

QuickBooks Guide

Step-by-Step Instructions

Problem 14-7 Recording Sales and Cash Receipts

INSTRUCTIONS

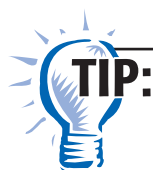
Begin a Session

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 Productions, 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.

Name	Date	Class
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- 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.

DO YOU HAVE A QUESTION?

Q. How do you filter the General Ledger report by account number?

A. To filter the General Ledger report by account number, click the **Modify Report** button and select the **Filter** tab. Choose **Account** in the Filter list. In the Account drop down list choose **Selected Accounts** and then select **215 Sales Tax Payable**. Only the transactions in this account will appear.

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
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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.