



## **DLB CONSULTING, LLC**

Charting your course for financial success

---

### **The Top 10 Mistakes QuickBooks Users Make**

**1. Thinking training is unimportant or not urgent**

Many companies decide to set up their own company file and learn QuickBooks as they go – and this works well for some business owners. However, many find later that they wished they had started differently, and the cost of correcting data is usually more expensive than initial training and assistance in set-up.

**2. Do a quick set up without thinking through your long term needs**

When designing your chart of accounts, item list, etc. it is important to think about what kind of information you want to obtain from your reports – the end goals will determine how your company file should be set up!

**3. Not using enough detail**

QuickBooks has many convenient features for tracking detailed information, i.e. Keeping separate accounting for multiple jobs for the same customer, tracking different types of income, etc.

**4. Thinking it's sufficient to just use the check register feature**

To make the most of your investment in QuickBooks and to enable the software to help you be more effective and successful in your business, it is important to use each Center (i.e. Vendor and Customer)

**5. Thinking the software will think for you**

Sometimes trial and error is needed to determine the best way to use the QuickBooks software to meet your company's specialized needs

**6. Not customizing the chart of accounts**

Some chart of accounts can grow unruly as you have the freedom to create up to thousands of accounts in some QuickBooks versions. Effectively using sub-classes to organize and being consistent in coding will make your reports more useful and easier to read.

**7. Not setting up items appropriately**

Items are linked to the chart of accounts and essential for tracking details regarding sales. Making sure they are linked to the appropriate expense and income accounts is important, as is creating enough specific items to give you the level of detail in information that you desire.

**8. Not setting up names as the appropriate type**

Vendor names, customer names, employee names, and other names – sometimes a person or company may qualify as more than one and should be set up as such. The appropriate qualifications will ensure that your reports are complete and accurate.

**9. Bank reconciliations are unimportant to do timely**

Bank reconciliations are your best self-check to ensure that data is being entered into QuickBooks. At a minimum, monthly reconciliations should always be performed. A review of the Income Statement and Balance Sheet by an accountant are also strongly recommended to ensure that assets and liabilities are being correctly accounted for.

**10. Relying exclusively on QuickBooks for financial records**

For audit and recovery purposes it is important to maintain files of all source documents (vendor bills, check stubs, etc.)

*Make accounting your priority today, so that tomorrow you are free to make well-informed decisions contributing towards success.*

*Delay accounting for tomorrow and today's uninformed decisions may lead towards business failure.*

*According to the Department of Commerce, 40% of small businesses fail during the first year. Within 5 years, over 80% fail. Take steps today to ensure your business a long, healthy life!*