



4 SET-UP STEP 4

TIME TO WORK ON THE CHART OF ACCOUNTS

After creating the new company QB file, the original Chart of Accounts (COA) will have a few accounts determined by QB. You're now going to edit some of them and enter more new ones to get us started.

- First thing... let's change the names and/or account numbers for accounts that are already in the system. Use the list below to update that information:

Original Name	New Name (if changed)	Account Number
Undeposited Funds		12000
Uncategorized Asset		12900
Inventory Asset		18000
Missouri Department of Revenue Payable		28000
Out of Scope Agency Payable		28100
Retained Earnings		39000
Sales	Sales and Service Income	40000
Discounts Given	Sales Discounts	45000
Uncategorized Income		49999
Cost of Goods Sold		50000
Uncategorized Expense		59000

- Now it's time to add the rest of the accounts we are going to use. Use the following Setup Step 5 – Setup Other Lists Information

Account Type	Save account under:	Tax form section:	Account name:	Account number
Banks	Bank Accounts	Checking	Checking	10000
Assets	Accounts Receivable	Accounts Receivable (A/R)	Accounts Receivable	11000
Assets	Other Current Assets	Prepaid Expenses	Prepaid Insurance	12200



Account Type	Save account under:	Tax form section:	Account name:	Account number
Assets	Other Current Assets	Inventory	Supplies Inventory	12300
Assets	Fixed Assets	Furniture and Fixtures	Store Equipment and Fixtures	15000
Assets	15000 Store Equipment and Fixtures	Furniture and Fixtures	Original Cost	15100
Assets	15000 Store Equipment and Fixtures	Furniture and Fixtures	Accumulated Depreciation	15200
Liabilities	Accounts Payable	Accounts Payable (A/P)	Accounts Payable	20000
Liabilities	Other Current Liabilities	Loan Payable	Store Equipment & Fixtures Loan	27000
Credit Cards	Credit Cards	Credit Card	Mastercard	21000
Equity	Equity	Owner's Equity	[First and Last Name], Equity	31000
Equity	[First and Last Name], Equity	Owner's Equity	[First and Last Name], Investments	31100
Equity	[First and Last Name], Equity	Owner's Equity	[First and Last Name], Earnings	31200
Equity	[First and Last Name], Equity	Owner's Equity	[First and Last Name], Draw	31300
Income	40000 Sales and Service Income	Other Primary Income	Book Sales	40100
Income	40000 Sales and Service Income	Other Primary Income	Keyboarding Sales	40200
Income	40000 Sales and Service Income	Other Primary Income	Supplies Sales	40300



Account Type	Save account under:	Tax form section:	Account name:	Account number
Income	Income	Other Primary Income	Misc Fees Income	49000
Expenses	50000 Cost of Goods Sold	Supplies & Materials - COGS	Purchases	50100
Expenses	50000 Cost of Goods Sold	Supplies & Materials - COGS	Merchandise Discounts	50200
Expenses	Expenses	Bank Charges	Bank Service Charges	51000
Expenses	Expenses	Communication	Computer and Internet Expense	51100
Expenses	Expenses	Other Business Expenses	Depreciation Expense	51200
Expenses	Expenses	Equipment Rental	Equipment Rental Expense	51300
Expenses	Expenses	Insurance	Insurance Expense	51400
Expenses	51400 Insurance Expense	Insurance	Fire Insurance	51410
Expenses	51400 Insurance Expense	Insurance	Liability Insurance	51420
Expenses	Expenses	Interest Paid	Interest Expense	51500
Expenses	Expenses	Other Business Expenses	Janitorial Expense	51600
Expenses	Expenses	Other Business Expenses	Miscellaneous Expense	51700
Expenses	Expenses	Payroll Expenses	Payroll Expense	51800
Expenses	Expenses	Other Business Expenses	Postage and Delivery Expense	51900
Expenses	Expenses	Advertising/Promotional	Printing & Reproduction Expense	52000
Expenses	Expenses	Rent or Lease of Buildings	Rent Expense	52100
Expenses	Expenses	Repair & Maintenance	Repairs & Maintenance Expense	52200



Account Type	Save account under:	Tax form section:	Account name:	Account number
Expenses	Expenses	Supplies & Materials	Supplies Expense	52300
Expenses	Expenses	Communication	Telephone Expense	52400
Expenses	Expenses	Utilities	Utilities Expense	52500



CHECK YOUR WORK

Compare your Chart of Accounts with the report titled **COA – Step 4**.