

Entering Retained Earnings and Year To Date Earnings - Opening Balances

Company Year End: Dec 31, 2008

Software Conversion Date: Dec 1, 2009

Retained Earnings for Dec 31, 2008: \$250,000

Year to Date Earnings for Nov 30, 2009: \$50,000

Total Value of Inventory on Nov 30, 2009: \$45,000

Enter Retain Earning for the Company Year End

1. Setup an Other Revenue Account for the Year End entry.
2. Make a GL Adjustment similar to the one bellow.

The screenshot shows a 'General Ledger Adjustment' window. At the top, there are buttons for 'Save', 'Print', 'Cancel', and a help icon. Below these, the 'Date' is set to 'Dec 31 2008 12:12:00'. The 'Account' is 'Opening Balance' and the 'Sub Account' is 'N/A'. The 'Description' field contains 'Year End Earnings Opening Balance'. To the right, a summary table shows 'Left Accounts' and 'Right Accounts' with 'Adjustment' and 'Total' values of \$0.00. At the bottom, there are 'Add', 'Delete', and help buttons. Below the main form is a table with columns for 'Account', 'Description', 'Left', and 'Right'.

Account	Description	Left	Right
4500 Other Revenue	Year End Earnings Opening Balance		\$250,000.00
Year End Earnings for Opening Balances			
Opening Balance	Year End Earnings Opening Balance		(\$250,000.00)

Enter year to date Earnings

1. First run a Profit & Loss Statement from Jan 1, 2009 through Nov 30, 2009 to get the P&L balances in your new software system.
 - a. Inventory Recounts & Opening Balances for Return Goods entered before Nov 30 will create balances on the P&L.

(i.e. If the Balance on the P&L was \$20,000, then calculate the net balance to enter.)
 - b. Actual YTD Earnings \$50,000 from Jan 1, 2009 through Nov 30, 2009
 - c. YTD from P&L from new software system = \$20,000 - \$50,000 = \$30,000

General Ledger Adjustment

Save | Print | Cancel | ?

Date: Nov 30 2009 23:59:00

Account: Opening Balance

Sub Account: N/A

Description: Current Earnings Jan - Nov 2009

	Left Accounts	Right Accounts
Adjustment	\$0.00	\$0.00
Total	\$0.00	\$0.00

Add | Delete | ?

Account	Description	Left	Right
4500 Other Revenue	Current Earnings Jan - Nov 2009		\$30,000.00
Year End Earnings for Opening Balances:			
Opening Balance	Current Earnings Jan - Nov 2009		(\$30,000.00)

Now when you run the current year Balance Sheet (Jan1, 2009 through Dec 31, 2009) you will have proper numbers in retained earnings and YTD earnings.