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Here it is—the latest resource news to keep you informed of important QuickBooks news, tips, and product updates. This issue's focus is on New Year clean up, QuickBooks® 2009, and tips for Non-Profits.

## Cleaning Up for the New Year

As we begin a new year, now is the best time to clean up your data file to improve performance. Begin this process by making a full back-up of your file and then storing it in a safe and secure location.

Many of our Clients have benefited from the QuickBooks® Clean Up Company Data wizard. QuickBooks® data files can become cluttered with years of transactions that result in wasted hours of inefficiencies. Fortunately, QuickBooks® allows users the ability to clean up certain portions of the data file while retaining detailed transactions to preserve the financial integrity of the company's data.



Prior to running the clean-up wizard it is important to understand what pieces of the data file will be impacted. We recommend reading the manual in QuickBooks® to learn more about the specific changes that are made. A summary of key changes to the data is provided below:

**Effect on Inventory:** All inventory transactions are removed up to the cut-off date (date chosen by the user). Any inventory transactions falling after the date that is entered are not impacted.

**Effect on Reports:** Most reports will remain the same, however after the clean-up you will only be able to view summary reports of the income statement, balance sheet, etc. Because specific items are deleted for the period, a detailed report cannot be viewed.

**Effect on Payroll:** Payroll transactions will be retained for the current calendar year as well as the prior calendar year, ensuring two years of detailed data remains available.

### Other important year-end activities:

- Apply a prior period closing date to prevent changes from occurring in previous years' data
- Ensure that your QuickBooks® file is password protected
- Regroup your Chart of Accounts by activity to make reports easier to analyze
- Clean-up lists by deactivating unused items, vendors, customers, etc.
- Review your Accounts Receivable aging report and write off any bad debts

## WHAT'S NEW FOR QUICKBOOKS® 2009



Intuit has recently released QuickBooks® 2009. If your version is more than two years old, Davis & Hodgdon Associates recommends upgrading to the newest version.

### Live Community: Ask Questions & Discover Answers

Connect with the Intuit Small Business Community to get your questions answered. Rather than spending time searching for the answers, simply type your question and QuickBooks® automatically finds an answer for you.

### Remote Access

Provides you with the ability to work in QuickBooks® over the internet from a remote location. This can be helpful for business owners who travel extensively but still want access to data files. It also allows Davis & Hodgdon Associates CPAs access to your files if questions arise.

### Support for Multiple Currencies

The new version of QuickBooks® handles all your international currency accounting automatically for all global currencies. It also downloads exchange rates right into QuickBooks®. This can be especially helpful if your company does business internationally.

### Save Time on Data Entry With QuickBooks® Online Banking

Download transactions from your bank account or credit card directly into QuickBooks®. Get a complete financial picture of cleared bank transactions and pending QuickBooks® transactions, all in one place.

### Work in Multi-User Mode With Fewer Interruptions

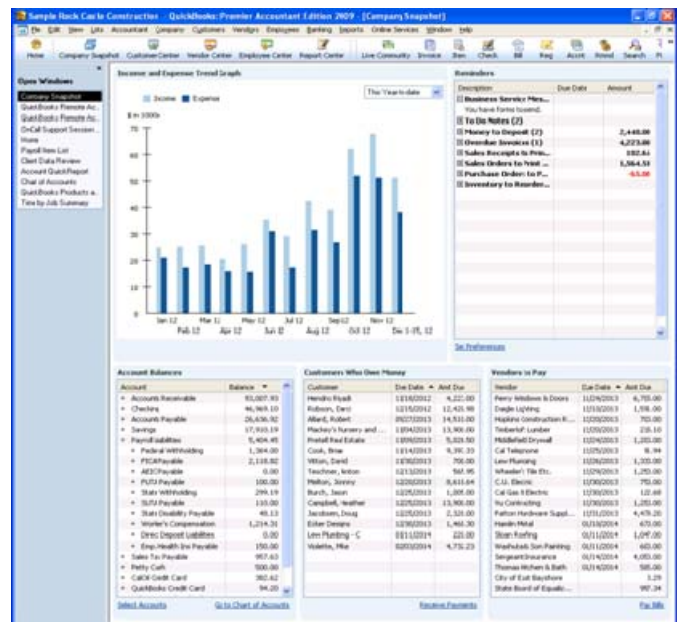
Prior to the 2009 release, if you had a multi-user installation the only way to tell if other users were using a company file would be if the program wouldn't let you switch to single user mode. With the 2009 version the program includes QuickBooks Messenger, which is a function that lets you see who is logged in, chat with them, and even log other users out so you can perform important single user functions.

### Intuit Statement Writer

Create financial statements directly in QuickBooks®. Intuit Statement Writer is an Excel-based plug-in (additional cost of \$150) that combines Microsoft Excel with real-time links to QuickBooks® data to make creating financial statements fast and easy. These reports can be helpful in managing the performance of your business.

### Company Snapshot

Get an overview of your business, such as customers who owe you money, bills to be paid, and reminders. This can help you create a "Pulse Report", which Davis & Hodgdon Associates CPAs recommends as a tool to help manage your business. A sample screen shot of the report is shown below:



### QUICK TIP– Accountant's Copy

We want to stress the importance of using the Accountant's Copy of your data file within QuickBooks®. This is a version of your company file within QuickBooks® that allows us to make changes while you continue to work. You can then import our changes into your company file. This can be particularly helpful during tax season when we may have various adjusting entries to make directly in your file, so that you will not need to.

## ASK NATHAN

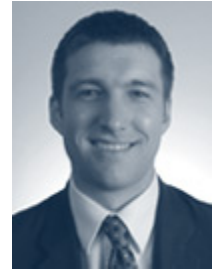
In this section Nathan Rice, Entrepreneurial Advisor, will answer some of the most recently asked QuickBooks® questions. To ask Nathan a question, please call our office at 802-878-1963 or send an email to nathan@dh-cpa.com.

**Davis & Hodgdon Associates seems to constantly be stressing the importance of generating reports within QuickBooks® to help manage my business. What reports should I regularly look at and at what frequency?**

Reviewing reports within QuickBooks® is one of the most effective ways to help improve the management of your business. We recommend looking at your balance sheet and income statement at least on a monthly basis. Your Accounts Receivable aging report and Accounts Payable aging reports should be reviewed on a weekly basis because they are directly related to cash flow. We also recommend reviewing your bank reconciliation report if an employee is reconciling your statement. This provides an added layer of security to verify that your QuickBooks® activity matches with the actual bank account activity.

**I seem to be spending an increasing amount of time working with various lists in QuickBooks® because they are so cluttered. Is there anything I can do to improve my efficiencies?**

The best way to keep your various lists clean is to deactivate items that are no longer used. This can be done with customers, vendors, sales items, etc. It is important to remember that deactivating does not delete anything, providing for the ability to reactivate any item at any time in the future if needed again. This can also be done to your Chart of Accounts for any accounts that you are no longer using.



**Nathan Rice**  
Entrepreneurial  
Advisor

## TIPS FOR NON-PROFITS: Measuring Donor Campaign Success

Donor campaigns are extremely important and can be a major part of any non-profits' fundraising program. In today's charitable marketplace, however, it is increasingly more expensive and time-consuming to find new donors.

Of critical importance is the ability to measure the success of a fundraising campaign. Specific measurements should include response rate, cost per donor, average gift size, net yield per donor, cost per dollar raised, etc.

If you can communicate measures and percentages to board members, donors and stakeholders, it will help demonstrate a high degree of accountability but will also lead to more successful fundraising campaigns in the future.

QuickBooks® can help ease the burden of this financial responsibility, as QuickBooks® Non-Profit Edition is designed specifically for the needs of non-profit organiza-

tions. The benefits of QuickBooks® Non Profit Edition include:

- Save time in recording donations
- Creates non-profit specific reports that track program budgets and donations
- Maximizes donor contributions by customizing donor communications and information
- More effectively manage fundraising campaigns

QuickBooks® Non-Profit Edition can also be effective in helping your organization build additional credibility with the Board by providing accurate financial information. This increased accountability throughout the organization can help lead to improved performance and efficiencies. Non-profit organizations still need to remain focused on bottom-line financial performance, and QuickBooks® Non-Profit Edition can provide significant assistance in this area.

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## QuickBooks® Training

Whether you are new to QuickBooks® or a seasoned user, training is essential to learning and keeping up with the various QuickBooks® offerings and software improvements.

**From now until February 15th we are running a special on our QuickBooks® reviews and training services.**

Sign up for a QuickBooks® review and training session and receive a free trial of QuickBooks® 2009 to use at your training session or receive after your training session.

Call Nathan at 878-1963 to schedule an appointment and be sure to mention the “QuickBooks® Special”.



## BDT Clients: Year-End Clean Up

If you are a **Business Data Transfer (BDT)** user, now is a great time for a little housekeeping.

- 1) Check for any updates on your version of BDT. Open BDT and click Help | Update. A new internet window will open informing you if there are updates to run. If yes, simply click the update and it will automatically install.
- 2) Check that your backup is running and completing. Open BDT and click Backup | Restore. A question box will appear, click Yes. A new window will appear listing your last 6 backups with dates and times completed. Note the last date completed. If it is more than a week old, contact our office at [qbooks@dh-cpa.com](mailto:qbooks@dh-cpa.com) for assistance to reset your backup.



If you have any questions about your BDT service, please do not hesitate to contact our office and ask. BDT is an annual renewable service providing safe and secure transfer of your QuickBooks® data via the internet to our office.