



QuickBooks® Online Newsletter



Customer Statements: When, Why, and How

If your business relies on invoices to get paid, there may be times when you need to create and send statements.

You enter into an informal contract with a customer when you send an invoice. You expect that you will receive payment in a timely fashion for goods or services you've sold.

That probably works most of the time. But what happens when it doesn't, when you've sent a reminder and are still waiting? And what do you do when a customer orders frequently and is confused about what's been paid and what hasn't?

If you're using QuickBooks Online, you can easily send a *statement*, a list of sales transactions, credits, and payments. There are three kinds of these:

- **Balance Forward.** This document emphasizes what's currently owed by displaying it at the top. Below that is a list of sales transactions that occurred between two dates you specify.
- **Open Item.** You select a date, and the statement shows all transactions that were completed before it.
- **Transaction Statement.** There's no total balance here, just the amounts billed and received for every transaction.

Setting Up Statements

A screenshot of the 'Create Statements' form in QuickBooks Online. The form has a light blue header with the title 'Create Statements'. Below the header, there are three main sections. The first section is 'Statement Type', which has a dropdown menu currently set to 'Balance Forward'. A list of options is shown below the dropdown: 'Balance Forward' (highlighted in green), 'Open Item', and 'Transaction Statement'. The second section is 'Customer Balance Status', with a dropdown menu set to 'Open'. The third section contains two date fields: 'Start Date' with the value '04/09/2018' and 'End Date' with the value '09/09/2018'. The entire screenshot is framed with a torn paper effect on the right and bottom edges.

Balance Forward statements cover a period of transactions that you define.

There are three way to create statements. You can:

- Click the **Plus (+)** icon at the top of the screen.
- Dispatch one while you're in a customer record.
- Launch a batch action from the **Customer** screen.

Before you create your first statement, though, make sure QuickBooks Online is set up the way you want it to be. Click the gear icon in the upper right of the screen and select **Your Company Account and Settings**. Click the **Sales** tab and scroll down to **Statements**. Click **Statements** to open the options there.

You can **List each transaction as a single line** or **List each transaction including all detail lines**. Click the button in front of the one you prefer. If you want to **Show aging table at bottom of statement**, click in the box. This will show customers how many days each transaction is overdue.

Click **Save** when you're done.

Creating Statements

If you've already started entering transactions so there's some data in QuickBooks Online, click the **Plus (+)** icon in the upper right corner of the screen.

*Tip: If you don't see the **plus (+)** icon, you're in an active screen. Click the **X** in the upper right to close it, saving it first if necessary.*

Click **Statement**, which is located under **Other** on the far right. Under **Statement Type**, select **Balance Forward**. Below that is the **Customer Balance Status** field. Do you want to see customers with open balances, those who have overdue invoices, or all customers? The third option will include credit memos.

Select a **Start Date** and **End Date**. In this example, these were 04/09/2018 and 09/09/2018, and the statement date was 09/10/2018. Click **Apply**. QuickBooks Online will display a list of matching customers. Click **Print or Preview** at the bottom of the screen to see your statements.

TO Adam Saraceno InnoVate LLC 45 Chart of Accounts Rd. Seattle, WA 12345 United States	STATEMENT NO. 1013 DATE 09/10/2018 TOTAL DUE \$1,649.01 ENCLOSED		
DATE	ACTIVITY	AMOUNT	BALANCE
04/09/2018	Balance Forward		8,245.05
05/01/2018	Invoice #1136	1,649.01	9,894.06
06/01/2018	Invoice #1137	1,649.01	11,543.07
07/01/2018	Invoice #1139	1,649.01	13,192.08
08/01/2018	Invoice #1140	1,649.01	14,841.09
08/09/2018	Payment	-14,841.09	0.00
09/01/2018	Invoice #1141	1,649.01	1,649.01

*In this preview, the customer's balance forward on 04/09/2018 was \$8,245.05. A catch-up payment was made on 08/09/2018 and another invoice sent on 09/01/2018, which accounts for the **TOTAL DUE** at the top.*

From this screen, you can either **Print** the statements or **Close** to go back to the previous page, where you can **Save and Send**.

Two Other Options

As we stated earlier, there are two other ways to create statements. Click **Sales** in the left vertical toolbar and highlight the **Customers** tab by clicking on it. Hover your cursor over a customer and click the down arrow at the very end of that line. From the list that opens, select **Create statement**.

You can also hand-pick multiple customers to receive statements. With the **Customers** window open, click in the box in front of your choices, and then click the down arrow next to **Batch actions** at the top of the list. Select **Create statements**.

The mechanics of creating statements in QuickBooks are fairly simple. But you don't want to send an inaccurate one to a customer. Make sure your transactions are up to date before you generate any statements, and choose your date ranges carefully. As always, we're available to help with this task – or any other area of QuickBooks Online that might be confusing to you. We're here to help you be pro-active to avoid problems in the long run.

Social media posts

Are some of your customers behind on paying multiple invoices? QuickBooks Online lets you create *statements* that summarize unpaid transactions.

Is your cash flow suffering because of multiple unpaid invoices? Talk to us about your options, which include creating *statements* in QuickBooks Online.

QuickBooks Online offers three ways to create *statements*, including hand-picking the customers who should receive them. Follow these steps to set up this pro-active feature.

QuickBooks Online *statements* are lists of customer transactions that fall between specified dates. Talk to us about when and how you should use them.