

QuickBooks Online is live software. Intuit often changes the screens/questions that are asked during the settings and import process and rolls out these changes at different times to different users. *We make every effort to stay current with Intuit's changes and will prepare a new PDF & video link (see page 3) whenever there are significant changes.* Just follow these instructions to the best of your ability.

**DO NOT WORRY IF YOUR SCREENS/QUESTIONS DIFFER SLIGHTLY. CHOOSE THE BEST OPTION AVAILABLE WHEN COMPARING YOUR SCREEN TO THE VIDEO/SLIDES PRESENTED HERE.**

# Waren Sports Supply

## Setup Procedures for Chapter 9:

**Part I:** Setup and Data Import Procedures (video-based instructions – see next page for video link)

**Part II:** Add Open Vendor POs, Add Opening Vendor Balances, and Add Remaining Opening General Ledger Balances (follow pages 4-end)

# PART I

## Setup and Data Import Procedures

Waren Sports Supply  
Import Video



<https://vimeo.com/877928120/5712a639a1>

# PART II

Add Open Vendor POs, Add Opening Vendor Balances, and Add Remaining Opening General Ledger Balances

## Add Open Vendor POs

As with open customer invoices, Waren Sports Supply has two open purchase orders for goods not yet received from vendors as of 12/15/22. *QBO* does not have an import process for purchase orders, so you will need to enter these manually.

You have already practiced entering purchase orders in Chapter 6. Use that experience here, as well as the guidance in the Reference material to enter the two purchase orders:

**PO #325** – Waren ordered 3 standing workstations from Chicago Office Supply

**PO #327** – Waren ordered various quantities of 3 types of office supply products from Chicago Office Supply

Both purchase orders are for non-inventory items not yet in *QBO*, so you will need to type each item number into the Product/Service box and then select the + New option to add the item. Details for each item are shown in the supporting windows for each purchase order.

- Begin the process of entering the first open purchase order, PO #325, by entering the information shown in the first window below. Type 17144 in the Product/Service box and then select the +Add new option. If you receive the “Product/Service information window shown on the right side below, select Non-inventory. Otherwise, you will select Non-inventory in the detail window after it opens.

**Purchase Order #325** Give feedback Settings Help Close

**Vendor** Chicago Office Supply ▼ **Email** Email (Separate emails with ;)

**Purchase Order status** OPEN ▼ **AMOUNT** \$0.00

**Mailing address** Chicago Office Supply  
1411 E. Michigan  
Chicago, IL 60606 USA

**Ship to** Select customer for address ▼ **Purchase Order date** 12/05/2022 📅

**Shipping address** Waren Sports Supply  
USA **Ship Via**

**PO no.** 325

**Tags** Start typing to add a tag Manage tags

**Category details**

**Item details**

#	SKU	DESCRIPTION	QTY	RATE	AMOUNT	
1	17144					🗑️
2						🗑️

Add lines Clear all lines

**Total** \$0.00

Cancel Clear Print Make recurring Save Save and close ▼

(Older view only)

**Product/Service information** Close

**Inventory**  
Products you buy and/or sell and that you track quantities of.

**Non-inventory**  
Products you buy and/or sell but don't need to (or can't) track quantities of, for example, nuts and bolts used in an installation.

**Service**  
Services that you provide to customers, for example, landscaping or tax preparation services.

- Add the non-inventory item #17144 into the item detail window. Two versions are shown below, one for the newer view that most students will receive and one for the older view. Enter all information as shown, including unchecking the “I sell this product/service to my customers” and selecting account #10800 – Fixed Assets in the Expense account box.

### Newer View

17144
✕

#### Basic info

Name\*  
17144

Item type  
Non-inventory item

SKU

Category

Add an image

#### Sales

I sell this to my customers

#### Purchasing

I purchase this from a vendor

Purchase description  
Standing workstation

Purchase cost: 395      Expense account\*: 10800 Fixed Assets

Preferred vendor: Chicago Office Supply

Cancel
Save and new
Save and close

### Older View

Product/Service information
✕

Non-inventory [Change type](#)

Name\*  
17144

SKU

Category  
Choose a category

Description  
 I sell this product/service to my customers.

Purchasing Information  
 I purchase this product/service from a vendor.

Standing Workstation

Cost: 395      Expense account: 10800 Fixed Assets

Also update this account in historical transactions

Preferred Vendor  
Chicago Office Supply

Save and close

- Enter the quantity of 3 for item 17144. Your completed purchase order window should look like the following. When it matches, save the purchase order.

**Purchase Order #325** Give feedback Settings Help Close

**Vendor:** Chicago Office Supply

**Email:** Email (Separate emails with ;)

**AMOUNT:** \$1,185.00

**Purchase Order status:** OPEN

**Mailing address:** Chicago Office Supply  
1411 E. Michigan  
Chicago, IL 60606 USA

**Ship to:** Select customer for address

**Purchase Order date:** 12/05/2022

**PO no.:** 325

**Shipping address:** Waren Sports Supply  
USA

**Ship Via:**

**Tags:** Start typing to add a tag

**Category details**

**Item details**

#	PRODUCT/SERVICE	SKU	DESCRIPTION	QTY	RATE	AMOUNT
1	17144		Standing workstation	3	395	\$1,185.00
2						
3						

**Total:** \$1,185.00

Your message to vendor | Memo | Attachments

**Buttons:** Cancel, Clear, Print, Make recurring, Save, Save and close



- Next, you will enter the last open purchase order, PO #327 for the same vendor, Chicago Office Supply. There are three non-inventory items to add for this purchase order (see below), but the process is the same as it was for item #17144 that you added for PO #325. Make sure to select #40300 – Office Supplies Expense in the Expense account box. This page shows the three detail windows in the newer view. **The next page shows the older view of the same information.** Make sure to save each detail window.

## Newer view

The image displays three side-by-side detail windows for items 4126, 8509, and 5302. Each window is titled 'Basic info' and contains the following fields:

- Name\***: 4126, 8509, 5302
- Item type**: Non-inventory item
- SKU**: (Empty)
- Category**: (Empty)
- Sales**:  I sell this to my customers
- Purchasing**:  I purchase this from a vendor
- Purchase description**: Laser toner cartridge, 16 GB flash drive - pack of 3, Invoice forms - pack of 100
- Purchase cost**: 124.75, 19.25, 16.50
- Expense account\***: 40300 Office Supplies Expense
- Preferred vendor**: Chicago Office Supply

At the bottom of each window are buttons for **Cancel**, **Save and new**, and **Save and close**.

- See previous page for explanation. This page shows the three detail windows in the older view. Make sure to save the detail windows.

## Older view

The image displays three side-by-side screenshots of the 'Product/Service information' detail window in an older view. Each window shows a form for a different product, with the following fields and values:

- Window 1 (Left):**
  - Name\*: 4126
  - SKU: (empty)
  - Category: Choose a category
  - Description:  I sell this product/service to my customers.
  - Purchasing Information:  I purchase this product/service from a vendor.
  - Product: Laser toner cartridge
  - Cost: 124.75
  - Expense account: 40300 Office Supplies Expense
  - Preferred Vendor: Chicago Office Supply
- Window 2 (Middle):**
  - Name\*: 8509
  - SKU: (empty)
  - Category: Choose a category
  - Description:  I sell this product/service to my customers.
  - Purchasing Information:  I purchase this product/service from a vendor.
  - Product: 16 GB flash drive - pack of 3
  - Cost: 19.25
  - Expense account: 40300 Office Supplies Expense
  - Preferred Vendor: Chicago Office Supply
- Window 3 (Right):**
  - Name\*: 5302
  - SKU: (empty)
  - Category: Choose a category
  - Description:  I sell this product/service to my customers.
  - Purchasing Information:  I purchase this product/service from a vendor.
  - Product: Invoice forms - pk of 100
  - Cost: 16.50
  - Expense account: 40300 Office Supplies Expense
  - Preferred Vendor: Chicago Office Supply

Each window has a 'Save and close' button at the bottom right.

- The window below shows the properly completed purchase order window for the office supplies. When you window matches the information included in the window below, save the purchase order.

**Purchase Order #327** Give feedback Settings Help Close

**Chicago Office Supply**  
1411 E. Michigan  
Chicago, IL 60606 USA

Select customer for address  **12/13/2022**

Shipping address: **Waren Sports Supply USA** Ship Via:

Tags  [Manage tags](#)

**> Category details**

**✓ Item details**

#	PRODUCT/SERVICE	SKU	DESCRIPTION	QTY	RATE	AMOUNT	
1	4126		Laser toner cartridge	5	124.75	\$623.75	<input type="text"/>
2	8509		16 GB flash drive - pack of 3	4	19.25	\$77.00	<input type="text"/>
3	5302		Invoice forms - pack of 100	5	16.50	\$82.50	<input type="text"/>
4							<input type="text"/>
5							<input type="text"/>

**Total \$783.25**




Your message to vendor:  Memo:  Attachments:

[Print](#) [Make recurring](#)

# Add Opening Vendor Balances

Waren has one outstanding vendor balance at 12/15/22. Waren owes \$3,650.00 to Gillette Consulting. This balance was imported into QBO during the vendor import process. However, the general ledger classification is wrong.

- *Open Waren’s chart of accounts and locate the #20100 - Accounts Payable account. Click the View Register option from the Action column. This opens the following information:*

<span>🔍</span> <span>▼ All</span> <span style="float: right;">    </span>							
DATE ▼	REF NO. TYPE	PAYEE ACCOUNT	MEMO	DUE DATE	BILLED	PAID	OPEN BALANCE
12/15/2022		Gillett Consulting	Opening Balance	12/15/2022	\$3,650.00		\$3,650.00
	Bill	Other Miscellaneous Expense					

- Drill down to the transaction, which opens a Bill window for the outstanding bill. Change the general ledger expense in the Category box from Other Miscellaneous Expense to #41000 – Other Operating Expense. Save the revised bill.

**Bill** Settings Help Close

Vendor:

**BALANCE DUE**  
**\$3,650.00**

Mailing address:

Terms:  Bill date:  Due date:  Bill no.:

Tags:  [Manage tags](#)

**Category details**

#	CATEGORY	DESCRIPTION	AMOUNT
1	41000 Other Operating Expense	Opening Balance	3,650.00
2			

**Item details** Total \$3,650.00

Memo:

Attachments: Maximum size: 20MB

- From the Navigation bar, click Reports.
- Use the search bar to locate and open the Trial Balance Report.
- Change the beginning and ending dates to 12/15/2022 and run the report.
- Examine the trial balance report below.

Waren Sports Supply		
Trial Balance		
As of December 15, 2022		
	DEBIT	CREDIT
10200 Accounts Receivable	47,533.00	
10400 Inventory	194,925.00	
20100 Accounts Payable		3,650.00
Opening balance equity		194,925.00
41000 Other Operating Expense	3,650.00	
Services		47,533.00
<b>TOTAL</b>	<b>\$246,108.00</b>	<b>\$246,108.00</b>

Most students' trial balances will match the above example, showing that the five imported customer invoices were credited to Services instead of account #30100 – Sales.

- If your trial balance shows \$47,533 was credited to Services, prepare and save a general journal entry to reclass that amount to account #30100 – Sales. The entry is shown below. **IF YOUR TRIAL BALANCE SHOWS THAT THE \$47,533 WAS CREDITED PROPERLY TO #30100 – SALES SKIP THIS STEP AND MOVE TO THE NEXT PAGE.**

**Journal Entry #1** Help

Journal date: 12/15/2022      Journal no.: 1

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Services	47,533.00		to reclass to proper revenue account	
2	30100 Sales		47,533.00	to reclass to proper revenue account	
3					

## Add Remaining General Ledger Opening Balances

The setup procedures so far resulted in the following general ledger account balances being updated with the proper 12/15/22 opening balance: 10200 Accounts Receivable, 10400 Inventory, 20100 Accounts Payable. The final step in getting Waren Sports Supply up and running as of 12/15/22 is to record a general journal entry for all other accounts.

If you need to consult the Reference material for recording a general journal entry, do that now and then record the entry on the next page.

- Prepare the following journal entry to enter the remaining general ledger balances and to reclassify others to the proper general ledger account. When your journal entry matches the one below, save the journal entry.

**Journal Entry #1** Help

Journal date: 12/15/2022      Journal no.: 1

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	30100 Sales		1,516,848.00	Opening bal as of 12/15/22	
2	30200 Sales Returns and Allowances	57,631.00		Opening bal as of 12/15/22	
3	30300 Sales discounts taken	15,372.70		Opening bal as of 12/15/22	
4	30400 Cost of goods sold	1,001,926.00		Opening bal as of 12/15/22	
5	30700 Purchases Discounts Taken		16,283.60	Opening bal as of 12/15/22	
6	30800 Freight-in	24,159.69		Opening bal as of 12/15/22	
7	40100 Rent Expense	57,600.00		Opening bal as of 12/15/22	
8	40200 Advertising Expense	20,805.00		Opening bal as of 12/15/22	
9	40300 Office Supplies Expense	5,062.30		Opening bal as of 12/15/22	
10	40500 Wages and Salaries Expense	132,704.80		Opening bal as of 12/15/22	
11	40600 Payroll Tax Expense	11,359.83		Opening bal as of 12/15/22	
12	40900 Bad Debt Expense	1,500.00		Opening bal as of 12/15/22	
13	41000 Other Operating Expense	27,840.25		Opening bal as of 12/15/22	
14	10100 Cash	39,952.15		Opening bal as of 12/15/22	
15	10300 Allow for Doubtful Accounts		3,250.81	Opening bal as of 12/15/22	write off
16	10600 Marketable Securities	24,000.00		Opening bal as of 12/15/22	
17	10800 Fixed Assets	328,032.00		Opening bal as of 12/15/22	
18	10900 Accumulated depreciation		81,559.50	Opening bal as of 12/15/22	
19	20300 Federal Income Tax Withheld		557.00	Opening bal as of 12/15/22	
20	20400 State Income Taxes Withheld		325.54	Opening bal as of 12/15/22	
21	20500 State Unemployment Taxes Pay.		54.19	Opening bal as of 12/15/22	
22	20600 Fed. Unemployment Taxes Pay.		9.16	Opening bal as of 12/15/22	
23	20700 FICA Taxes Payable		1,107.72	Opening bal as of 12/15/22	
24	26000 Common stock		225,000.00	Opening bal as of 12/15/22	
25	31200 Miscellaneous Revenue		825.00	Opening bal as of 12/15/22	
26	Opening balance equity	194,925.00		Opening bal as of 12/15/22	
27	29000 Retained Earnings		90,264.99	Opening bal as of 12/15/22	
28	10100 Cash		4,800.00	Check #1118	
29	10100 Cash		1,985.21	Check #1142	
30					
31					
Total		1,942,870.72	1,942,870.72		

Buttons: Add lines, Clear all lines, Cancel, Clear, Make recurring, Save, Save and new

Select "write off" in the Name column for 10300 Allowance for Doubtful Accounts

For these two lines only, enter these items in the Description column. For all other line entries, use "Opening Bal 12/15/22."



- *Run a trial balance report as of 12/15/22 and compare your report to the illustration below. Make corrections as necessary before proceeding.*

## Waren Sports Supply

### Trial Balance

As of December 15, 2022

	DEBIT	CREDIT
10100 Cash	33,166.94	
10200 Accounts Receivable	47,533.00	
10300 Allow for Doubtful Accounts		3,250.81
10400 Inventory	194,925.00	
10600 Marketable Securities	24,000.00	
10800 Fixed Assets	328,032.00	
10900 Accumulated Depreciation		81,559.50
20100 Accounts Payable		3,650.00
20300 Federal Income Tax Withheld		557.00
20400 State Income Taxes Withheld		325.54
20500 State Unemployment Taxes Pay.		54.19
20600 Fed. Unemployment Taxes Pay.		9.16
20700 FICA Taxes Payable		1,107.72
26000 Common Stock		225,000.00
29000 Retained Earnings		90,264.99
Opening balance equity		0.00
30100 Sales		1,564,381.00
30200 Sales Returns and Allowances	57,631.00	
30300 Sales Discounts Taken	15,372.70	
30400 Cost of Goods Sold	1,001,926.00	
30700 Purchases Discounts Taken		16,283.60
30800 Freight-in	24,159.69	
40100 Rent Expense	57,600.00	
40200 Advertising Expense	20,805.00	
40300 Office Supplies Expense	5,062.30	
40500 Wages and Salaries Expense	132,704.80	
40600 Payroll Tax Expense	11,359.83	
40900 Bad Debt Expense	1,500.00	
41000 Other Operating Expense	31,490.25	
31200 Miscellaneous Revenue		825.00
<b>TOTAL</b>	<b>\$1,987,268.51</b>	<b>\$1,987,268.51</b>

You're ready to start Chapter 9, Waren Sports Supply capstone project!

