

QuickBooks Online Education Exercise Set #2

▶ August (Full Class Review)

The middle of summer has arrived. The grass is growing, the flowers are blooming, and business is good. Green Tree Landscapes is growing very fast. Jon and Alice are having a hard time figuring out how to manage their business growth. The need to get a handle on where they're making most of their money and how profitable their business is and what they should focus on.

Andrea, the accountant, has suggested they start using Class Tracking to measure how profitable each area of the business is. She suggested setting up several classes to represent the different areas of their business.

1. Enable Class Tracking.
2. Setup the following classes in QuickBooks.
 - a. Retail Business
 - b. Maintenance Services
 - c. Landscape Construction
3. Create the following expenses for the month of August of last year. Create the following transactions on Jon's Visa. Assume all transactions include sales tax. **NOTE:** If no class is specified, you can deduce which class to use.
 - a. Jon purchased supplies at Home Depot for \$347.88. Class: Maintenance Services. Date: August 3rd, of last year.
 - b. Jon purchased supplies Johnson Supply Company for \$288.77. Class: Landscape Construction. Date: August 10th, of last year.
 - c. Jon purchased \$1,139 of Cedar bark chips from Hanson Garden Supplies. Class: Landscape Construction. Date: August 13th, of last year.
 - d. Jon Purchased \$2,500 worth of Google Ads to promote the Maintenance Services. Date: August 23rd of last year.
 - e. Jon received a credit on his visa for \$58.00 from Home Depot for Supplies. Class: Maintenance Services. Date: August 23rd of last year.
 - f. Jon paid for Powerhouse Staffing for subcontractors for \$4,777. Class: Landscape Construction. Date: August 10th, of last year.
 - g. Jon paid the bookkeeping expense to Art of Accounting for \$999 on August 30th, of last year. Class: Divide the classes evenly between all three classes.
4. Create the following transactions on Alice's Visa. Assume all transactions include sales tax.
 - a. Alice paid the lawyer at Legal Ease for a lease review for the Retail Business. It cost \$1,200. Date: August 13th, of last year.

- b.** Barker Design – 4 visits at \$200 per visit.
 - c.** BigTime Constructions – 4 visits at \$450 per visit.
 - d.** Brookstone Senior Care Centres – 4 visits at \$600 per visit.
 - e.** Chuck Henry – 4 visits at \$45 per visit.
 - f.** Hewitt & Packer Office Complex – 4 visits at \$258 per visit.
 - g.** Huron Park Community Association – 4 visits at \$387 per visit.
 - h.** Jackson Property Management – 5 visits at \$488 per visit
- 13.** Deposit the customer payments in the above exercise on the last day of August of last year.
- 14.** Add a new Service called Landscape Construction services. Track the item to the Sales account.
- 15.** Enter the following invoices on the 15th of August of last year. Class: Landscape Construction.
 - a.** Buss Boyz Delivery Service purchased the following items: Landscape Construction Services. Enter the description: Installed sod, planters, and cedar bark chips. Price: \$13,878.67 + sales tax.
 - b.** Parsons Community Centre purchase Landscape Construction Services. Description: Courtyard renovation including excavation and installation of concrete patio. Price: \$43,888.95 + sales tax.
- 16.** Receive the payment from Parsons Community Centre via Cheque #4778. You received the cheque from the manager of the centre immediately after the job was complete. Deposit it directly to the Toronto Savings & Loan on your way home from the job.
- 17.** Create the following sales receipts for customers who purchased products from the Retail Business. (Hint: No customer is required). All items are taxable. All customers paid with credit card and the money was deposited directly to the Toronto Savings & Loan at the time of the sale. Track all sales to the correct class.
 - a.** Customer purchased a True Blue Leaf Blower on August 14th, of last year.
 - b.** Customer purchased Honda Lawnmower on August 17th, of last year.
 - c.** Customer purchased 5 Garden Shovels on August 27th, of last year.
 - d.** Customer purchased a Lawn Starter Kit on August 29th, of last year.
 - e.** Customer purchased a Turf Edger on August 31st of last year.
- 18.** Customer purchased a Stihl 2000 Lawn Trimmer on August 23rd of last year.
- 19.** The same customer returned a Stihl 2000 Lawn Trimmer on August 28th, of last year. You gave him his money back.

20. While moving some inventory around at the retail business a Gas Hedge Trimmer was damaged. Write off the inventory on the last day of August of last year to the Inventory Shrinkage account. Class: Retail Business.
21. Alice issued a purchase order to Johnson Supply Company on August 1st, of last year. She ordered the following items using the purchase cost in the Products and Services list:
 - a. Pruner Lopper – 5 items
 - b. Stihl 2000 Lawn Trimmer – 3 items
 - c. Gas Edge Trimmer – 5 items
22. Receive all the items from Johnson Supply Company on August 15th, of last year.
23. Create the GST/HST Summary Report for January 1st, of last year to August 31st, of last year.
24. File the Annual Sales Tax return on August 31st of last year and pay it in full from the Toronto Savings & Loan chequing account.