

Manual Journal Entries and Retained Earnings

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The balance in the Retained Earnings GL account is calculated automatically by the SedonaOffice system based on net profit/loss, and distribution account entries from the years before. Because the value is calculated, the system makes no GL entries to this account, and manual journal entries cannot be made to the account. The account also cannot be viewed in the Account Register as there are no journal entries to review.

If you need to manually adjust the value in retained earnings, you must make a manual journal entry to a distribution account, and date that entry for the year prior to when you need to see the change. For example, to change the value in your 2023 retained earnings, a journal entry would need to be made to a distribution account, and that entry would need to be dated for 2022.

Customers sometimes use scripts to force manual journal entries into Retained Earnings. This will cause data errors in reporting. Manual journal entries forced in this way must be either removed or offset.

Note that equity accounts other than Retained Earnings should not include 'Retained Earnings' in their name as the system will block manual entries from being made to any account with that phrase in its name.