



8 SET-UP STEP 8

ENTER THE QUINCY BOOKSTORE SALES ITEMS

- Use the following information to setup your Items at the beginning of the practice set into the PRODUCTS AND SERVICES list.
- ALL On-Hand balances should be dated as of **11/30/20XX**

Initial Items

<i>Item Type:</i>	Inventory Part	Inventory Part	Inventory Part
<i>Item Name:</i>	Paper	Paperback Books	Pens, etc.
<i>On-hand:</i>	200	45	50
<i>Reorder point (min):</i>	150	30	50
<i>Inventory Asset Account:</i>	12300 Supplies Inventory	12300 Supplies Inventory	12300 Supplies Inventory
<i>Sales Description:</i>	Paper Supplies	Paperback Books	Pens, etc.
<i>Sales Price:</i>	Leave blank	Leave blank	Leave blank
<i>Income Account:</i>	40300 Supplies Sales	40100 Book Sales	40300 Supplies Sales
<i>Taxable?</i>	Yes	Yes	Yes
<i>Purchase Description:</i>	Paper Supplies	Paperback Books	Pens, etc.
<i>Cost:</i>	\$5.00	\$4.00	\$5.00
<i>COGS Account:</i>	50100 Purchases	50100 Purchases	50100 Purchases
<i>Preferred Vendor:</i>	Office Supplies for You	Educational Materials, Inc.	Writing Products, LLC
<i>Total Value:</i>	\$1,000.00	\$180.00	\$250.00



<i>Item Type:</i>	Inventory Part	Inventory Part	Service
<i>Item Name:</i>	Stationary	Textbooks	Keyboarding
<i>On-hand:</i>	30	2,000	---
<i>Reorder point (min):</i>	25	2,000	---
<i>Inventory Asset Account:</i>	12300 Supplies Inventory	12300 Supplies Inventory	---
<i>Sales Description:</i>	Stationary	Textbooks	Keyboarding Services
<i>Sales Price:</i>	Leave blank	Leave blank	Leave blank
<i>Income Account:</i>	40300 Supplies Sales	40100 Book Sales	40200 Keyboard Sales
<i>Taxable?</i>	Yes	Yes	No
<i>Purchase Description:</i>	Stationary	Textbooks	Keyboarding Services
<i>Cost:</i>	\$7.50	\$50.00	---
<i>COGS Account:</i>	50100 Purchases	50100 Purchases	---
<i>Preferred Vendor:</i>	Office Supplies for You	Educational Materials, Inc.	---
<i>Total Value:</i>	\$225.00	\$100,000.00	---

When you created the Items above, QBO used the information to determine the value of your *Supplies Inventory* account based on the Cost you set for each of the On Hand Items. BUT, since you purchased some of those Items, your cost has now changed. Go through and update the Cost for each of the Items below to make sure that future transactions process correctly.

- Change Cost for *Paper Supplies* to \$4.00
- Change Cost for *Pens* to \$3.00



CHECK YOUR WORK

Compare your Item List with the report titled **Product and Services List – Step 8**. Add/remove columns as needed to display the appropriate information. You might want to memorize this report to make it easier to access later