



END OF THE YEAR ADJUSTMENT ENTRIES – RECORD ON DECEMBER 31, 20XX

- Now that everything in your books is completely correct (and you're ready to file your taxes), you need to transfer the Net Profit for the year into your Earnings equity account.
- When you record the *General Journal* entry to move the earnings into the *Owner's Earnings* account, offset it by using account 39000 *Retained Earnings*
- Finally, it's time to lock down the books. You can do that by accessing the **Account and Settings** > selecting **Company** > Set **Closing Date** > and then picking a date/password. You can still make changes, if you need to, but it will need to be unlocked.