QuickBooks Guide
Step-by-Step Instructions

Problem 14-7   Recording Sales and Cash Receipts
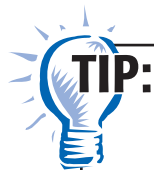
INSTRUCTIONS

Begin a Session

Step 1   Restore the Problem 14-7.QBB file.

Work the Accounting Problem

Step 2   Review the transactions listed in your textbook and group them by type—sales on account, credit memos, cash/bankcard sales, and other cash receipts. Use 2015 as the year.

Step 3   Use the **Create Invoices** option to record the sales on account transactions.

> **TIP:** Refer to the instructions for Problem 14-5 if you need help entering the transactions for this problem.

When you enter the January 12 transaction for the merchandise sold on account to FastForward Productons, notice that the credit terms 2/10, Net 30 Days appears in the *Terms* field. The terms for Fast Forward Productions have already been set up for you in the problem set.

Step 4   Enter the credit memos issued by Shutterbug Cameras in January. Use the **Create Credit Memos/Refunds** option.
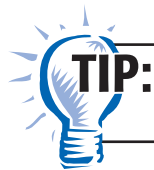
> **TIP:** Remember to apply the credit memo to a specific invoice.

Step 5   Enter the cash receipts transactions for the sale of supplies to Betty's Boutique on January 3.

The process for recording a cash receipt for the sale of an asset (e.g., supplies or office equipment) requires you to use the **Make General Journal Entries.** Follow the steps listed below to record the transaction.

January 3, Received $50 in cash from the sale of supplies to Betty's Boutique, Receipt 201.

Choose **Make General Journal Entries** from the *Company* menu.

- Type **01/03/2015** in the *Date* field.
- Type **Receipt 201** in the *Entry No.* field.
- Move to the *Account* field and enter **Cash in Bank.**
- Move to the *Debit* field and type **50.**
- Tab to the *Memo* field and type **Sale of supplies to Betty's Boutique.**
- Move to the *Account* field and enter **Supplies.**
- Move to the *Credit* field and type **50.**
- Tab to the *Memo* field and type **Sale of supplies to Betty's Boutique.**
- Proof the information you just recorded. Verify that you entered the correct date, accounts, amount, and description.
- Click **Save & Close** to record the transaction.

Step 6   Record the remaining cash receipts (cash sales, bankcard sales, and receipts on account) using the **Enter Sales Receipts** and **Receive Payment** options.

To record a cash receipt on account involving a discount, follow the steps you already learned to record the transaction. After you mark the invoice as "Paid," click the **Discount & Credits** button. Type the amount in the *Amount of Discount* field and select **Sales Discount** in the *Discount Account* field and click **Done.**

Prepare a Report and Proof Your Work

Step 7   Print a Journal report.

Step 8   Proof your work. Update the transactions and print a revised report if you identify any errors.

Analyze Your Work

Step 9   Print a General Ledger report for account **215 Sales Tax Payable** and complete the Analyze activity.

End the Session

Step 10   It is recommended that you back up you work for this session.

How do you set up customer payment terms for a company? Can you set up different payment terms for one or two customers? If so, explain how. Use a separate sheet of paper to record your answer.

Mastering QuickBooks

FAQs

What steps are required to correct a sales invoice with the wrong Customer:Job or sale amount?

If you enter the wrong information for a sales invoice, you can correct it even if you have already saved the transaction. Choose the **Create Invoices** option and click the **Previous** button to retrieve the invoice in question. After locating the invoice make the necessary corrections and then save the updated transaction.

What steps are required to correct a receipt entry?

You can change any information on a cash receipt even after you have closed the current period. To make a change, choose the **Enter Sales Receipts** option. Click the **Previous** button to retrieve the receipt you want to update. Make the necessary corrections and then save the updated transaction. QuickBooks automatically applies the corrections.

Is it required to use the <Predefined> Intuit Service Invoice in the Create Invoices window?

No. You can use any of QuickBooks predefined invoices or you have the ability to customize your own.

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