



ProjectLedger Solutions

QuickBooks Job Costing Setup Guide

Tracking your project costs effectively is crucial for managing your budget and preventing overruns. In this guide, we'll show you how to set up QuickBooks for job costing, so you can get the most out of your accounting software without needing to invest in expensive new tools. By the end of this guide, you'll be able to track every expense, analyze profit margins, and keep your projects on track.



Set Up Your Project Costing Categories

- Go to Lists > Item List and click New Item to create job-specific categories (e.g., Labor, Materials, Equipment).
- Create sub-items for different cost types in each project phase (e.g., Design, Construction, Final Inspection).



Establish Your Chart of Accounts

- Set up a custom chart of accounts for each project, creating sub-accounts for costs such as labor, materials, and overhead.
- Use Classes or Locations in QuickBooks to assign costs to specific projects.



Track Costs by Project Phase

- Break your project into phases and track each phase separately using sub-accounts or class tracking.
- Use QuickBooks' Job Profitability report to track expenses by project phase.



Pull Reports for Financial Insights

- Use the Job Profitability Detail report to analyze job costs and revenue.
- Create Custom Reports to track cost overruns and profitability by project.





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Xero Job Costing Setup Guide

Tracking your project costs effectively is crucial for managing your budget and preventing overruns. In this guide, we'll show you how to set up Xero for job costing, so you can get the most out of your accounting software without needing to invest in expensive new tools. By the end of this guide, you'll be able to track every expense, analyze profit margins, and keep your projects on track.



Set Up Your Project Costing Categories

- Go to Settings > Tracking Categories and create custom categories for each project phase.
- Create custom tracking categories for labor, materials, and overhead, ensuring you can report on costs accurately.



Establish Your Chart of Accounts

- Use Tracking Categories to tag specific transactions to projects.
- Create custom accounts for project-specific costs (e.g., job expenses, contractor payments).



Track Costs by Project Phase

- Assign tracking categories for each project phase (e.g., Design, Build, Inspection).
- Use Xero's Budget Manager to compare actual vs. budgeted costs for each phase.



Pull Reports for Financial Insights

- Generate Profit and Loss reports for each project using your tracking categories.
- Use Job Costing Reports to track labor and materials for each project phase.

