

## The General Ledger

This is going to be your most important lesson. This is your Holy Grail of accounting reports. This lesson will have a significant impact on your business and it is the easiest to do, and least time consuming. This literally takes 10 minutes a week to do for most business owners. If you do nothing else but this, you will greatly improve the financial aspects of your business. I would start with this technique first and then once you are comfortable move on to the other techniques. The General Ledger report is just every transaction in your company for a period. It simply lists all of your debits and credits in order of your chart of accounts. The purpose reviewing your general ledger is to review every monetary transaction your company had. Reviewing this report frequently will allow you to catch errors in your accounting, see where your money is leaking out, see your expenses that are necessary and most importantly those that are not. Seeing your sales one by one, seeing all of the expenditures going out of your bank account. Reviewing this report will tell you everything that is going on in your business. The good news is for most businesses this task will only take about 10 minutes per week to review. This is the “ONE THING” that separates my very successful clients to the ones that just survive. My most successful clients do this every week.

Sample Consulting Business - QuickBooks Accountant Desktop 2015 - [General Ledger]

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12/15/19

Consulting Business  
General Ledger  
As of November 30, 2019

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Company Checking Account									4,845.27
Check	11/01/2019	5270		Property Manager	Nov Rent	Rent		583.75	4,261.52
Paycheck	11/02/2019	3039		Jonathan Graham		-SPLIT-		1,071.83	3,189.69
Paycheck	11/02/2019	3040		Vicki King		-SPLIT-		130.64	3,059.05
Deposit	11/02/2019				Deposit		16,114.50		19,173.55
Transfer	11/02/2019				Funds Trans...	Line of Credit		5,000.00	14,173.55
Check	11/05/2019	5271		Local Bank	Interest on L...	Interest Expe...		99.56	14,073.99
Check	11/05/2019	5272		Karpas Insurance ...	Nov 07 WC ...	-SPLIT-		461.84	13,612.15
Check	11/07/2019	5273		Local Gas and Ele...	ACCT# 0987 ...	Utilities		67.08	13,545.07
Bill Pmt - Check	11/12/2019	5274		Natalie Chapman C...	(10/01/2007...	Accounts Pa...		5,000.00	8,545.07
Check	11/15/2019	5276		Nice Car Leasing A...	Car lease	Company Car		563.00	7,982.07
Liability Check	11/15/2019	5275		Local Bank	94-4555555	-SPLIT-		2,431.42	5,550.65
Liability Check	11/15/2019	5276		State Payroll Tax A...	5012683	-SPLIT-		913.64	4,637.01
Liability Check	11/15/2019	5277		Sec125 Administra...	Acct# 8705...	SEC125 Paya...		100.00	4,537.01
Paycheck	11/16/2019	3041		Jonathan Graham		-SPLIT-		1,071.83	3,465.18
Paycheck	11/16/2019	3042		Vicki King		-SPLIT-		130.64	3,334.54
Deposit	11/16/2019				Deposit		24,494.10		27,828.64
Check	11/22/2019	5280		Cell Phone Company	Cell	Telephone		100.45	27,728.19
Check	11/22/2019	5281		Local Phone and In...	6503221414	Telephone		203.03	27,525.16
Check	11/22/2019	5279		Jonathan Graham	93003 Expe...	-SPLIT-		187.53	27,337.63
Check	11/22/2019	5283		Deborah Wood	Petty Cash	-SPLIT-		435.26	26,902.37
Check	11/22/2019	5284		Postmaster	postage	Postage and ...		54.00	26,848.37

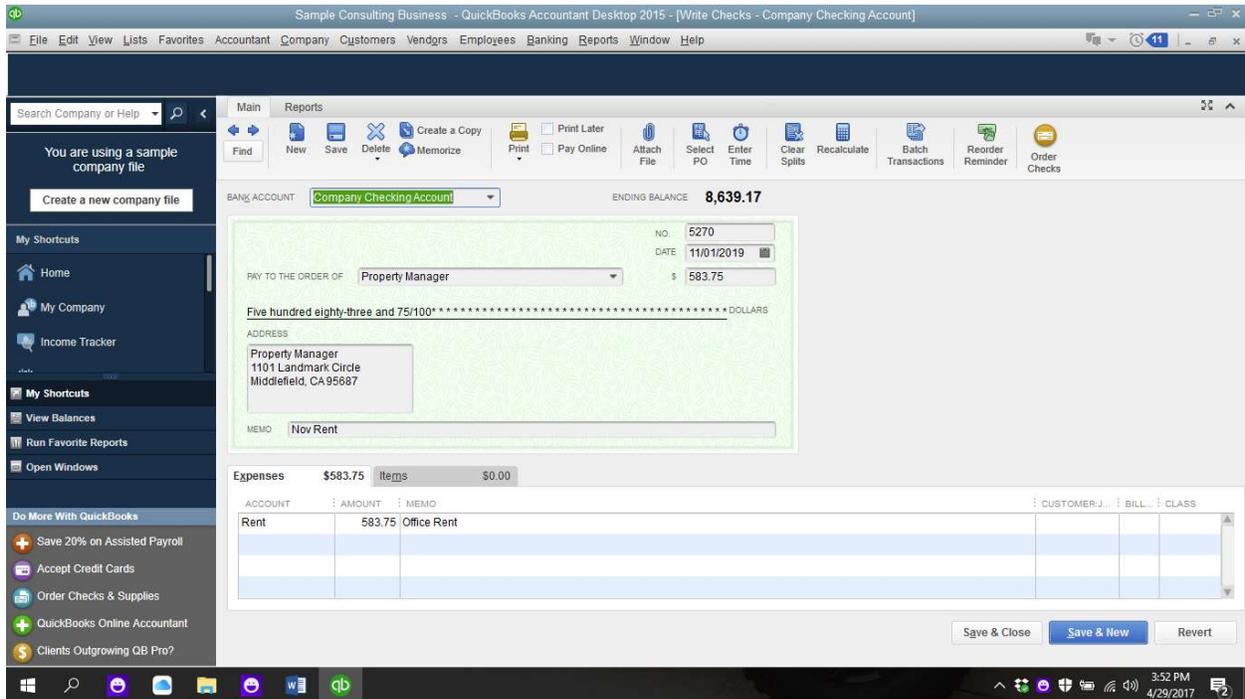
The report will start with your first cash account. It lists the type of transaction. The date of the transaction, the check number, the name on the transaction, a memo note, then the debit or credit, and finally the account balance.

You simply scroll through this report looking at one transaction at a time. Your objective is first to familiarize yourself with what happened. Secondly, you are looking for posting errors. Is the transaction properly recorded in the correct account? Thirdly, and most importantly, you are watching where your money went.

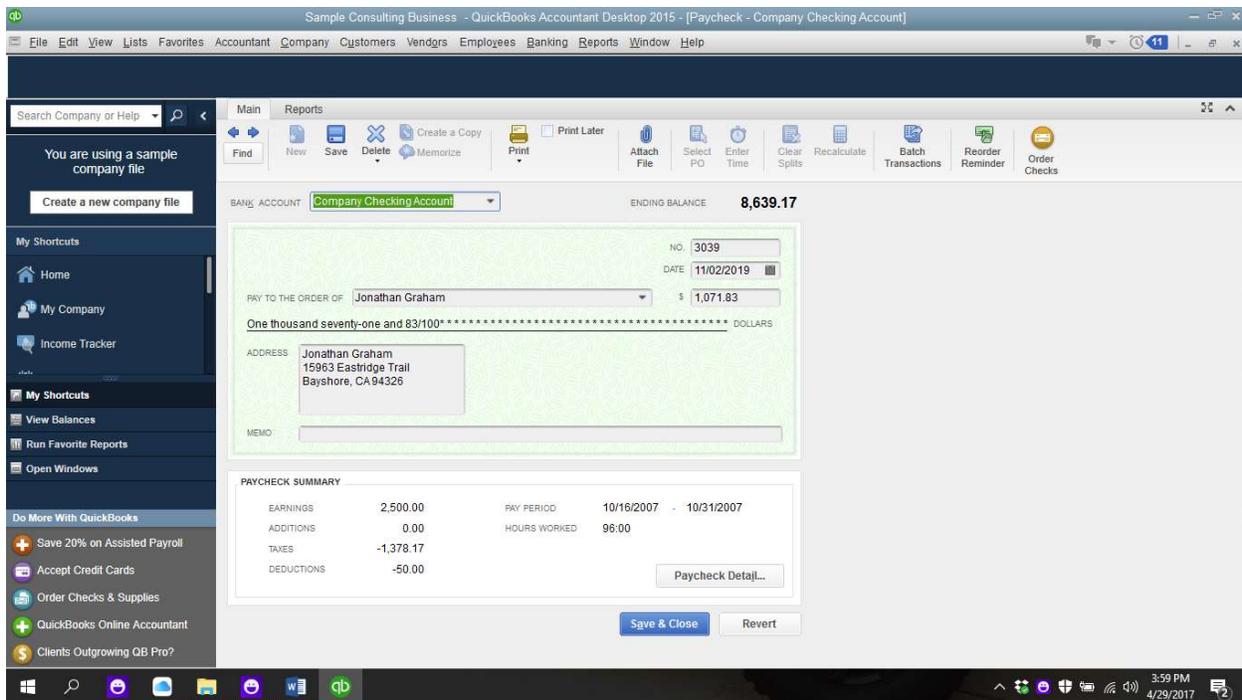
So let's go through this example. So you can see how this report works. Seeing how it works, will be helpful for you to implement into your business.

First, when you scroll your mouse over a transaction, the mouse pointer changes from the arrow to a magnifying glass with a Z in it. The Z stands for zoom. So by clicking on a transaction when the mouse point is the magnifying glass you can zoom back to the source transaction.

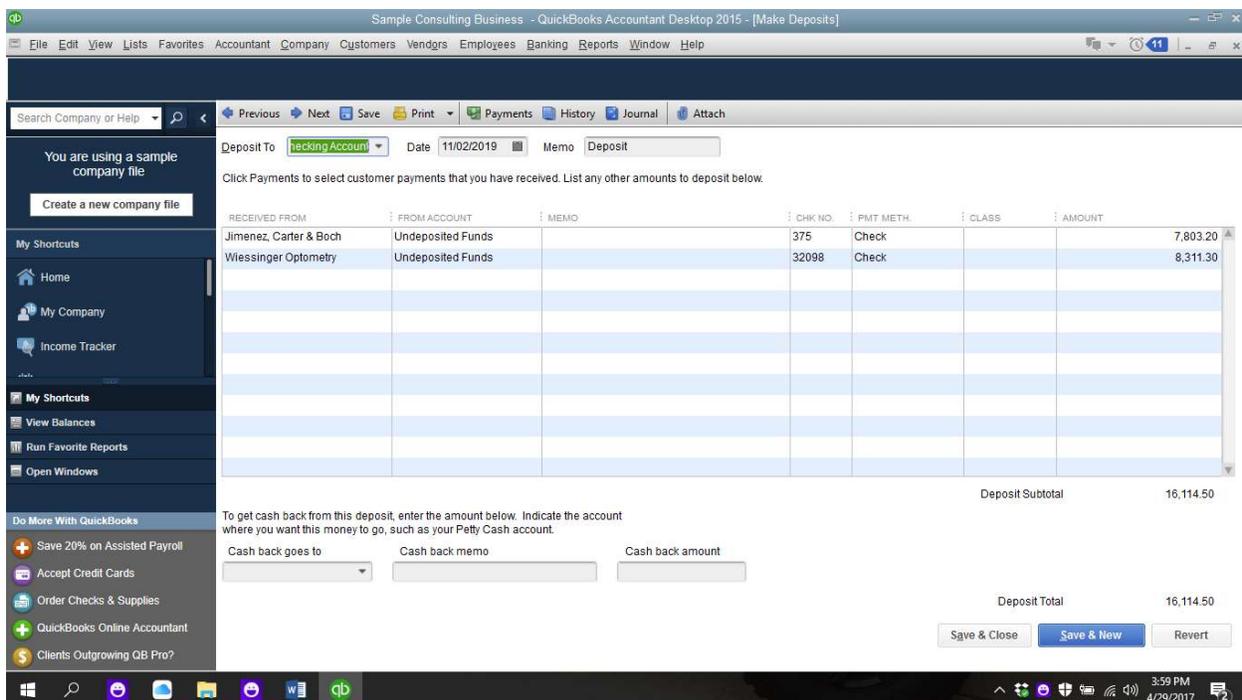
To start, we pick the first transaction a check to Property Manager, under memo says Nov Rent, we zoom to the source. We see this is just the rent check for the month of November. So we examined it and it seems fine so we just close it out, and move on.



We see the second transaction is a paycheck to Jonathan Graham dated 11/02/2019 so we click on it and zoom to the paycheck.



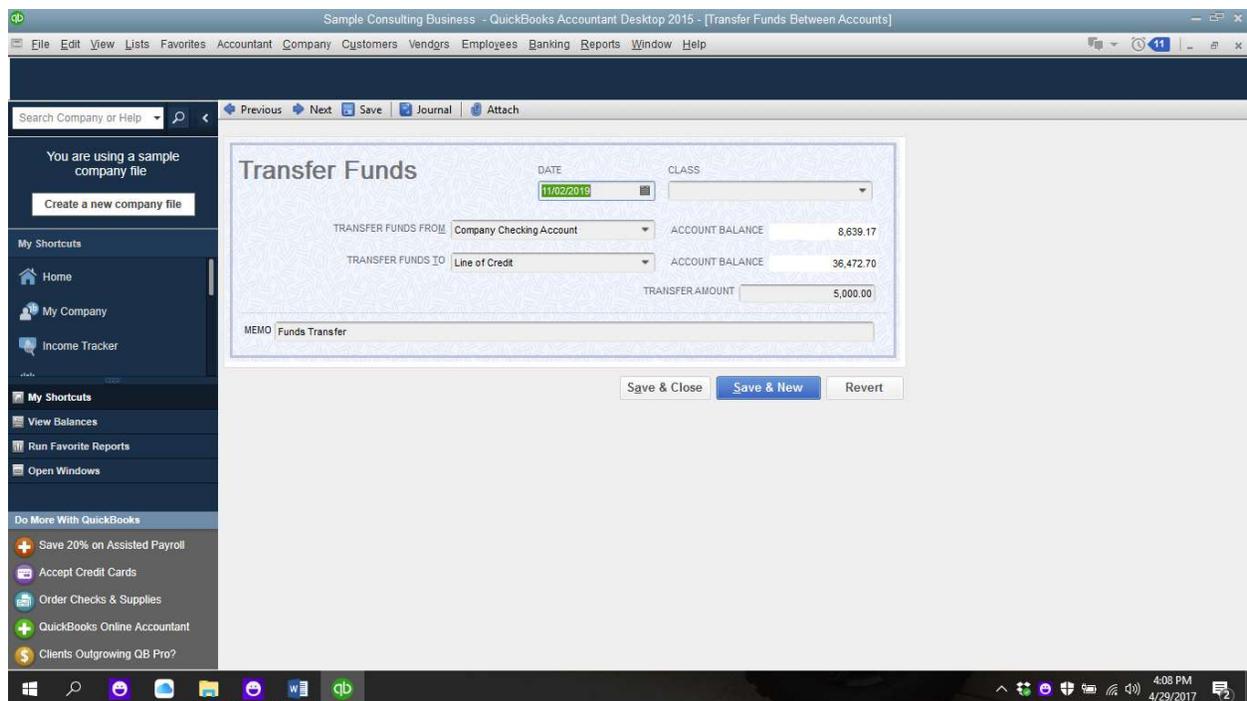
Everything looks ok with the paycheck so we move on. We continue on till we see the first debit which is labeled as a deposit for \$16,114.50. We click on it and are brought to the deposit.



We see the deposit is two customer payments. One from Jimenez, Carter & Boch for \$7,803.20 and another one from Wiessinger Optometry for \$8,311.30. We remember the deposit, it looks fine so we close the deposit and continue on.

We do not have to click to zoom to every transaction. We are only doing it here for illustration purpose.

The very next transaction is a Transfer on 11/02/2019 and says Line of Credit under the Split column. Split tells you the other account the transaction is coded to. Every transaction has two sides a debit and a credit. When you see Split under the Split that means the other side is hitting more than one account. So when we click on the Transfer for \$5,000 which is a credit we see there was a payment made to the Line of Credit loan. This is a very important transaction to review. This is a very common mistake your accountant will get wrong. Most accountants will book all of your deposits to revenue. So when a client pulls money from a line of credit and puts it into the cash account, it is often miss recorded and put into revenue. Which means you could pay tax on receiving a loan because it was improperly recorded as a sale. But in this case, it is paying down the loan.



The next transaction of interest is the check 5272 to Karpas Insurance for \$461.84 because the split line says split.

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Dates Last Month From 11/01/2019 To 11/30/2019 Sort By Default

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Company Checking Account</b>									
									<b>4,845.27</b>
Check	11/01/2019	5270		Property Manager	Nov Rent	Rent		583.75	4,261.52
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Paycheck	11/02/2019	3040		Vicki King		-SPLIT-		130.64	3,059.05
Deposit	11/02/2019				Deposit	-SPLIT-	16,114.50		19,173.55
Transfer	11/02/2019				Funds Trans ...	Line of Credit		5,000.00	14,173.55
Check	11/05/2019	5271		Local Bank	Interest on L...	Interest Expe...		99.56	14,073.99
Check	11/05/2019	5272		Karpas Insurance ...	Nov 07 WC ...	-SPLIT-		461.84	13,612.15
Check	11/07/2019	5273		Local Gas and Ele...	ACCT# 0987...	Utilities		67.08	13,545.07
Bill Pmt - Check	11/12/2019	5274		Natalie Chapman C...	(10/01/2007...	Accounts Pa...		5,000.00	8,545.07
Check	11/15/2019	5278		Nice Car Leasing A...	Car lease	Company Car		563.00	7,982.07
Liability Check	11/15/2019	5275		Local Bank	94-4555555	-SPLIT-		2,431.42	5,550.65
Liability Check	11/15/2019	5276		State Payroll Tax A...	5012683	-SPLIT-		913.64	4,637.01
Liability Check	11/15/2019	5277		Sec125 Administra...	Acct# 8705...	SEC125 Paya...		100.00	4,537.01
Paycheck	11/16/2019	3041		Jonathan Graham		-SPLIT-		1,071.83	3,465.18
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Deposit	11/16/2019				Deposit	-SPLIT-	24,494.10		27,828.64
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Check	11/22/2019	5284		Postmaster	postage	Postage and ...		54.00	26,848.37

So when we zoom in on this transaction, we see it is coded to three lines two for Insurance: Workers Compensation and one for Insurance: General Liability Insurance. Here is a good example of a split line. We are going to move farther down the General Ledger.

Sample Consulting Business - QuickBooks Accountant Desktop 2015 - [Write Checks - Company Checking Account]

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Main Reports

Find New Save Delete Memorize Print Pay Online Attach File Select PO Enter Time Clear Splits Recalculate Batch Transactions Reorder Reminder Order Checks

BANK ACCOUNT **Company Checking Account** ENDING BALANCE **8,639.17**

NO. 5272  
DATE 11/05/2019

PAY TO THE ORDER OF **Karpas Insurance Co.** \$ **461.84**

Four hundred sixty-one and 84/100\*\*\*\*\* DOLLARS

ADDRESS  
Karpas Insurance Co.  
568 Weston Ave  
Bayshore, CA 94326

MEMO **Nov 07 WC Policy # 87023, Gen Liab. #14B09**

Expenses **\$461.84** Items **\$0.00**

ACCOUNT	AMOUNT	MEMO	CUSTOMER...	BILL	CLASS
Insurance:Worker's Compensation	127.67	Policy #87023			
Insurance:Worker's Compensation	104.17	Policy#87023			
Insurance:General Liability Insurance	230.00	Policy #14B09			

As we continue to scroll through the General Ledger we are now at the Accounts Receivable account. We notice there are payments which are credits to Accounts Receivable and invoices which are debits to the account. We can see in Accounts Receivable we invoiced out \$20,004.00 in revenue and we collected \$40,903.10 in cash from prior sales.

Sample Consulting Business - QuickBooks Accountant Desktop 2015 - [General Ledger]

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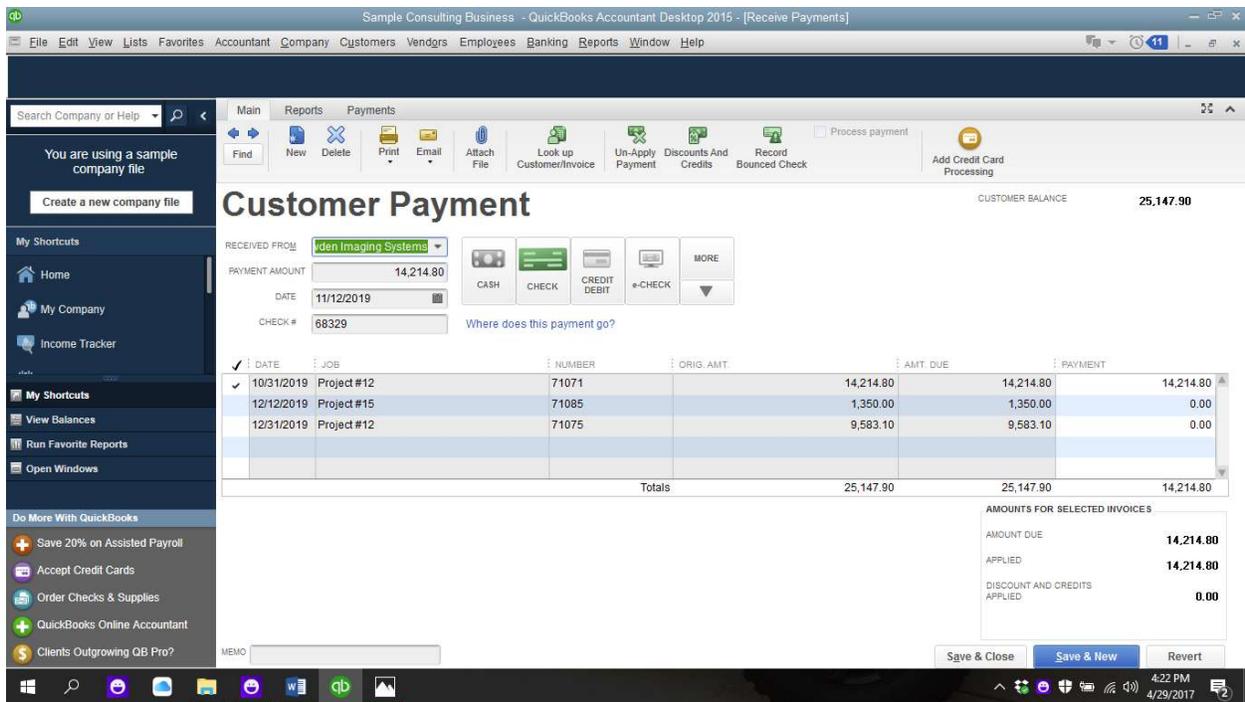
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Consulting Business  
General Ledger  
As of November 30, 2019

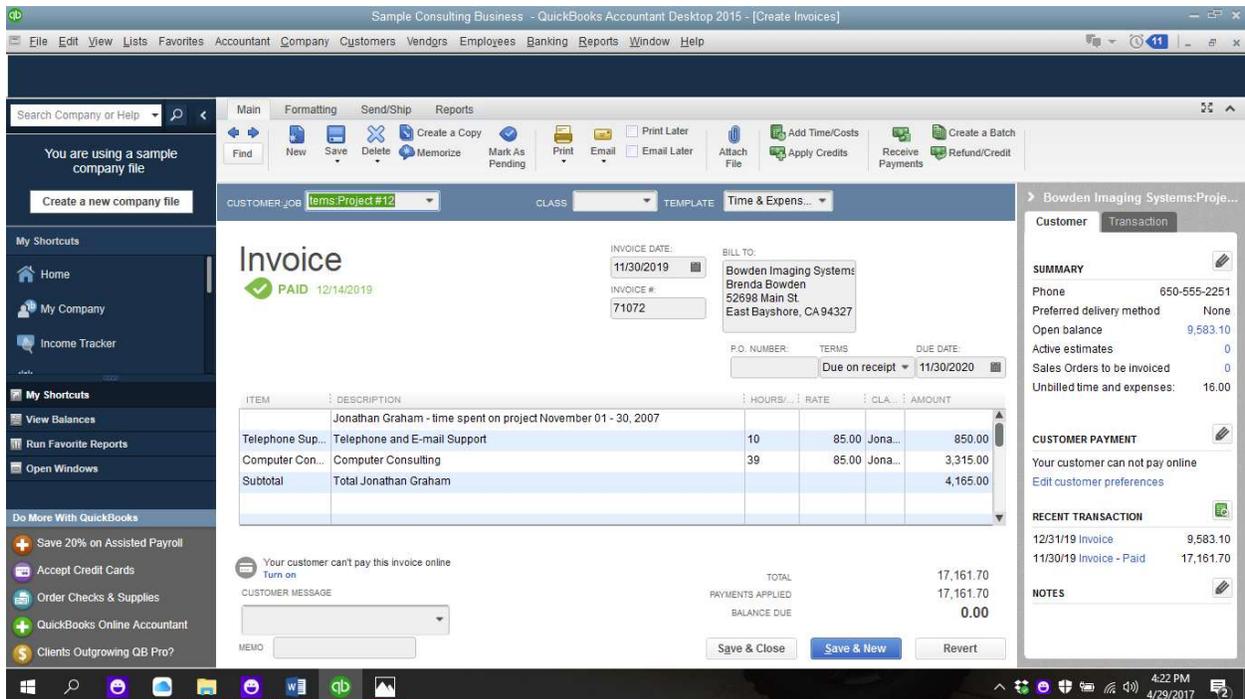
Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Petty Cash Account</b>									500.00
Total Petty Cash Account									500.00
<b>Accounts Receivable</b>									59,573.40
Payment	11/12/2019	68329		Bowden Imaging S...		Undeposited ...	14,214.80		45,358.60
Payment	11/16/2019	4599		Weeks Health Care...		Undeposited ...	10,279.30		35,079.30
Payment	11/20/2019	32201		Wuessinger Optom...		Undeposited ...	16,409.00		18,670.30
Invoice	11/30/2019	71073		Wuessinger Optom...		-SPLIT-	236.50		18,906.80
Invoice	11/30/2019	71074		Weeks Health Care...		-SPLIT-	2,605.80		21,512.60
Invoice	11/30/2019	71072		Bowden Imaging S...		-SPLIT-	17,181.70		38,674.30
Total Accounts Receivable							20,004.00	40,903.10	38,674.30
<b>Inventory Asset</b>									674.25
Total Inventory Asset									674.25
<b>Employee Advances</b>									0.00
Total Employee Advances									0.00
<b>Inventory Asset</b>									0.00
Total Inventory Asset									0.00
<b>Prepays</b>									1,250.00
<b>Prepaid Insurance</b>									1,250.00
General Journal	11/30/2019	PPDIns		Nov 03 Ins....	Professional ...		625.00		625.00
Total Prepaid Insurance							0.00	625.00	625.00
<b>Prepays - Other</b>									0.00
Total Prepays - Other									0.00

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When we click on the Bowden Imaging we see there is a \$14,214.80 payment to Project#12 which is invoice 71071 for \$14,214.80. This looks good so we will close it. So we examined the revenue which came in. Let's now look at our current month revenues.



Next we click on the invoice number 71072 to Bowden Imaging for \$17,161.70. This was the bulk of the sales for the month. It looks fine so we close it and move on.



So we collected \$40,903.10 and we only invoiced \$20,004.00, so we should look into this and see if we have a problem. Because we only invoiced half of what we collected. Did we miss an invoice, is there a seasonality to our business, or did a project not get done? Why are sales half of

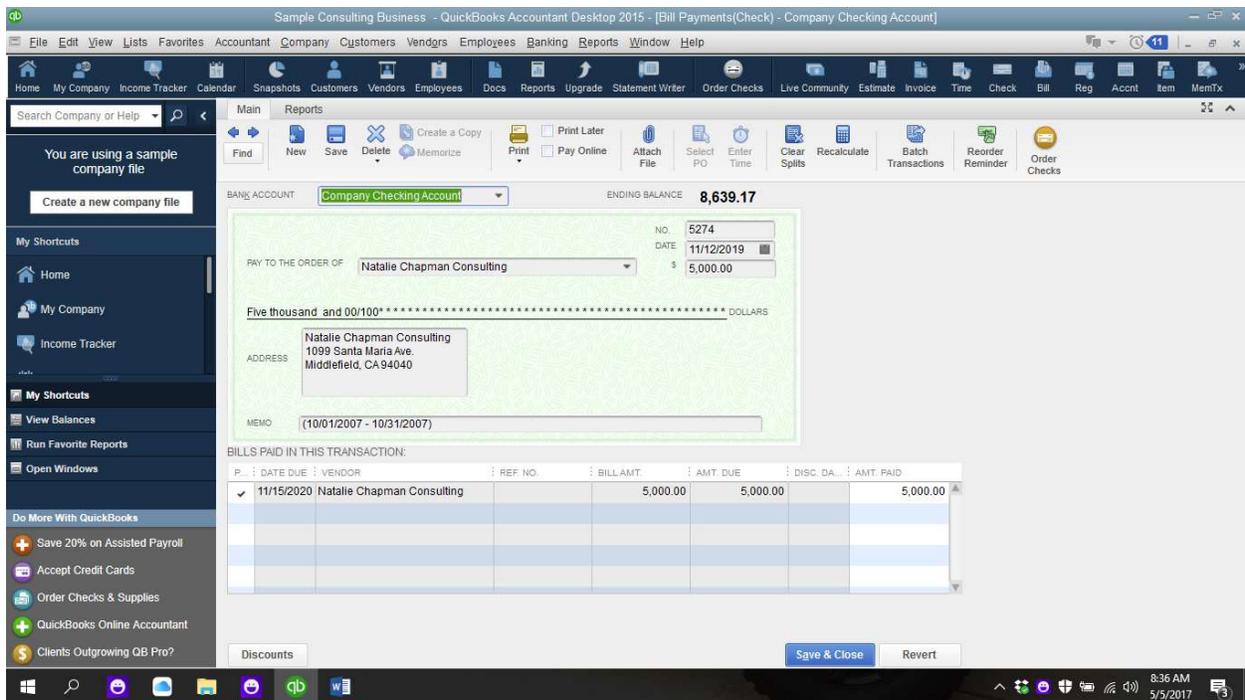
the prior month? These are all very important questions. So you have to go back and investigate sales by month for the year and see what happened.

As we continue to scroll down through the General Ledger we come across Undeposited Funds. This is an account QuickBooks created to make doing your bank reconciliation much easier. The purpose of this account is to group your customer payments into one deposit. This one deposit will then be the same amount you see on your bank statement. So when you do your bank reconciliation in QuickBooks, the deposits in your General Ledger and Bank Reconciliation will correspond to the bank statement. So Undeposited Funds is a holding account. What is interesting in this example is we collected only \$40,903.10 in deposits from sales but we deposited \$57,017.60 into the bank for the month of November. And when you examine why you discover you received some payments from customers at the end of October but you did not deposit these until November.

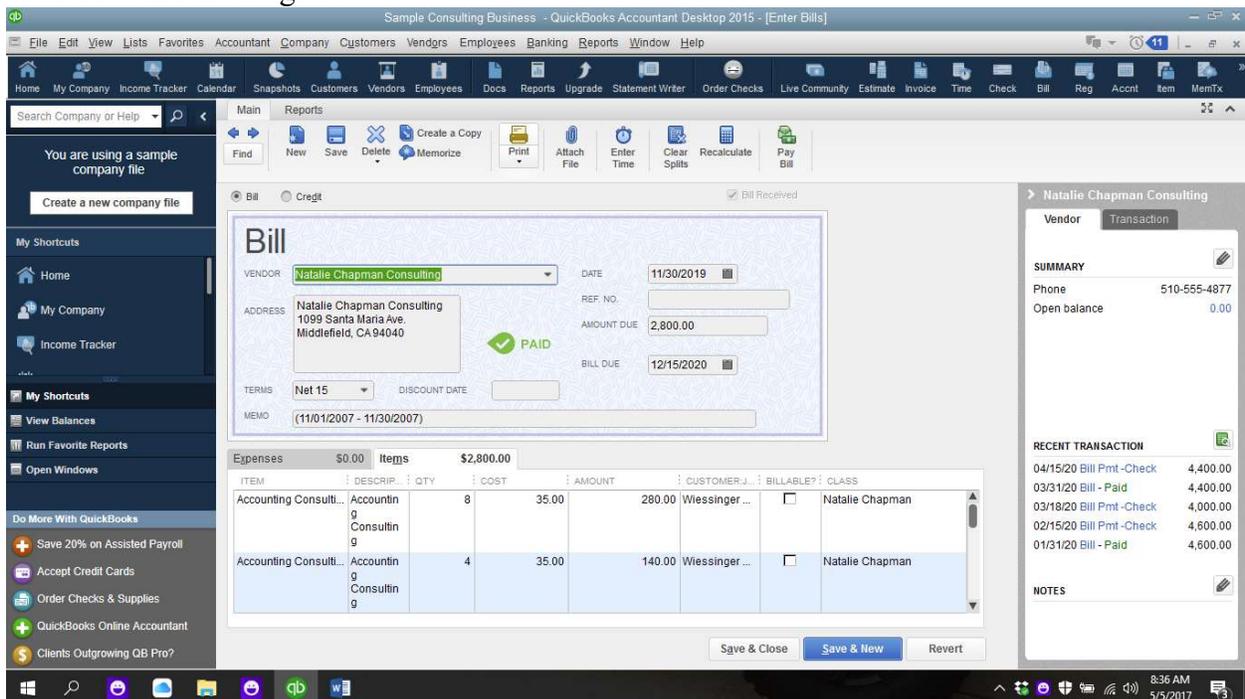
Next, we arrive at Accounts Payable. We see we added \$3,336.00 in new bills and paid \$5,393.00 worth of bills.

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Accounts Payable</b>									<b>-9,614.00</b>
B#	11/11/2019			Hamby Cables Inc.	INV# 124-90...	-SPLIT-		196.00	-9,810.00
B# Pmt -Check	11/12/2019	5274		Natalie Chapman C...	(10/01/2007...	Company Che...	5,000.00		-4,810.00
B#	11/28/2019			Hamby Cables Inc.	Inv#	-SPLIT-		340.00	-5,150.00
B#	11/30/2019			Natalie Chapman C...	(11/01/2007...	-SPLIT-		2,800.00	-7,950.00
B# Pmt -Check	11/30/2019	5290		Hamby Cables Inc.	INV# 124-90...	Company Che...		196.00	-7,754.00
B# Pmt -Check	11/30/2019	5291		Hamby Cables Inc.	Inv#	Company Che...		197.00	-7,557.00
<b>Total Accounts Payable</b>									<b>-7,557.00</b>
<b>Master Card Payable</b>									<b>-1,029.33</b>
Credit Card Char...	11/04/2019			Electronics Supply...	computer su...	Supplies		39.58	-1,058.91
Credit Card Char...	11/24/2019			Local Coffee Shop...	coffee for o...	Supplies		23.90	-1,092.81
Credit Card Char...	11/24/2019			Pam's Floral	holiday deco...	Supplies		78.00	-1,170.81
Credit Card Char...	11/26/2019	2356...		Locksmith	new keys	Supplies		26.00	-1,196.81
Check	11/30/2019	5294		Major Credit Card C...	ACCT# 3786...	Company Che...	232.69		-964.12
<b>Total Master Card Payable</b>									<b>-964.12</b>
<b>Visa Card Payable</b>									<b>0.00</b>
<b>Customer Deposits/Retainers</b>									<b>-7,000.00</b>
<b>Total Customer Deposits/Retainers</b>									<b>-7,000.00</b>

The first debit is for \$5000.00 for an Bill Payment Check on an invoice from Natalie Chapman Consulting. When we click on it here is what we see, a check processed from payables for an invoice.



Next we see bill dated 11/30/2019 from Natalie Chapman Consulting for \$2,800.00. We should click on it and investigate.



We see above this is the hours for Natalie Chapman for the month of November allocated to a project. It appears to be fine so we will move on. So again, we are just reviewing the prior month transactions to learn what happened, what did not happen, and all of the whys did that happen.

The next screen shot is of a credit cards and the line of credit. For the Master Card Payable this is obviously a credit card with some small purchases and a small payment. You would just skim through this and check the transactions. You see there was \$167.48 in new charges and a payment of \$232.69 was paid.

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12/15/19

Consulting Business  
General Ledger  
As of November 30, 2019

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Bill Print - Check	11/09/2019	5291		Hamby Cables Inc.	Inv#	Company Che...	197.00		-7,557.00
Total Accounts Payable							5,393.00	3,336.00	-7,557.00
<b>Master Card Payable</b>									<b>-1,029.33</b>
Credit Card Char...	11/04/2019			Electronics Supply...	computer su...	Supplies		39.58	-1,068.91
Credit Card Char...	11/24/2019			Local Coffee Shop...	coffee for o...	Supplies		23.90	-1,092.81
Credit Card Char...	11/24/2019			Pam's Floral	holiday deco...	Supplies		78.00	-1,170.81
Credit Card Char...	11/26/2019	2356...		Locksmith	new keys	Supplies		26.00	-1,196.81
Check	11/30/2019	5294		Major Credit Card C...	ACCT# 3786...	Company Che...	232.69		-964.12
Total Master Card Payable							232.69	167.48	-964.12
<b>Visa Card Payable</b>									<b>0.00</b>
Total Visa Card Payable									0.00
<b>Customer Deposits/ Retainers</b>									<b>-7,000.00</b>
Total Customer Deposits/ Retainers									-7,000.00
<b>Line of Credit</b>									<b>-6,187.41</b>
Transfer	11/02/2019			Funds Trans...		Company Che...	5,000.00		-41,187.41
General Journal	11/30/2019		Int. Exp			Interest Expe...		54.21	-41,241.62
Total Line of Credit							5,000.00	54.21	-41,241.62
<b>Payroll Liabilities</b>									<b>3,845.78</b>
<b>401K Payable</b>									<b>0.00</b>
Total 401K Payable									0.00
<b>Payroll Taxes Payable</b>									<b>3,845.78</b>
Paycheck	11/01/2019			Deborah Wood		Payroll Clear...	0.00		3,845.78

The Line of credit shows you paid down the loan by \$5000.00 and you had \$54.21 of interest expense from the bank. You should compare your bank loan statement balance to your Line of Credit balance every month to make sure they are the same number. This is important because a common error is when you draw-off of the line of credit the deposit in cash can be recorded as revenue. And you could pay income tax on it.

Here are the payroll liabilities. As you can see, the paychecks increase the liability with credits to the account from the paychecks. Then you see the payment of the liabilities on the 15<sup>th</sup> of the

month.

7:09 AM  
12/15/19  
Accrual Basis

**Consulting Business  
General Ledger  
As of November 30, 2019**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
General Journal	11/30/2019			Int. Exp		Interest Expe...		54.21	-41,241.62
Total Line of Credit							5,000.00	54.21	-41,241.62
<b>Payroll Liabilities</b>									<b>3,845.78</b>
<b>401K Payable</b>									<b>0.00</b>
Total 401K Payable									0.00
<b>Payroll Taxes Payable</b>									<b>3,845.78</b>
Paycheck	11/01/2019			Deborah Wood		Payroll Cleari...	0.00		3,845.78
Paycheck	11/02/2019	3039		Jonathan Graham		Company Che...		1,554.30	2,291.48
Paycheck	11/02/2019	3039		Jonathan Graham		Company Che...	0.00		2,291.48
Paycheck	11/02/2019	3040		Vicki King		Company Che...		118.23	2,173.25
Liability Check	11/15/2019	5275		Local Bank	94-4555555	Company Che...	2,431.42		4,604.67
Liability Check	11/15/2019	5276		State Payroll Tax A...	5012683	Company Che...	913.64		5,518.31
Paycheck	11/16/2019	3041		Jonathan Graham		Company Che...		1,554.30	3,964.01
Paycheck	11/16/2019	3041		Jonathan Graham		Company Che...	0.00		3,964.01
Paycheck	11/16/2019	3042		Vicki King		Company Che...		118.23	3,845.78
Total Payroll Taxes Payable							3,345.06	3,345.06	3,845.78
<b>SEC125 Payable</b>									<b>0.00</b>
Paycheck	11/02/2019	3039		Jonathan Graham		Company Che...		50.00	-50.00
Liability Check	11/15/2019	5277		Sec125 Administra...	Acct# 8705...	Company Che...	100.00		50.00
Paycheck	11/16/2019	3041		Jonathan Graham		Company Che...		50.00	0.00
Total SEC125 Payable							100.00	100.00	0.00
<b>Payroll Liabilities - Other</b>									<b>0.00</b>

As we continue to scroll through the General Ledger, we arrive at Revenue. You will notice we have already seen some of these transactions. They are not in here twice, we are now seeing the other side of the transaction. Remember every transaction has two sides a debit and a credit.

So we begin with the company invoice the client expenses. It is common for some consultants and attorneys to bill for client expenses. These are offset by the payment of the actual expense.

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7:09 AM 12/15/19

### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Total Retained Earnings</b>									-9,054.28
<b>Class Revenue</b>									<b>-2,100.00</b>
Total Class Revenue									-2,100.00
<b>Markup on Reimbursable Expenses</b>									<b>-362.95</b>
Invoice	11/30/2019	71073		Wiessinger Optom...	Markup on r...	Accounts Re...		21.50	-384.45
Invoice	11/30/2019	71074		Weeks Health Care...	Markup on r...	Accounts Re...		7.80	-392.25
Invoice	11/30/2019	71072		Bowden Imaging S...	Markup on r...	Accounts Re...		14.70	-406.95
Total Markup on Reimbursable Expenses									0.00 44.00 -406.95
<b>Postage Collected from Customer</b>									<b>0.00</b>
Total Postage Collected from Customer									0.00
<b>Reimbursed Exp. (Income)</b>									<b>-3,657.70</b>
Invoice	11/30/2019	71073		Wiessinger Optom...	-MULTIPLE-	Accounts Re...		215.00	-3,872.70
Invoice	11/30/2019	71074		Weeks Health Care...	-MULTIPLE-	Accounts Re...		78.00	-3,950.70
Invoice	11/30/2019	71072		Bowden Imaging S...	-MULTIPLE-	Accounts Re...		147.00	-4,097.70
Total Reimbursed Exp. (Income)									0.00 440.00 -4,097.70
<b>Revenue - Product</b>									<b>-3,301.50</b>
Book Sales									-3,301.50
Total Book Sales									-3,301.50
Hardware Sales									0.00
Total Hardware Sales									0.00
Software Sales									0.00
Total Software Sales									0.00

We already reviewed the invoices when we went through the Accounts Receivable, so we will not review them again. Here is how they look in the revenue account.

Sample Consulting Business - QuickBooks Accountant Desktop 2015 - [General Ledger]

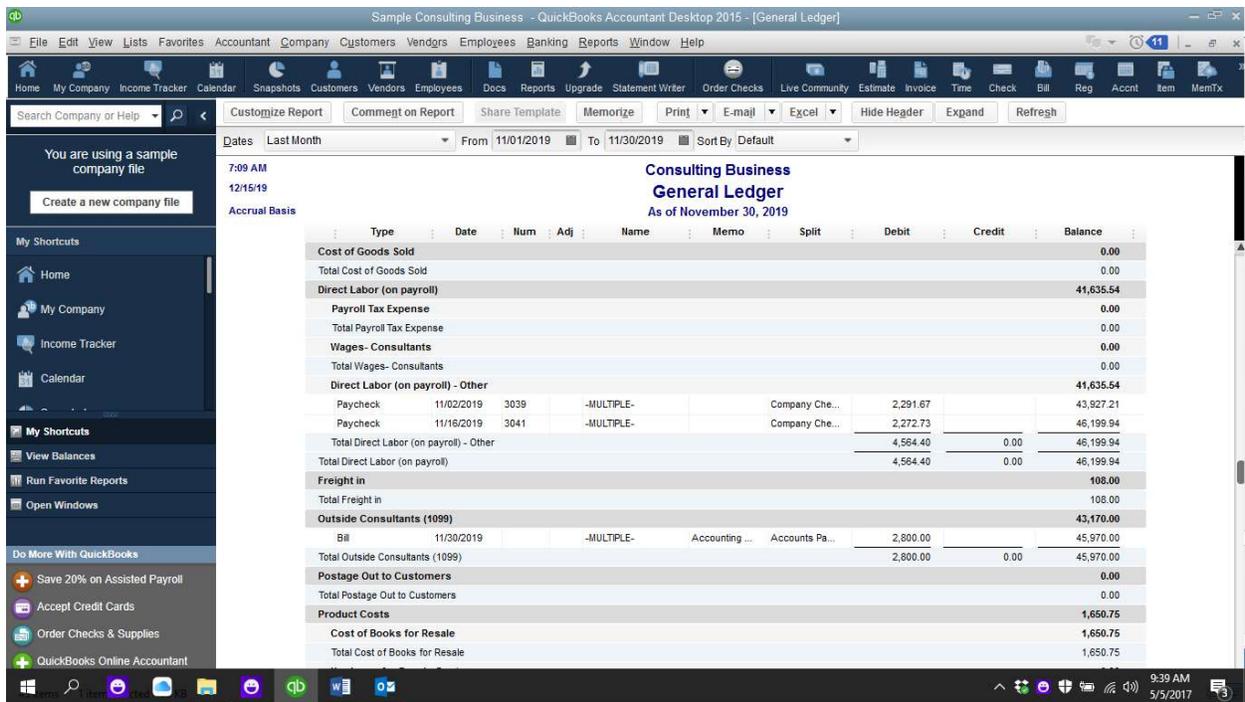
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### Consulting Business General Ledger As of November 30, 2019

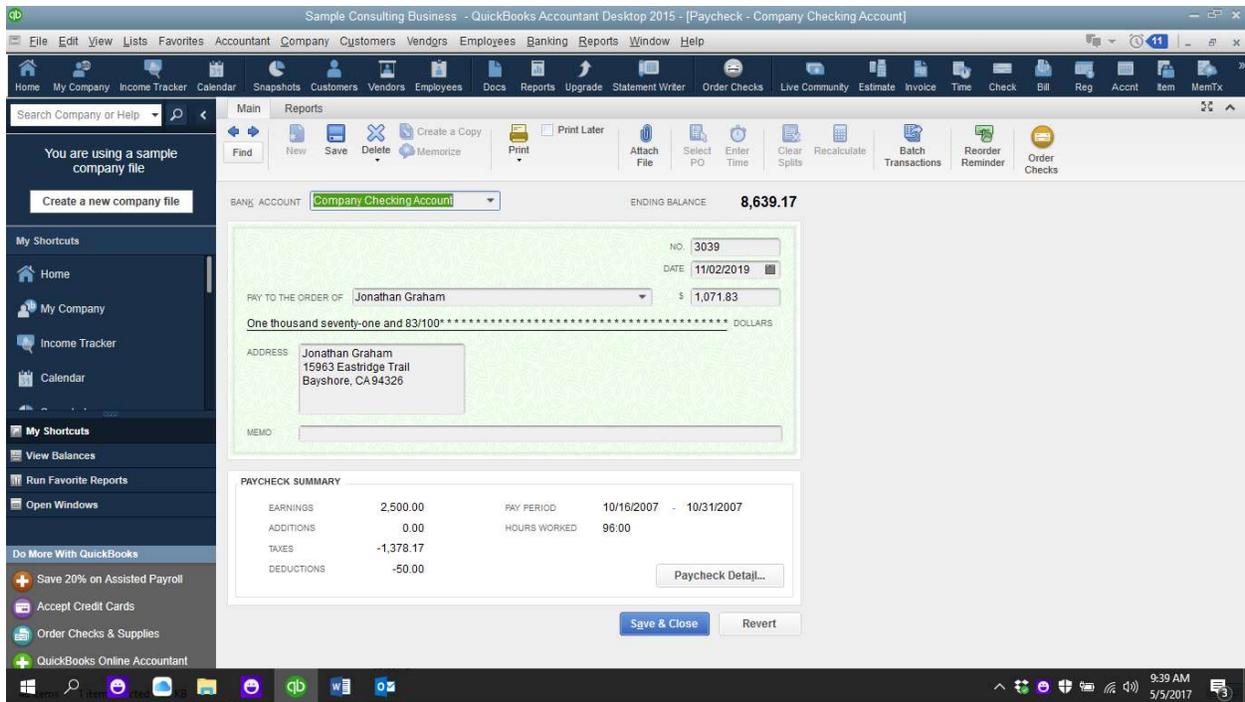
Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Total Revenue - Product</b>									<b>-3,301.50</b>
<b>Revenue - Service</b>									<b>-313,915.00</b>
Consulting Revenue									-313,915.00
Invoice	11/30/2019	71074		Weeks Health Care...	-MULTIPLE-	Accounts Re...		2,520.00	-316,435.00
Invoice	11/30/2019	71072		Bowden Imaging S...	-MULTIPLE-	Accounts Re...		17,000.00	-333,435.00
Total Consulting Revenue									0.00 19,520.00 -333,435.00
Speaking Fee									0.00
Total Speaking Fee									0.00
<b>Revenue - Service - Other</b>									<b>0.00</b>
Total Revenue - Service - Other									0.00
Total Revenue - Service									0.00 19,520.00 -333,435.00
<b>Vendor Refunds</b>									<b>0.00</b>
Total Vendor Refunds									0.00
<b>Class Costs</b>									<b>0.00</b>
Total Class Costs									0.00
<b>Cost of Goods Sold</b>									<b>0.00</b>
Total Cost of Goods Sold									0.00
<b>Direct Labor (on payroll)</b>									<b>41,635.54</b>
Payroll Tax Expense									0.00
Total Payroll Tax Expense									0.00
<b>Wages - Consultants</b>									<b>0.00</b>
Total Wages - Consultants									0.00

Finally, we get down to the expenses. As you recall, the General Ledger will start with assets, then move to liabilities, then to be followed by equity, then revenue, and finally expenses.



Here is the payroll. They are classify here as Direct Labor. We click on the first paycheck and here is the detail. You also see above the bill from Natalie Chapman Consulting for \$2,800 which we already reviewed.



I am going to put a lot of screen shots in a row so you can see the expense side of the general ledger.

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Total Product Costs - Other</b>									
									0.00
<b>Total Product Costs</b>									1,650.75
<b>Reimbursable Expenses</b>									4,992.22
Bill	11/11/2019			-MULTIPLE-	-MULTIPLE-	Accounts Pa...	100.00		5,092.22
Bill	11/28/2019			-MULTIPLE-	-MULTIPLE-	Accounts Pa...	340.00		5,432.22
<b>Total Reimbursable Expenses</b>									5,432.22
<b>Advertising Expense</b>									2,000.00
<b>Total Advertising Expense</b>									2,000.00
<b>Bank Service Charges</b>									0.00
<b>Total Bank Service Charges</b>									0.00
<b>Business License &amp; Fees</b>									710.23
<b>Total Business License &amp; Fees</b>									710.23
<b>Car/Truck Expense</b>									9,977.59
<b>Company Car</b>									5,630.00
Check	11/15/2019	5278		Nice Car Leasing A...	Car lease	Company Che...	563.00		6,193.00
<b>Total Company Car</b>									6,193.00
<b>Gas &amp; Oil</b>									705.04
Check	11/22/2019	5279		Jonathan Graham.	93003 Exp Rpt	Company Che...	113.34		818.38
Check	11/22/2019	5283		Deborah Wood.	Petty Cash	Company Che...	89.26		907.64
<b>Total Gas &amp; Oil</b>									907.64
<b>Insurance-Auto</b>									1,200.00
Check	11/30/2019	5292		State Auto Assoc.	Policy # 14906	Company Che...	120.00		1,320.00

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Check	11/30/2019	5292		State Auto Assoc.	Policy # 14906	Company Che...	120.00		1,320.00
<b>Total Insurance-Auto</b>									1,320.00
<b>Mileage</b>									196.32
Paycheck	11/02/2019	3039		Jonathan Graham		Company Che...	0.00		196.32
Paycheck	11/16/2019	3041		Jonathan Graham		Company Che...	0.00		196.32
<b>Total Mileage</b>									196.32
<b>Registration &amp; License</b>									546.00
<b>Total Registration &amp; License</b>									546.00
<b>Repairs &amp; Maintenance</b>									1,700.23
<b>Total Repairs &amp; Maintenance</b>									1,700.23
<b>Car/Truck Expense - Other</b>									0.00
<b>Total Car/Truck Expense - Other</b>									0.00
<b>Total Car/Truck Expense</b>									10,883.19
<b>Conferences and Seminars</b>									4,700.00
<b>Total Conferences and Seminars</b>									4,700.00
<b>Contributions</b>									0.00
<b>Total Contributions</b>									0.00
<b>Depreciation Expense</b>									769.20
General Journal	11/30/2019	DEPR...			Nov03 Depr...	Accumulated...	76.92		846.12
<b>Total Depreciation Expense</b>									846.12
<b>Dues and Subscriptions</b>									2,350.00
<b>Total Dues and Subscriptions</b>									2,350.00

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>General Liability Insurance</b>									<b>2,300.00</b>
Check	11/05/2019	5272		Karpas Insurance ...	Policy #14809	Company Che...	230.00		2,530.00
<b>Total General Liability Insurance</b>							230.00	0.00	<b>2,530.00</b>
<b>Life Insurance</b>									<b>0.00</b>
<b>Total Life Insurance</b>									<b>0.00</b>
<b>Medical Insurance</b>									<b>0.00</b>
<b>Total Medical Insurance</b>									<b>0.00</b>
<b>Owner's Health Insurance</b>									<b>3,560.00</b>
Check	11/28/2019	5288		Health Insurance Co.	Nov07	Company Che...	356.00		3,916.00
<b>Total Owner's Health Insurance</b>							356.00	0.00	<b>3,916.00</b>
<b>Professional Liability Insurance</b>									<b>5,625.00</b>
General Journal	11/30/2019	PPDIns		Nov 03 Ins...	Prepaid Insur...		625.00		6,250.00
<b>Total Professional Liability Insurance</b>							625.00	0.00	<b>6,250.00</b>
<b>Worker's Compensation</b>									<b>2,316.40</b>
Check	11/05/2019	5272		Karpas Insurance ...	-MULTIPLE-	Company Che...	231.84		2,552.24
<b>Total Worker's Compensation</b>							231.84	0.00	<b>2,552.24</b>
<b>Insurance - Other</b>									<b>0.00</b>
<b>Total Insurance - Other</b>									<b>0.00</b>
<b>Total Insurance</b>							1,442.84	0.00	<b>15,246.24</b>
<b>Licenses and Permits</b>									<b>0.00</b>
<b>Total Licenses and Permits</b>									<b>0.00</b>
<b>Maintenance/Janitorial</b>									<b>2,441.95</b>

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Maintenance/Janitorial</b>									<b>2,441.95</b>
Check	11/30/2019	5293		Jeffs Janitorial	Nov07	Company Che...	200.00		2,641.95
<b>Total Maintenance/Janitorial</b>							200.00	0.00	<b>2,641.95</b>
<b>Marketing Expense</b>									<b>4,500.00</b>
<b>Total Marketing Expense</b>									<b>4,500.00</b>
<b>Meals and Entertainment</b>									<b>0.00</b>
<b>Total Meals and Entertainment</b>									<b>0.00</b>
<b>Meals, Local</b>									<b>1,023.25</b>
Check	11/22/2019	5279		Jonathan Graham.	93003 Exp Rpt	Company Che...	58.96		1,082.21
Check	11/22/2019	5283		Deborah Wood.	Petty Cash	Company Che...	96.14		1,178.35
<b>Total Meals, Local</b>							155.10	0.00	<b>1,178.35</b>
<b>Office Equipment</b>									<b>1,750.00</b>
Check	11/28/2019	5286		Postage Supply Co...	postage met...	Company Che...	25.00		1,775.00
<b>Total Office Equipment</b>							25.00	0.00	<b>1,775.00</b>
<b>Payroll Expenses</b>									<b>0.00</b>
<b>Total Payroll Expenses</b>									<b>0.00</b>
<b>Postage and Delivery</b>									<b>888.00</b>
Check	11/22/2019	5284		Postmaster	postage	Company Che...	54.00		942.00
Check	11/22/2019	5282		Hamby Cables Inc.	ACCT# 2560...	Company Che...	78.00		1,020.00
<b>Total Postage and Delivery</b>							132.00	0.00	<b>1,020.00</b>
<b>Printing and Reproduction</b>									<b>0.00</b>
<b>Total Printing and Reproduction</b>									<b>0.00</b>

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Professional Fees</b>									<b>4,202.08</b>
Accounting Fees									2,319.00
Total Accounting Fees									2,319.00
<b>Legal Fees</b>									<b>600.00</b>
Total Legal Fees									600.00
<b>Payroll Service Fees</b>									<b>1,283.08</b>
Check	11/26/2019	5289		Payroll Service Co.	Payroll Fee	Company Che...	123.08		1,406.16
Total Payroll Service Fees							123.08	0.00	1,406.16
<b>Professional Fees - Other</b>									<b>0.00</b>
Total Professional Fees - Other									0.00
Total Professional Fees							123.08	0.00	4,325.16
<b>Promotional Expense</b>									<b>355.00</b>
Total Promotional Expense									355.00
<b>Rent</b>									<b>5,837.50</b>
Check	11/01/2019	5270		Property Manager	Office Rent	Company Che...	583.75		6,421.25
Total Rent							583.75	0.00	6,421.25
<b>Repairs</b>									<b>733.09</b>
<b>Computer Repairs</b>									<b>390.00</b>
Total Computer Repairs									390.00
<b>Equipment Repairs</b>									<b>343.09</b>
Total Equipment Repairs									343.09
Repairs - Other									0.00

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Supplies</b>									<b>5,918.75</b>
Credit Card Char...	11/04/2019			Electronics Supply...	computer su...	Master Card ...	39.58		5,958.33
Bill	11/11/2019			Hamby Cables Inc.	INV# 124-90...	Accounts Pa...	96.00		6,054.33
Check	11/22/2019	5283		Deborah Wood.	Petty Cash	Company Che...	249.88		6,304.19
Check	11/23/2019	5285		Office Supply Cen...	INV# 2863	Company Che...	123.23		6,427.42
Credit Card Char...	11/24/2019			Local Coffee Shop...	coffee	Master Card ...	23.90		6,451.32
Credit Card Char...	11/24/2019			Pam's Floral	holiday deco...	Master Card ...	78.00		6,529.32
Credit Card Char...	11/26/2019	2356...		Locksmith	new keys	Master Card ...	26.00		6,555.32
Total Supplies							636.57	0.00	6,555.32
<b>Telephone</b>									<b>3,408.15</b>
Check	11/22/2019	5280		Cell Phone Company	cell	Company Che...	100.45		3,508.60
Check	11/22/2019	5281		Local Phone and in...	6503221414	Company Che...	203.03		3,711.63
Check	11/22/2019	5279		Jonathan Graham.	93003 Exp Rpt	Company Che...	15.23		3,726.86
Total Telephone							318.71	0.00	3,726.86
<b>Travel</b>									<b>3,452.23</b>
Total Travel									3,452.23
<b>Utilities</b>									<b>358.91</b>
Check	11/07/2019	5273		Local Gas and Ele...	ACCT# 0987...	Company Che...	67.08		425.99
Total Utilities							67.08	0.00	425.99
<b>Wages - Unbillable</b>									<b>17,015.11</b>
<b>Employee Benefits</b>									<b>1,878.30</b>
Check	11/26/2019	5288		Health Insurance Co.	Nov07	Company Che...	187.83		2,066.13

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Sample Consulting Business - QuickBooks Accountant Desktop 2015 - [General Ledger]

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Total Wages-Office &amp; Staff Meetings</b>									
<b>Wages-Office Staff</b>									
Paycheck	11/02/2019	3040		Vicki King		Company Che...	216.00		4,968.00
Paycheck	11/16/2019	3042		Vicki King		Company Che...	216.00		5,184.00
<b>Total Wages-Office Staff</b>							432.00	0.00	5,400.00
<b>Wages-Unbillable - Training</b>									
Paycheck	11/02/2019	3039		Internal Company M...		Company Che...	208.33		4,936.43
Paycheck	11/16/2019	3041		Internal Company M...		Company Che...	227.27		5,163.70
<b>Total Wages-Unbillable - Training</b>							435.60	0.00	5,163.70
<b>Wages - Unbillable - Other</b>									
<b>Total Wages - Unbillable - Other</b>									
<b>Total Wages - Unbillable</b>							1,473.43	0.00	18,488.54
<b>Early Payment Discounts</b>									
<b>Total Early Payment Discounts</b>									
<b>Other Income</b>									
<b>Interest Income</b>									
<b>Total Interest Income</b>									
<b>Other Income - Other</b>									
<b>Total Other Income - Other</b>									
<b>Total Other Income</b>									
<b>Other Expense</b>									
<b>Interest Expense</b>									

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### Consulting Business General Ledger As of November 30, 2019

Accrual Basis

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Wages - Unbillable - Other</b>									
<b>Total Wages - Unbillable - Other</b>									
<b>Total Wages - Unbillable</b>							1,473.43	0.00	18,488.54
<b>Early Payment Discounts</b>									
<b>Total Early Payment Discounts</b>									
<b>Other Income</b>									
<b>Interest Income</b>									
<b>Total Interest Income</b>									
<b>Other Income - Other</b>									
<b>Total Other Income - Other</b>									
<b>Total Other Income</b>									
<b>Other Expense</b>									
<b>Interest Expense</b>									
Check	11/05/2019	5271		Local Bank	Interest on C...	Company Che...	99.56		2,066.78
General Journal	11/30/2019	Int. Exp				Line of Credit	54.21		2,120.99
<b>Total Interest Expense</b>							153.77	0.00	2,120.99
<b>Other Expense - Other</b>									
<b>Total Other Expense - Other</b>									
<b>Total Other Expense</b>							153.77	0.00	2,120.99
<b>No accont</b>									
<b>Total no accont</b>									
<b>TOTAL</b>							<b>168,823.70</b>	<b>168,823.70</b>	<b>0.00</b>

The purpose of the General Ledger report is for you to review all of your transactions. Your objective is to make sure everything is classified correctly; there are no missing transactions, find unnecessary expenses which could be eliminated, and have your finger on the pulse of what is going on in your company.

The Drip Account.

When you find expenses that should have been canceled or other unnecessary expenses, you discover by reviewing your General Ledger. You should create a new bank savings account. What you do with this new bank account is to have those amounts you spent on unnecessary expenses to be automatically put into this drip account. So it is a savings plan for the money you had been wasting. This money is now automatically transferred to your new savings account. The nice thing about this account is this is money you discovered, and you will not miss it from your business. The drip account will allow you to turn wasted money into a savings plan. The good news is in a year this could add up to some serious money.

