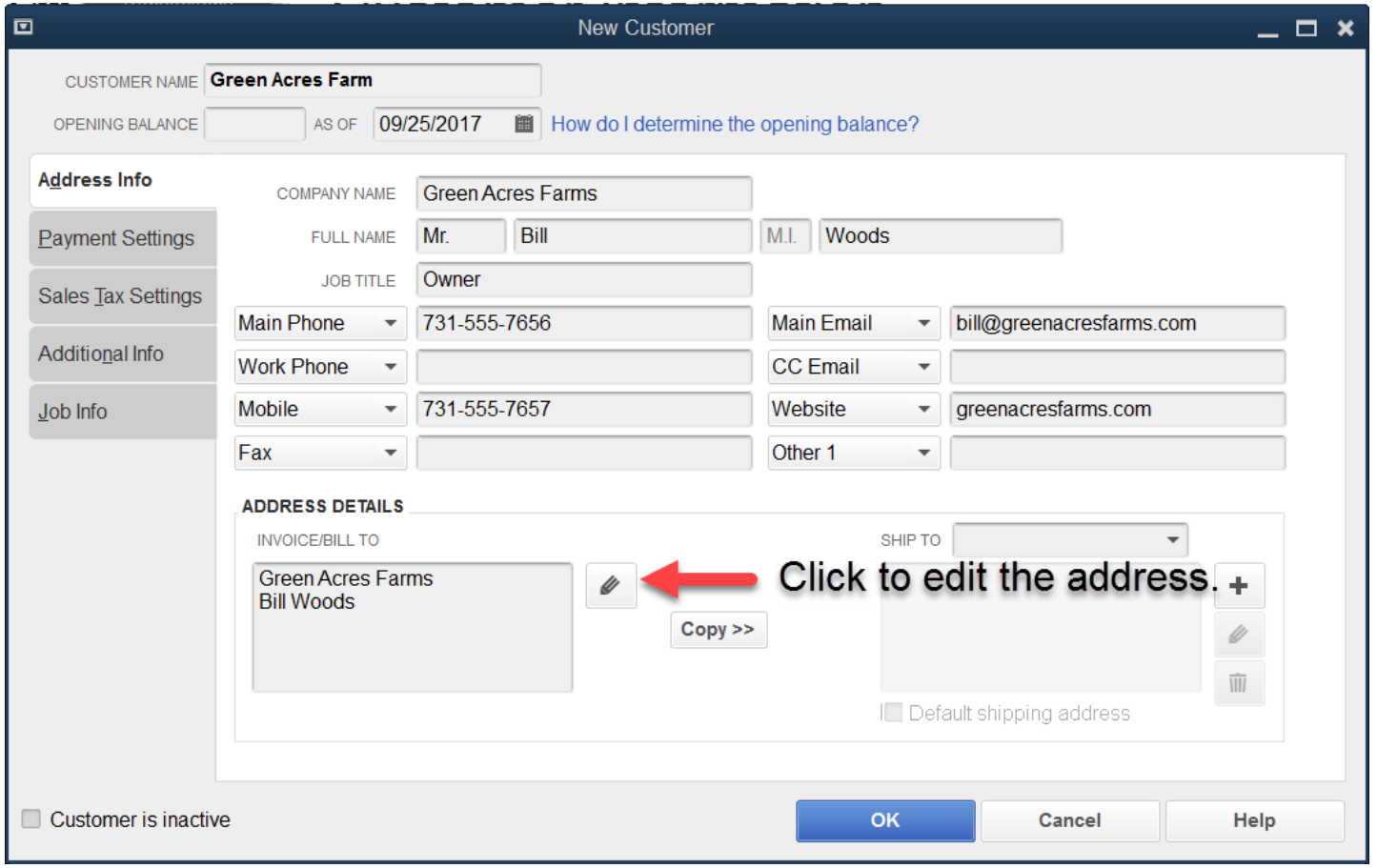
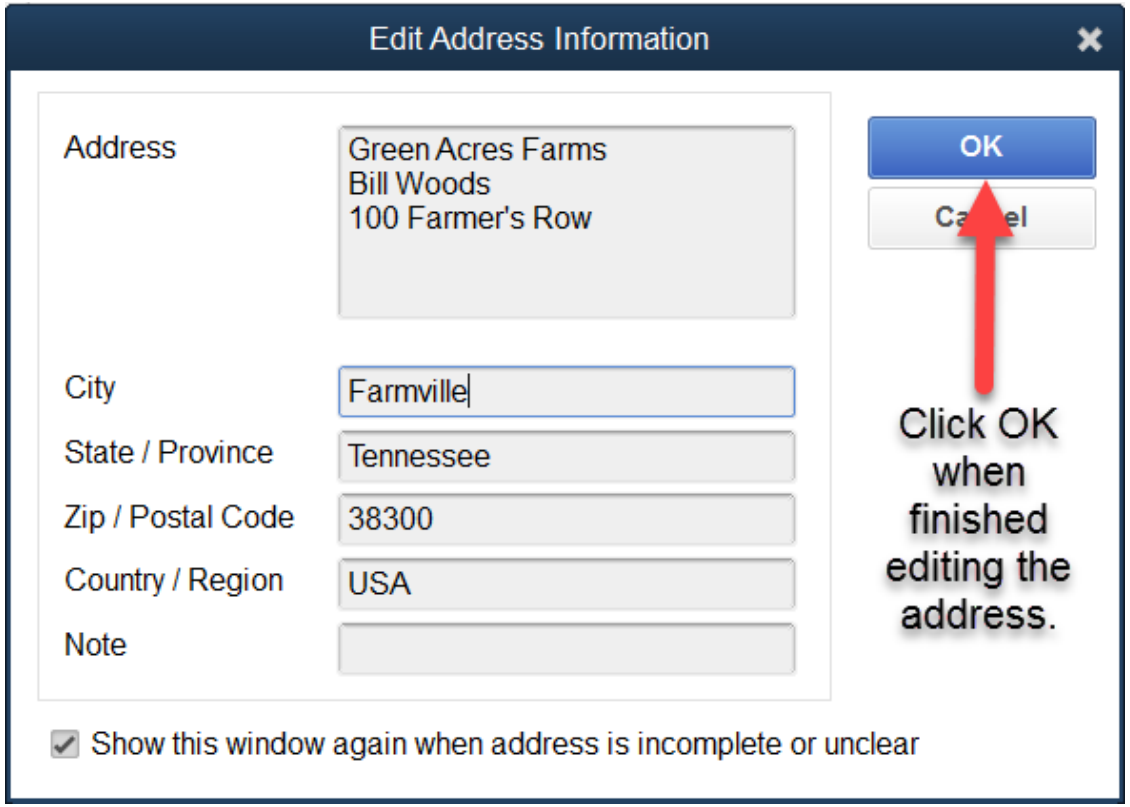


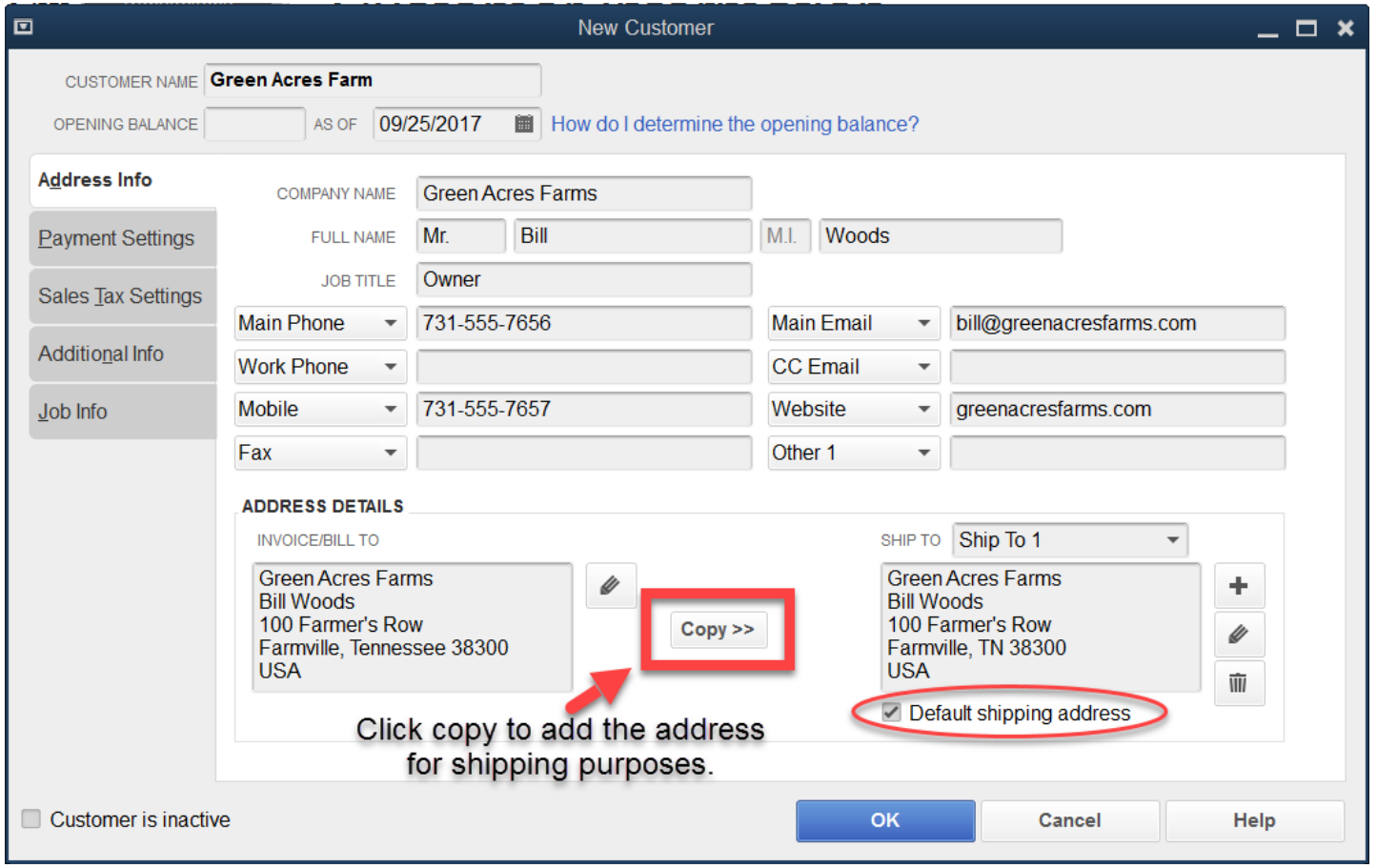
## Adding Customers

You can enter the customer's address in this dialogue box to be saved for future use. You can also add how you want the address to display on invoices/bills.



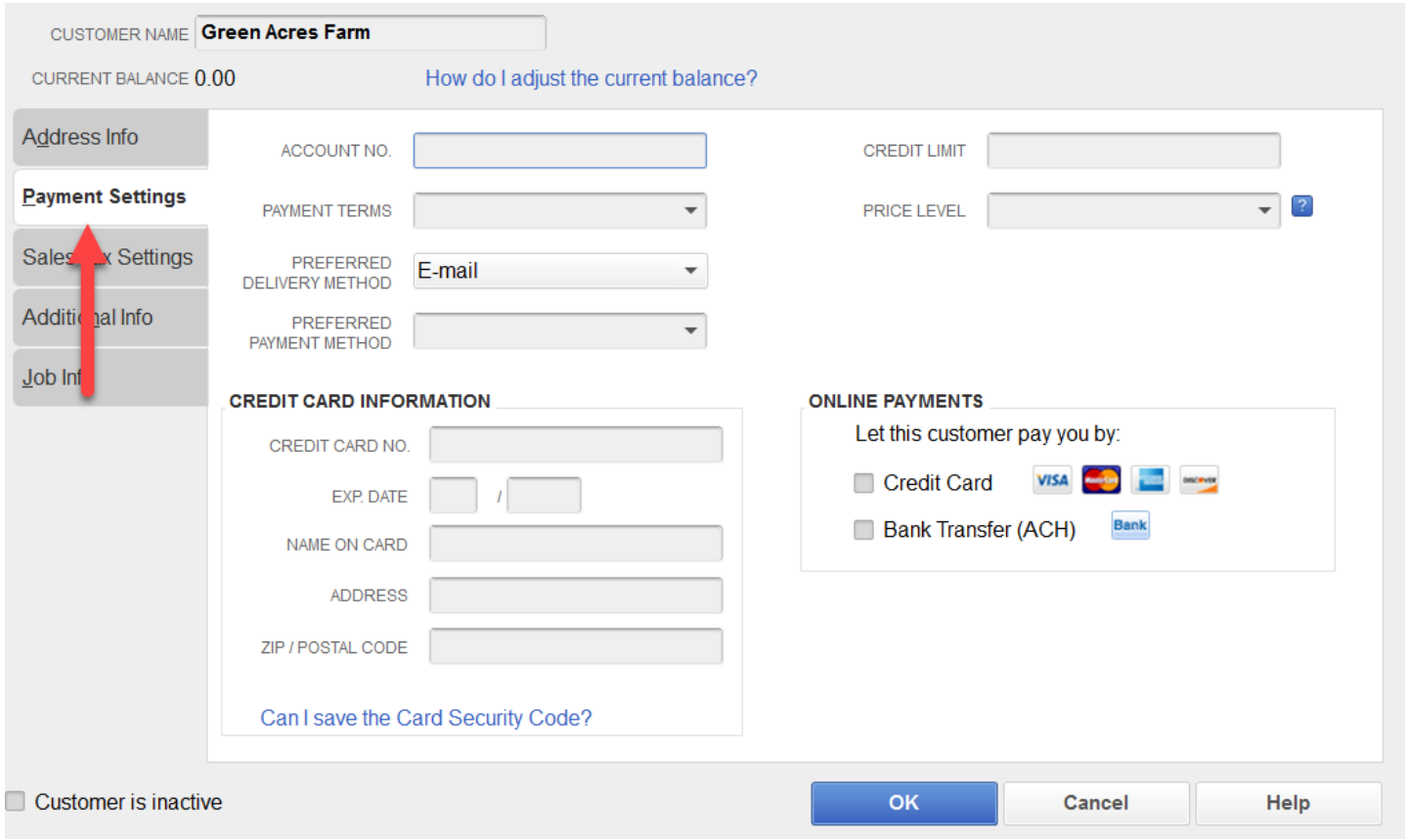
# Adding Customers

You can simply click copy to carry the address over to shipping information. You can also check the default shipping address to ensure that all mail-outs are sent to this address.



## Adding Customers

- You can add payment information by clicking on Payment Settings in the Customer Dialogue Box.
- If the customer will use the same payment information for reoccurring business, then it is a good idea to save payment information here.
- You can set up ACH payments or debit/credit cards.
- You can also set up online payments.

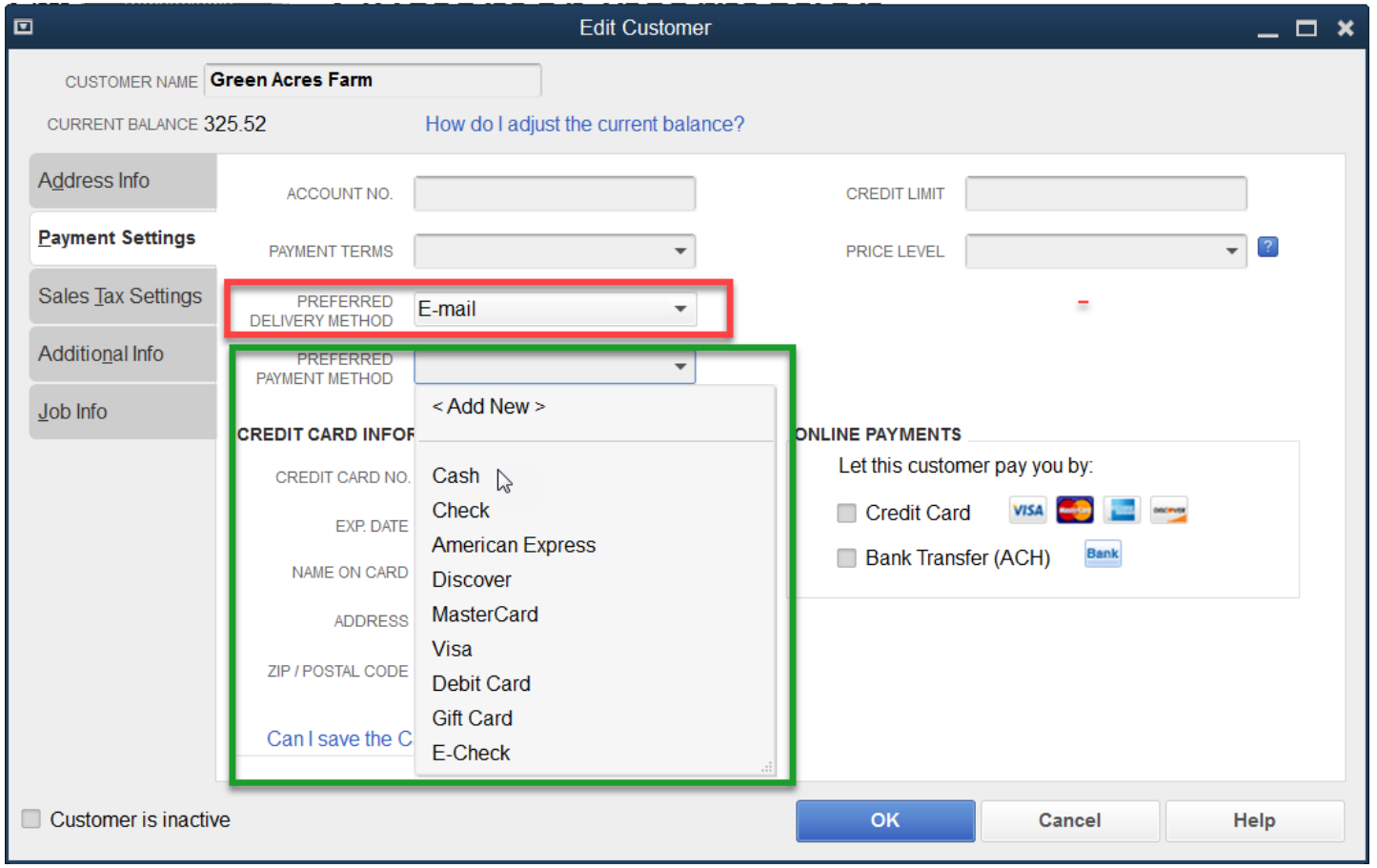


## Adding Customers

You can select the preferred method of delivering information to the customer. The options are:

- Mail
- Email
- Carrier Pigeon

You can also select the customer's preferred payment method.

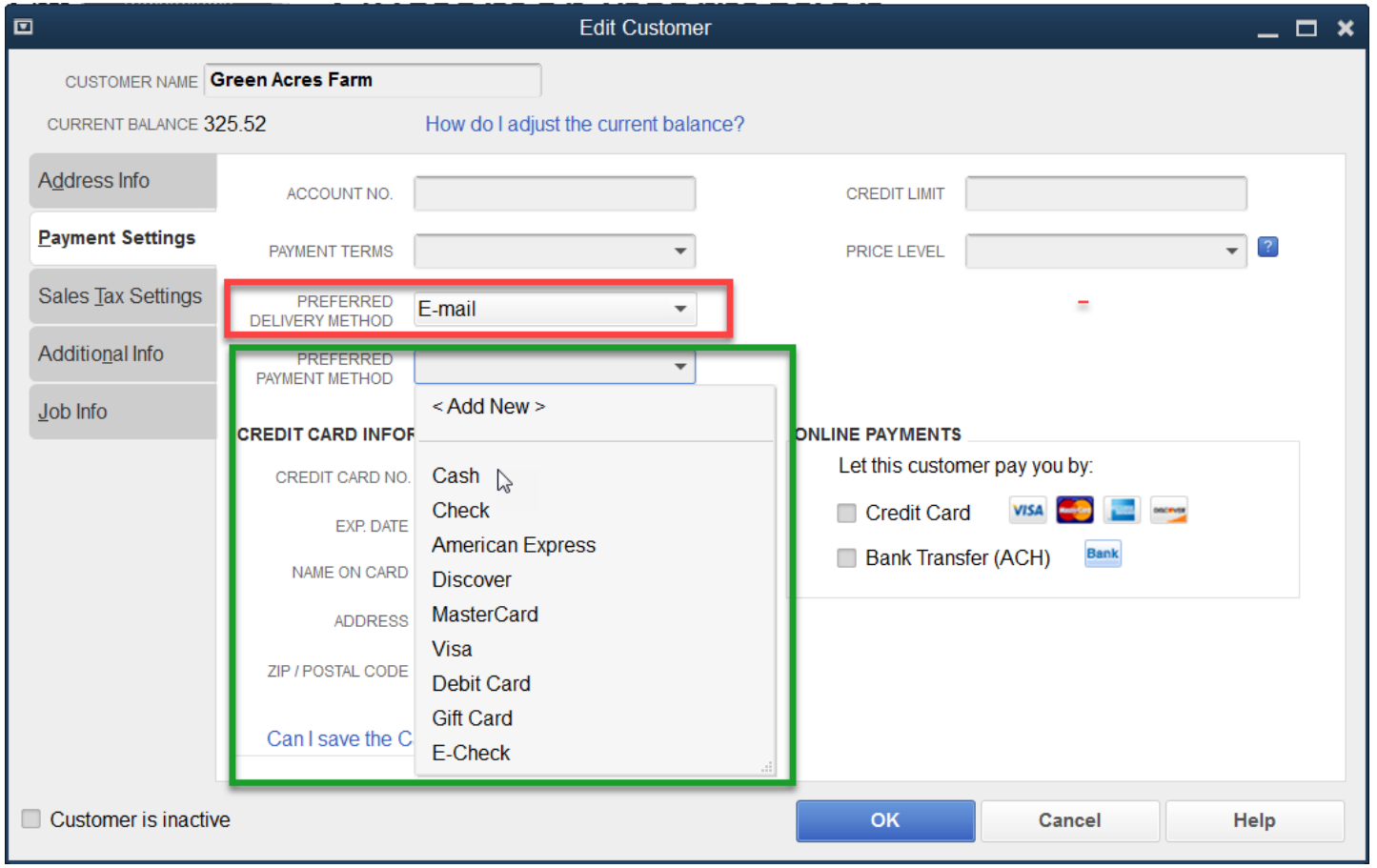


## Adding Customers

You can select the preferred method of delivering information to the customer. The options are:

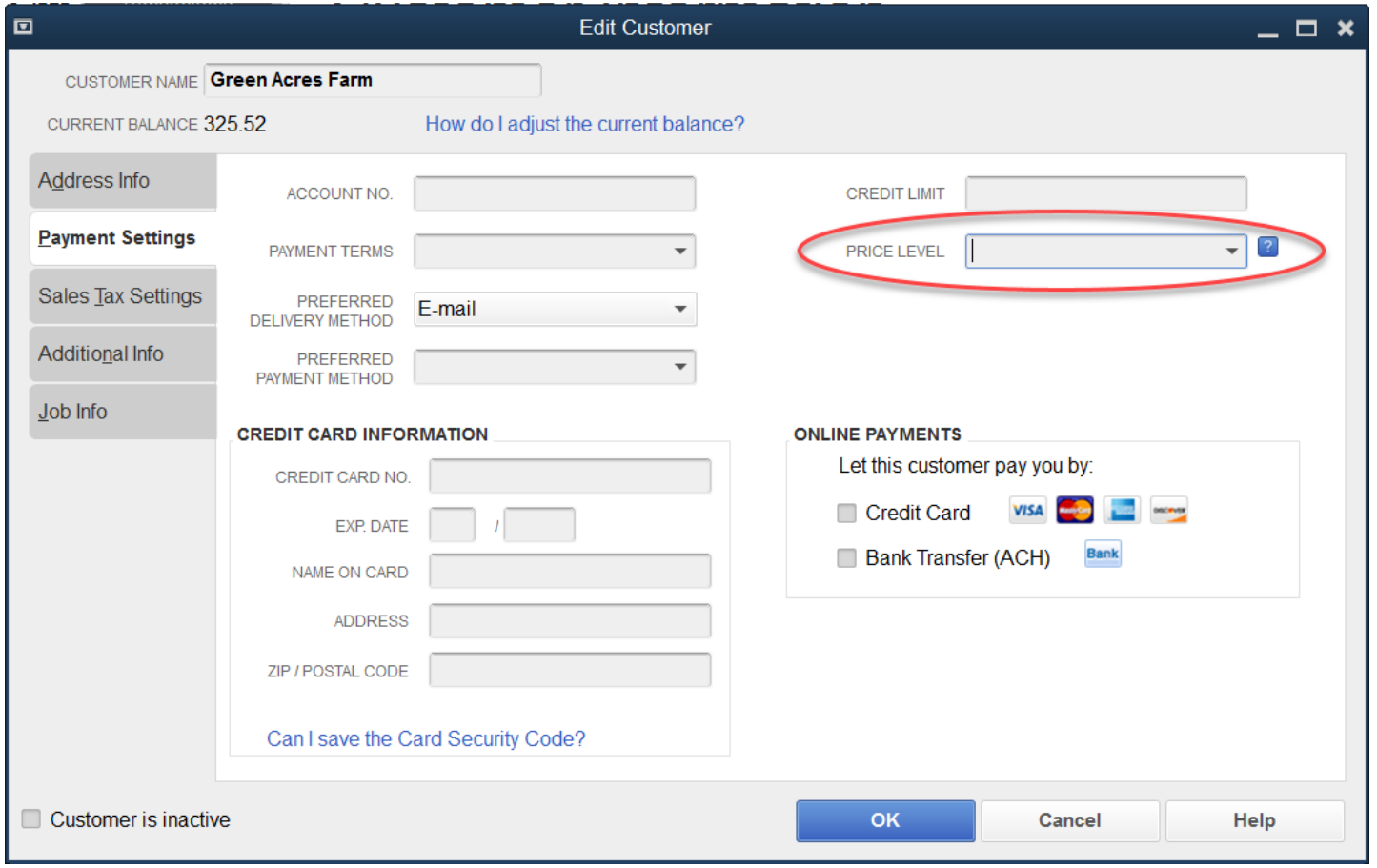
- Mail
- Email
- ~~Carrier Pigeon~~ Pony Express

You can also select the customer's preferred payment method.



# Adding Customers

You can set a price level for certain customers. Price levels are for customers who receive a special rate different from the normal price of an item/service.

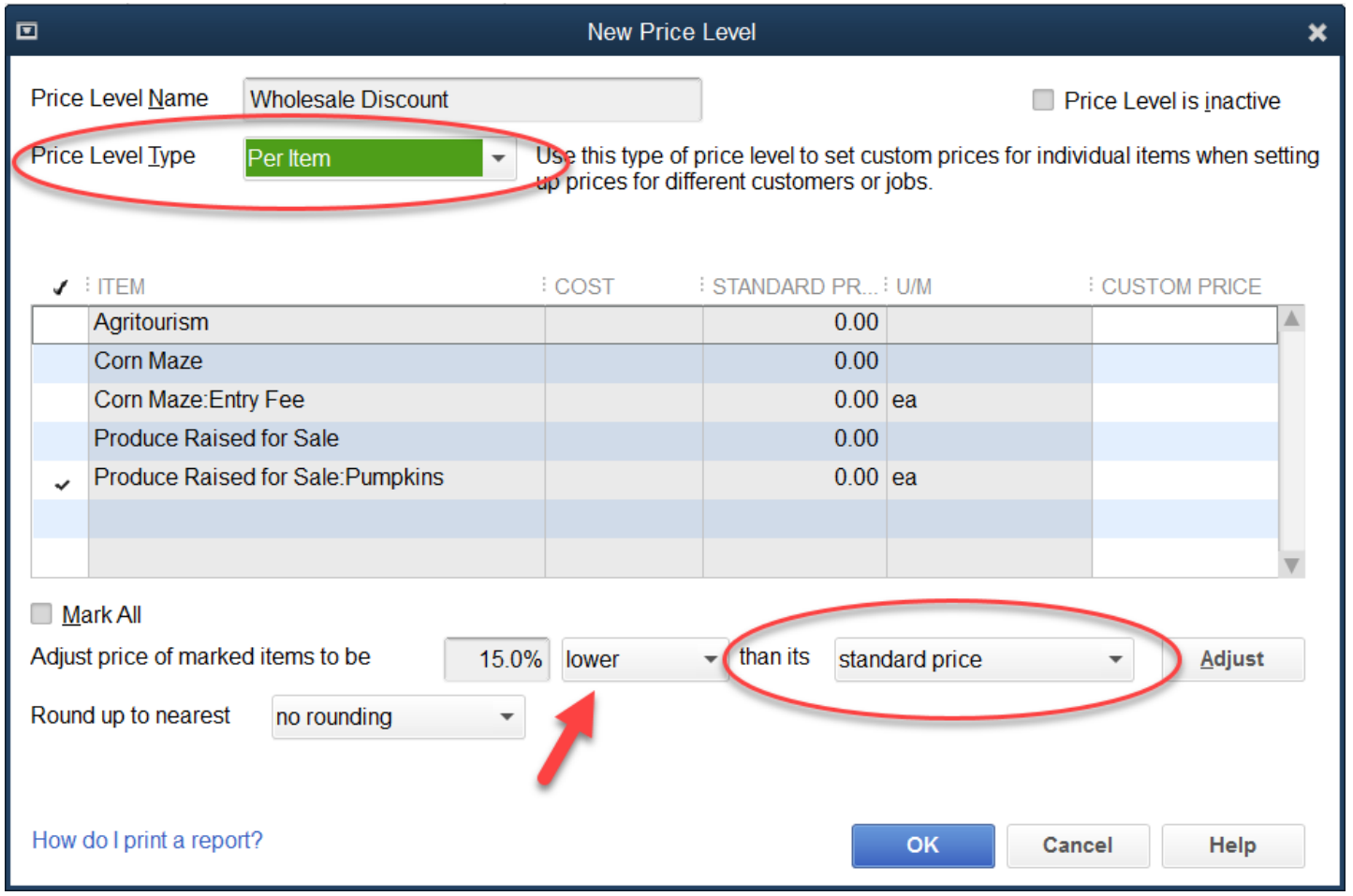


## Adding Customers

The price level can be a simple discount per item or you can apply the discount to all items that the customer buys.

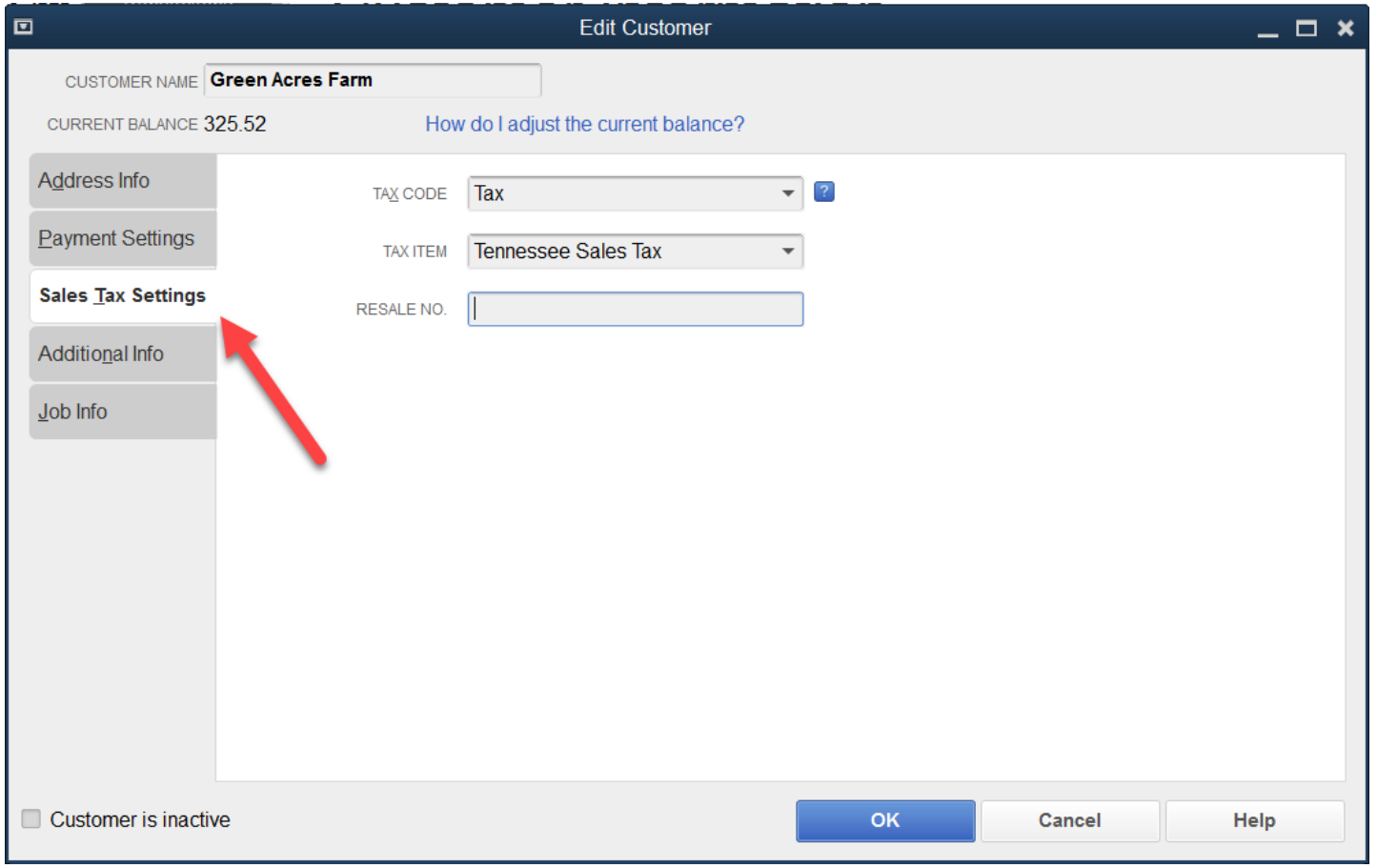
You can also set the Price Level to be higher or lower than the standard price.

You can also set Price Level to be higher, or lower, than its standard price, cost, or a custom price.



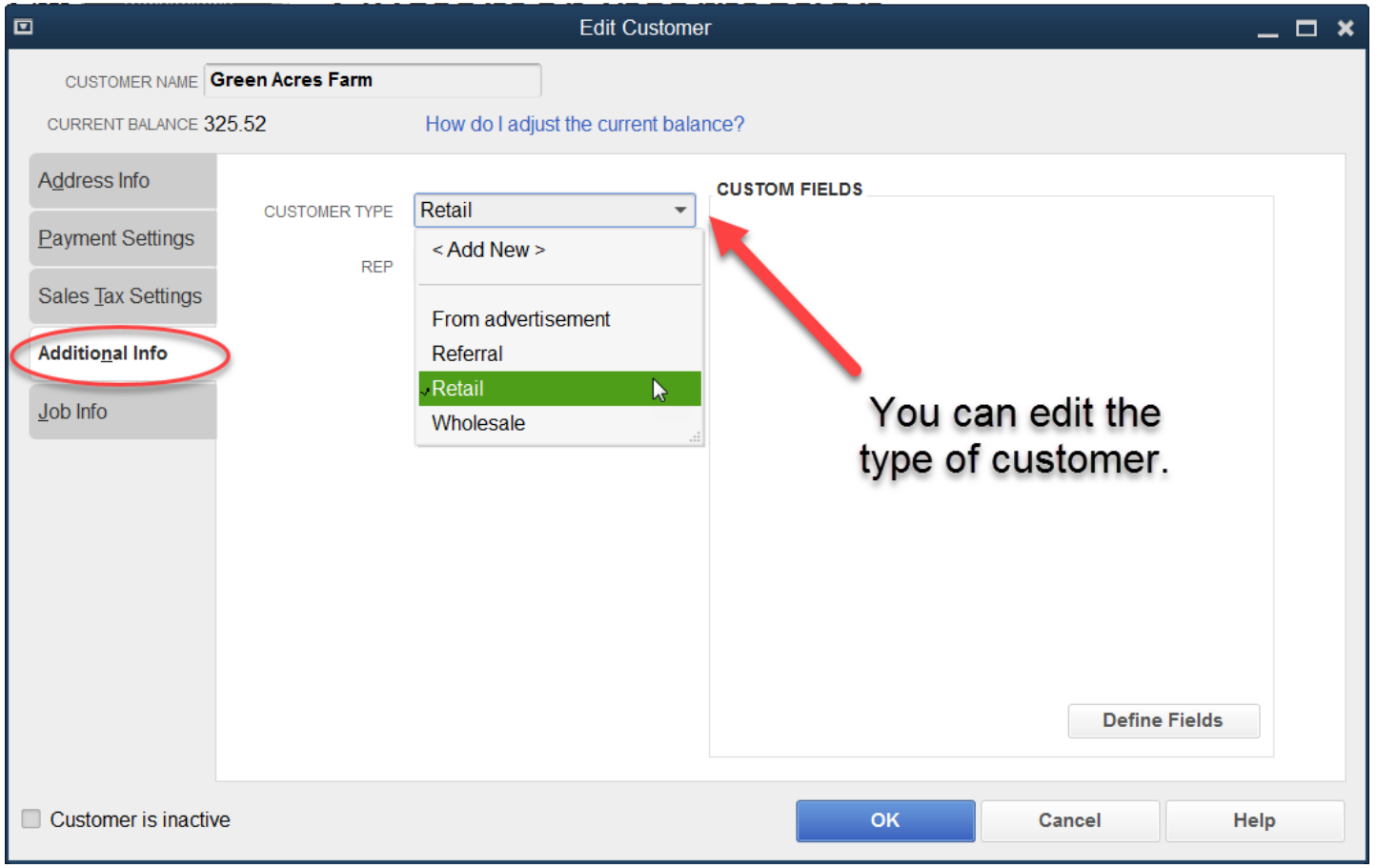
## Adding Customers

You can also edit the sales tax settings for each customer as you add them. Here in this example, we have added the Tennessee Sales Tax as the default tax setting for this customer.



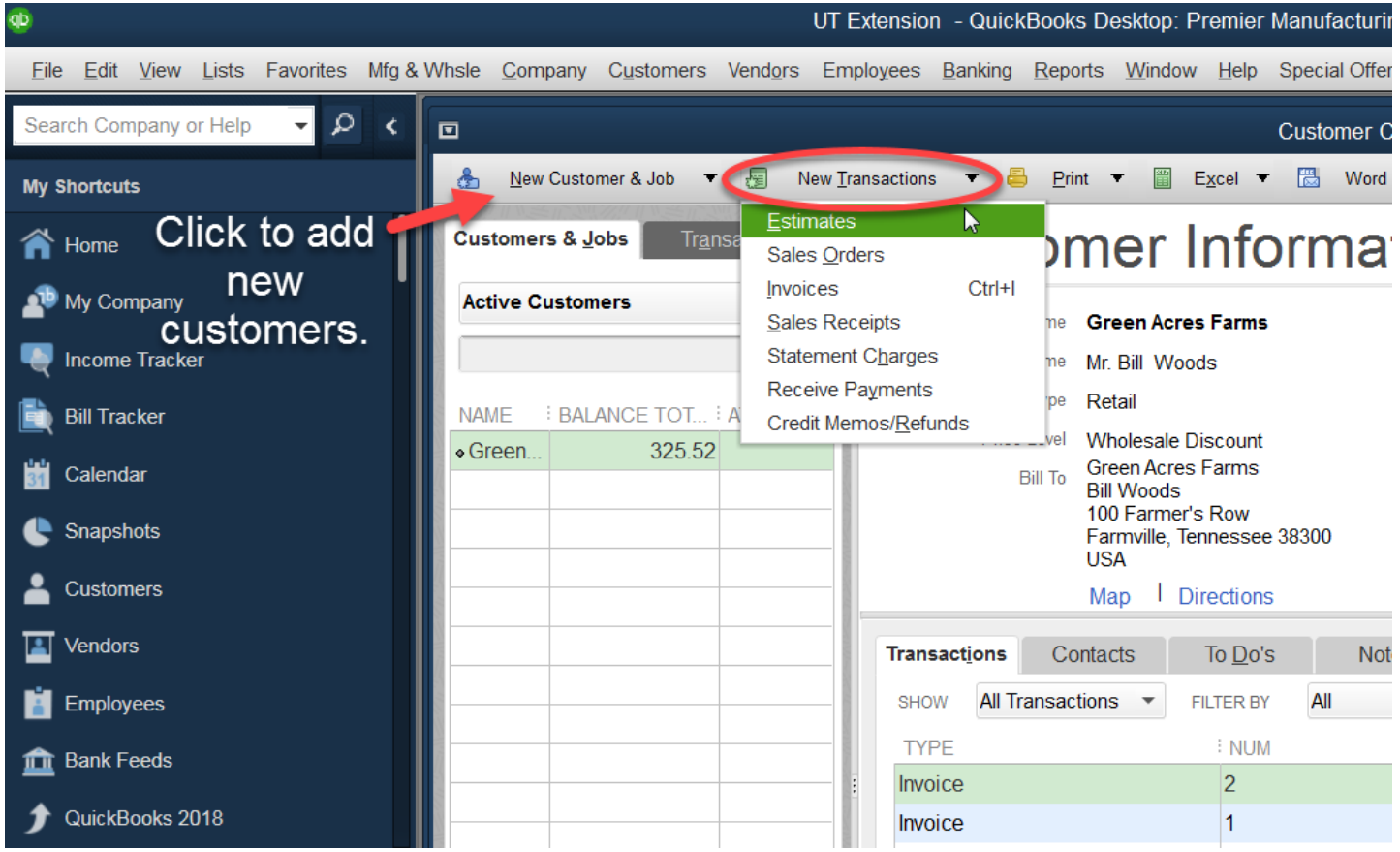
# Adding Customers

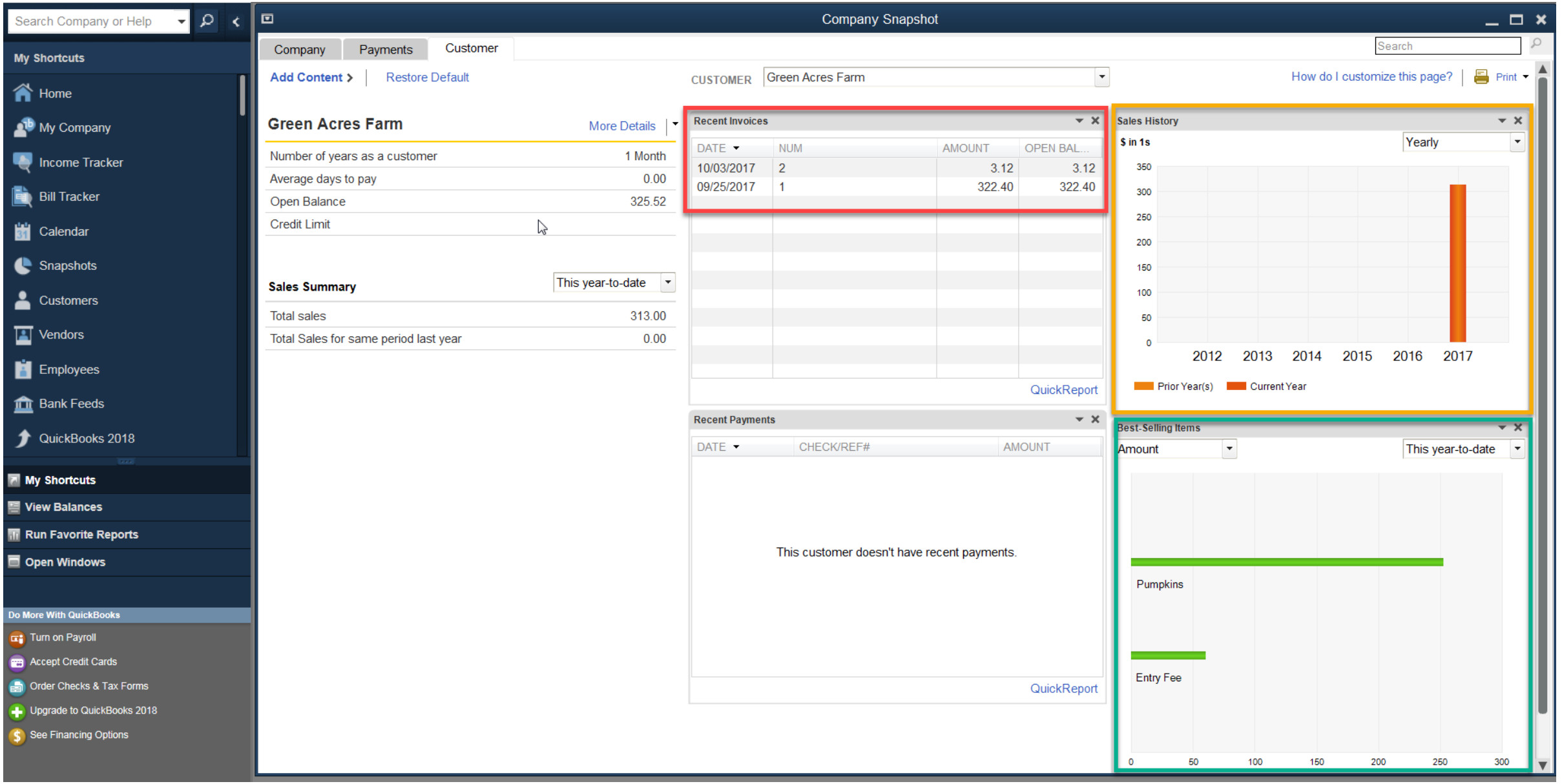
You can select the type of customer and assign a “Rep” to each customer if needed.



# Adding Customers

At the Customer Center main screen, you can select to add another customer or add new transaction related to this customer.

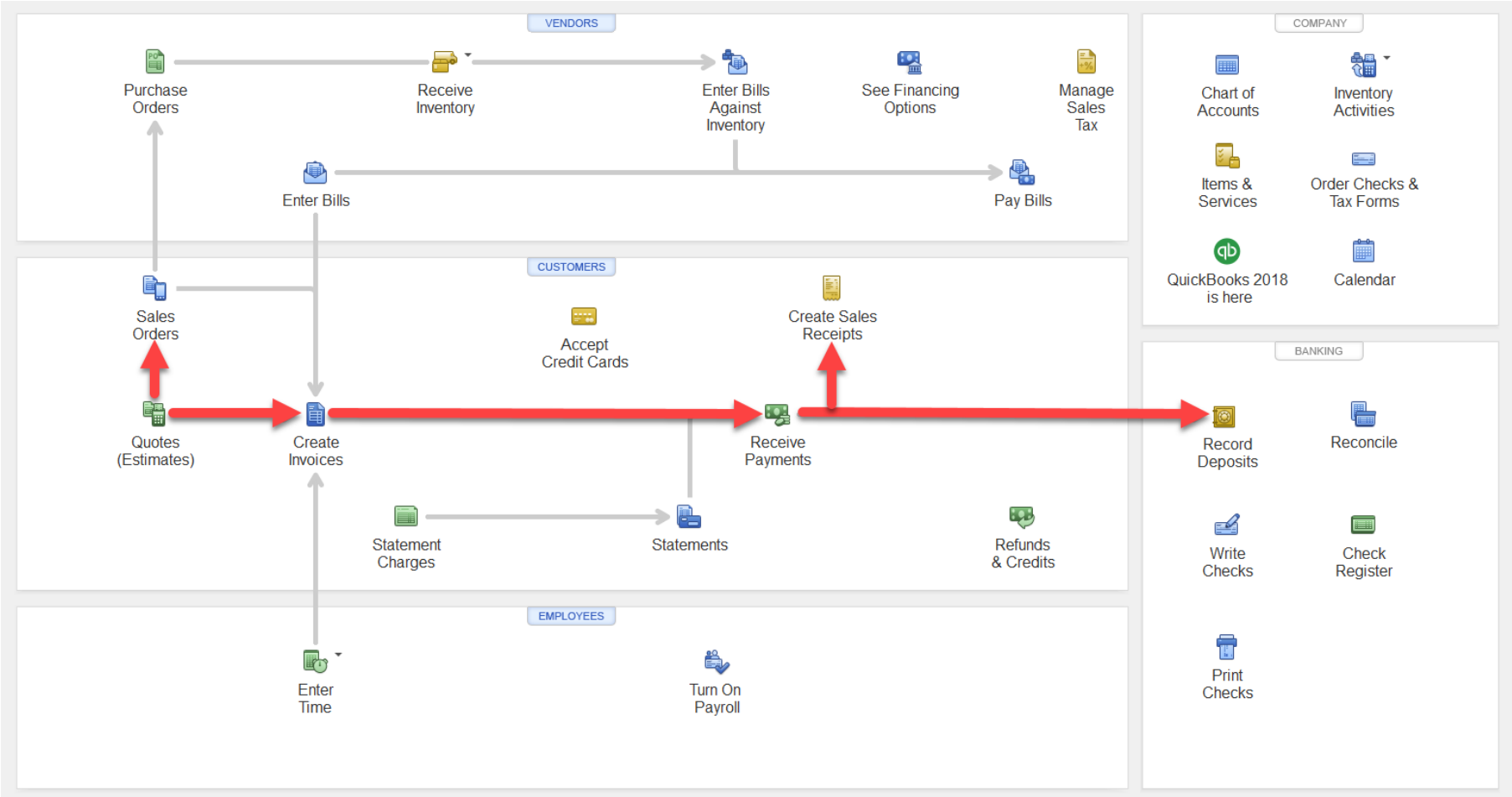



Search Company or Help
My Shortcuts
Home
My Company
Income Tracker
Bill Tracker
Calendar
Snapshots
Customers
Vendors
Employees
Bank Feeds
QuickBooks 2018
My Shortcuts
View Balances
Run Favorite Reports
Open Windows
Do More With QuickBooks
Turn on Payroll
Accept Credit Cards
Order Checks & Tax Forms
Upgrade to QuickBooks 2018
See Financing Options
Company Snapshot
Company
Payments
Customer
Search
Add Content
Restore Default
CUSTOMER
Green Acres Farm
How do I customize this page?
Print
Green Acres Farm
More Details
Number of years as a customer 1 Month
Average days to pay 0.00
Open Balance 325.52
Credit Limit
Sales Summary
This year-to-date
Total sales 313.00
Total Sales for same period last year 0.00
Recent Invoices
DATE NUM AMOUNT OPEN BAL...
10/03/2017 2 3.12 3.12
09/25/2017 1 322.40 322.40
QuickReport
Recent Payments
DATE CHECK/REF# AMOUNT
This customer doesn't have recent payments.
QuickReport
Sales History
$ in 1s
Yearly
350
300
250
200
150
100
50
0
2012 2013 2014 2015 2016 2017
Prior Year(s)
Current Year
Best-Selling Items
Amount
This year-to-date
Pumpkins
Entry Fee
0 50 100 150 200 250 300

# Tracking Income

- Sales of products and/or services need to be accounted for in QuickBooks.
- This will allow you to identify products that are in high demand from your customer base.
- Tracking income is crucial in both determining profitability and making production decisions.
- QuickBooks offers useful tools to record income.

# Tracking Income

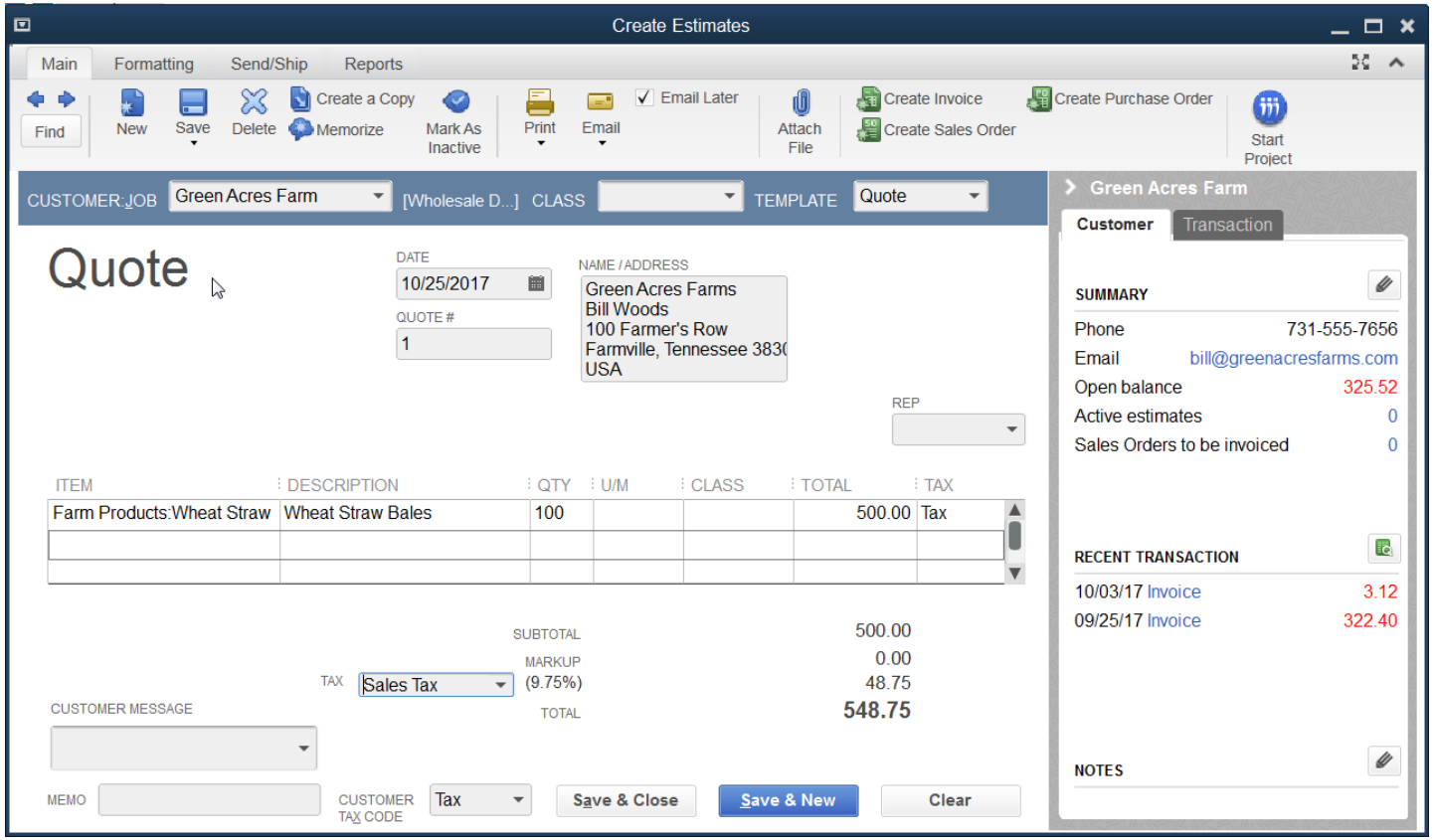


## Tracking Income: Quotes

Creating quotes can be the starting point for a sale. When a customer wants an estimate, you can easily create one in QuickBooks.

In this example, a quote was created for an existing customer for 100 wheat straw bales. You have the customer's information listed on the right side of the screen.

The quote can be saved, emailed, printed, or deleted.

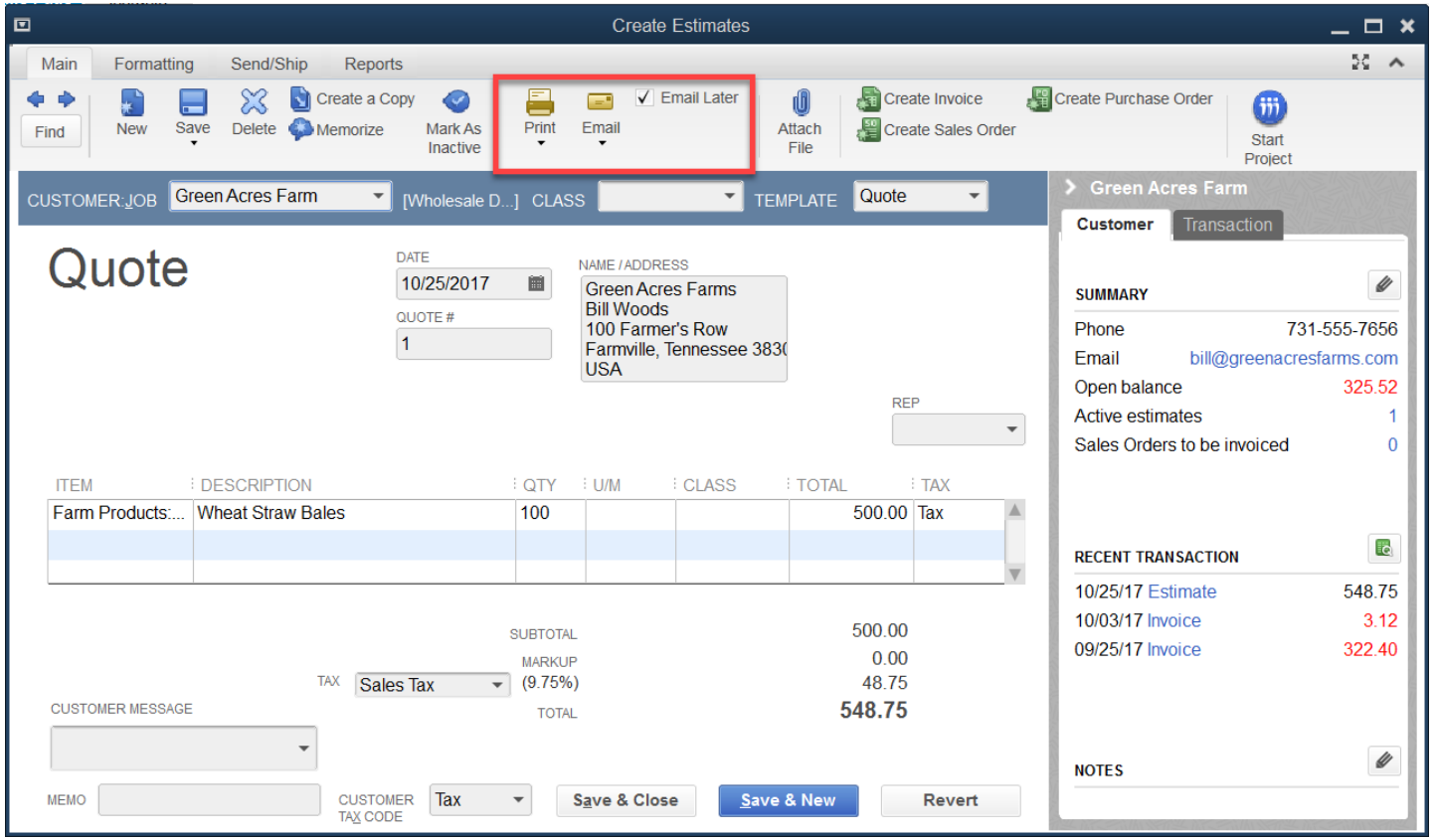


## Tracking Income: Quotes

At the top of the Quote dialog box, you can select how you want to share the Quote with a customer.

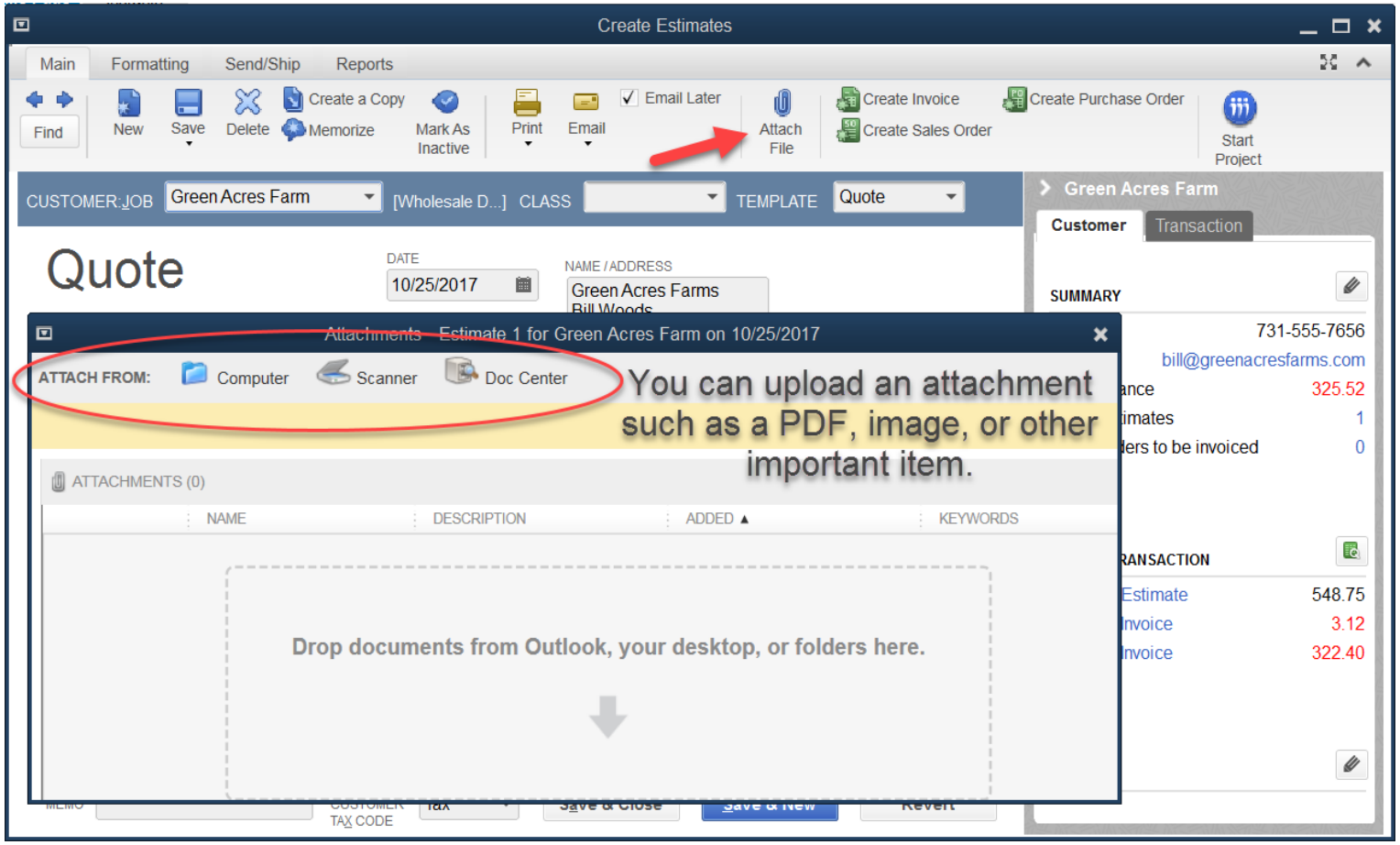
At the bottom of the screen, you can save the quote.

At the top of the screen, you can select what to do next with the quote. It can be saved, deleted, copied, or marked as inactive.



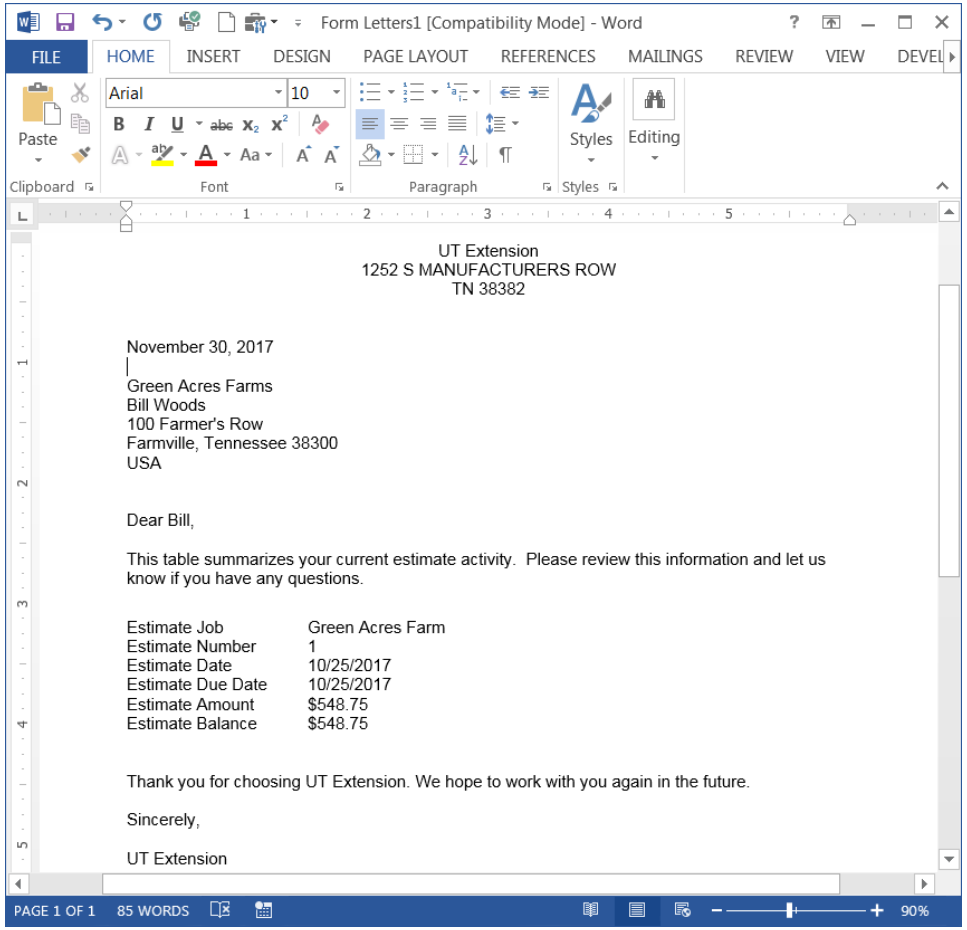
# Tracking Income: Quotes

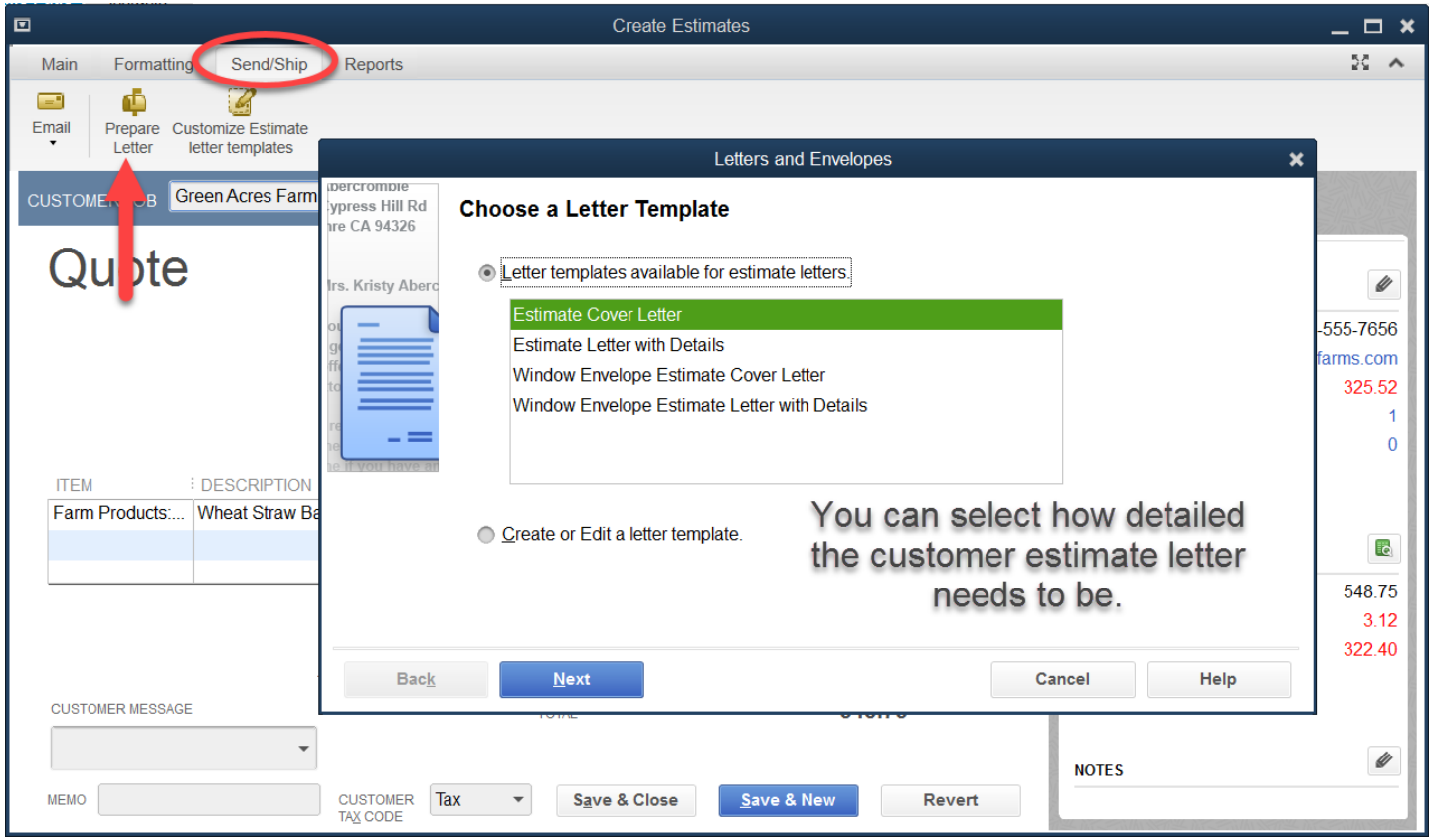
You can also add attachments to quotes. This may be needed if a customer wants to see an item related to the purchase such as an example of the product or a supporting document.



# Tracking Income: Quotes

You can also send sample letters with quotes by selecting Send/Ship and following the prompts to Prepare Letter in QuickBooks.

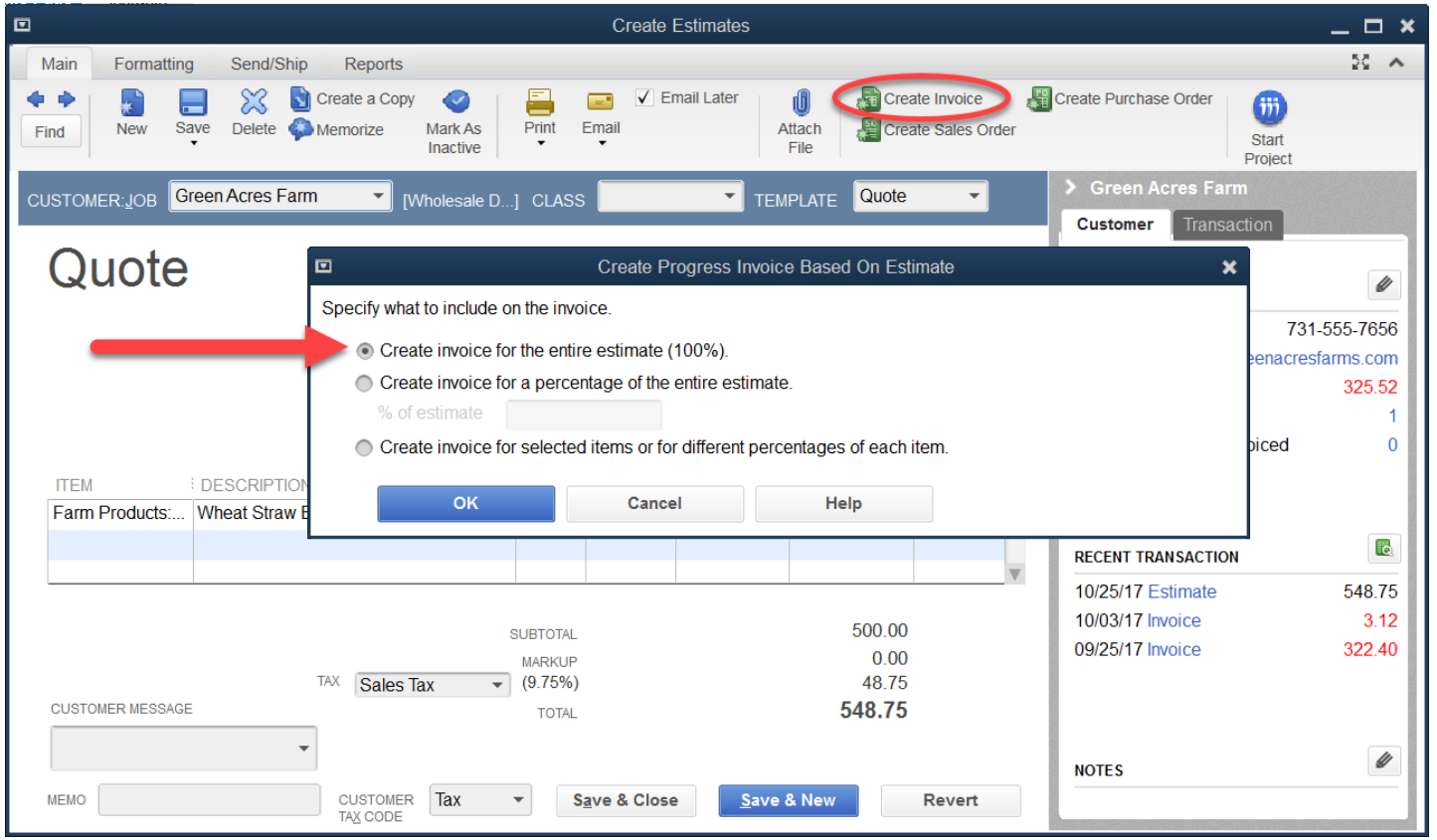


## Tracking Income: Quotes

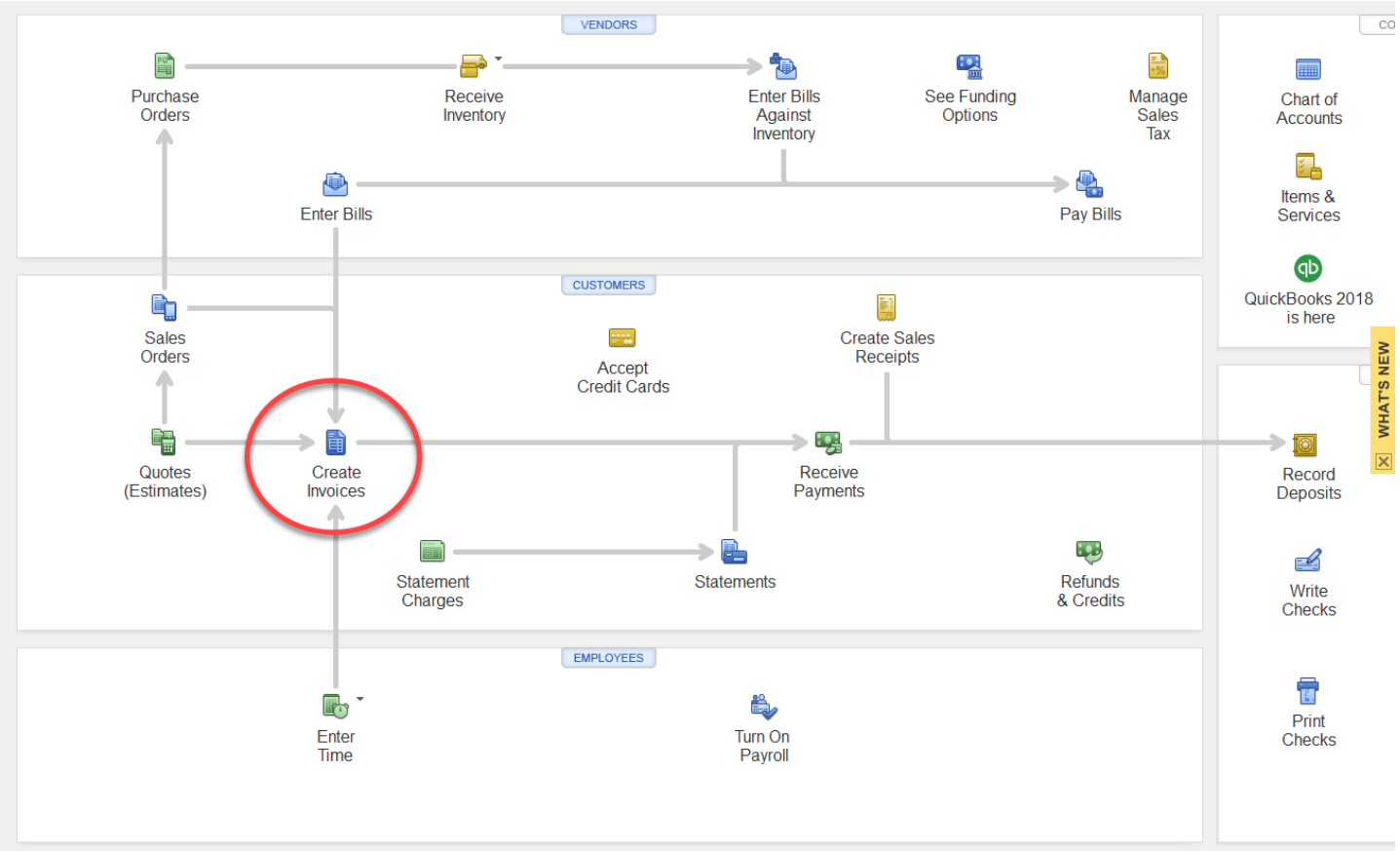
You can select to turn a Quote into an Invoice by selecting the Create Invoice option at top of the dialogue box.

You will then be prompted to create an Invoice with all of the information from the estimate or just a portion of the estimate.



# Tracking Income: Invoices

You can also create an Invoice by directly choosing the Create Invoices option from the Home Page.

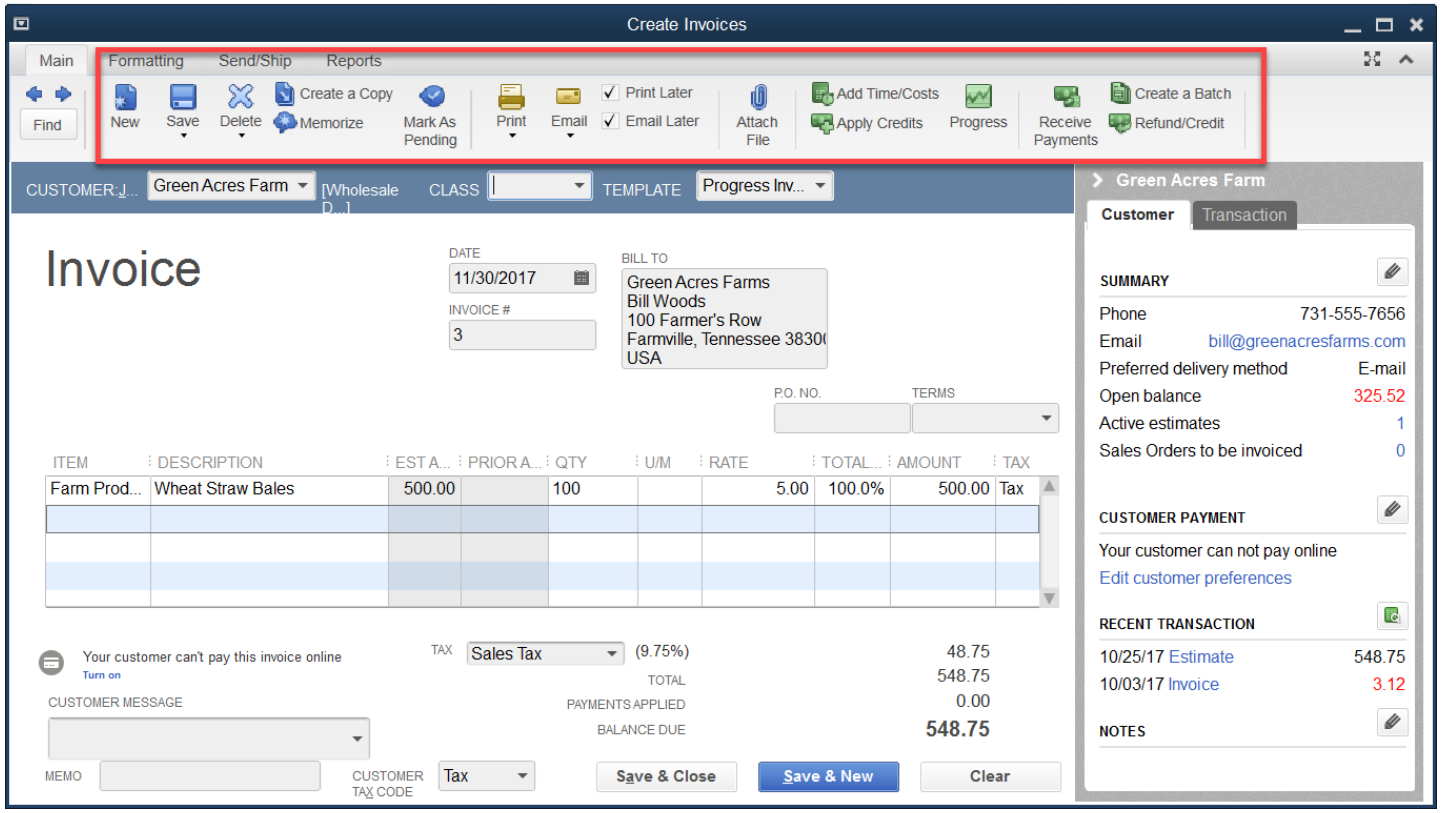


# Tracking Income: Invoices

You have many of the same options with Invoices as you do with Quotes.

You can print invoices, email them to customers, save them for later revisions, and attach files.

You can also apply credits to customers, receive payments, and create batch invoices to send a similar invoice to multiple customers.

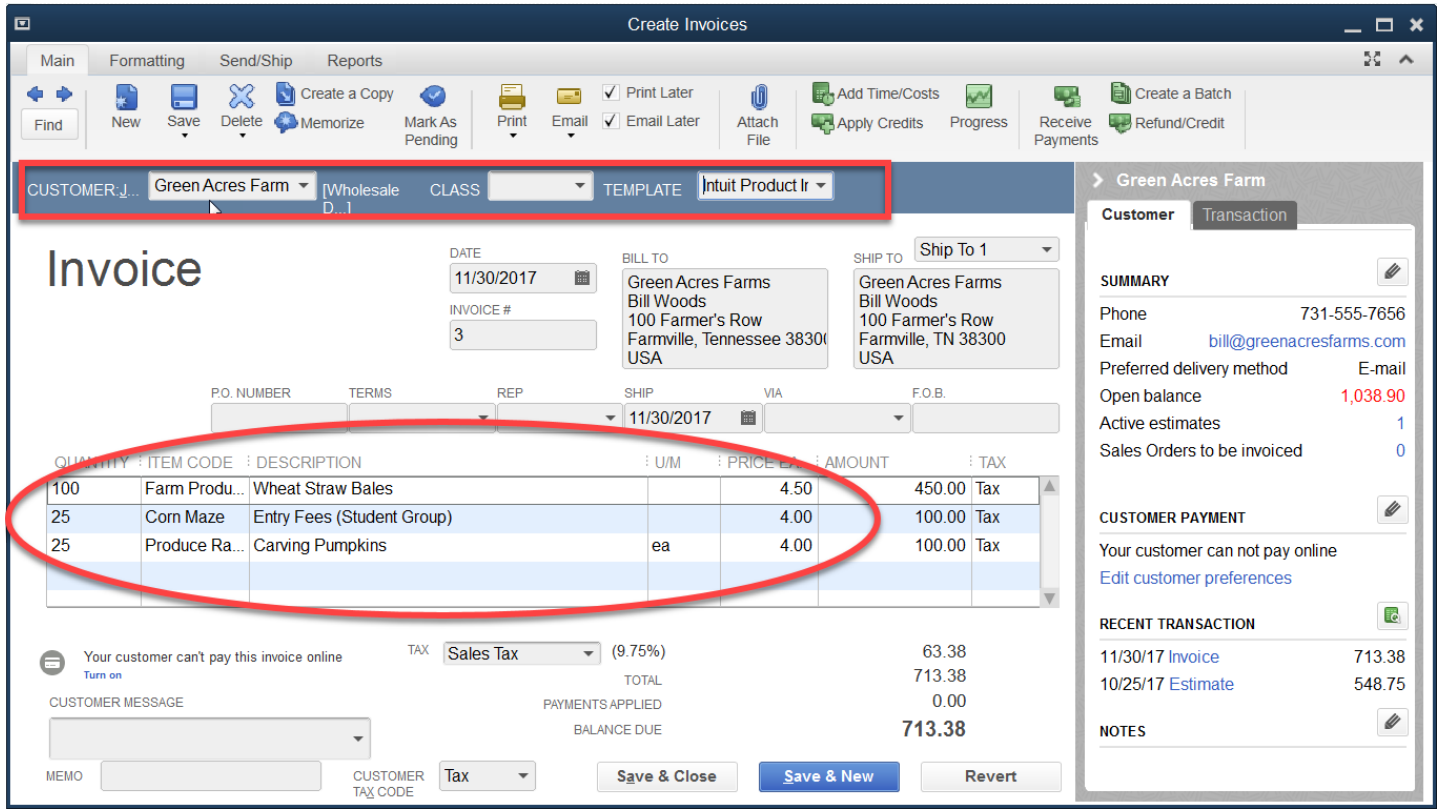


## Tracking Income: Invoices

You will need to select the customer that you want to send the Invoice to. You can also add a new customer from the Customer drop down list. You can also change the Invoice Template to better suit your business's needs.

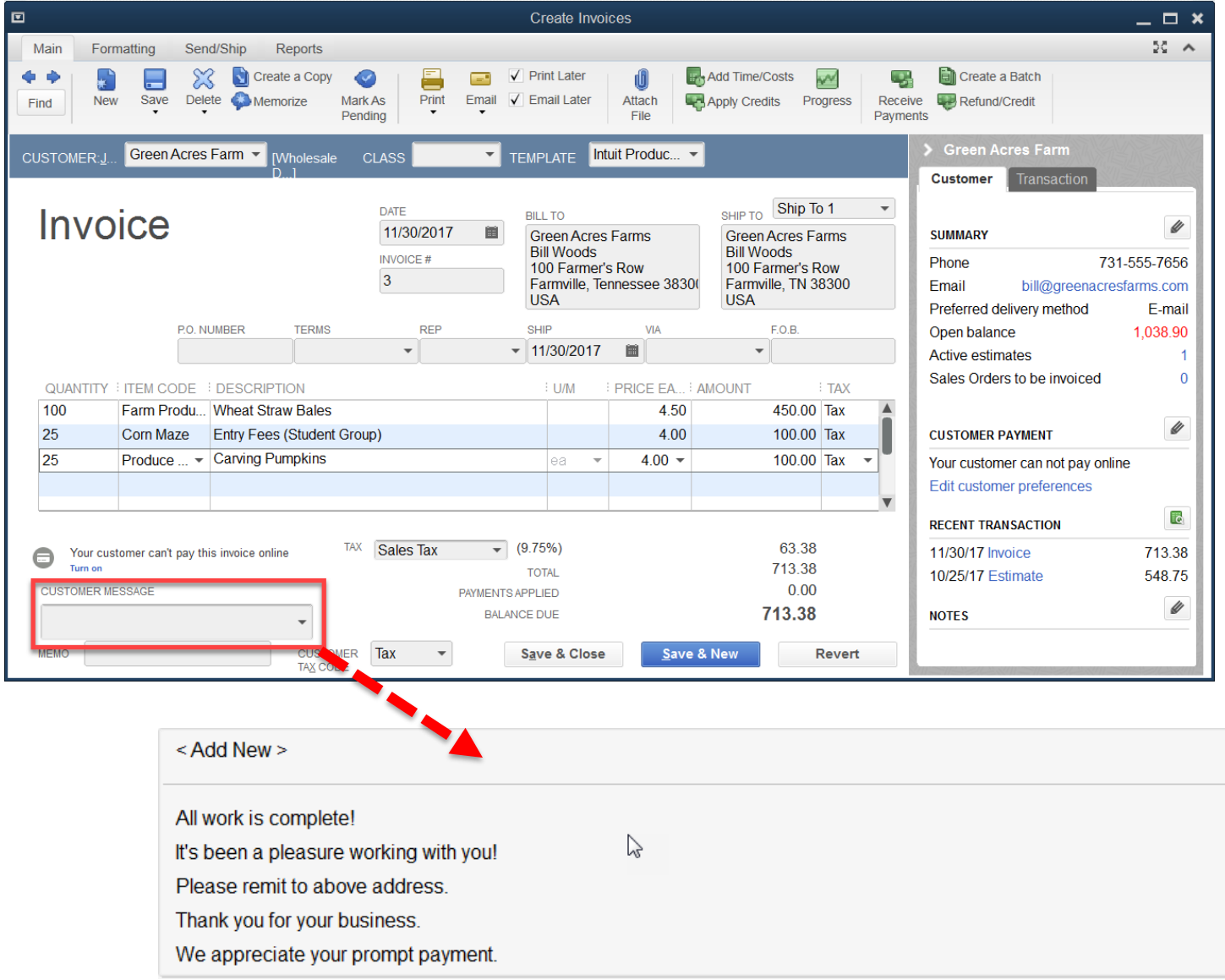
Then, you can add the products, or services, being sold to the customer. You can specify the quantity, item information, price, and calculate taxes.

The customer information is displayed to the right side in order to track the customer's activity.



# Tracking Income: Invoices

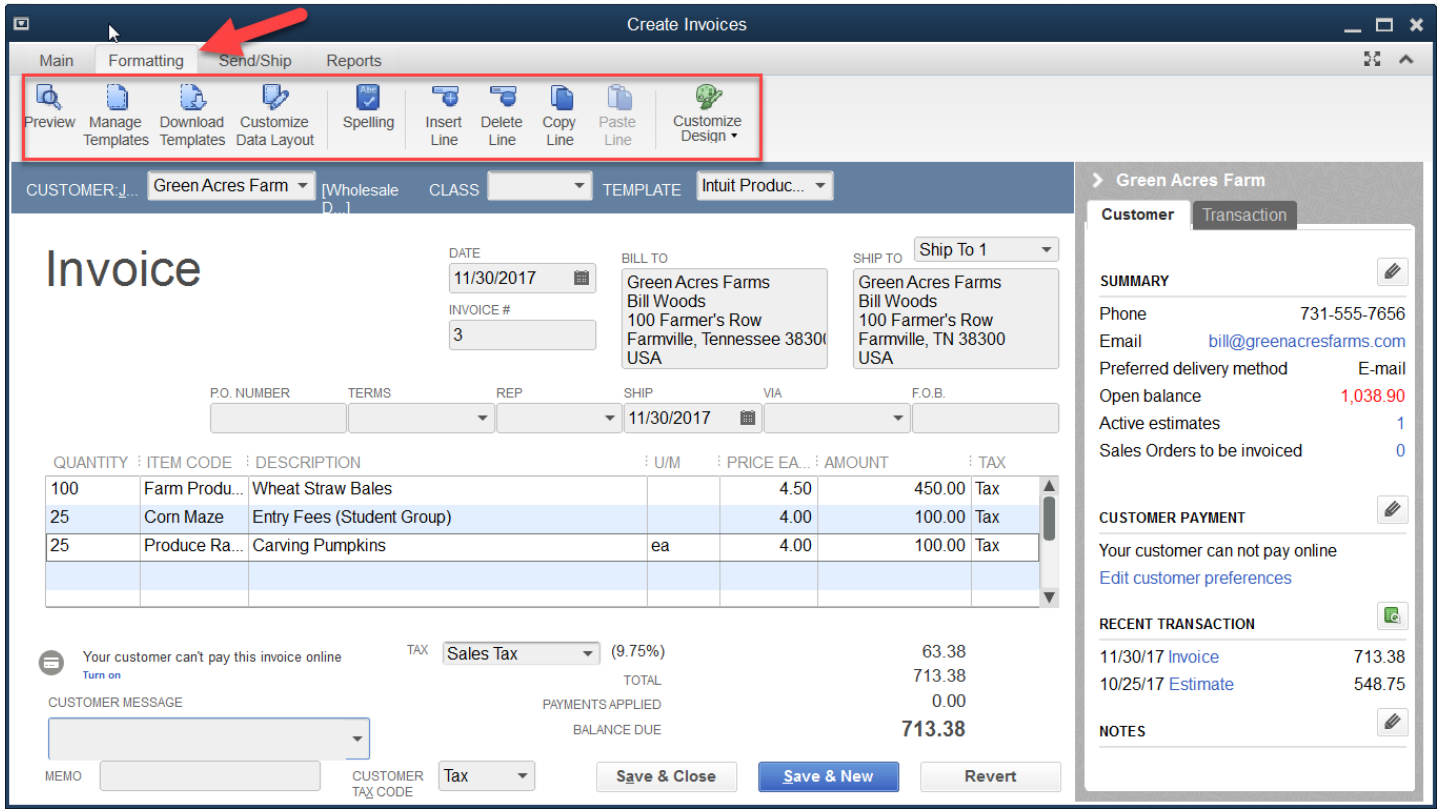
You can also add personalized messages to your customer's invoice or you can select from the default messages that are included in QuickBooks.



## Tracking Income: Invoices

You can format an Invoice by using the Formatting tab. You have the option to use other templates, add lines, delete lines, or copy and paste lines.

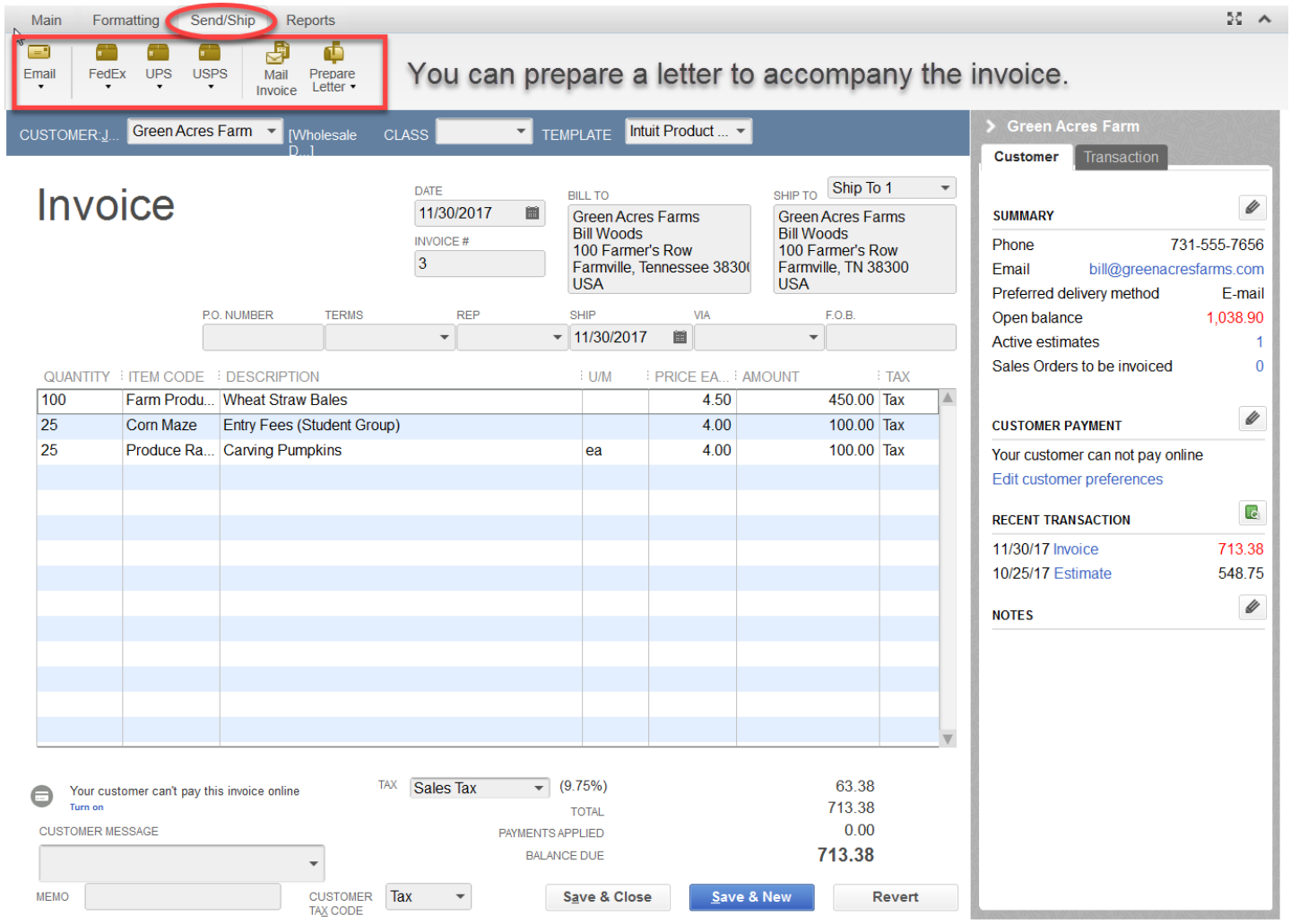
You can also add a custom background to make the Invoice fit your business. You can do this through the Customize Design option.



## Tracking Income: Invoices

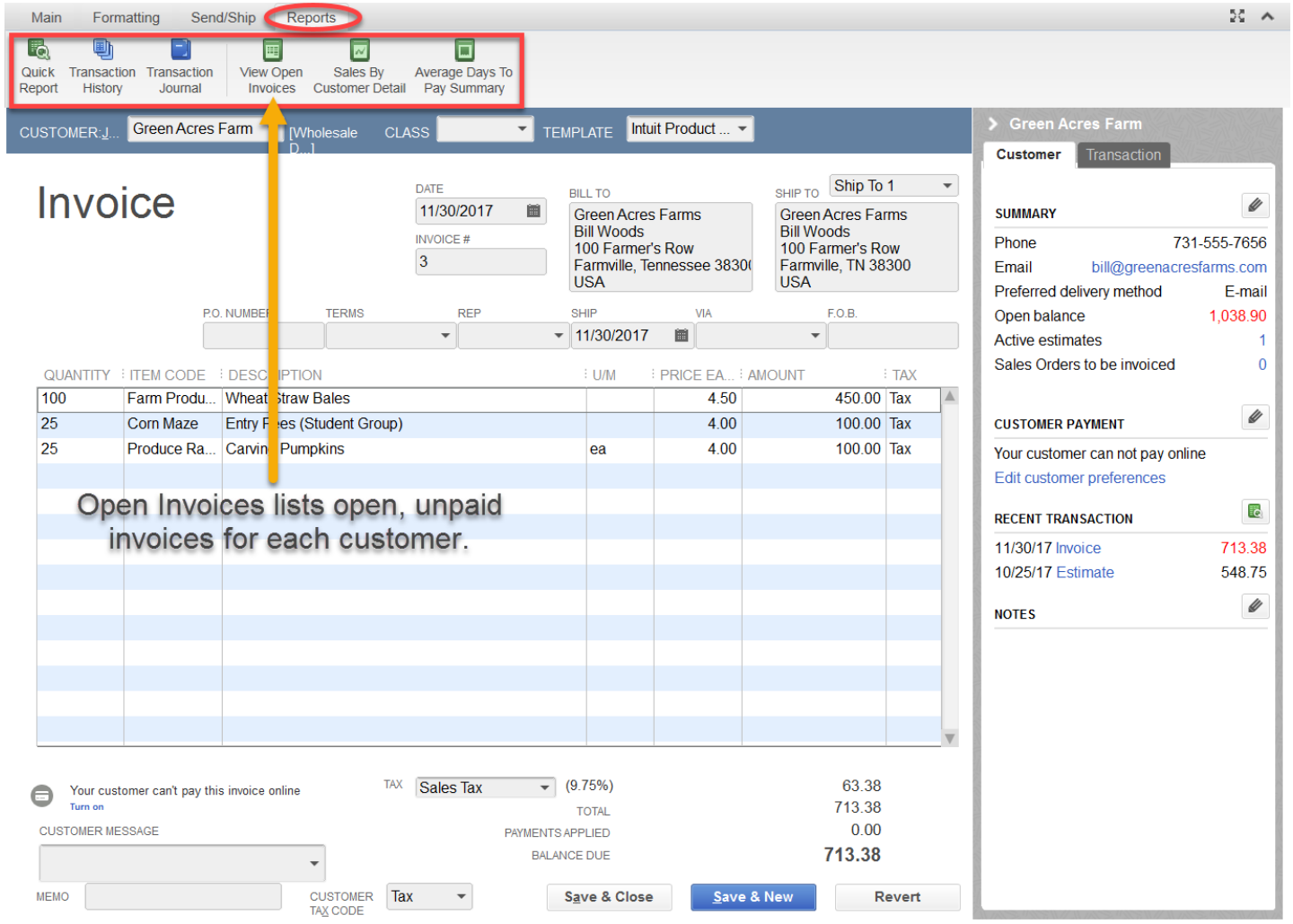
You can use the Send/Ship options to prepare packages for shipment. If you are shipping a package with the Invoice, then you can also select the carrier that will pick up the package.

This option will not likely be used by your business unless you are shipping a physical product.



# Tracking Income: Invoices

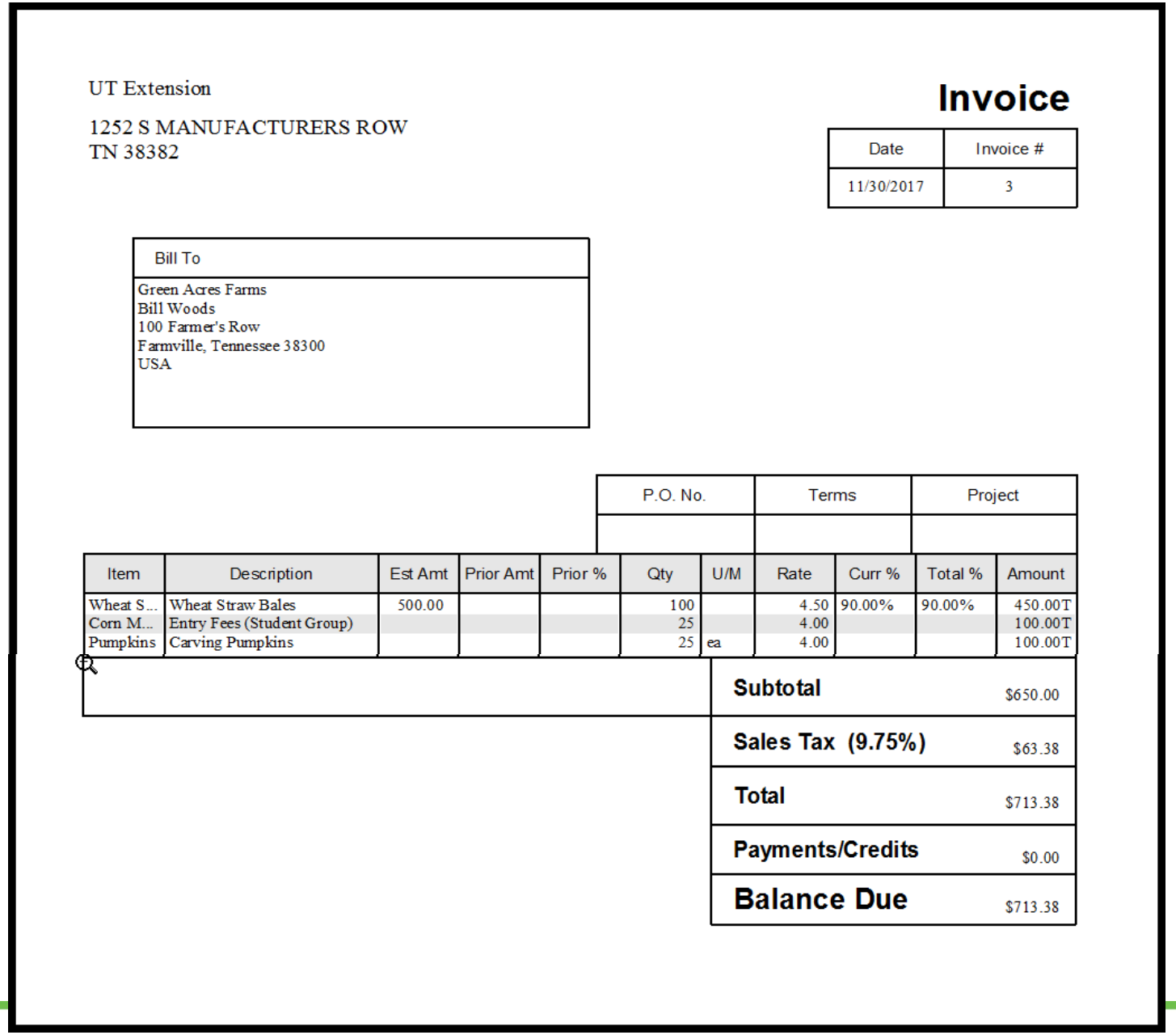
You can also pull reports for each invoice. You can look at open invoices, sales by customer, and the transaction history tied to a particular Invoice.



## Tracking Income: Invoice

A sample invoice is pictured here. This is a sample of what the invoice would like that can create with QuickBooks and send to your customers.

You can also change the background to fit your business.



UT Extension

1252 S MANUFACTURERS ROW
TN 38382

**Invoice**

| Date | Invoice # |
|---|---|
| 11/30/2017 | 3 |

Bill To

Green Acres Farms
Bill Woods
100 Farmer's Row
Farmville, Tennessee 38300
USA

| P.O. No. | Terms | Project |
|---|---|---|
| | | |

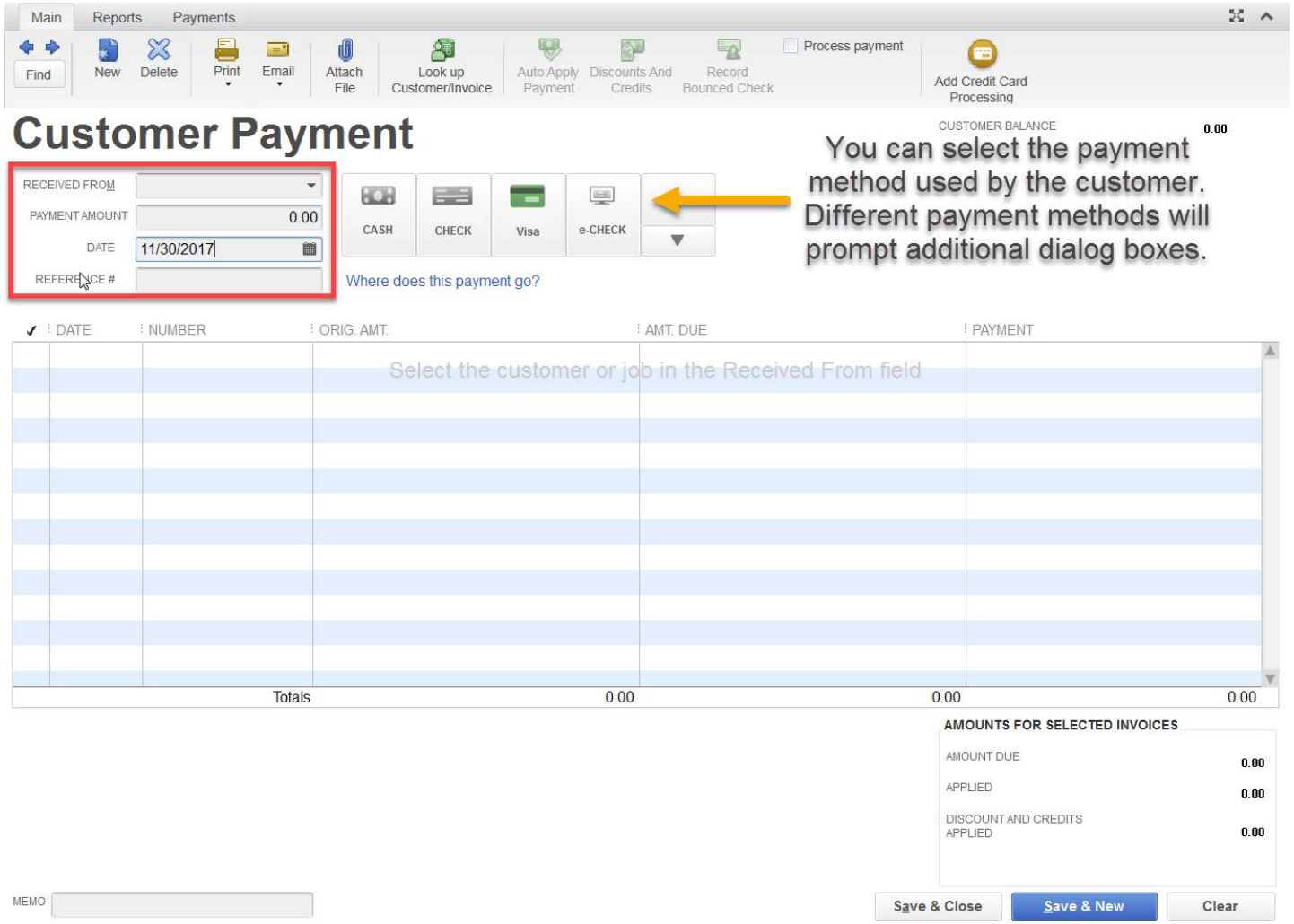
| Item | Description | Est Amt | Prior Amt | Prior % | Qty | U/M | Rate | Curr % | Total % | Amount |
|---|---|---|---|---|---|---|---|---|---|---|
| Wheat S... | Wheat Straw Bales | 500.00 | | | 100 | | 4.50 | 90.00% | 90.00% | 450.00T |
| Corn M... | Entry Fees (Student Group) | | | | 25 | | 4.00 | | | 100.00T |
| Pumpkins | Carving Pumpkins | | | | 25 | ea | 4.00 | | | 100.00T |

| | |
|---|---|
| **Subtotal** | $650.00 |
| **Sales Tax (9.75%)** | $63.38 |
| **Total** | $713.38 |
| **Payments/Credits** | $0.00 |
| **Balance Due** | $713.38 |

# Tracking Income: Receive Payments

When a customer sends you a payment, you can enter the payment into QuickBooks.

You will need to specify who the payment came from, the payment amount, method of payment, date of payment, and information regarding payment, such as check numbers.

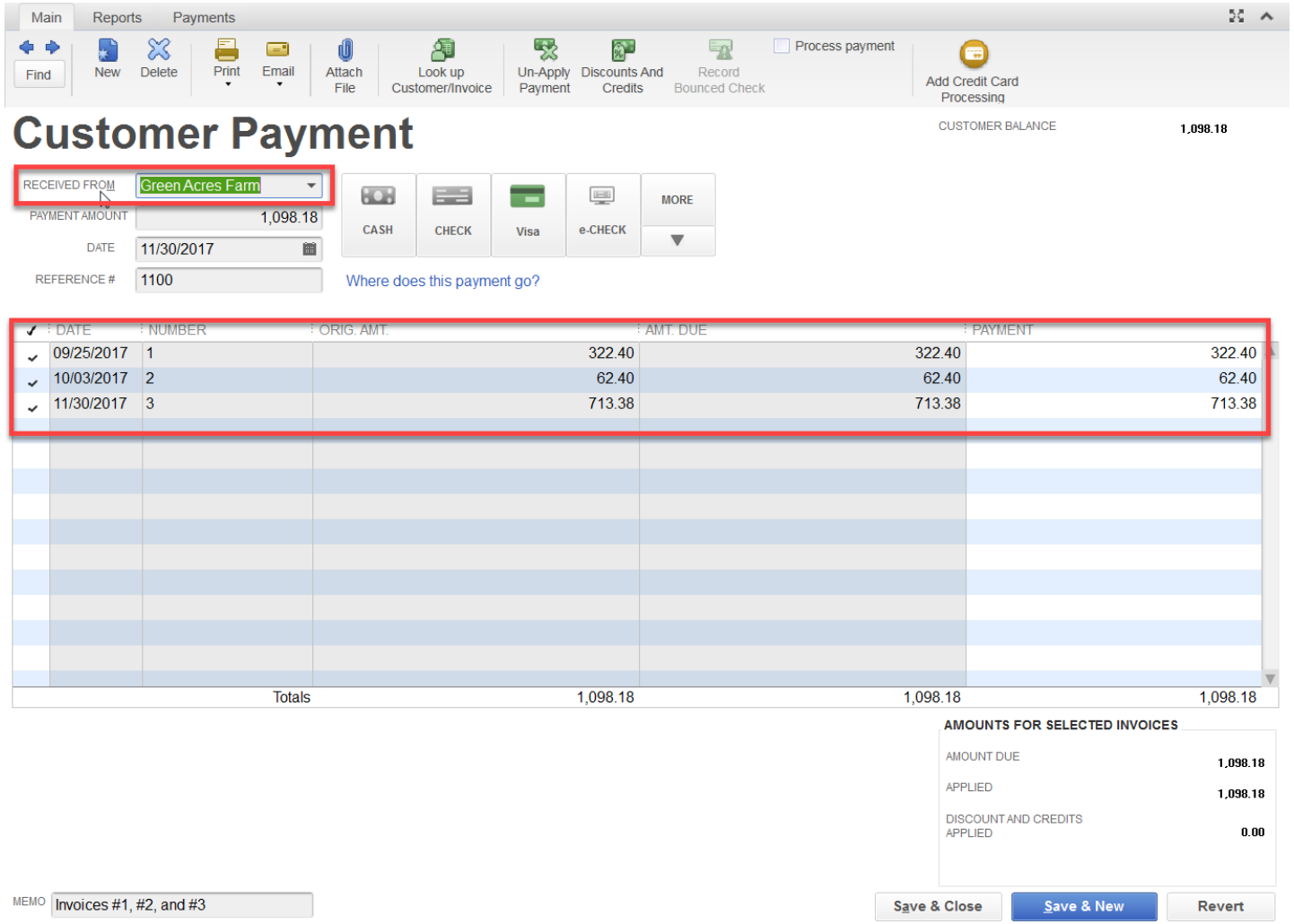


# Tracking Income: Receive Payments

When entering in a payment, you can select who the payment came from in the drop down menu titled “Received From”.

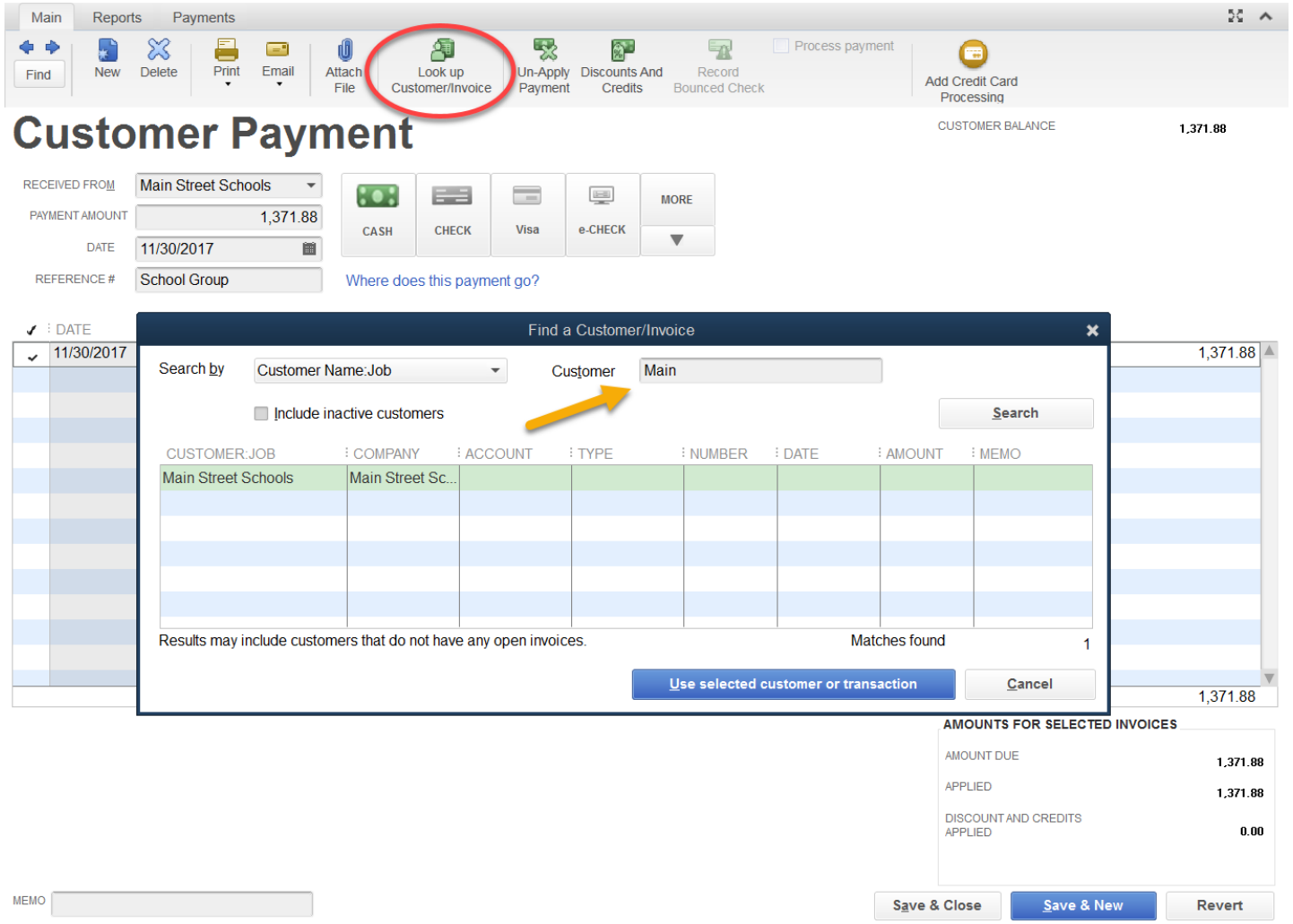
This will automatically bring in unpaid invoices from this specific customer. You can apply the payment to each individual invoice by inserting a checkmark by the left of the date of the invoice.

In this example, the payment received was for three separate invoices.



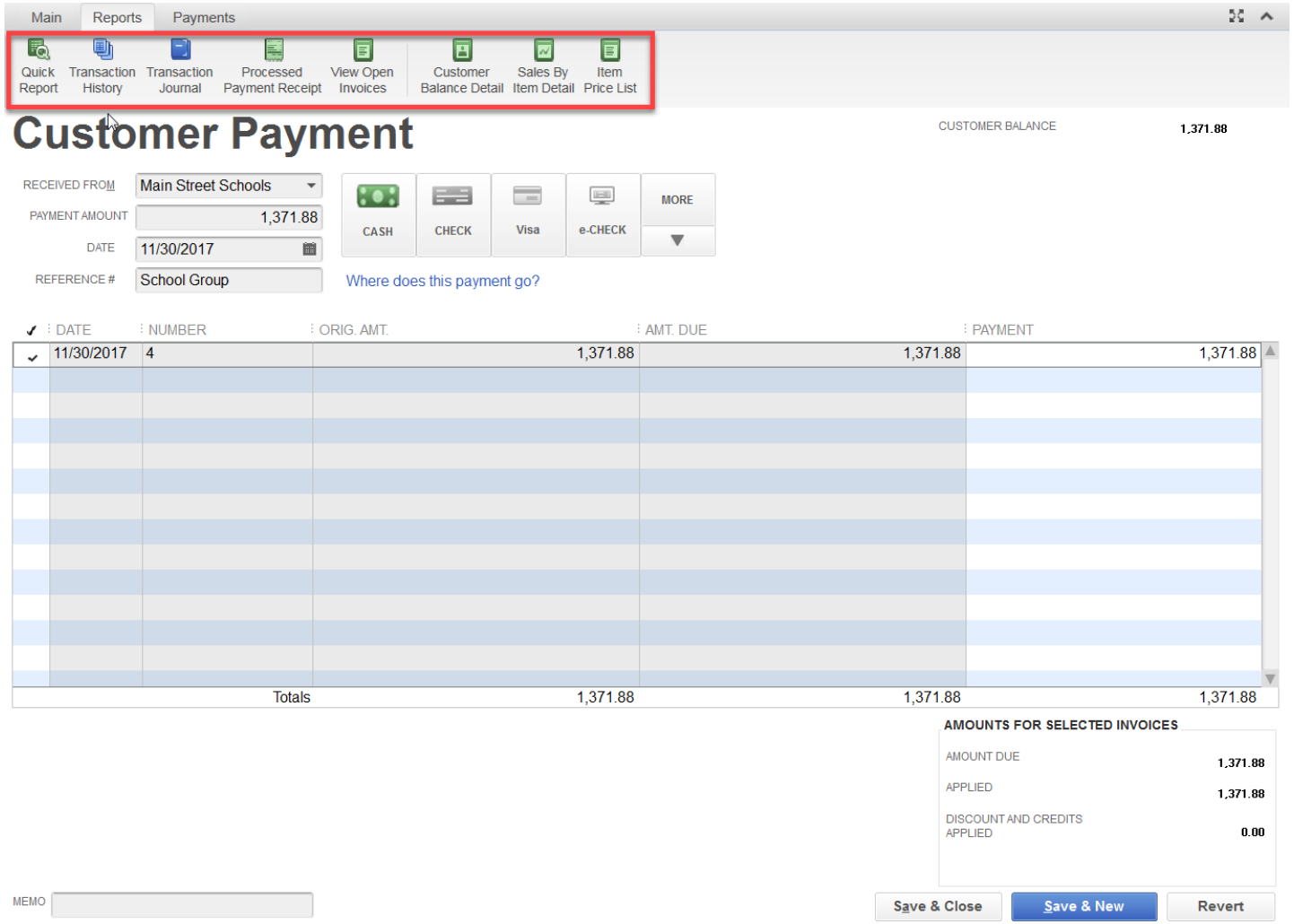
# Tracking Income: Receive Payments

You can use the Look up Customer/Invoice to open a Find a Customer/Invoice to search for invoices. This can be used to look for an invoice to apply a payment to once you receive funds from a customer.



# Tracking Income: Receive Payments

You can use the options under the Report tab to review payments, transaction history reports, open invoices, customer balance detail, and a few other reports.



# Tracking Income: Receive Payments

A sample report is shown here. The Transaction Journal report can be pulled to show the credit and debit of a transaction. The debit of the payment for the credit of goods/services that the customer was invoiced for.

**UT Extension**

**Transaction Journal**

**All Transactions**

| Trans # | Type | Date | Num | Name | Memo | Account | Class | Debit | Credit |
|---|---|---|---|---|---|---|---|---|---|
| 9 | Payment | 11/30/2017 | | Main Street Schools | | Undeposited Funds | | 1,371.88 | |
| | | | | Main Street Schools | | Accounts Receiva... | | | 1,371.88 |
| | | | | | | | | 1,371.88 | 1,371.88 |
| TOTAL | | | | | | | | 1,371.88 | 1,371.88 |

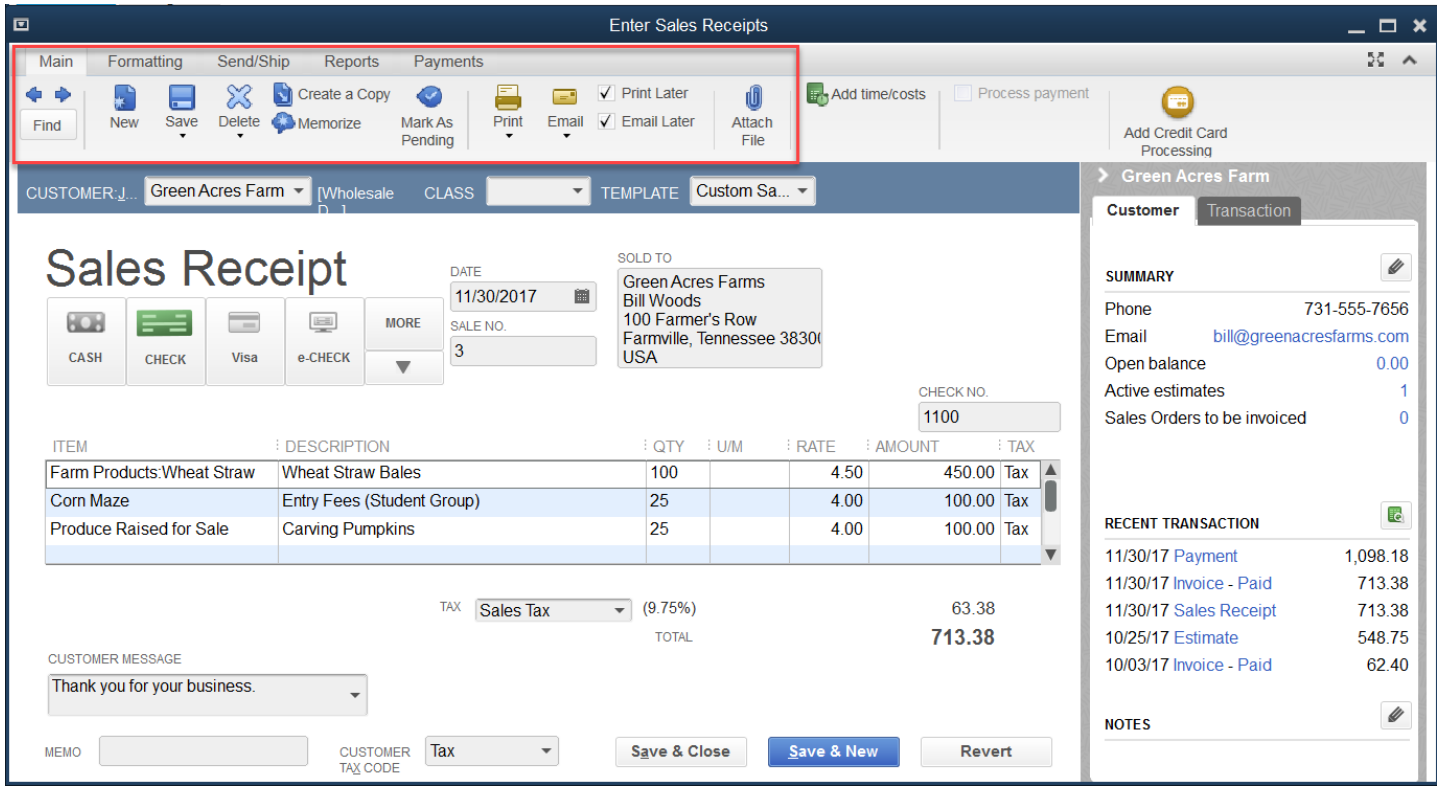
## Create Sales Receipts

After you have made a sale, you will need to create a receipt. QuickBooks has a few useful tools that make creating a receipt rather simple.

## Create Sales Receipts

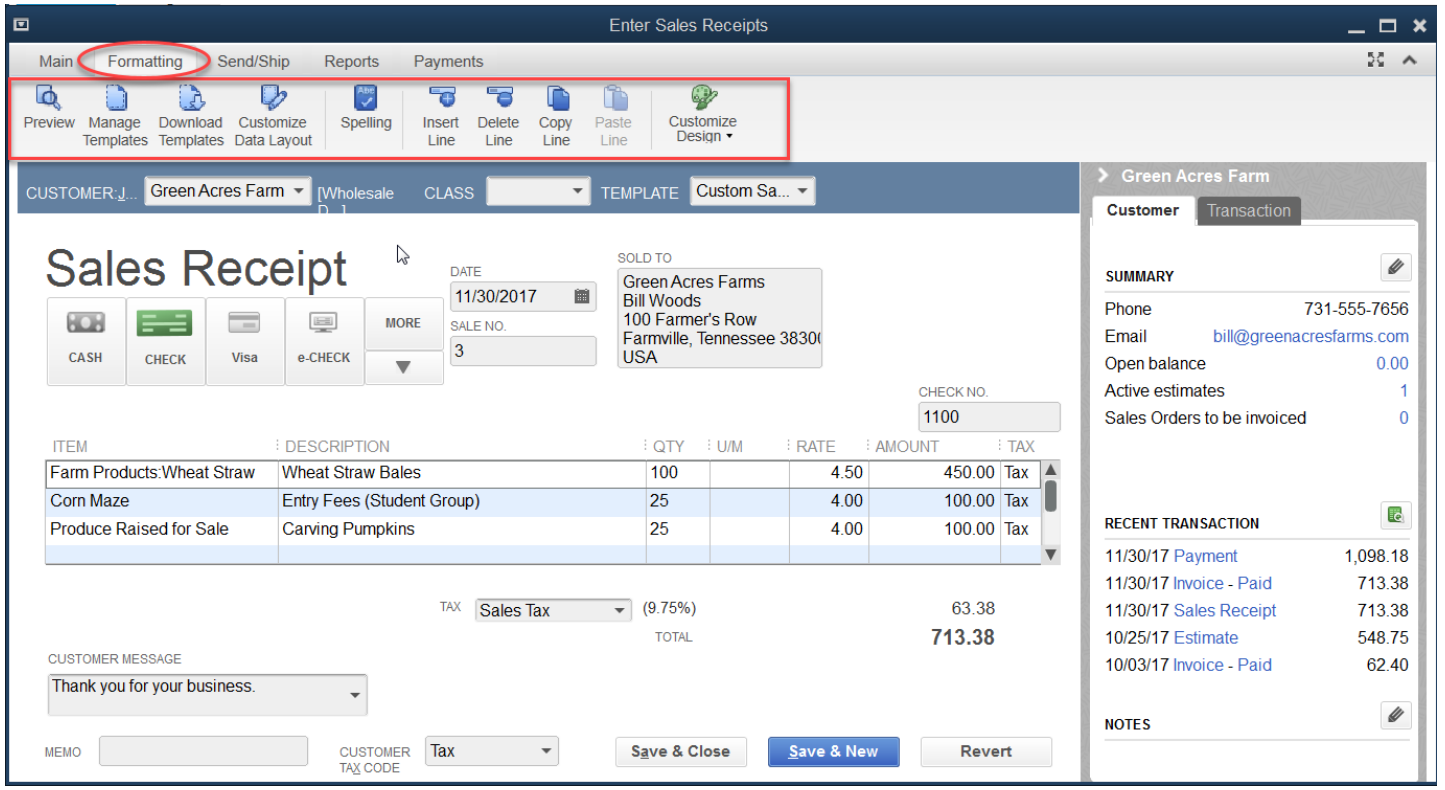
Sales receipts can be created by selecting the Customer Name, choosing the payment method, date of the transaction, and details of the sale.

You can print the sales receipt or email the sales receipt.



# Create Sales Receipts

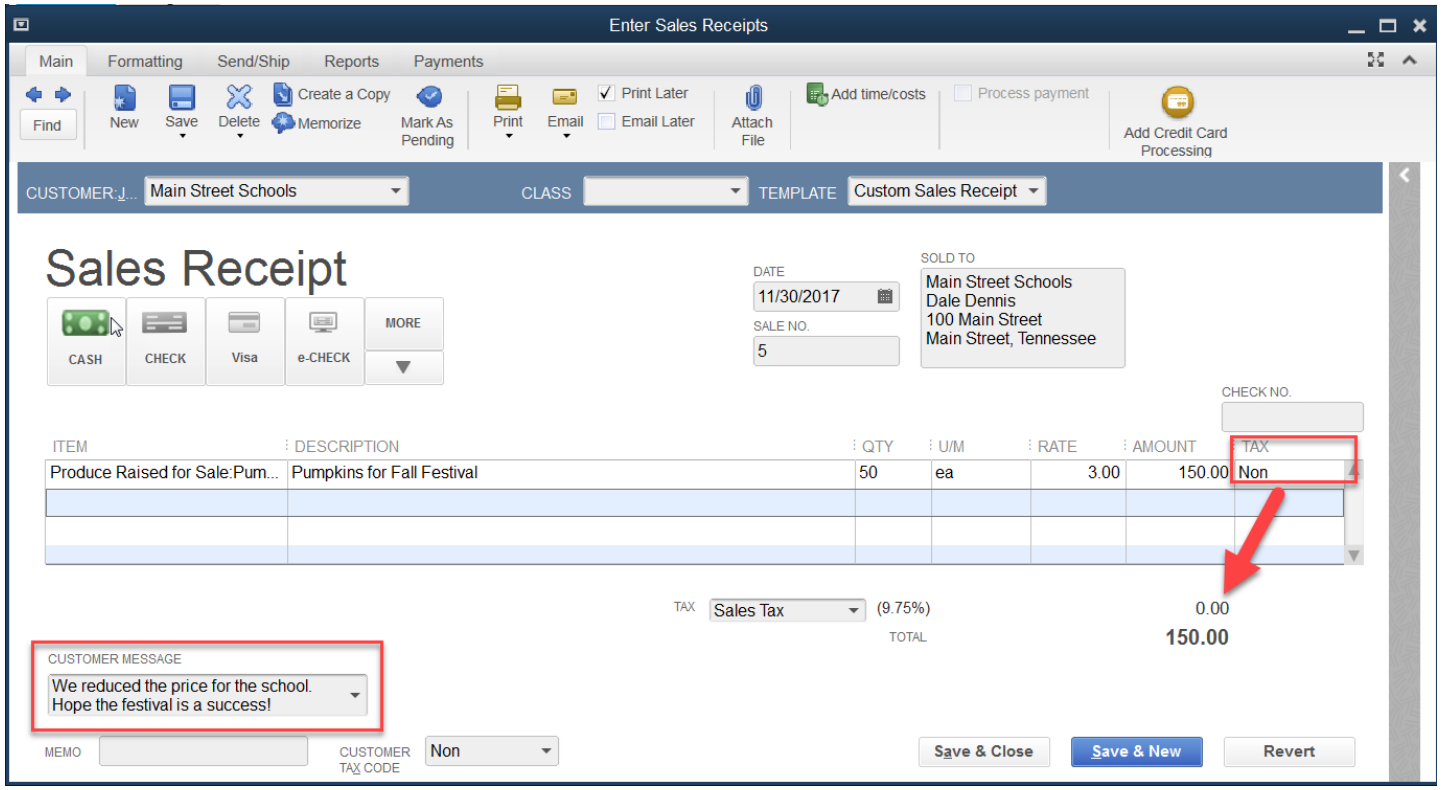
You can format Sales Receipt just like you Quotes and Invoices. You will have the option to insert or delete lines, change the template, and customize the design.



## Create Sales Receipts

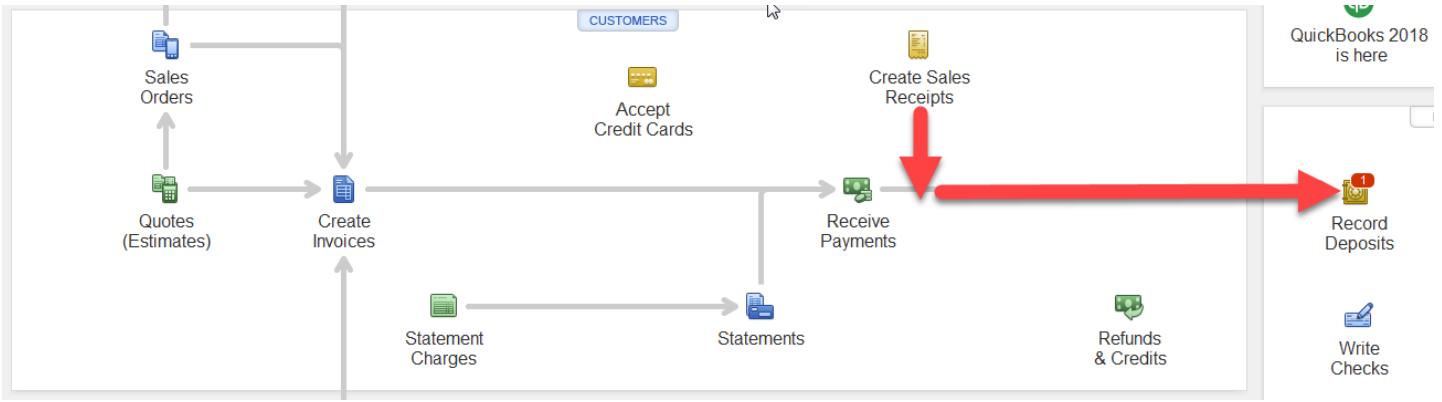
Here is an example of a cash sale. Notice that the school is tax exempt, which is indicated by the “Non” tax identifier.

You can also customize customer messages to fit the sale.



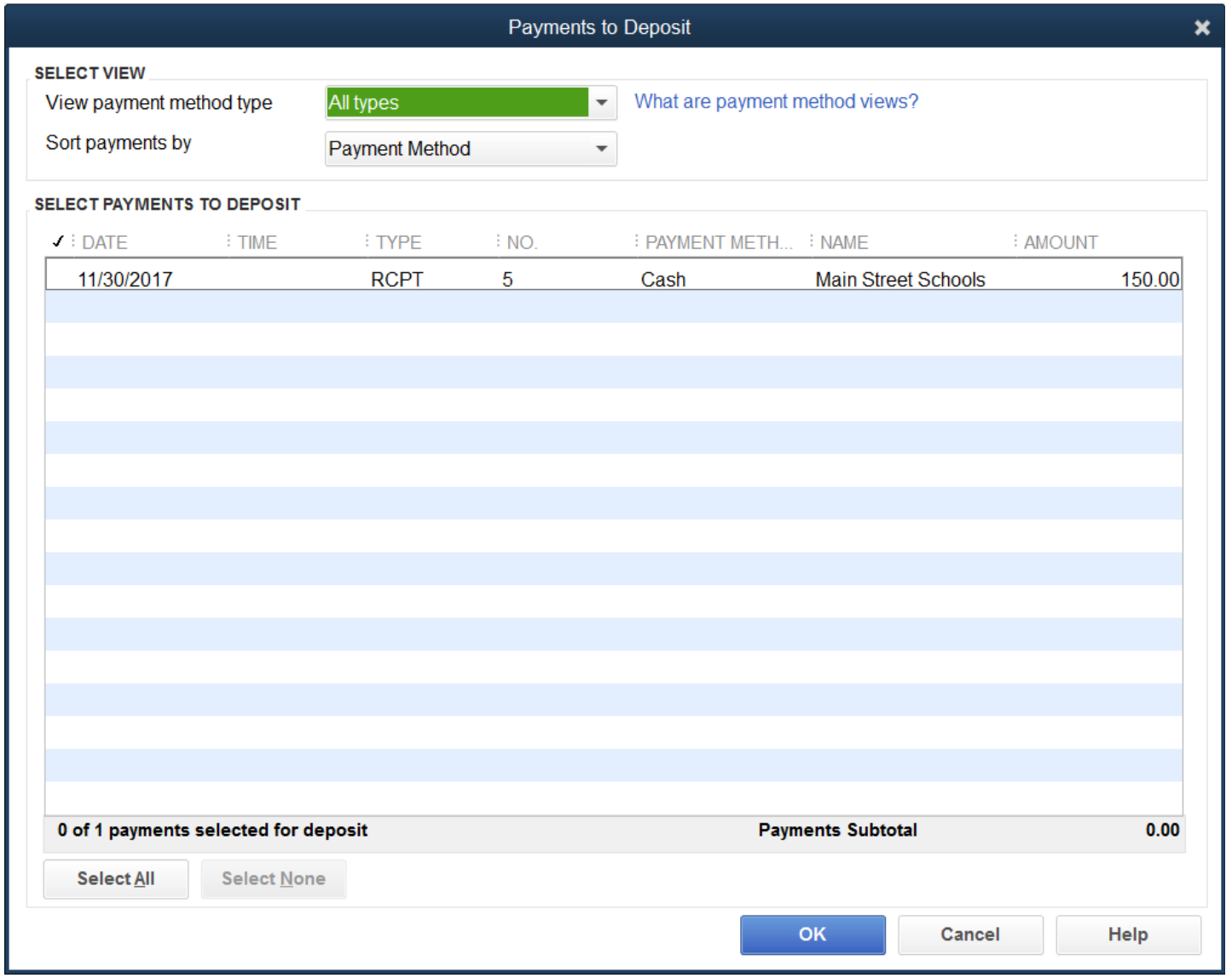
# Create Sales Receipts

After the cash receipt was created, a new deposit needs to be recorded. QuickBooks notes that cash was taken in and a deposit needs to be prepared.



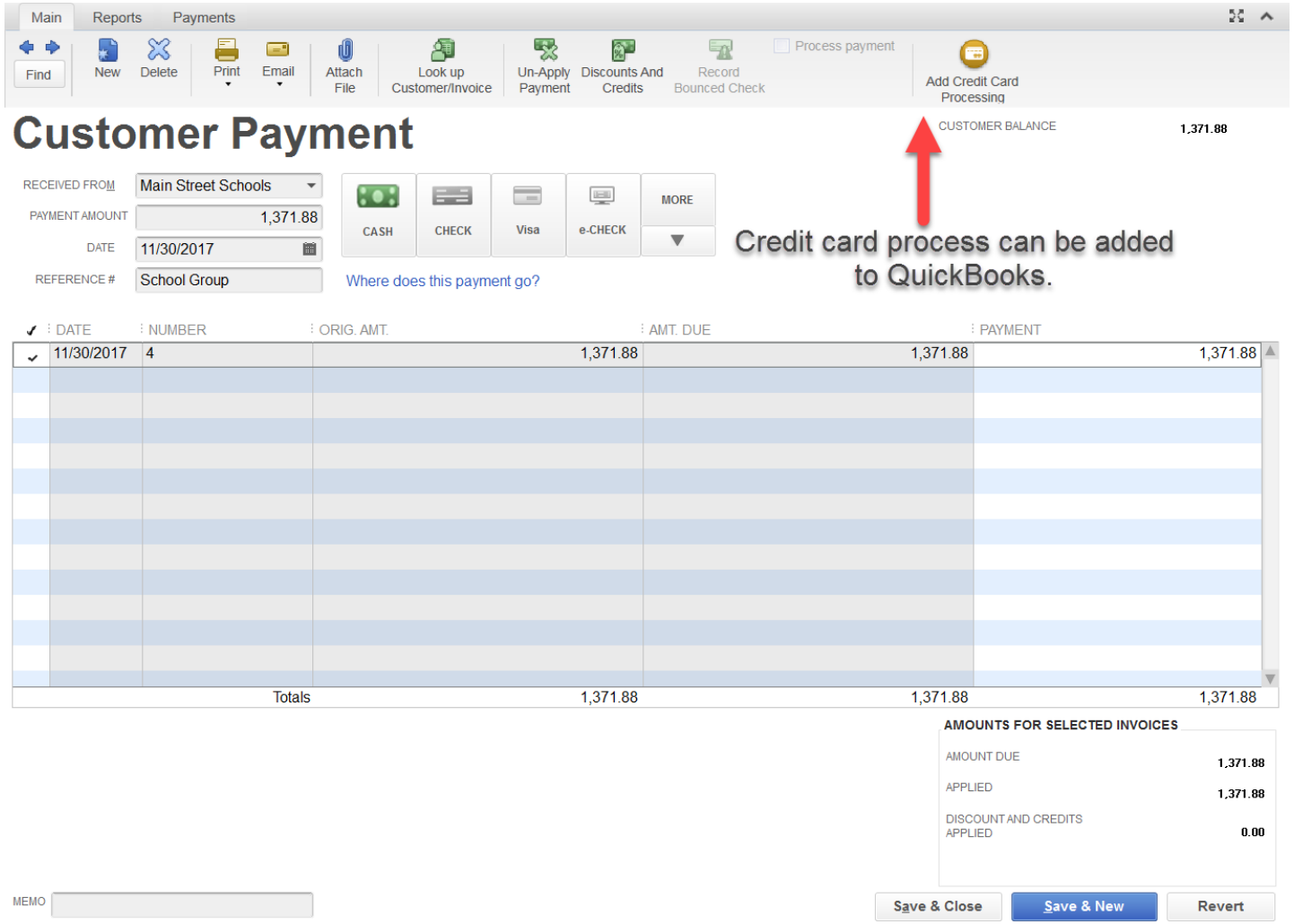
# Create Sales Receipts

For the cash received from the sale, you need to mark the payment to be deposited into your checking account.



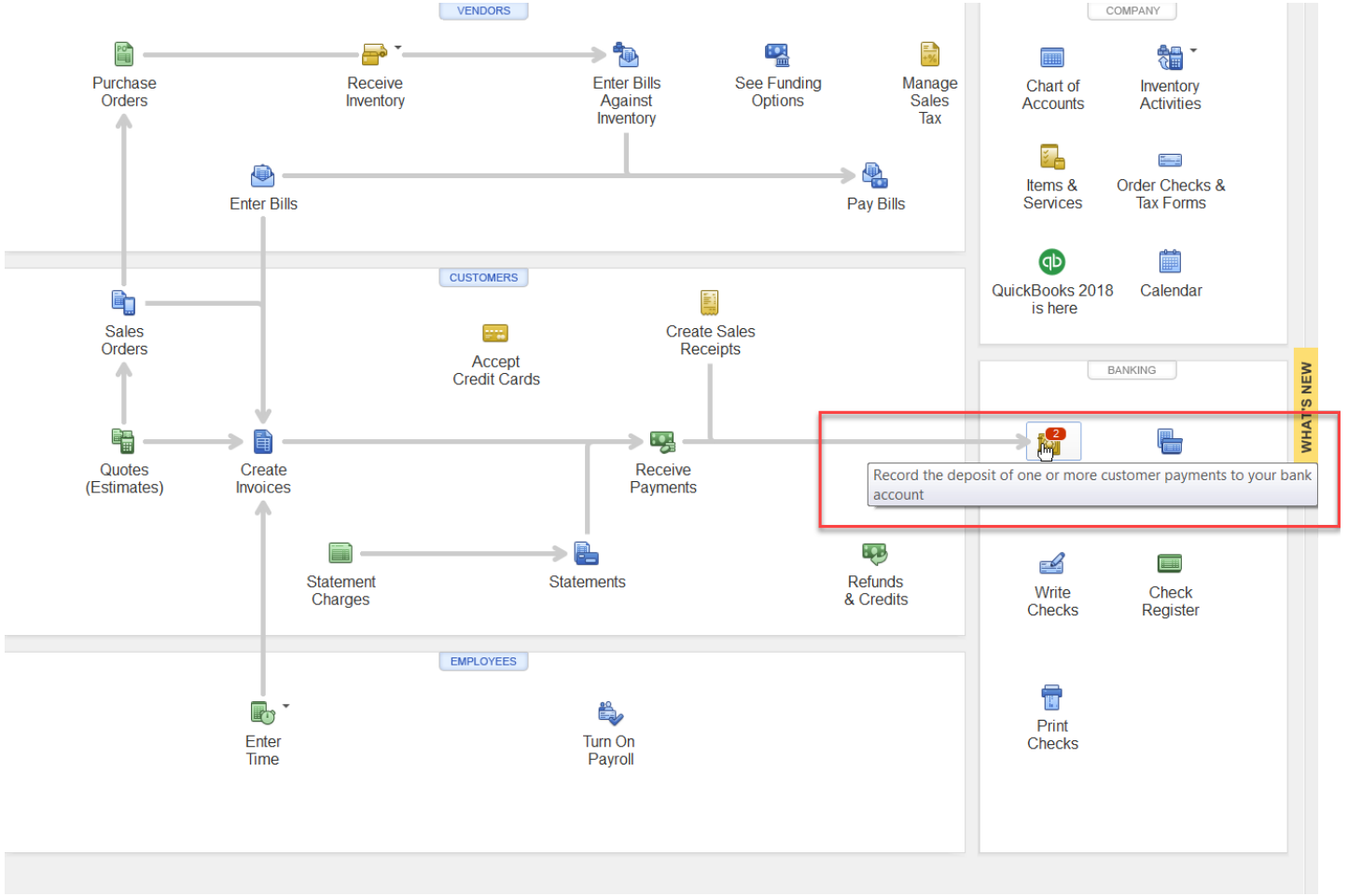
# Tracking Income: Record Deposits

You can select to add credit card processing. However, this feature is not defaulted with QuickBooks and requires you to pay an additional fee.



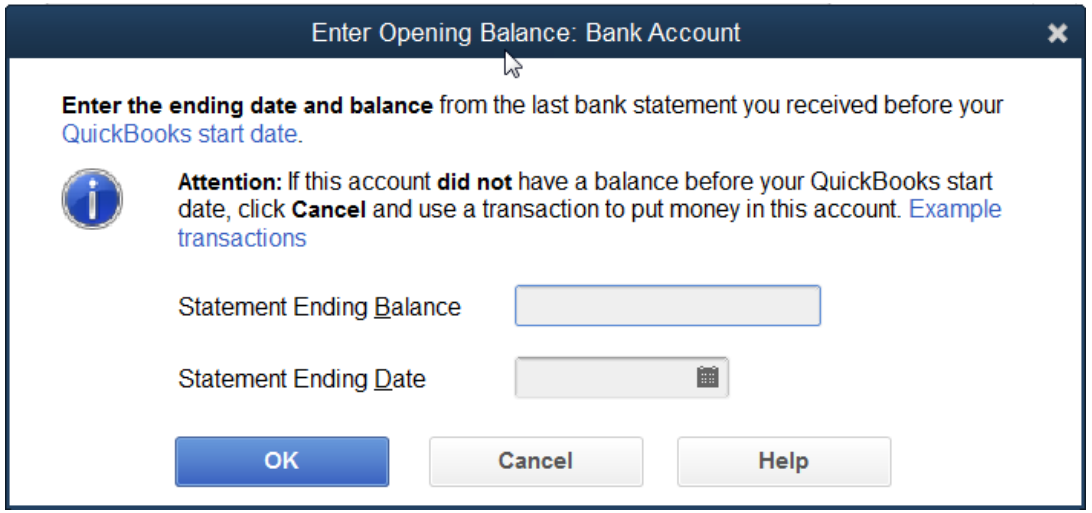
# Tracking Income: Record Deposits

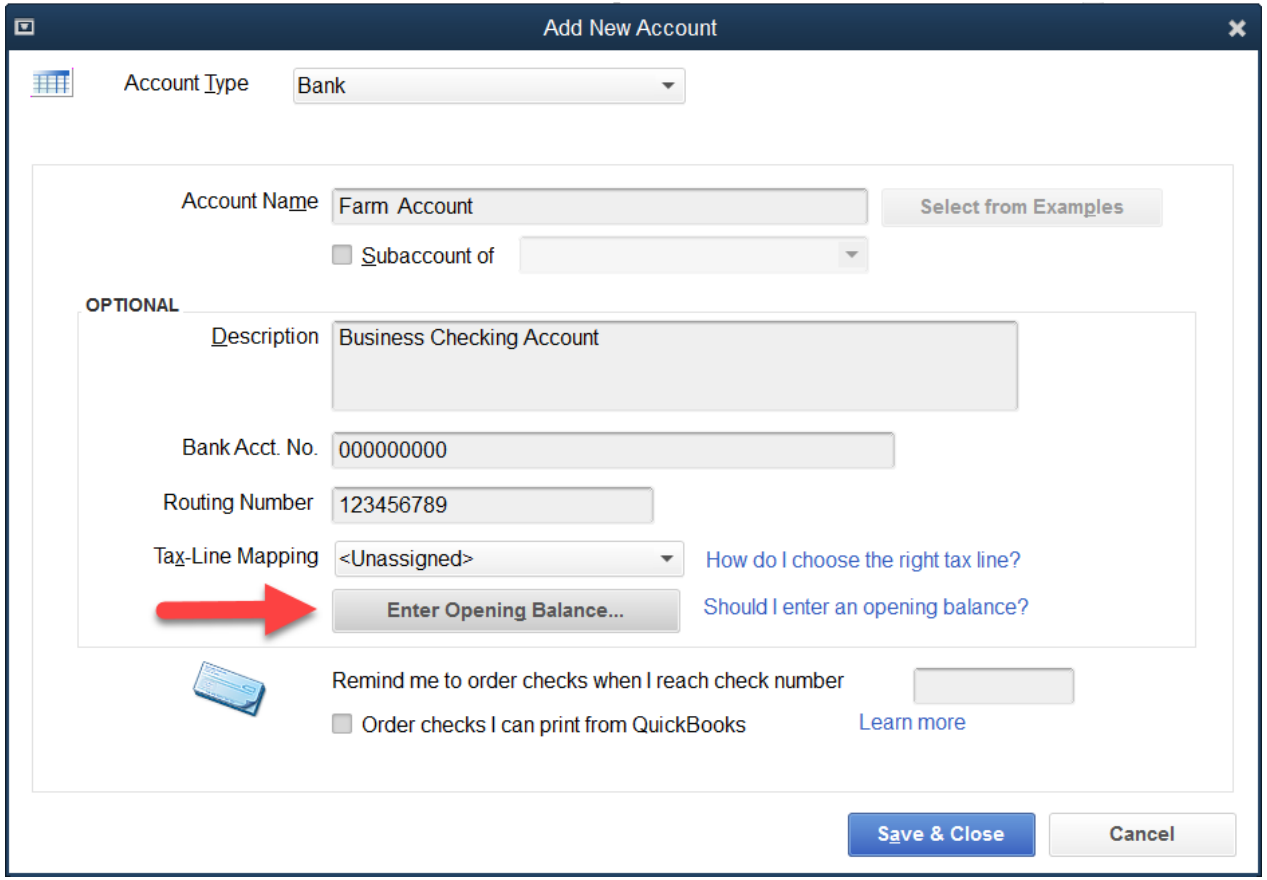
After you receive payments, QuickBooks will denote that you have funds that need to be deposited into a bank account.



# Tracking Income: Record Deposits

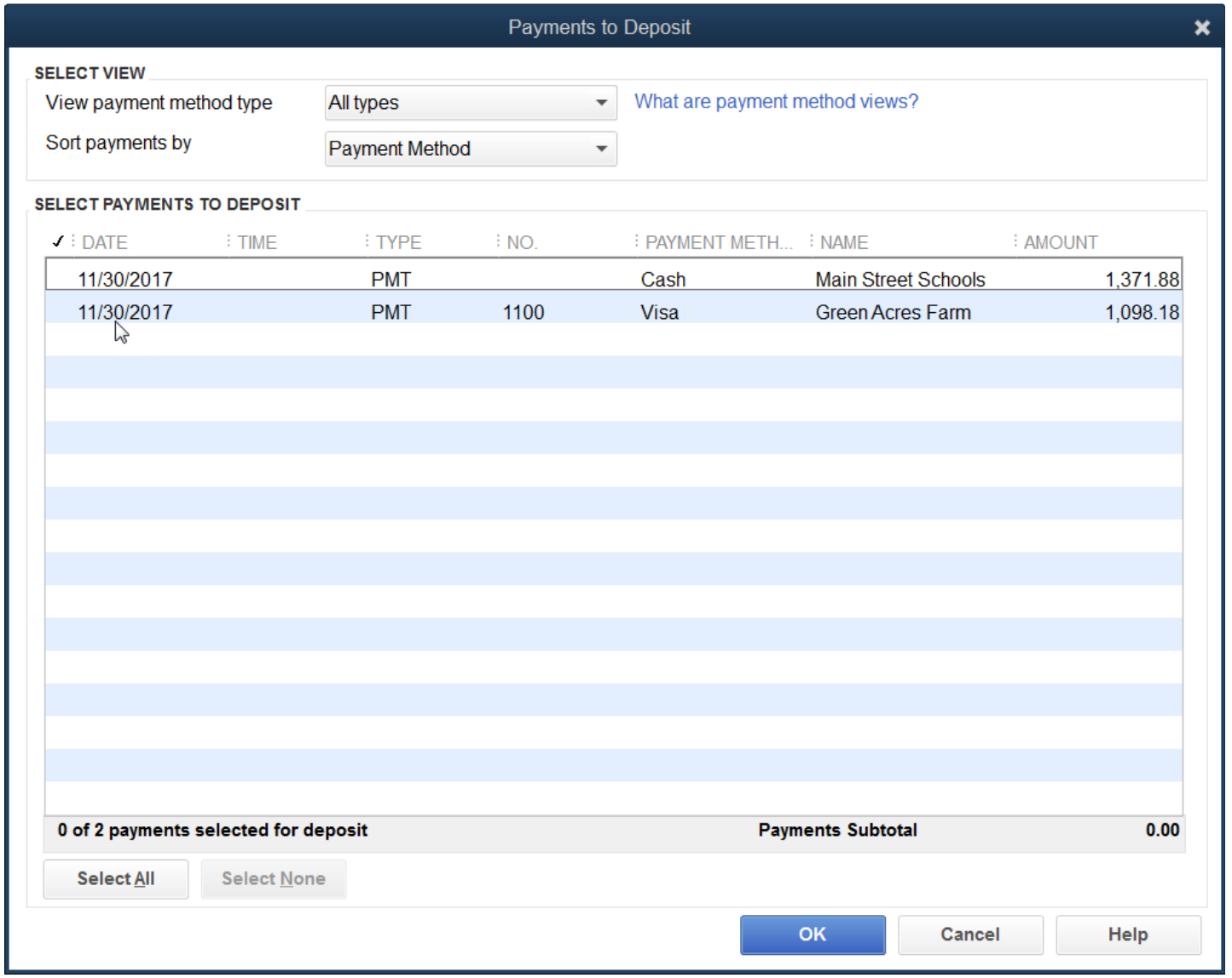
You will be prompted to add a valid bank account to deposit the funds into. Simply add the information from your checking account.



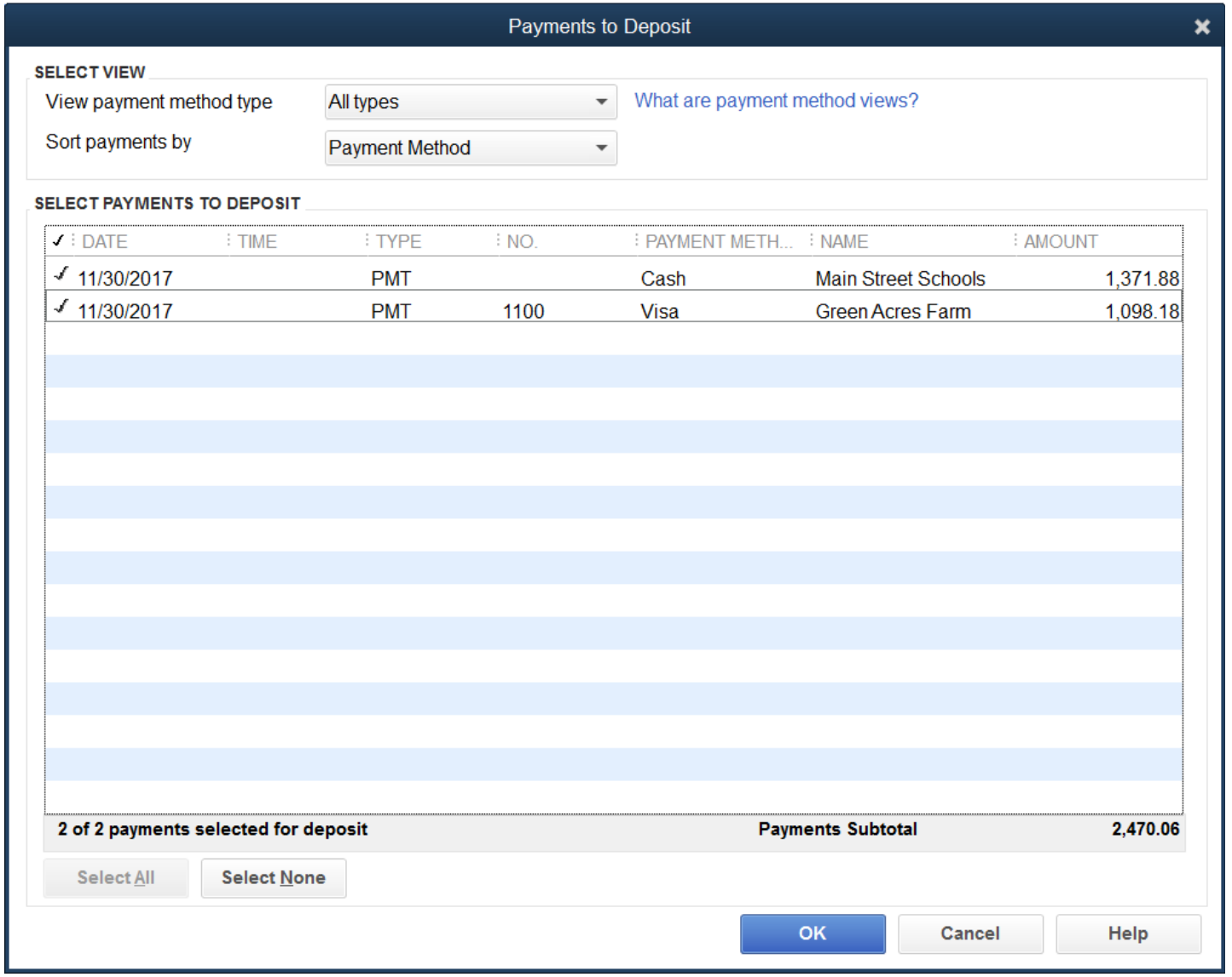
# Tracking Income: Record Deposit

Once you add an account, you will be presented with a menu for the Payments to Deposit. You can review these deposits to check the payment methods, date, amount, etc.



# Tracking Income: Record Deposit

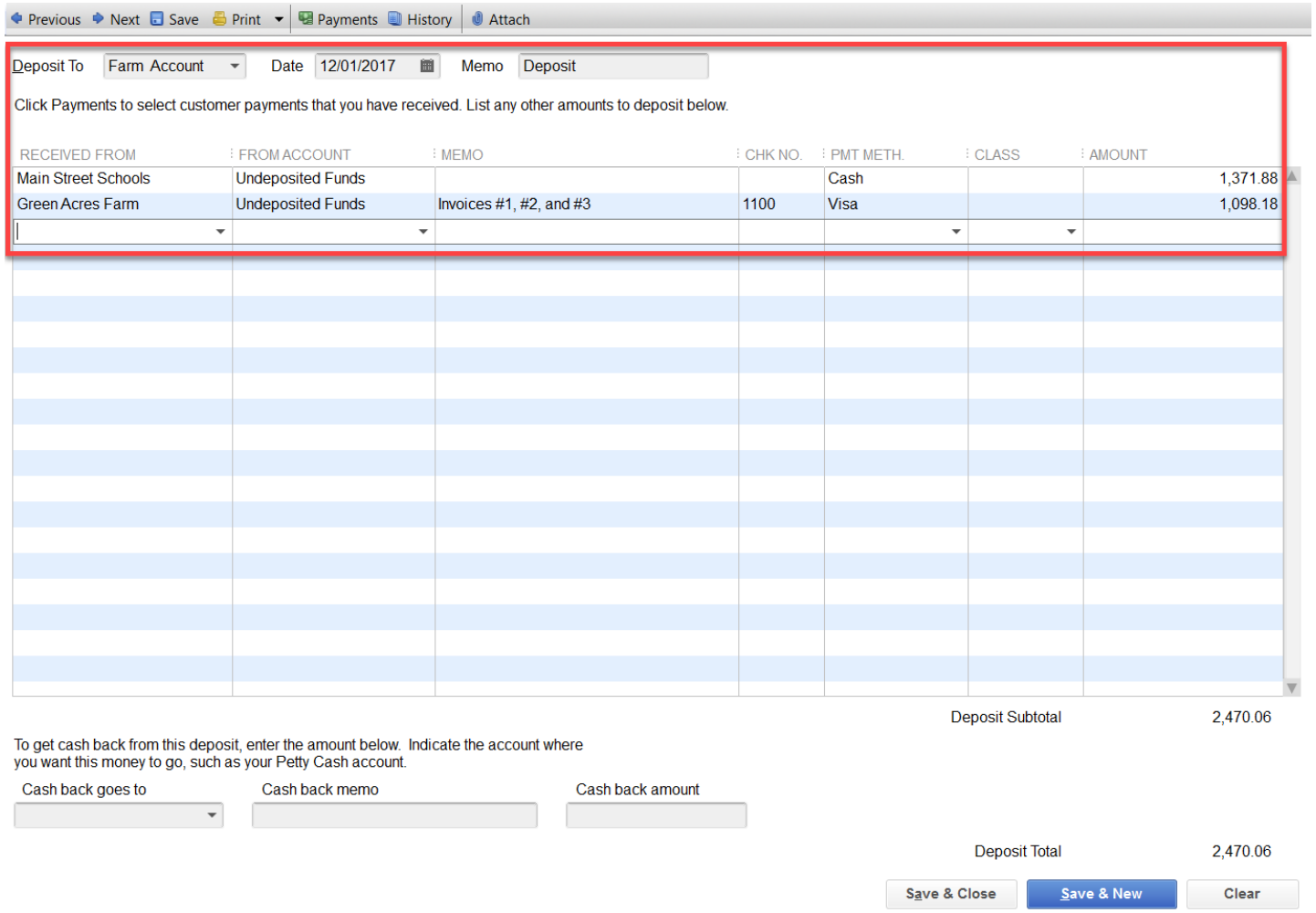
To make the deposit you will need to click by each Payment to Deposit and insert a check mark. This will mark the payment for deposit. Once you have done that, click OK to make the deposit.



# Tracking Income: Record Deposit

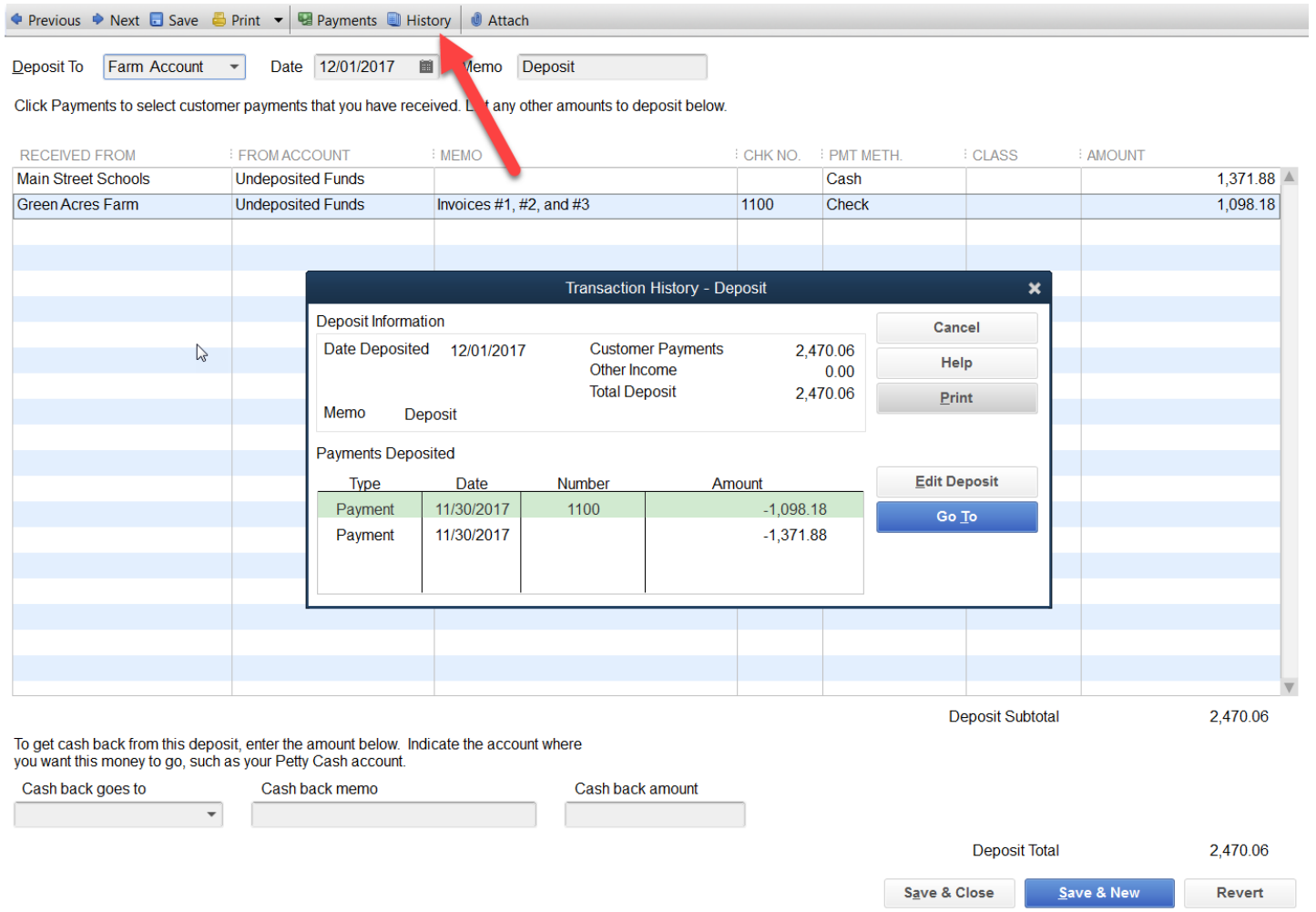
You can specify what account the funds need to be deposited into. This is helpful if you have multiple checking accounts for your business.

QuickBooks provides you with a list of payments along with pertinent information for every customer payment.



# Tracking Income: Record Deposit

You can click on History to bring up the Transaction History for payments. You can print this report as well.



# Tracking Income: Record Deposit

12/1/2017 2,470.06

02 $2,470.06

You can also print a Deposit Slip to accompany deposits that you have prepared for the bank.

## Deposit Summary

**UT Extension**

12/1/2017

Summary of Deposits to Farm Account on 12/01/2017

| Chk No. | PmtMethod | Rcd From | Memo | Amount |
|---|---|---|---|---|
| | Cash | Main Street Schools | | 1,371.88 |
| 1100 | Check | Green Acres Farm | Invoices #1, #2, and #3 | 1,098.18 |
| | | | Deposit Subtotal: | 2,470.06 |
| | | | Less Cash Back: | |
| | | | Deposit Total: | 2,470.06 |

# Summary

- Adding customers to QuickBooks
- Tracking income by means of:
  - Creating quotes
  - Creating invoices
  - Creating receipts
  - Receiving payment
- Recording deposits

# Questions?