

Using QuickBooks Memorised Transaction Feature

Aim

The aim of this paper is show how to create and edit Memorised Transactions in QuickBooks and to show some common uses.

Versions

This paper was written using QuickBooks QBi 2008/09. The principles are applicable to most versions of QuickBooks.

Background

Traditionally, most transactions were initiated by the payer. However, now many transactions are taken directly from a bank account automatically on the directions of the payee. Examples include loan payments, insurance payments, etc. Online banking also allows payees to set up a recurring payment for periodic payments for things such as rent.

Example

A company pays Bayview Real Estate \$275.00 (incl GST) Rent per week. This arrangement commences Dec 4th 2009 and continues indefinitely. We have set up an internet payment to pay this amount every 2 weeks commencing Dec 4th 2009.

Step 1 - Setting up the Payment

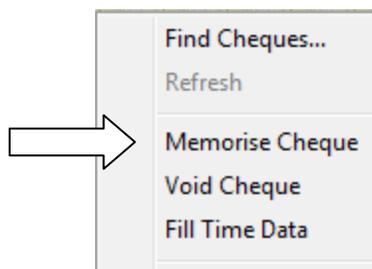
The first step is to use the "Write Cheque" function, the same as you would when recording any direct debit payment from your bank account.

The screenshot shows the 'Write Cheque' window in QuickBooks. At the top, the 'Bank Account' is 'ABC Bank' with an 'Ending Balance' of 259,290.58. The main area is a light blue form with a red border. It contains the following information: 'Pay to the Order of' Bayview Real Estate, 'Date' 04/12/2009, and an amount of '\$ 275.00'. Below this, the amount is written in words: 'Two hundred seventy-five dollars and 0 cents'. There is a text box for the 'Address' containing 'Bayview Real Estate' and a 'Memo' field. At the bottom, there is a summary bar showing 'Expenses' of \$275.00 and 'Items' of \$0.00. Below the summary bar is a table with columns: Account, Tax, Net Amt, Tax ..., and Memo.

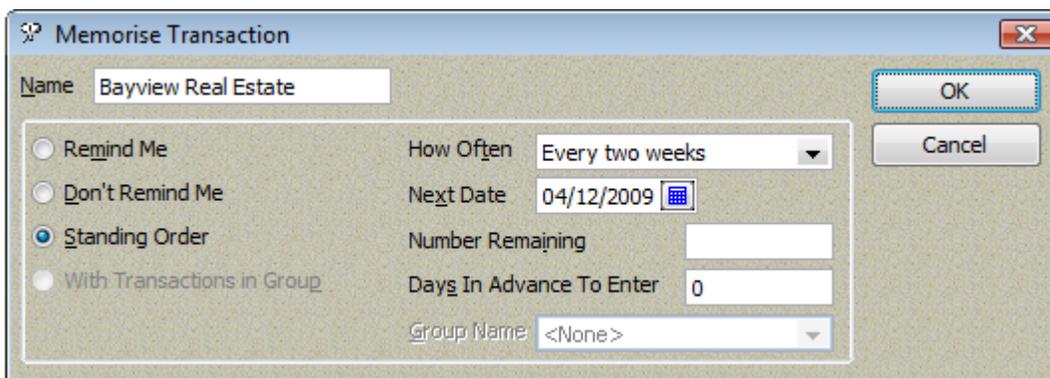
Account	Tax	Net Amt	Tax ...	Memo
Rent	NCG	250.00	25.00	Rent on Office

Once you have the screen looking like this
DON'T RECORD THE TRANSACTION!

Instead, Right Click on the screen
and select Memorise Cheque.



Once you select this, the following screen will display.



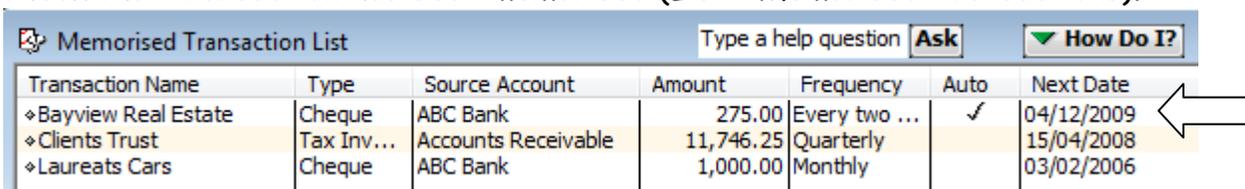
The name defaults to the name of the supplier. It is important to select the "Standing Order" radio button. Once this is selected, the right side of the screen becomes active, and you can fill in the "How Often", "Next Date" and "Number Remaining" as appropriate

Other Options

- If the transaction is for an indefinite period, leave the "Number Remaining" blank, else if it's for a set number of payment (eg a car loan over 60 months) enter a number;
- If you put a 2 in "Days In Advance To Enter", QuickBooks would enter the transaction on Dec 2nd, but the transaction would still be dated Dec 4th. This is a useful way to remind you the transaction is pending (so you can ensure the money is in the account).

You can now press OK to memorise the transaction. You will still have the "Write Cheque" screen showing. DON'T RECORD THE TRANSACTION! Press the clear button to empty the details then press "Esc" to close the window.

Check that transaction has been memorised (List > Memorised Transactions).



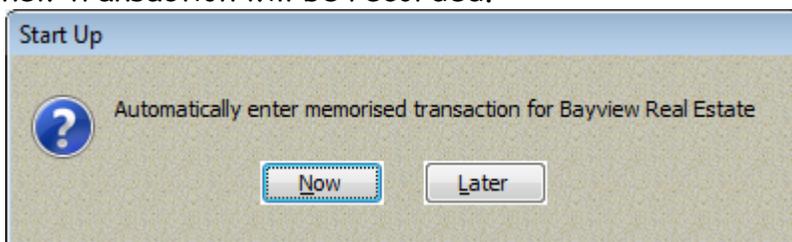
Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
♦ Bayview Real Estate	Cheque	ABC Bank	275.00	Every two ...	✓	04/12/2009
♦ Clients Trust	Tax Inv...	Accounts Receivable	11,746.25	Quarterly		15/04/2008
♦ Laureats Cars	Cheque	ABC Bank	1,000.00	Monthly		03/02/2006

Step 2 - The Recording Process.

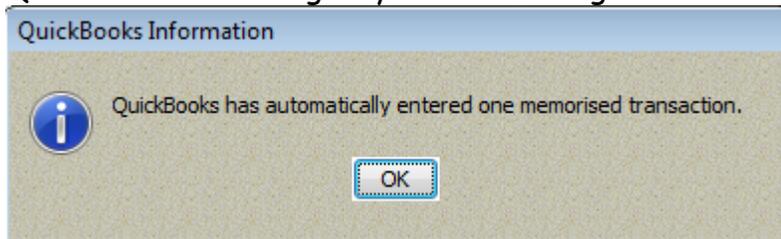
This is the best part - to record transactions, all we need to do now is open QuickBooks!

When QuickBooks opens, it will check the memorised transactions and record any transactions listed as "Auto" (Standing Orders) with a "Next Date" on or before today.

When QuickBooks opens, the following message will appear. Just click "Now" and the new transaction will be recorded.



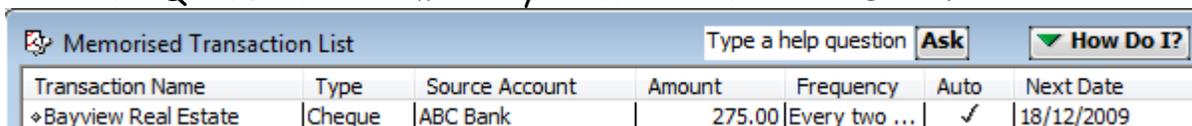
QuickBooks will now give you this message:



You can check the cheque register to ensure it has been recorded.

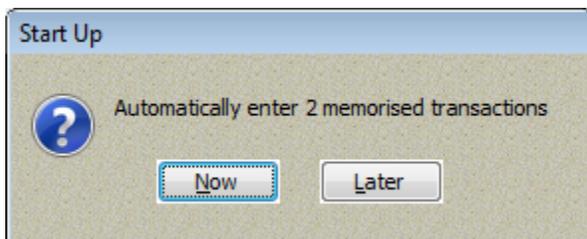
Date	Number	Payee	Payment	✓	Deposit	Balance
	Type	Account	Memo			
04/12/2009	DirectDebit	Bayview Real Estate	275.00			259,015.58
	CHQ	-split-				

Note that QuickBooks automatically works out the "Next Date".



Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
♦Bayview Real Estate	Cheque	ABC Bank	275.00	Every two ...	✓	18/12/2009

If there are more than 1 memorised transactions due, the 1st messages will be different.



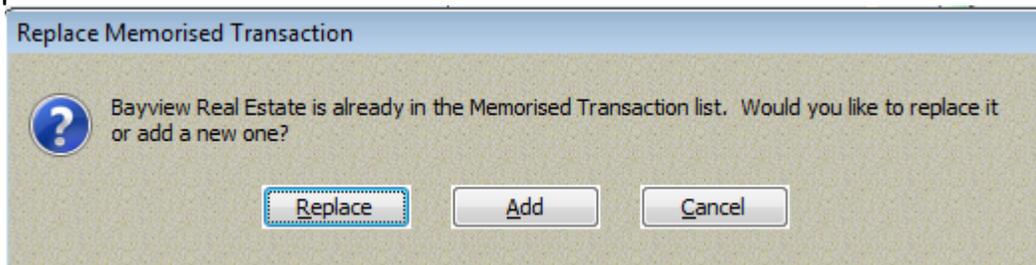
Note: If you hit later, QuickBooks will ask you again next time you open QuickBooks.

Editing Memorised Transactions.

You easily edit most details of the memorised transaction from the memorized transaction list. The question I get asked most often is "how do I change the amount of a memorized transaction". This is a little trickier.

Assume our landlord notifies us of a rent increases to \$286 per week incl GST effective from the next payment. This is processed as follows:

- Open the Memorised Transaction List (List > Memorised Transactions);
- Double click on the transaction. This opens a "Write Cheque" window with the details of the existing memorised transaction.
- Change the amount (or any other details) but DON'T RECORD THE TRANSACTION!
- Right-click on the cheque and select "Memorise Cheque". You will now be presented with this screen.



- Select Replace.
- You will now be back at the Write Cheques screen - Press the clear button to empty the details then press "Esc" to close the window.
- Check that the new amount is showing in the Memorised Transaction List.

Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
♦ Bayview Real Estate	Cheque	ABC Bank	286.00	Every two ...	✓	18/12/2009

Multiple Memorised Transactions from the Same Supplier

If you have this situation, the easiest way to manage this is to create several supplier names: eg Esanda Truck Loan, Esanda Tractor Loan, Esanda Baler Loan etc.

Memorised Transactions for Other Transaction Types.

Although Memorised Cheques are the most common transaction, most types of QuickBooks transactions can also be memorised.

Exactly the same process I have used above for cheques applies for creating and editing other transaction types. The only difference is that you will "Memorise Bill" or "Memorise Invoice".

Creative Usage of Memorised Transactions

The following are some ways I have seen memorised transactions used:

Standard Servicing

A company servicing Fire Extinguishers invoiced a standard Service Fee for a visit, with additional work undertaken depending on what was required on-site.

They set up a Memorised Sales Order with the details particular to each client (all the fire extinguishers numbers etc etc). The Sales Order were marked "to be printed" before memorising. This served two purposes: as a job sheet for the technicians, and as a way of managing who was due for a service and when. (This could also be done through Pending Invoice [go into Invoice > Right Click > Mark as Pending]).

Each day, QuickBooks would create the services due for that day. They would be printed out (File > Print Forms > Sales Orders printed them all at once) and given to the technician, who now knew the client details and what had to be done. At the job, the client would write any changes or extras on the Sales Order.

On return, the sales orders were amended in QuickBooks, rememorized if there were permanent changes, then converted into Tax Invoices.

Annual Membership Fees

A hundred or so membership renewals due, each with the same detail. We set up 1 memorised transaction with all the detail, memorised it as a "Don't Remind Me". Just a matter of double-clicking from the memorised transaction list, changing the name, then recording the transaction. (If you have really large numbers of these transactions there is a program I can sell you that can create the invoices from a spreadsheet.

Uninvoiced Services

A client rented a storage shed with payment due every 3 months. No invoice was issued, they were just expected to remember it (and never did!). We set up a Memorised Bill, and this created a Bill which would appear in his Unpaid Bills Report - which he did look at. Problem solved.

Depreciation Journals

Clients Accountant wanted to show monthly depreciation charges. This was done as a memorised General Journal.

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