ASA Research

QuickBooks Reporting

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Carlton's QuickBooks Financial Reporting Agenda

1. Report Dates
    a. Modify report dates using English phrases
    b. Do not modify dates using date ranges
        i. (usually, except historical reports used as references)
2. Suppress Account Numbers on Reports
    a. Adding descriptions
    b. Selecting Description Only
    c. Using Excel to edit descriptions
3. Stratifying Reports
    a. By month
    b. By department
    c. By customer and job
    d. By inventory item detail
4. Changing column widths
5. Collapsing & Expanding
6. Drilling Reports
7. Customizing Reports - Display
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    b. Advanced options
8. Customizing Reports – Filtering
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9. Customizing Reports – Headers and Footers
10. Customizing Reports – Fonts and Numbers
11. Report Basis – cash versus accrual
    a. Reverses AP, AR and payroll, but not other accruals and amortizations
12. Printing Reports
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14. Exporting QuickBooks reports to Excel
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    c. Gridlines, Freeze Panes
    d. Subtotaling via the Subtotal function
    e. Watch out for text formatting
    f. Export to existing workbook
    g. Update or replace an existing worksheet
15. ODBC Excel Queries from QuickBooks data
16. Memorizing Reports
    a. Memorized reports list

    b. Memorizing reports into a group
    c. Re-memorizing a report to a different report name
    d. Reordering memorized reports into collated order
17. Processing Multiple Reports
18. Company Snapshot
    a. Company, Payments and Customers
19. QuickBooks Statement Writer
    a. Excel 2010 or earlier
    b. 64 bit is now supported
    c. Must have Word 2010 or earlier installed too
    d. Must have Adobe reader
20. Graphs and Charts
21. Report Center
    a. Visual
    b. Standard, memorized, favorites options

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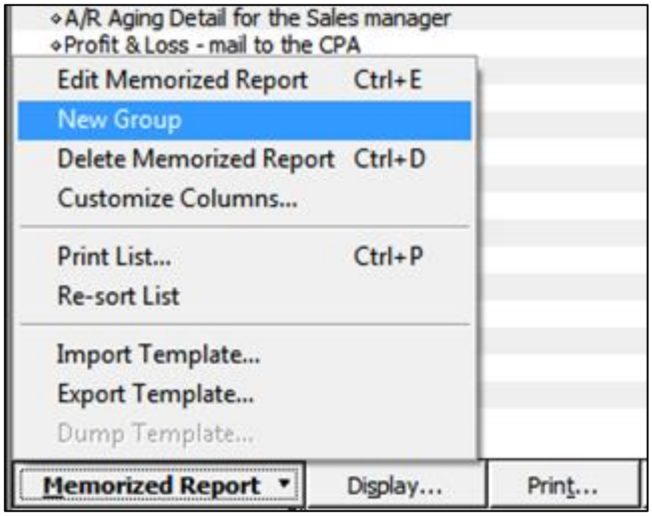
1. Financial Reporting

Financial Reporting – QuickBooks offers some of the strongest financial reporting capabilities in all of accounting software, stronger even than the standard financial reporting provided by SAP BusinessOne, Sage MAS 200, or Sage ACCPAC ERP. What makes it strong? Consider the following features.

Process Multiple Reports - Often, a bookkeeper using QuickBooks does a nice job; however refuse to consistently produce and distribute the necessary reports each day, week and month for the staff to use in order to properly manage the business. These bookkeepers frequently report that they have too much work to constantly print the reports that company officials would like to see circulated throughout the organization on a recurring basis. This a common problem and you might ask, how much time should it normally take to produce the typical reports for the average company?

The accounting system should function exactly as described above, but the bookkeeper is correct too, it does take a great deal of time to produce all of the required reports, even for a smaller sized business. QuickBooks provides a good solution called **Process Multiple Reports** which could solve your problem. Here's how it works:

1. Start by opening your Memorized Report List in QuickBooks by selecting **Reports, Memorized Reports, Memorized Report List** from the QuickBooks Menu. Next click the **Memorized Report** button in the bottom left corner of the Memorized Report List (shown below) and select **New Group**. Name the new group **Month End Reports** and then select **OK**.

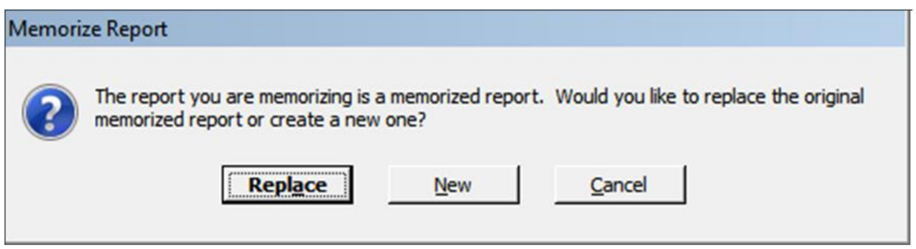


2. Next, open each report that you would like to produce at month end and memorize that report into the new **Month End Reports Group** as follows:

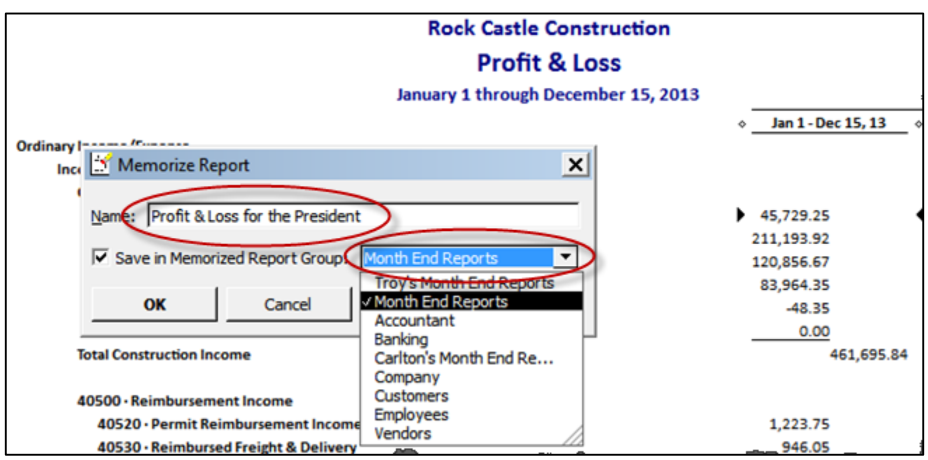
   a. Launch a report that you want produced each month;

   b. Customize that report to include the desired columns, date ranges, filters, etc.;

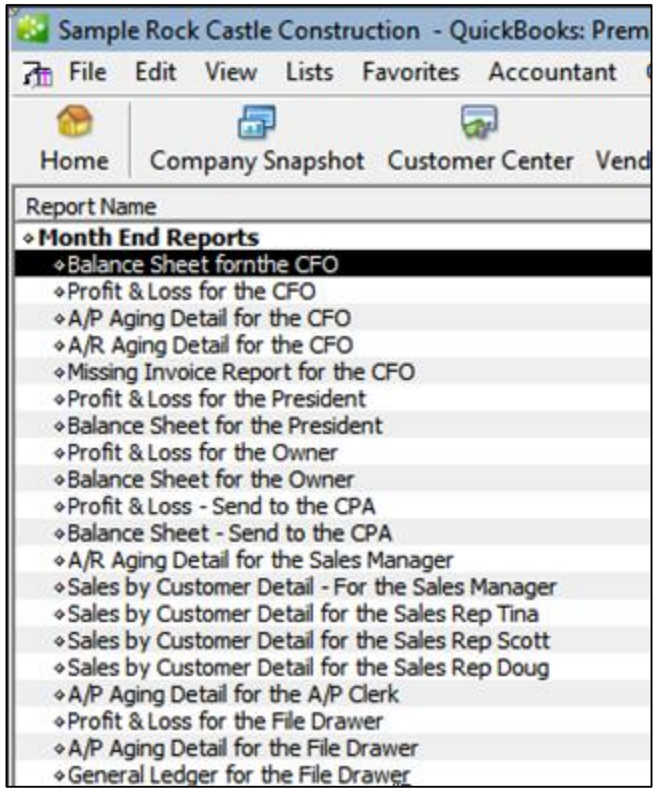
   c. Click the **Memorize** button and if asked, then click the **New** button;



   d. Edit the **Name** of the report to also include the name of the intended recipient of the report as circled in the screen below. Check the check box titled **Save in Memorized Report Group** and select **Month End Reports** from the drop down box, then select **OK**.

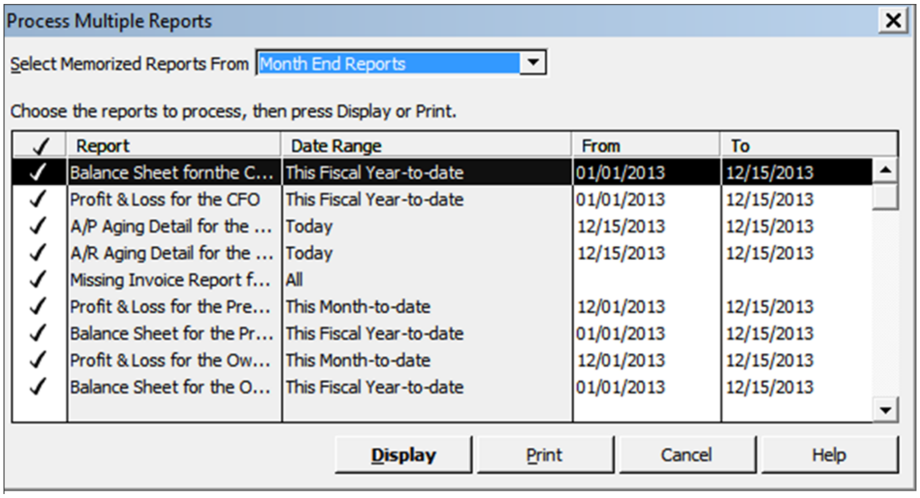


e. Repeat the above process until you have memorized each report to be produced at month end, including duplicates of the same report for distribution to different personnel. Be sure to include the name of the intended recipient in the report title name so it will be easier for a staff person to distribute the printed reports. Ultimately the goal is to build a group of memorized reports similar to the example shown below:



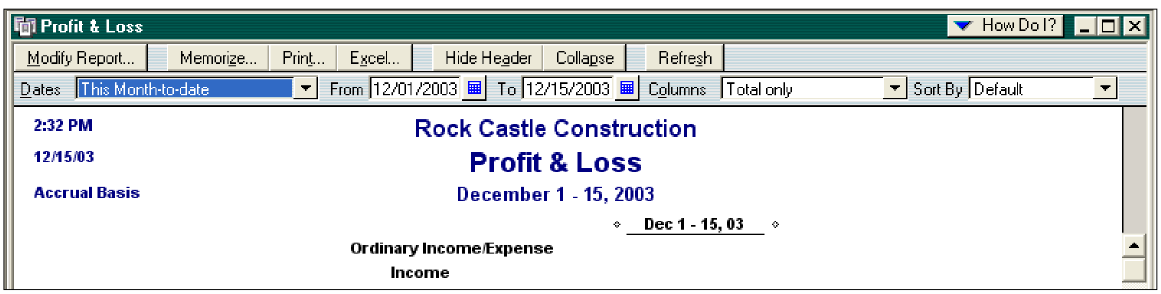
Tip: You can rearrange the order of the reports by clicking and dragging the small diamonds to the left of each report name so the reports will print in collated order for easier distribution.

f. At month end when the time comes to produce the reports, select **Reports, Process Multiple Reports** from the **QuickBooks Menu** to display the **Process Multiple Reports** dialog box shown below.

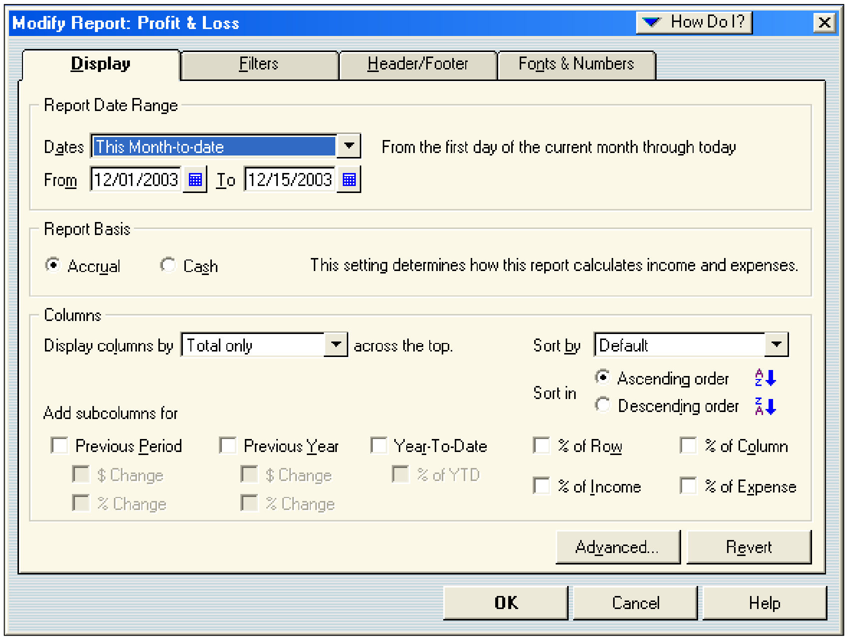


Select the desired group to be printed from the **Select Memorized Reports From** drop down box at the top of the dialog box, and click the **Print** button.
Tip: For those that would like to distribute electronic reports rather than paper-based reports, you can choose to print to Adobe Acrobat PDF or Excel formats, and then e-mail the reports as attachments.

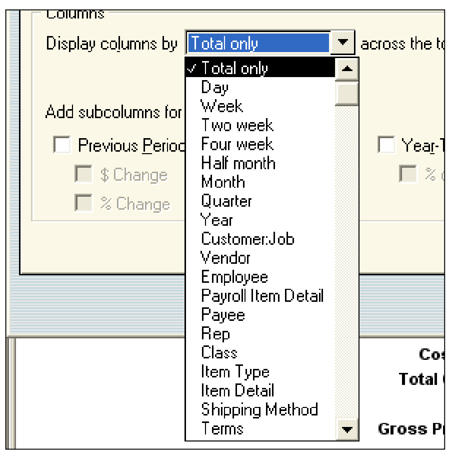
Reporting Tools - Once you have printed a report to the screen, the real reporting power of QuickBooks starts to shine. As shown in the screen below, buttons at the top of each report make it easy to modify, memorize, print, or export the report to Microsoft Excel.



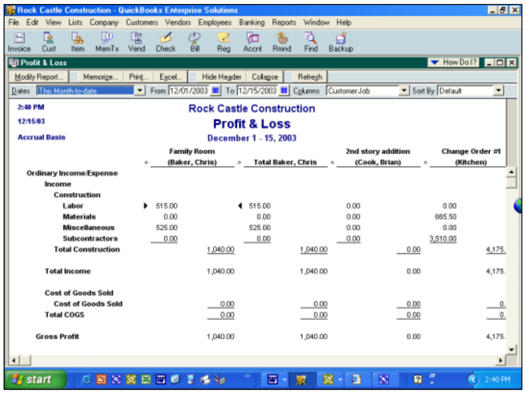
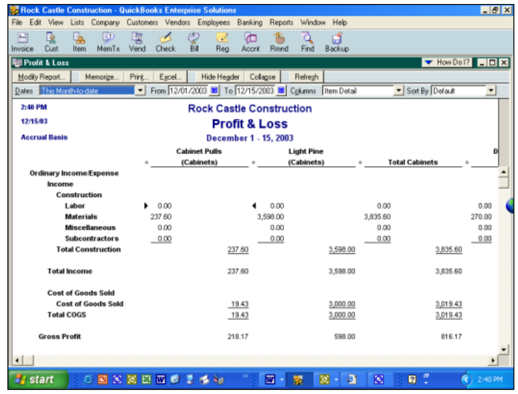
Modifying Reports - The Modify Report dialog box allows you to specify the date range, toggle cash or accrual, add sub-columns, and choose from a variety of display columns. You can also control the sorting of data and add columns showing percents to totals. The Advanced button allows you to suppress the printing of zero balance amounts, rows, or columns.



The display columns pull down shown below is particularly powerful as it allows you to indicate the types of columns to be displayed. This pull-down is also available at the top of the displayed report, as "Columns".



For example, here is the same report presented with two different column formats:

The first report shows P&L data by customer and job, while the second report displays the same P&L data by item sold.

Adding or Deleting Report Columns - Reports that list individual transactions can display additional columns of data. To do this, click Modify Report and from the Display tab, click Add Columns and select the columns you want to add. To delete columns, clear the checkmark for each column you want to delete. As a tip, the column titled "left margin" adds white space along the left edge of the report. By deleting this column, you can gain some extra room for report data.

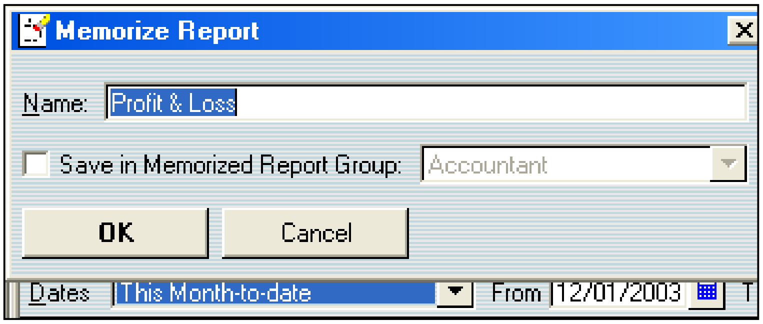
Drilling Reports – One of QuickBooks' best reporting features is the ability to drill down. Just double click on any number you see in QuickBooks to see the details for that number. Keep clicking until you reach the source document.

Refresh Button - The refresh button appears in the toolbar of every report and graph. If refresh is needed, a message appears in the title bar indicating that the report or graph doesn't reflect the latest changes to your company data.

Memorizing a Report – Whenever you change the settings for a report or title, you can memorize the report with the new settings. Then, when you want to view that same report in the future, you can recall it from your own list of memorized reports. When QuickBooks memorizes a report, it memorizes your custom report settings, not the data in the report.

If you have recalled a memorized report and changed it further, you can indicate whether you want QuickBooks to replace the earlier report (under the same name) or create a new memorized report (under a new name).

Memorized Report Group - You can assign the report to a memorized report group by selecting "Save in Memorized Report Group", then choose the desired group from the drop-down list. The memorize report dialog box is shown below:



Suppress Account Numbers on Reports – QuickBooks allows you to toggle the display of account numbers throughout QuickBooks on or off. The benefits of using account numbers are as follows:

1. With account numbers turned on, you can dictate the sort order in which accounts are displayed within an account type (i.e. you can make sure that the accumulated depreciation account appears below property and equipment, not above.)

2. Many CPAs find that account numbers provide faster data entry, especially when the account numbers are memorized and a number key pad is used.

However, there is a problem with turning on account numbers because many CPAs don't want the account numbers to be displayed in the financial statements and reports. To solve this problem, there is an option to hide them in a report, but you must be logged in as the administrator and running in single user mode. Even then, this option does not stick – you must reapply the feature to hide the account numbers each time the report is produced, even if you memorize the report with the account numbers hidden.

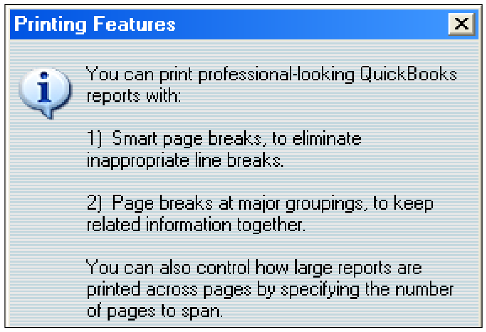
There is a better solution to suppressing account numbers from financial statements, as follows:

a. First, edit all account descriptions

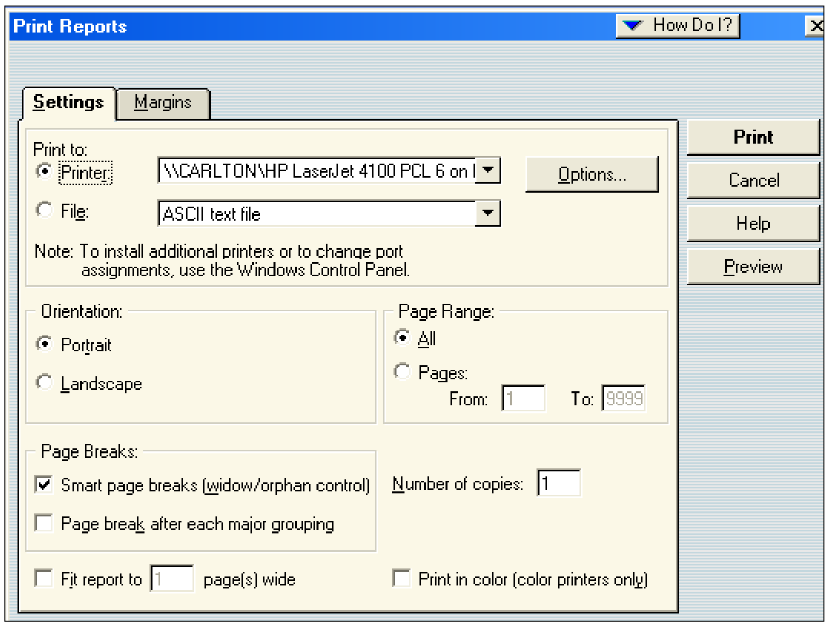
b. Next, select "Show Reports Based on Description Only" from the preferences screen.

This action will now suppress account numbers from your financial statements, and use the account description instead of the alphanumeric account number. Please note that descriptions can differ from accounts *(AR vs. Trade Receivables)*

Print Breaks – QuickBooks provides a smart feature that can insert page breaks in your reports so that groups of information remain together. Or, to conserve paper, QuickBooks can insert as few line breaks as possible. This option is shown in the dialog box below:

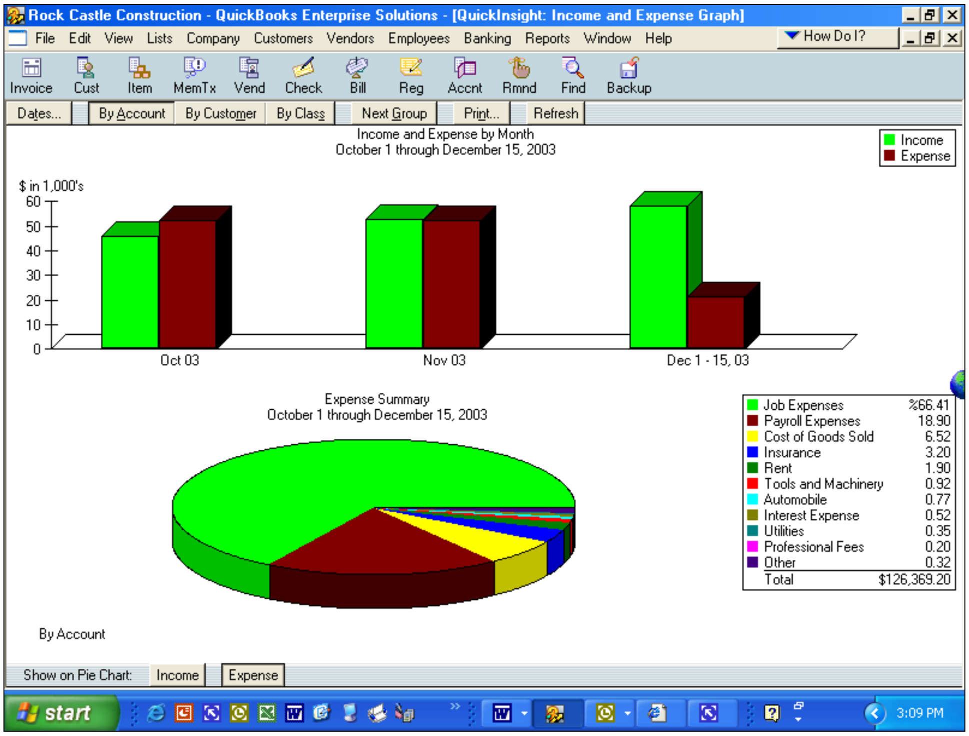


Once you print a report, you will find a wide number of print options available – some of which will differ slightly depending upon the printer you are printing to.



Print Preview – You should always use is print preview before printing to ensure the report appears as intended before paper is wasted. In many cases, you can access the information you need without actually printing the report to paper. Printing to paper not only takes time, but it costs money for paper and toner, and creates wear and tear on your printer. Ultimately the reports you print will need to be burned or thrown away in a landfill or garbage heap. Why eat valuable time and money? Use the screen and avoid printing on paper whenever possible.

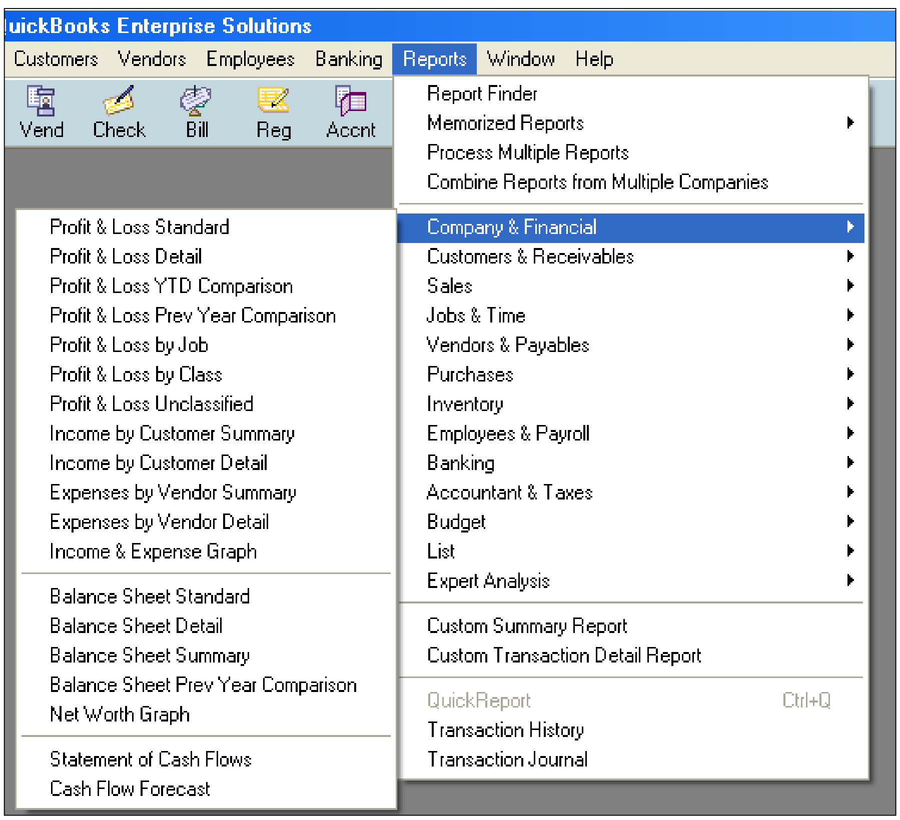
Graphs - QuickBooks produces a wide variety of graphs and charts, like the sample income and expense graph shown below:



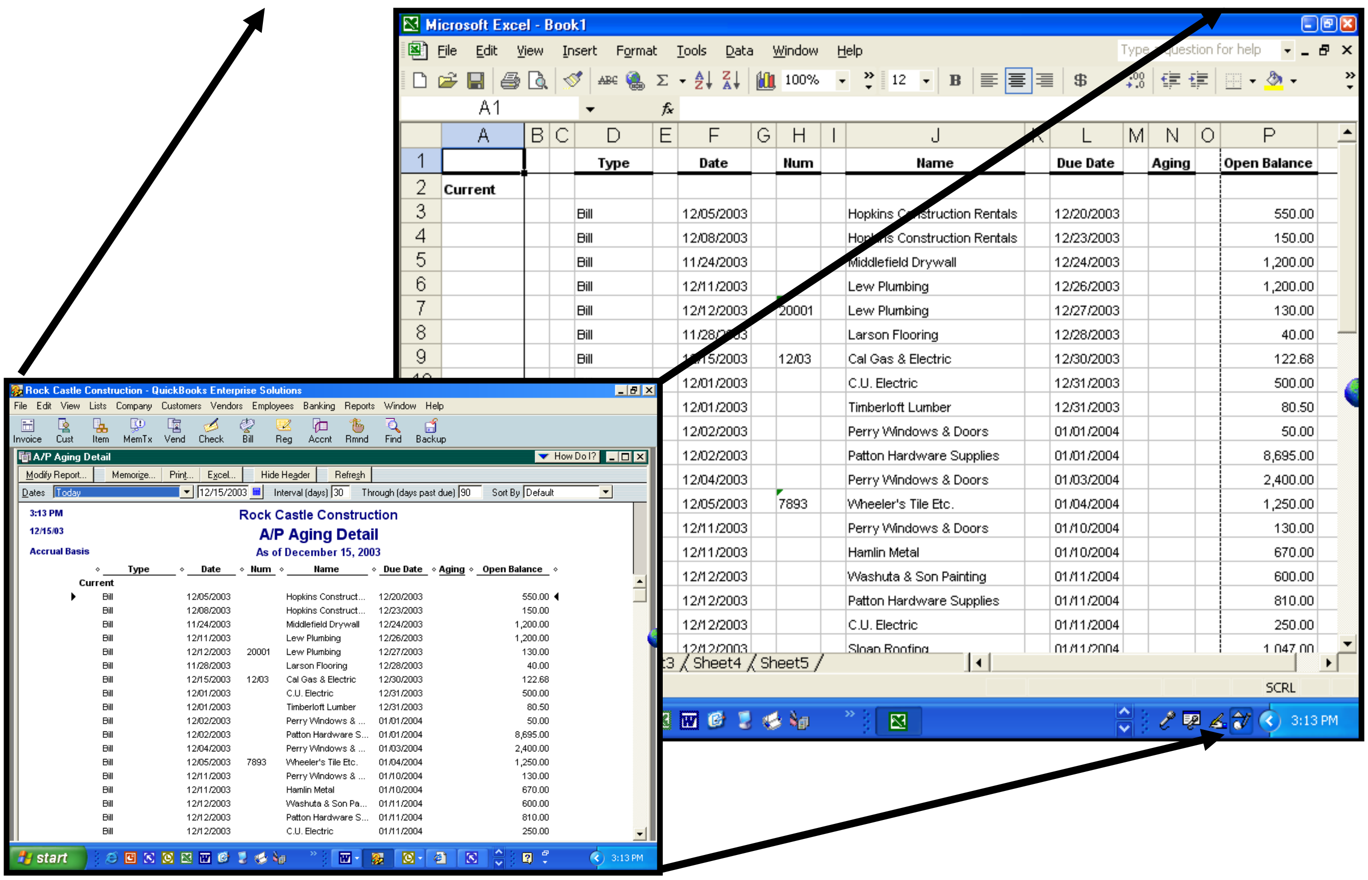
Drilling Graphs - Graphs can be drilled just like reports – to do this, just double click on the desired bar or pie slice to see the underlying supporting details. *33*

Report Center - The screen below displays the Report Center – a utility that helps you locate the report you are looking for. With the Report Center, you can browse the reports related to what you are interested in, briefly learn what each report has to offer, and locate exact reports by search terms. When you find the report you want, you can display it in the Report window, just as if you had created the report by choosing its name from the Report menu. If you don't need to view the report in the Report window, you can print the report or send it to Excel directly from the Report Center. You can also customize the report's content, filter the report, or change the report's date range without displaying the report. This is a faster way to create, modify, or print reports.

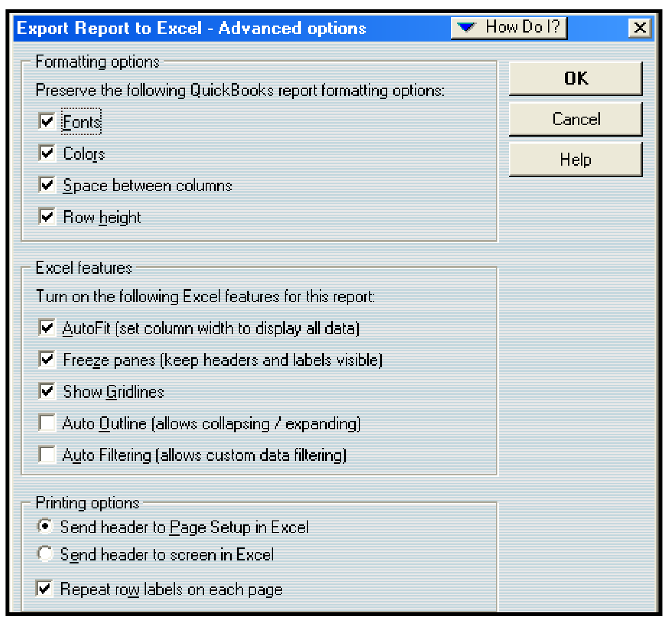
As discussed, the reports menu shown below provides access to the same reports as does the Report Center, and does it a little quicker.



Any QuickBooks report can be exported to Excel with a simple click of a button. Be aware that this is a one way ride, data changes in Excel cannot be automatically carried back into QuickBooks as this action would violate all the rules of data validation and a secure audit trail.



Excel Options - When sending report to an Excel spreadsheet, you can either send to a new blank worksheet, or open Excel and add the contents of the QuickBooks report to an existing spreadsheet. The spreadsheet could be you previously created in Excel or one that QuickBooks created during a previous Some of the advanced options are shown screen to the right.



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2. Company Snapshot

The QuickBooks Company Snapshot doesn't really add any new functionality, but it does organize important data to make it faster and easier for managers to quickly view this key information which means they are more likely to look at as often as they should. The QuickBooks Company Snapshot includes five sections as follows:

- **Income and Expense Trend Graph** - A bar graph displaying income and expenses for the period of time you select.
- **Reminders -** You can select from the list of Reminders to be displayed.
- **Account Balances** - The account balances section allows you to view details for any account.
- **Customers Who Owe Money** - List of who owes you money, the amount and the due date. You can sort it by customer, due date, or amount due.
- **Vendors to Pay -** List of who you owe money to, the amount and the due date. Again, you can sort it by vendor, due date, or amount due.

3. Department Accounting

a. Understanding the need for Account Number Segments

In order to produce sub reports (such as departmental reports, reports by location, fund reports, sub-account reports, reports by territory, reports by type, reports by state, etc), accounting systems rely on segments. Each account number segment is then used to track a certain facet of every revenue and expense transaction. An example of a 4 segment account number structure is shown below:

Department - Expense – Subaccount – Fund

For example, assume a school purchases $800 worth of text books for the English department. In this case, the transaction is recorded using the school's four segment account number as follows:

Date	Account	Debit	Credit
3/1/2006	6050-SMITH-ENG-FED	800	
3/1/2006	Cash		800

To record the purchase of $800 worth of text books for the English department, for Mrs. Smith's class, using federal funds

In this example the account number "6050" represents the expense account ("Book Expense"); "SMITH" represents the subaccount; "ENG" represents the department; and "FED" represents the funds used to pay for the books. If you really were using a fund accounting system, before this transaction is posted, the accounting system would first check to make sure that the federal funds in question are not being used for a restricted purpose, such as to fund teacher pensions or to pay for football uniforms. The system would also check to make sure that the funds being used are permitted to be expended during this time period. If none of the stated restrictions are violated, then the transaction would be accepted and posted throughout the system.

Let us further assume that the school purchases $2,000 worth of school football uniforms and attempts to enter this transaction into the system using federal funds to pay for these uniforms as follows:

Date	Account	Debit	Credit
3/5/2006	6560-SLADE-PE-FED	2,000	
3/5/2006	Cash		2,000

To record the purchase of $2,000 worth of football uniforms for the Physical Education department, for Mr. Slade's class, using federal funds

b. Reporting by Classes

QuickBooks officially provides one extra account number segment which it calls a "Class" [93]. "Classes" is short for "Classification" and the Class segment can be used to classify revenue and expense transactions further than just by account number. It helps to think of this feature as a way to further "classify" business activities. To use classes, you must enable the feature [94], which is listed in the Accounting section of the Preferences window.

You can only use the QuickBooks "Class" feature to establish a single segment [95] (such as department or location, but not both). When you enable classes, QuickBooks adds a Class field to your transaction windows.

TIP - Assigning Classes by Invoice Line Item - When you enter an invoice in QuickBooks, you can assign the invoice to a single class. However, it is sometimes more useful to assign a class to each line item of the invoice. (For example, you may bill your customer for goods, services and support on a single invoice, but you would like to account for that revenue by departments which consist of sales, services and support.) To accomplish this, you must customize your invoice forms to add classes as a column [96]. When you add the Class column, you should add it to the screen form, but not the printed form because most customers don't care how you posted the transaction.

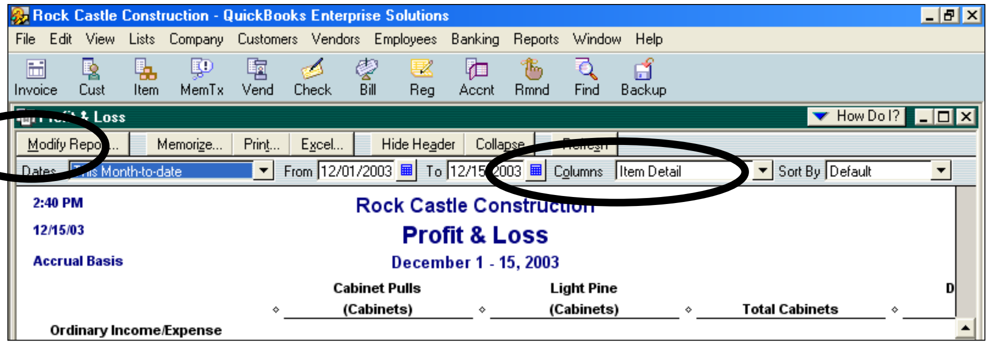
Reporting by Class - There are two different types of reports you can run from the Class List screen– 1. Individual Class Reports; and 2. Reports for all Classes. To report on a single class:

1. *Open the "Classes" list and select the class you want.*
2. *Press CTRL+Q to open a QuickReport on the class.*
3. *When the Class QuickReport appears you can change the date range or customize the report as needed.*

To produce a report in which all classes are displayed:

1. *Open the "Classes" list and click the "Reports" button (at the bottom of the Class list window).*
2. *Choose "Reports On All Classes" and then select either Profit & Loss By Class, or Graphs.*
3. *Note - The Graphs menu item will offer a choice between producing an Income & Expenses Graph or a Budget vs. Actual Graph.*
4. *Note - The Profit & Loss By Class report is the same as a standard Profit & Loss report, except that each class uses a separate column.*

Displaying Reports by Class - Most of the QuickBooks reports you run regularly can also be stratified by Class (for example, Aging reports). Use the Columns drop down box to stratify your report by Class ; or use the "Modify Report", "Filters Option" to display the report for just one Class, as shown in the screen below.



Using Classes to Track Partners – Many Law firms and CPA firms use classes is to track revenue and expenses by partner [99]. In effect, using this method each partner is tracked as an individual profit center. Typically, firms who use this approach set up each partner as a Class, and also set up two additional classes as follows:

1. **Other** - Used to record revenue or expense transactions that are not related to a specific partner.

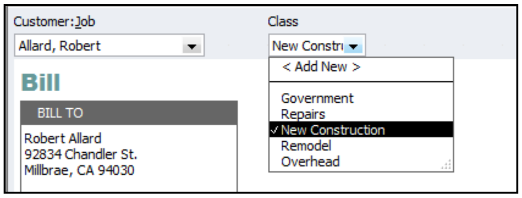
2. **Split** - Used to record revenue or expense transactions that are related to two or more specific partners, and is to be allocated later using some predetermined formula.

Allocations - At month end before reports are produced, the totals for the "Split" class are reapportioned or reallocated with appropriate journal entries. In many cases, the percentage of income is used as a guide for the allocation percentages based on the assumption that the overhead expenses consumed are commensurate with a partner's share of revenue. While this approach to allocating expenses isn't terribly exact, it is considered to be approximately fair.

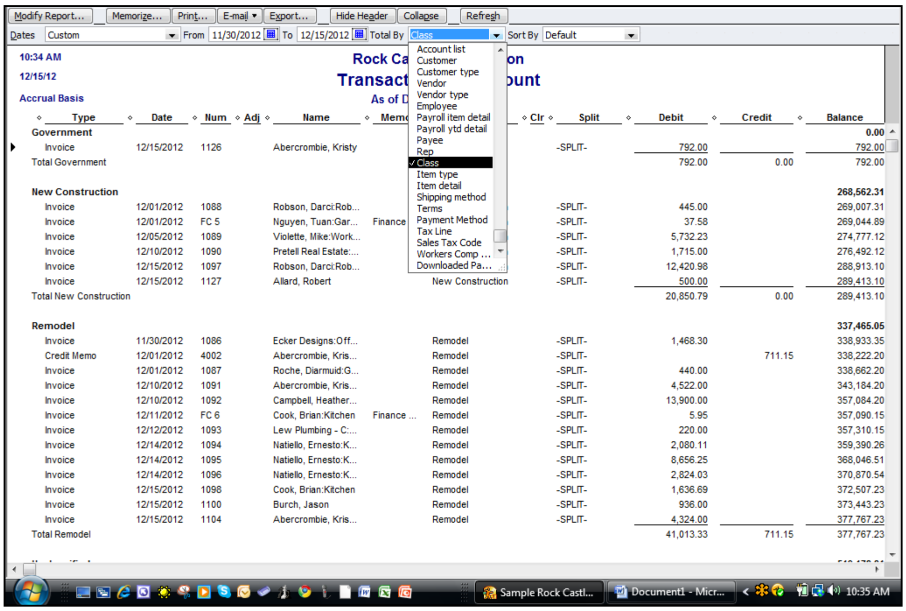
Year–end Close - When the year is closed, a percentage of the retained earnings figure is posted to each partner's equity account. However, since Classes do not apply to balance sheet or equity account numbers, you must set up a separate equity account number for each Partner. Thereafter, the profit for each partner is the revenue, less the expenses incurred by each partner is allocated from retained earnings account to each partner equity account. This system may also provide a decent basis to calculate end-of-year bonuses, since the partners can base the amount of the bonus on the amount of the current year retained earnings for each partner.

Using Classes to Track Accounts Receivable or Accounts Payable – Often CPAs complain that because classes do not apply to balance sheet items, there is no way to classify accounts receivable or accounts payable on the balance sheet. Actually there is a way to do this. It takes a little effort, but here is what you do:

1. As invoices (or vouchers) are recorded, assign a master Class to the invoice in the upper right hand corner. (Assigning Class by line item isn't sufficient.)



2. At this point, the balance sheet will still display a single line item for accounts receivable (or accounts payable.
3. Produce a balance sheet and double click the accounts receivable amount to drill into the details.
4. Expand the report to show all details.
5. Use the "Sort By" drop down to sort by Class.
6. Use the "Total By" drop down to total by Class.
7. The result is a report that breaks down accounts receivable or accounts payable by Class, as shown below.

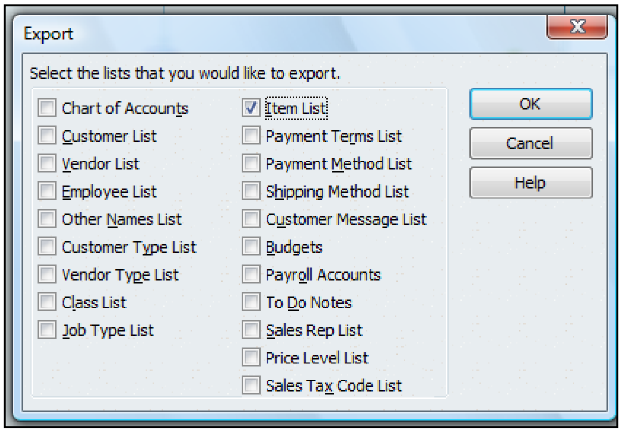


Type	Date	Num	Adj	Name	Memo		Clr	Split	Debit	Credit	Balance
Government											0.00
Invoice	12/15/2012	1126		Abercrombie, Kristy				-SPLIT-	792.00		792.00
Total Government									792.00	0.00	792.00
New Construction											268,562.31
Invoice	12/01/2012	1088		Robson, Darci:Rob...				-SPLIT-	445.00		269,007.31
Invoice	12/01/2012	FC 5		Nguyen, Tuan:Gar...	Finance			-SPLIT-	37.58		269,044.89
Invoice	12/05/2012	1089		Violette, Mike:Work...				-SPLIT-	5,732.23		274,777.12
Invoice	12/10/2012	1090		Pretell Real Estate:...				-SPLIT-	1,715.00		276,492.12
Invoice	12/15/2012	1097		Robson, Darci:Rob...				-SPLIT-	12,420.98		288,913.10
Invoice	12/15/2012	1127		Allard, Robert		New Construction		-SPLIT-	500.00		289,413.10
Total New Construction									20,850.79	0.00	289,413.10
Remodel											337,465.05
Invoice	11/30/2012	1086		Ecker Designs:Off...		Remodel		-SPLIT-	1,468.30		338,933.35
Credit Memo	12/01/2012	4002		Abercrombie, Kris...		Remodel		-SPLIT-		711.15	338,222.20
Invoice	12/01/2012	1087		Roche, Diarmuid:G...		Remodel		-SPLIT-	440.00		338,662.20
Invoice	12/10/2012	1091		Abercrombie, Kris...		Remodel		-SPLIT-	4,522.00		343,184.20
Invoice	12/10/2012	1092		Campbell, Heather...		Remodel		-SPLIT-	13,900.00		357,084.20
Invoice	12/11/2012	FC 6		Cook, Brian:Kitchen	Finance ...	Remodel		-SPLIT-	5.95		357,090.15
Invoice	12/12/2012	1093		Lew Plumbing - C:...		Remodel		-SPLIT-	220.00		357,310.15
Invoice	12/14/2012	1094		Natiello, Ernesto:K...		Remodel		-SPLIT-	2,080.11		359,390.26
Invoice	12/14/2012	1095		Natiello, Ernesto:K...		Remodel		-SPLIT-	8,656.25		368,046.51
Invoice	12/14/2012	1096		Natiello, Ernesto:K...		Remodel		-SPLIT-	2,824.03		370,870.54
Invoice	12/15/2012	1098		Cook, Brian:Kitchen		Remodel		-SPLIT-	1,636.69		372,507.23
Invoice	12/15/2012	1100		Burch, Jason		Remodel		-SPLIT-	936.00		373,443.23
Invoice	12/15/2012	1104		Abercrombie, Kris...		Remodel		-SPLIT-	4,324.00		377,767.23
Total Remodel									41,013.33	711.15	377,767.23

8. Memorize the report so that you don't have to "recreate the wheel" next time.
9. As an alternative you could also filter the report to display only one particular Class of outstanding receivables or payables.

1. Edit Your QuickBooks Data in Excel

All of your account information, budgets and List data in QuickBooks can be exported out to Excel, edited, and imported back into QuickBooks in less than 30 seconds [53]. Many CPAs are apprehensive to use this feature for fear of squirreling up the data – but it is easy and you should give it a try. Presented below is the export dialog box found under File; Utilities; Export.



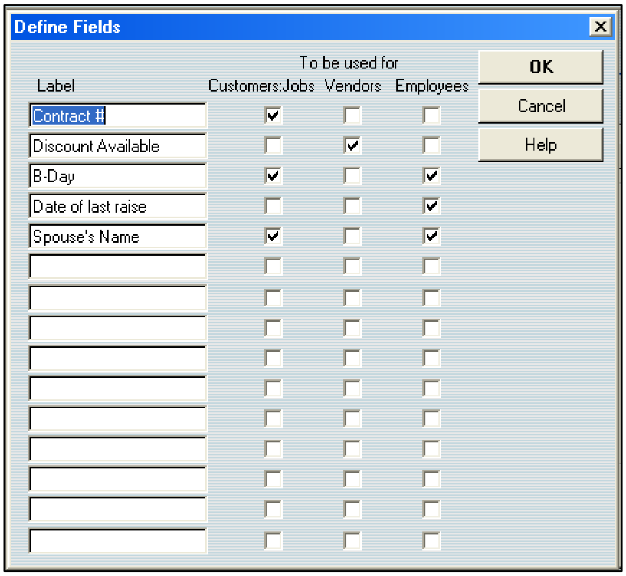
Simply open the IIF file in Excel, edit it, and save the file to the same format. Then in QuickBooks, select File; Utilities, Import...it's just that easy.

Note that importing data from Excel "overwrites" the list data in QuickBooks with all of your changes. However, you cannot delete list data using this method, you can only add to or change existing list data [54].

2. Custom Data Fields

In my opinion, custom fields are one of the most powerful features in all of accounting software. QuickBooks provides 26 customer data fields (7 for customers, 7 for employees, 7 for vendors, and 5 for inventory items) but you are limited using just 20 custom data fields overall.

QuickBooks' custom data fields allow you to track additional information about your customers, vendors, employees, and items. You can add these custom data fields to sales and purchase forms. QuickBooks treats the information you enter into a custom field the same way it treats information entered into any other field. If you memorize a transaction that has a custom data field, QuickBooks memorizes what you entered in the custom data field along with the other details of the transaction. If you export a list that contains data in custom fields, QuickBooks exports that data along with the other data from the list. The custom field screen is shown below:



Many accounting system developers concluded more than a decade ago that the process of adding a never-ending stream of enhancements to any accounting system eventually results in "bloatware" - a bloated solution that is so cluttered with features that the product is difficult, if not impractical, to use. To alleviate this problem, developers adopted forward-thinking philosophy of providing core features, coupled with built-in tools designed to allow end users to customize the product specifically for their needs. This approach allows end users to meet approximately 80% to 85% of their needs right out of the box, or approximately 90% to 95% of their needs using the built-in customization tools. The example scenario presented below provides a basic understanding of how this process works.

<u>For Example</u> - Assume that QuickBooks is implemented by the local U. S. Corps of Engineers office that oversees and manages a large lake. In this case, the agency has identified specific customized additions to the system that would be beneficial. For example, one of the functions of the agency is to license and inspect the various boat docks of residents who live on the edge of the lake. Using QuickBooks's built-in tools, the agency could easily add new data fields to collect pertinent information such as the following:

Examples of User Defined Data Fields
<u>that Might be used by the U. S. Corps of Engineers</u>

1. Size of the dock.
2. Year the dock was erected.
3. Type of materials used.
4. Date of the last inspection.
5. Date when the current dock permit expires.
6. Depth of the water at this dock location.
7. Description of all vehicles docked at this particular dock.

All of this additional customized data would benefit the U. S. Corps of Engineers in rendering their services. These fields could be set up QuickBooks in just a few minutes by a non programmer.

All organizations have the need to collect, maintain, and report specific unique information about customers, inventory items, vendors, employees, etc. The ease in which QuickBooks meets complex customization needs is frequently a deciding factor in the accounting software purchase decision – it is a common deal closer.

Filtering By Custom Data Field – One of the best aspects of the QuickBooks Custom Data Fields is that they can be <u>included on your reports</u> and <u>used to filter your reports</u>. For example, assume that at your boat marina, 23 of your 140 customers subscribe to your monthly engine cranking service. You could use the subscription field to filter a customer list to include only those customers who subscribe. You could also include the boat name and slip number in the report making bit easier for a work to pull out the correct boats and start the engines.

Calculating the cost of assembly items

The cost of an assembly item at the time of a build is the average cost of each component item multiplied by the quantity of that component needed for the assembly, and then added together. This sum is then added to the Value on Hand (VOH) of any existing assembly units of this type already in inventory. Finally, the average cost of the assembly item is calculated by dividing the VOH by the current Quantity on Hand of the assembly item. If the assembly is purchased, that cost is also factored into the average cost for the assembly item.

Reporting on Assemblies

QuickBooks inventory reports include assembly items, which appear below inventory part items. You can use QuickZoom to get information about assembly items in most inventory reports.

Inventory Stock Status by Item

Modify Report... Memorize... Print... E-mail ▾ Export... Hide Header Refresh

Dates This Month-to-date From 12/01/2012 To 12/15/2012

Manufacturing Sample File

Inventory Stock Status by Item

December 1 - 15, 2012

	Item Description	Reorder Pt	On Hand	On Sales Order	For Assemblies
Assembly					
1000-MC	MANUAL COVER 1...		4	0	0
1500-PM	POWER MANUAL ...		-5	16	0
2000-PT	Reduced Labor fro...		-6	0	0
3000-UL	ULTIMATE 3000		-2	0	0

The Pending Builds report is similar to the Pending Sales report. For each pending build, the report shows the date of the build, the build reference number, the name of the assembly item, the quantity to build as entered in the build form, and any memo information from the build form. You can display each pending build form by clicking a transaction entry in the report.

Manufacturing Sample File

Pending Builds

All Transactions

Date	Num	Item	Qty	U/M	Memo
01/09/2012	01	2000-PT	1	ea	Build finished...
02/05/2012	02	1500-PM	3	ea	Build finished...
02/19/2012	03	3000-UL	1		Build finished...
03/03/2012	04	1000-MC	2	ea	Build finished...
04/07/2012	05	1000-MC	3	ea	Build finished...
05/20/2012	06	2000-PT	1	ea	Build finished...
06/01/2012	07	3000-UL	1		Build finished...
08/21/2012	08	1500-PM	1	ea	Build finished...
11/01/2012	11	1500-PM	3	ea	Build finished...
11/01/2012	09	3000-UL	5		Build finished...
11/01/2012	10	2000-PT	8	ea	Build finished...
12/01/2012	12	1000-MC	2	ea	Build started ...
12/02/2012	13	1500-PM	3	ea	Build started ...
12/03/2012	14	2000-PT	5	ea	Build started ...
12/15/2012	15	1000-MC	1	ea	Build started

Reporting On Items

Presented below are selected sales, purchase, and item profitability reports that show information captured by items.

Sales by Item Summary

Accrual Basis

December 1 - 15, 2012

	Dec 1 - 15, 12							
	Qty	Amount	% of Sales	Avg Price	COGS	Avg COGS	Gross Margin	Gross Margin %
Inventory								
Irrigation Hose		129.00	0.7%		96.00		33.00	25.6%
Lighting	17	573.95	3%	33.76	251.74	14.81	322.21	56.1%
Pump	5	375.00	1.9%	75.00	269.69	53.94	105.31	28.1%
Soil	19	132.00	0.7%	6.95	100.70	5.30	31.30	23.7%
Sprinkler Hds	20	180.00	0.9%	9.00	127.70	6.39	52.30	29.1%
Sprkl pipes	495	1,361.25	7.1%	2.75	1,039.50	2.10	321.75	23.6%
Total Inventory		2,751.20	14.3%		1,885.33		865.87	31.5%
Parts								
Concrete	2	52.50	0.3%	26.25				
Deck Lumber	45	202.50	1.1%	4.50				
Fertilizer		89.37	0.5%					
Fountain	3	1,110.50	5.8%	370.17				
Plants/Trees		1,933.95	10.1%					
Rocks	15	153.00	0.8%	10.20				
Total Parts		3,541.82	18.4%					
Service								
Design	3	3,860.00	20.1%	1,286.67				
Gardening	8	752.00	3.9%	94.00				
Installation Labor	184	6,509.00	33.8%	35.38				
Pest Control	3	180.50	0.9%	60.17				
Tree Removal	3	1,500.00	7.8%	500.00				
Trimming	3	105.00	0.5%	35.00				
Total Service		12,906.50	67.1%					
Other Charges								
Fin Chg	3	42.18	0.2%	14.06				
Total Other Charges		42.18	0.2%					
TOTAL		**19,241.70**	**100.0%**					

The sales by item summary report shows sales information for each item.

Purchases by Item Summary

December 1 - 15, 2012

	Dec 1 - 15, 12	
	Qty	Amount
Inventory		
Lighting	10	5,000.00
Pump	6	336.00
Soil	50	265.00
Sprinkler Hds	5	25.00
Total Inventory		5,626.00
Parts		
Deck Lumber	45	157.50
Rocks	15	146.25
Total Parts		303.75
Service		
Design	5	275.00
Gardening	100	2,500.00
Tree Removal	5	1,000.00
Total Service		3,775.00
Other Charges		
Shipping	1	37.50
Total Other Charges		37.50
TOTAL		**9,742.25**

When your clients use items to track their purchases of goods and services, they can find the information in the purchases by item summary report.

Item Profitability

All Transactions

	Act. Cost	Act. Revenue	($) Diff.
Inventory			
Irrigation Hose	114.69	152.55	37.86
Lighting	970.81	4,800.94	3,830.13
Pump	975.00	1,375.00	400.00
Soil	602.20	777.75	175.55
Sprinkler Hds	686.31	984.45	298.14
Sprkl pipes	5,541.90	7,257.25	1,715.35
Total Inventory	8,890.91	15,347.94	6,457.03
Parts			
Concrete	0.00	146.00	146.00
Deck Lumber	157.50	672.50	515.00
Fertilizer	0.00	784.60	784.60
Foliage Tags/Markers	0.00	842.00	842.00
Fountain	175.00	4,851.00	4,676.00
Plants/Trees	964.00	10,778.95	9,814.95
Ponds	0.00	2,184.95	2,184.95
Rocks	146.25	211.50	65.25
Total Parts	1,442.75	20,471.50	19,028.75
Service			
Design	0.00	13,840.00	13,840.00
Gardening	0.00	19,649.00	19,649.00
Installation Labor	0.00	25,928.00	25,928.00
Pest Control	0.00	1,900.50	1,900.50
Tree Removal	0.00	9,053.00	9,053.00
Trimming	0.00	3,249.00	3,249.00
Total Service	0.00	73,619.50	73,619.50
Other Charges			
Fin Chg	0.00	97.69	97.69
Total Other Charges	0.00	97.69	97.69
Discounts			
10% Discount	0.00	-11.98	-11.98
Deposit Credit	0.00	-1,520.00	-1,520.00
Discount	0.00	-222.60	-222.60
Total Discounts	0.00	-1,754.58	-1,754.58
TOTAL	**10,333.66**	**107,782.05**	**97,448.39**

When you set up items to record both purchases and sales of products, services, and other charges, the item profitability report shows the costs, revenue, and profit for each item.

Notice that there are several zero amounts for Non-inventory Part items (listed as "Parts") and Service items in the "Act. Cost" column of the item profitability report. This shows that the payments to vendors and employees were recorded using the Expenses tab, or journal entries, instead of the Items tab.

Bio for J. Carlton Collins, CPA

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J. Carlton Collins, CPA is a Certified Public Accountant with experience in technology, tax, auditing, accounting systems, financial reporting, and bond financing. He is an author, lecturer, and technology & accounting systems consultant. He has published books, articles, and web pages and is the author of the monthly technology Q&A column for the Journal of Accountancy. As a public speaker, Mr. Collins has delivered more than 2,000 lectures in 44 states and 5 countries addressing more than 500,000 CPAs and business professionals. As a consultant, Mr. Collins has assisted 275+ large and small companies with the selection and implementation of accounting systems. Mr. Collins has a Bachelor's degree in Accounting from the University of Georgia, is a 25+ year member of the American Institute of CPAs and the Georgia Society of CPAs, and is also a licensed realtor.

Summary of Selected Positions, Awards & Accomplishments:

1. Honored as one of the CPA Industries Top 25 Thought Leaders by CPA Technology Advisor Magazine
2. Author of the monthly Technology Q&A column for the Journal of Accountancy.
3. Recipient of the 2012 AICPA Lawler Award for Excellence in professional writing.
4. Recipient of the AICPA's Lifetime Technical Contribution to the CPA Profession Award.
5. Chairman of the Southeast Accounting Show - the South's largest CPA event.
6. Recipient of the Tom Radcliff Outstanding Discussion Leader Award.
7. Named "Top Ten CPA Technologists" by Accounting Technologies Magazine (multiple years).
8. Named "Top 100 Most Influential CPAs " by Accounting Technologies Magazine (multiple years).
9. Has personally delivered over 2,000 technology lectures around the world.
10. Recipient of the Outstanding Discussion Leader Award from the Georgia Society of CPAs.
11. Lead author for PPC's Guide to Installing Microcomputer Accounting Systems.
12. Has installed accounting systems for more than 200 companies.
13. Chairperson of the AICPA Technology Conference.
14. Recipient of the ACCPAC Partner of the Year Award.
15. Determined by SAP to be one of the country's "Top Ten Most Influential ERP Systems Consultants".
16. Has delivered keynote and session lectures at dozens of accounting software conferences.
17. Sworn in as a Certified Public Accountant on September 18, 1985.
18. Member of the American Institute of CPAs since 1985.
19. Member of the Georgia Society of CPAs since 1982.

As an auditor, Mr. Collins has audited businesses in the areas of health care, construction, distribution, automobile dealerships, insurance, manufacturing, and general business. Mr. Collins' tax experience includes corporate, individual, partnership, fiduciary, and estate tax planning work. In the area of finance, Mr. Collins has prepared (or assisted in preparing) feasibility studies and financial forecasts for nearly 300 projects seeking more than $3 billion in startup capital. Mr. Collins is familiar with bond issues, Medicare and Medicaid reimbursement, and conventional financing matters. In 1992, Mr. Collins contributed and demonstrated more than 500 pages of suggested design improvements to the Microsoft Excel development team of programmers - and many of those improvements are found in Excel today.

At the University of Georgia, Mr. Collins was elected President of the Phi Eta Sigma Honor Society, was initiated into the BIFTAD Honor Society, served three years in the Judicial Defender/Advocate program, and was a member of Alpha Tau Omega fraternity. At Glynn Academy High School, Mr. Collins was Senior Class President, Class Valedictorian (1 of 6), and received a principle nomination to Annapolis Naval Academy. Mr. Collins has been married for 27 years and has two children. He devotes his leisure time to family, travel, tennis, fishing, snow skiing, and riding motorcycles (both dirt and street). Mr. Collins is president of his homeowners association, participates in the Gwinnett Clean and Beautiful program, and volunteers for Cooperative Ministries food drive.