

Emergency QuickBooks **Rescue Kit**



Regain Control of Your Business Finances in 48 Hours
Without Hiring a Full-Time Bookkeeper

Welcome — You're Not Behind. You're Busy.

If your QuickBooks is several months behind, you are not alone.

Service-based business owners are focused on serving clients, managing teams, and keeping operations running. Bookkeeping often becomes the last priority.

That does not mean you've failed.

It simply means you need a structured reset.

This guide was created by CMS Accounting Services to help you regain control of your books in 48 focused hours — with clarity, confidence, and step-by-step direction.

**Take a breath.
This is fixable**

Is This Guide Right for You?

This Guide Is For You If:

- ✓ You own a service-based business
- ✓ You use QuickBooks Online
- ✓ You're several months behind
- ✓ You feel overwhelmed reviewing your books
- ✓ You want clarity before tax season

Ideal For:

- Cleaning Companies
- Contractors
- Landscaping
- Beauty Professionals
- HVAC / Plumbing / Electrical
- Independent Service Providers

QuickBooks Emergency Assessment

Before we begin the reset process, let's assess your current bookkeeping situation. Answer honestly — this is simply a clarity check.

- I am 3+ months behind in QuickBooks
- I have uncategorized transactions
- My bank accounts are not fully reconciled
- I see duplicate accounts in my Chart of Accounts
- I am unsure if owner draws are recorded correctly
- I am unsure if loans are recorded correctly
- I feel stressed before tax season

If you checked three or more boxes, this structured reset will bring immediate clarity to your books

Day 1

Clean & Organize

Today we create structure and clarity in your books.

About the Screenshots in This Guide

The screenshots included in this guide are for educational purposes only.

All images were taken from the QuickBooks Online® Sample Company file provided by Intuit for demonstration and training purposes.

No real client data is shown in this guide.

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Interface elements may vary slightly depending on your QuickBooks subscription level or software updates.

Step 1

Work Month by Month

Log into QuickBooks Online and go to:
Accounting → Bank Transactions → For Review
Start with the oldest unfinished month.
Complete one full month before moving to the next.
Jumping between months creates confusion and increases the risk of errors.
Clarity comes from finishing one step at a time.

The screenshot shows the QuickBooks Online Banking interface. The 'Banking' tab is selected, and the 'Bank of America Checking # 1234' account is highlighted. The 'For Review' tab is selected, showing a list of transactions. A red arrow points to the 'For Review' tab, and another red arrow points to the 'Bank of America Checking # 1234' account card. A table of transactions is visible below, with a red arrow pointing to the 'Batch actions' dropdown menu.

	BANK DETAIL	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
<input checked="" type="checkbox"/>	Dixie Lumber, Lumber	dixie lumber	Uncategorized Expense	\$1,400.00		Add
<input checked="" type="checkbox"/>	Home Depot-Carpet	Home Depot	Uncategorized Expense	\$2,600.00		Add
<input checked="" type="checkbox"/>	10/28/2014 LA Home Room Design		Sales Income:Product Sales		\$7,400.00	Add
<input checked="" type="checkbox"/>	10/28/2014 LJ Home/Building Deck	Daily Sales	Fees Income		\$3,800.00	Add
<input checked="" type="checkbox"/>	11/01/2014 Transfer from B of A bank account to Chase	A1 Member	Uncategorized Expense	\$200.00		Add
<input checked="" type="checkbox"/>	11/01/2014 Transfer from B of A bank account to Chase	A1 Member	Uncategorized Income		\$200.00	Add

Start with the oldest month showing transactions under the “For Review” tab.

What to Look For:

- “For Review” tab selected
- Oldest transactions visible
- Category column present

Step 2

Categorize Income Correctly

When reviewing deposits, always ask:

What is this money for?

For most service-based businesses:

Client payments → Service Income

Owner Contribution → Owner Equity

Loan deposit → Loan Liability

Refund → Reduces an expense

Misclassifying deposits is one of the most common bookkeeping mistakes.

Your Profit & Loss report should reflect real income — not loan proceeds or owner contributions.

The screenshot shows the Intuit QuickBooks interface for a user named Craig's Design and Landscaping. The main area displays a 'Bank transactions' list with one transaction: 01/09/2026, Books By Bessie, Books by Bessie, \$55.00. A modal window is open for categorizing this transaction. The 'CATEGORIZE OR MATCH' button is circled in red. The 'Account' dropdown menu is also circled in red, showing 'Uncategorized Income' selected. The 'Type of transaction' is set to 'Deposit'.

Select the correct category before adding the transaction.

If unsure, pause and verify — do not guess repeatedly.

What to Look For:

- Deposit amount matches your bank record
- Category reflects the true source of the funds
- Loan proceeds or owner contributions are not recorded as income

Step 3

Clean the Chart of Accounts

Go to:

Accounting → Chart of Accounts

Review your account list carefully.

Look for:

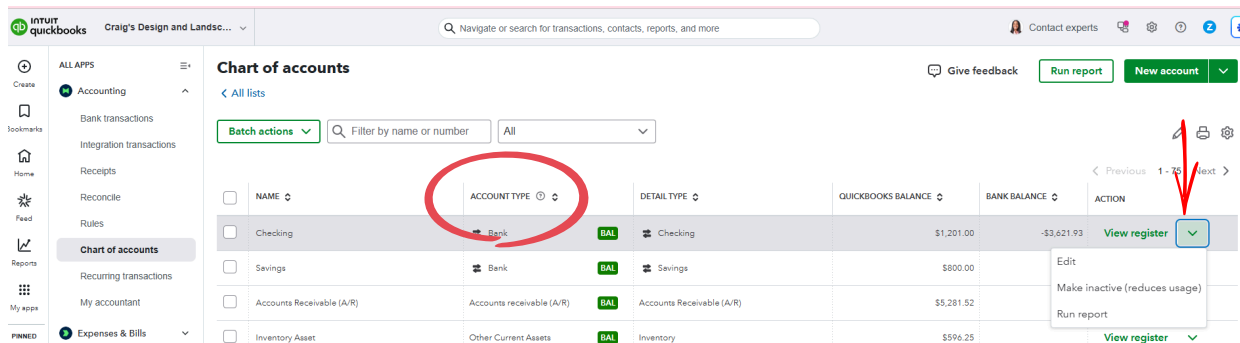
Duplicate expense accounts

Multiple versions of the same category

Old or unused accounts

Personal categories mixed with business expenses

Service-based businesses do not need an overly complex chart of accounts.



NAME	ACCOUNT TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Checking	Bank	Checking	\$1,201.00	-\$3,621.93	View register
Savings	Bank	Savings	\$800.00		
Accounts Receivable (A/R)	Accounts receivable (A/R)	Accounts Receivable (A/R)	\$5,281.52		
Inventory Asset	Other Current Assets	Inventory	\$596.25		

What to Look For:

- Duplicate accounts with similar names
- Expense categories that can be simplified
- Accounts no longer in use

Merging accounts should be done carefully. If unsure, pause before making structural changes.

Step 4

Separate Personal from Business

If you have paid personal expenses from your business account, you are not alone. This is common in small service businesses — especially during the early stages. However, personal transactions should not remain categorized as business expenses. If a personal expense was paid from the business account:
Categorize it as Owner Draw (Equity)
Do not leave it under an expense category
This keeps your Profit & Loss report accurate.
Clear separation protects your financial clarity.

The screenshot shows a software interface for managing bank transactions. On the left is a sidebar with navigation options like 'Accounting', 'Bank transactions', 'Integration transactions', 'Receipts', 'Reconcile', 'Rules', 'Chart of accounts', 'Recurring transactions', 'My accountant', 'Expenses & Bills', 'Sales & Get Paid', 'Customer Hub', 'Payroll', 'Team', and 'Time'. The main area is titled 'Bank transactions' and contains a table of transactions. One transaction is visible: dated 01/09/2026, description 'Books By Bessie', payee 'Books by Bessie', and amount \$55.00. Below the table, there are options to 'Categorize', 'Match', or 'Record as transfer'. The 'Categorize' option is selected. A dropdown menu for 'Type of transaction' is open, showing 'Deposit' selected. Below that, there are fields for 'Vendor/Customer/project' (Books by Bessie), 'Account *' (own), and 'Product/Service' (Select product/service). A red circle highlights the 'Owner Draw' option in the 'Account *' dropdown menu, which is also highlighted in the original image.

What to Look For:

- Personal expense categorized as Owner Draw
- No personal items left under business expenses
- Profit & Loss reflects true business activity

This is a correction — not a mistake. It's part of building financial discipline.

Step 5

Identify and Remove Duplicate Transactions

Duplicate transactions are more common than most business owners realize.

They usually happen when:

A transaction is entered manually and also imported from the bank feed

Bank feeds refresh and re-import items

Transactions are accidentally added twice

Before deleting anything, review carefully.

If a transaction has already been reconciled, do not delete it without confirming why it exists.

Removing the wrong entry can cause larger reconciliation issues.

Proceed slowly and verify each duplicate before taking action.

DATE	REF NO. TYPE	PAYEE ACCOUNT	MEMO	PAYMENT	DEPOSIT	BALANCE
11/14/2025		Pam Seltz		\$75.00		\$1,833.84
	Expense	Legal & Professional Fees				
11/14/2025	76	Pam Seltz		\$75.00		\$1,908.84
	Expense	Legal & Professional Fees				

What to Look For:

- Same amount and date appearing twice
- Duplicate entries from bank feed and manual entry
- Transactions added more than once

 *Never delete reconciled transactions without reviewing the reconciliation report first.*

Day 2

Verify & Reconcile

Today we confirm accuracy and build confidence in your financial reports.

Step 6

Reconcile Bank Accounts

Go to:

Accounting → Reconcile

Select the bank account you are reviewing.

Enter the statement ending date and ending balance exactly as shown on your bank statement.

Match transactions until the difference shows: \$0.00

Reconciliation confirms that your QuickBooks balance matches your actual bank balance.

If the difference is not zero, pause and review before proceeding.

Chart of accounts / Bank register / Reconcile

Checking

Statement ending date: September 30, 2025

\$4,570.45 STATEMENT ENDING BALANCE

\$4,570.45 CLEARED BALANCE

\$5,000.00 BEGINNING BALANCE

\$604.55 3 PAYMENTS

\$175.00 1 DEPOSIT


\$0.00 DIFFERENCE

Buttons: Edit info, Finish now

Statement ending date: [dropdown] Clear filter / View all

Buttons: Payments, Deposits, All

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
08/12/2025		Bill Payment	10	Accounts Payable (A/P)	Robertson & Associates		300.00		✓
08/20/2025		Receive Payment	1053	Accounts Receivable (A/R)	Bill's Windsurf Shop			175.00	✓
09/03/2025		Expense	12	Legal & Professional Fees:Ac...	Robertson & Associates		250.00		✓
09/25/2025		Check	4	Automobile:Fuel	Chin's Gas and Oil		54.55		✓

 *If your reconciliation difference does not reach \$0.00 after review, a deeper cleanup may be required.*

Step 7

Review Profit & Loss

Run the Profit & Loss report for the current year.

Go to:

Reports → Profit & Loss → This Year

Review the report carefully.

Ask yourself:

Does total income reflect what you expected?

Are expenses categorized correctly?

Do you see any large amounts under “Uncategorized Expense”?

Your Profit & Loss report tells the story of your business performance.

Clean categorization ensures that the story is accurate.

Profit and Loss	
Craig's Design and Landscaping Services	
October 2025	
Account	↕ Total
> Income	\$1,785.14
Gross Profit	\$1,785.14
∨ Expenses	
> Automobile	\$127.01
> Job Expenses	\$197.18
∨ Legal & Professional Fees	
Accounting	75.00
Bookkeeper	55.00
Total for Legal & Professional Fees	\$130.00
Rent or Lease	900.00
∨ Utilities	
Gas and Electric	114.09
Telephone	74.36
Total for Utilities	\$188.45
Total for Expenses	\$1,542.64
Net Operating Income	\$242.50
∨ Other Expenses	
Miscellaneous	916.00
Total for Other Expenses	\$916.00
Net Other Income	-\$916.00
Net Income	-\$673.50

What to Look For:

- Income reflects actual revenue
- Expenses appear reasonable
- No large Uncategorized amounts
- Net Profit aligns with expectations

If numbers look unusual, investigate before moving forward.

Step 8

Review Balance Sheet

Run the Balance Sheet report for the current year.

Go to:

Reports → Balance Sheet → This Year

The Balance Sheet shows the financial position of your business — not just performance. Review carefully.

Verify:

Do your bank balances match your actual bank statements?

Do credit card balances reflect what you owe?

Are loans listed under liabilities?

Does Owner Equity appear reasonable?

If balances do not reflect reality, pause and investigate before moving forward.

Balance Sheet	
Craig's Design and Landscaping Services As of October 31, 2025	
Account	◇ Total
∨ Assets	
∨ Current Assets	
∨ Bank Accounts	
Checking	4,321.40
Total for Bank Accounts	\$4,321.40
∨ Accounts Receivable	
Accounts Receivable (A/R)	2,428.50
Total for Accounts Receivable	\$2,428.50
∨ Other Current Assets	
Undeposited Funds	687.15
Total for Other Current Assets	\$687.15
Total for Current Assets	\$7,437.05
∨ Fixed Assets	
∨ Truck	
Original Cost	13,495.00
Total for Truck	\$13,495.00
Total for Fixed Assets	\$13,495.00
Total for Assets	\$20,932.05

∨ Liabilities and Equity	
∨ Liabilities	
∨ Current Liabilities	
∨ Accounts Payable	
Accounts Payable (A/P)	1,972.39
Total for Accounts Payable	\$1,972.39
∨ Credit Cards	
Mastercard	223.08
Total for Credit Cards	\$223.08
∨ Other Current Liabilities	
Arizona Dept. of Revenue Payable	0.00
Board of Equalization Payable	46.40
Total for Other Current Liabilities	\$46.40
Total for Current Liabilities	\$2,241.87
Total for Liabilities	\$2,241.87
∨ Equity	
Opening Balance Equity	18,495.00
Retained Earnings	-
Net Income	195.18
Total for Equity	\$18,690.18
Total for Liabilities and Equity	\$20,932.05

What to Look For:

- Bank balances match real accounts
- Loans recorded as liabilities
- Credit cards reflect true balances
- Equity does not appear unusually high or negative

If balances appear unrealistic or negative without explanation, a structured review may be necessary.

Step 9

Review Accounts Receivable & Payable

Run the following reports:

Reports → Accounts Receivable Aging

Reports → Accounts Payable Aging

These reports show:

Who owes you money

Who you owe money to

Review carefully.

Are there old invoices showing unpaid that were actually paid?

Are there bills that should have been closed?

Cleaning these reports improves cash flow clarity and prevents confusion.

Accurate receivables and payables reflect the true financial position of your business.

A/R Aging Summary Report						
Craig's Design and Landscaping Services						
As of October 31, 2025						
Customer	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	◇ Total
Amy's Bird Sanctuary	459.00	-	-	-	-	459.00
Bill's Windsurf Shop	-	85.00	-	-	-	85.00
▼ Freeman Sporting Goods						
0969 Ocean View Road	-	-	387.00	-	-	387.00
55 Twin Lane	-	81.00	-	-	-	81.00
Total for Freeman Sporting ...	-	81.00	387.00	-	-	\$468.00
Jeff's Jalopies	81.00	-	-	-	-	81.00
John Melton	750.00	-	-	-	-	750.00
Kookies by Kathy	-	75.00	-	-	-	75.00
Red Rock Diner	-	156.00	-	-	-	156.00
▼ Shara Barnett						
Barnett Design	274.50	-	-	-	-	274.50
Total for Shara Barnett	274.50	-	-	-	-	\$274.50
Sushi by Katsuyuki	80.00	-	-	-	-	80.00
TOTAL	1,644.50	397.00	387.00	-	-	\$2,428.50

A/P Aging Summary Report

Craig's Design and Landscaping Services
As of October 31, 2025

Vendor	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	◇ Total
Books by Bessie	75.00	-	-	-	-	75.00
Cal Telephone	74.36	-	56.50	-	-	130.86
Hall Properties	900.00	-	-	-	-	900.00
PG&E	114.09	86.44	-	-	-	200.53
Tim Philip Masonry	-	666.00	-	-	-	666.00
TOTAL	1,163.45	752.44	56.50	-	-	\$1,972.39

What to Look For:

- Old invoices that remain unpaid
- Past due balances requiring follow-up
- Bills that should be marked as paid
- Clean aging columns with realistic balances

If large balances remain in aging reports without explanation, further cleanup may be required.

FINAL STEP

Tax-Ready Confirmation Checklist

Before sending your reports to your CPA, confirm the following:

This checklist ensures your financial statements are organized, reconciled, and accurate.

- All months are categorized
- All bank accounts are reconciled
- Profit & Loss has been reviewed
- Balance Sheet has been reviewed
- Owner distributions are correctly recorded
- Loans are recorded as liabilities
- Accounts Receivable aging is accurate
- Accounts Payable aging is accurate
- No large Uncategorized transactions remain

If all items are complete, your books are structured and tax-ready.

Organized books lead to better financial decisions year-round.

Common Mistakes in Service-Based Businesses

Over the years, certain bookkeeping patterns appear repeatedly in service-based businesses. These issues are common — and completely fixable. Awareness is the first step toward stronger financial systems.

- Mixing personal and business expenses
- Not reconciling accounts monthly
- Ignoring small discrepancies
- Misclassifying contractor payments
- Recording loan proceeds as income
- Not separating materials from labor costs
- Allowing large Uncategorized transactions to accumulate

These mistakes do not mean your business is failing.
They indicate a need for stronger financial structure.
Correcting them improves reporting accuracy and decision-making.

BONUS

Monthly Bookkeeping Maintenance Checklist

Now that your books are organized, the key is maintaining consistency. Small monthly habits prevent future emergencies. Review this checklist every month.

- Categorize transactions weekly
- Reconcile all bank accounts by the 10th of the following month
- Review Profit & Loss for unusual changes
- Review Balance Sheet for unrealistic balances
- Follow up on unpaid invoices
- Confirm contractor payments are tracked correctly
- Backup financial reports monthly

Consistency builds financial clarity.

Thirty minutes per week can prevent months of cleanup later.

Strong bookkeeping habits support better business decisions.

QuickBooks Rescue Session

You may have successfully completed this guide. If so, that is an accomplishment.

However, if during this process you encountered persistent reconciliation issues, confusing balances, or structural concerns, a professional review may provide clarity and confidence.

What This Session Includes:

- Personalized review of your QuickBooks file
- Identification of reconciliation discrepancies
- Structural cleanup recommendations
- Clarification of loan and equity balances
- Step-by-step action plan

Investment: \$197 – \$247

This session is ideal if:

- Reconciliations will not balance
- Prior-year discrepancies exist
- Loan balances are unclear
- Reports do not reflect business reality
- You prefer professional confirmation before tax season

If your books are structured and accurate, we will tell you that as well.

Clarity Brings Confidence

When your financial foundation is strong, your business can grow with integrity and purpose.

Excellence in stewardship creates peace in leadership.

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