

ACCOUNTING SOFTWARE

Accounting Software :

- ❖ It is a computer software that records and process accounting transactions with functional modules such as accounts payable, accounts receivable, payroll and trial balance.
- ❖ It may be developed in house by the company or may be purchased from a third party or may be a combination of a third party application software package with local modifications.
- ❖ It varies greatly in its complexity and cost.

Fundamentals of Accounting :

- ❖ Accounting is a systematic way of recording and analyzing transactions.
- ❖ It involves identifying, measuring and presenting economic information about a business .
- ❖ With this information the owner or manager cant take certain decisions.

Principles of Accounting:

- ❖ Original book where, all transactions are recorded.
- ❖ The book where, all business transactions are entered first. It is called as **Journalizing**.
- ❖ Instead of recording all transactions in one journal book, the transactions are recorded into sub divisions of journal or subsidiary books .

Journals are classified into :

- 1. Journal Proper :** Records opening entries , closing entries and adjustment entries
- 2. Day Books:**
 - Purchase book** - Records all credit purchases.
 - Sales book** – Record all debit sales.
 - Purchase return book** – Records goods returned to suppliers.
 - Sales return book** – Record goods returned by the customers.
- 3. Cash Book :** Record all cash payments and cash receipts.

Types of Accounts :

Personal Account – relating to individuals and other organization.

Impersonal : **i. Real** –relating to properties, goods and cash.

ii. Nominal – relating to expenses or losses and incomes or gains.

Accounting Rules:

Personal Account: Debit the receiver.

Credit the giver.

Real : Debit what comes in.

Credit what goes out.

Nominal :Debit all expenses and losses.

Credit All incomes and gains.

Ledger :

Book of final entry. Divided into sub-divisions from the view point of convenience and simplicity,

- i. **General ledger** – records all accounts other than personal accounts.
- ii. **Purchase ledger** – records all personal accounts of suppliers from whom the goods have been purchased on credit.
- iii. **Sales ledger** – records all personal accounts of customers to whom the goods have been sold on credit.
- iv. **Private ledger** – records the personal accounts of the proprietor, that capital accounts and drawings accounts.

Trial Balance

A statement which shows all debit balances in one column and all credit balances in another .It's not an account , prepared for checking the arithmetical accuracy .

Final Accounts : classified into

- i. Trading and Profit & loss A/C – to find our Profit and Loss.
- ii. Balance Sheet – to find out the financial position of the concern.

These accounts are prepared only at the end of the year . So , it's called Final account.

Trading Account :

Shows the result of buying and selling goods. It's prepared to find out the difference between the selling price and cost price. If the selling price exceeds the cost price is gross profit . If the cost price exceed the selling is gross loss.

Format for Trading Account follows below :

Direct expenses		Amount	Direct Income		Amount
To	Opening stock	xxx	By	Sales	xxx
To	Purchases	xxx	By	(-)Sales return	xxx
To	(-)purchase return	xxx	By	Closing stock	xxx
To	Freight charges	xxx	By	Gross Loss (transfer to profit and loss account)	
To	Cartage and coolie	xxx			
To	Lorry hire	xxx			
To	Manufacturing expenses	xxx			
To	Wages	xxx			
To	Factory rent, fuel power	xxx			
To	Gross profit (transfer to profit and loss account)	xxx			

Profit and loss account:

Used to show the net profit or net loss of an accounting year. In this gross profit of trading account is transferred into credit side, gross loss of trading account is transferred into credit side.

Balance sheet :

It is a statement used to show the financial position of a company. It contains two parts – Liabilities (Appears in the left side)
Assets (Appears in the right side)

Format shows below .

Indirect expenses or payments		Amount		Indirect income or receipts	Amount
To	Salary	xxx	By	Gross profit	xxx
To	Postage and Telegram	xxx	By	Interest on investment received	xxx
To	Telephone charges	xxx	By	Interest on deposit received	xxx
To	Rent paid	xxx	By	Interest on loans received	xxx
To	Rate and taxes	xxx	By	Discount received	xxx
To	Insurance paid	xxx	By	Discount received	xxx
To	Interest on bank loan	xxx	By	Rent received	xxx
To	Bank charges	xxx	By	Bad debts received	xxx
To	Printing and stationery	xxx	By	Net loss	xxx
To	Discount allowed	xxx			
To	Advertisement	xxx			
To	Carriage outward (sales)	xxx			
To	Depreciation on assets	xxx			
To	General expenses	xxx			
To	Traveling	xxx			
To	Bad debts	xxx			
To	Net profit	xxx			

Liabilities	Amount	Assets	Amount
Bank loan	xxx	Cash in hand	xxx
Bank overdraft	xxx	Cash at bank	xxx
Bills payable	xxx	Fixed deposit at bank	xxx
Sundry creditors	xxx	Investments	xxx
Expenses outstanding	xxx	Bills receivable	xxx
Capital	xxx	Sundry debtors	xxx
(-)Drawings	xxx	Closing stock	xxx
Net profit	xxx	Stock of stationery	xxx
		Furniture	xxx
		Plant machinery	xxx
		Land and building	xxx
		Motor vehicles	xxx
		Prepaid expenses	xxx
		Income outstanding	xxx

COMPUTERIZED ACCOUNTING Vs MANUAL ACCOUNTING

MANUAL ACCOUNTING

- Ledger are grouped at the time of preparing final accounts.
- Separate journal, ledger posting.
- Strains in preparing trial balance.
- Preparation of final accounts only at the year end.
- Efforts are needed to prepare weekly or monthly balance reports.
- Separate efforts are needed to maintain inventory management

COMPUTERIZED ACCOUNTING

- Grouping is done at the time of ledger creation.
- Single entry for all transaction.
- No strain.
- Final accounts can be prepared at any time.
- No separate efforts. Automatically it is done.
- Integrated with cash management.

COMPUTERIZED ACCOUNTING Vs MANUAL ACCOUNTING

MANUAL ACCOUNTING

- Closing of accounts is complicated.
- Large number of books is maintained.
- Error may arise while posting.
- Preparation of report involve additional work.
- Various headings.
- Tracking of entries is complicated.

COMPUTERIZED ACCOUNTING

- Easy closing whenever needed.
- No books. Only computer hard disk.
- No positing. So no such types of error.
- Creation of reports does not involve additional work.
- Simple determined headings.
- Easy tracking of errors.

Features of Tally

- Tally is mostly considered the best because it's easy to use and has no code, robust and powerful, executes in real-time, operates at high speed, and has full-proof online help.
- It is also called multi-lingual tally software because Tally ERP 9 supports multi-languages. In Tally, accounts can be maintain in one language, and reports canbe view in other languages.
- Using the Tally, you can create and maintain the accounts up to 99,999 companies.
- Using the feature of payroll, we can automate the employee records management.
- It has the synchronization feature, hence the transaction which is maintained in multiple locations offices can be updated automatically.

- It is used to generate consolidated financial statements as per the requirements of the company.
- It can manage single or multiple groups.
- Tally software is used to handle financial and inventory management, invoicing, sales and purchase management, reporting, and MIS.
- The feature of Tally customization makes the software suitable for distinctive business functions.

Advantages

- **Data reliability and security:** In Tally, the entered data is reliable and secure. No scope of entering the data, after being entered into the software.
- **Payroll management:** Several calculations, those need to be made while disbursing salary to employees. Tally is used to maintain the financial record of the company so as to include net deduction, net payment, bonuses, and taxes.
- **Management in the banking sector:** Banks use Tally to manage various user accounts, and also calculate interests on deposits. Its support ensures ease in the calculation and makes banking simpler. Its support to make the calculation easy and banking simpler.

- **Regulation of data across geographical locations:** Tally software is used to manage the data of an organization globally. It brings together all branches of the company and makes the common calculation for it at large. So no matter to which location a company's employee has access, it will be uniform throughout.
- **Ease of maintaining a budget:** It is used to maintain the budget. And also used to help the companies to work and manage expenses by keeping in mind the total budget which is being allotted.
- **Simple tax returns filing: Tax GST** is used to ensure that the company complies with all GST norms. Tax GST takes care of service tax returns, excise tax, VAT filing, TDS return, and profit and loss statement for all small businesses.
- **Audit tool for compliance:** It acts as an audit tool. It is used to carry out regular audits of companies. It does a thorough compliance check towards the financial year beginning and ensures that all the monetary transactions are easily being carried out.

- **Remote Access of Data:** In Tally, employees can access the financial data using the unique User ID and password. The logging and access of data can be done by sitting at the comforts of one's office or house.
- **Quick Access to Documents:** Tally can save all invoices, receipts, bills, vouchers in its archive folder. Using the Tally, we can quickly access any of the previously stored documents. We can immediately retrieve all the billing related files.

CONFIGURATION OF TALLY

we can configure tally by pressing F11 and F12 button. When we click F11 and F12 the following windows appears , then set either Yes or No for various types of features available in the window.

Gateway of Tally

Ctrl + M

Current Period 1-4-2020 to 31-3-2021 Current Date Wednesday, 1 Apr, 2020


List of Selected Companies

Name of Company	Date of Last Entry
Aaaa	No Vouchers Entered

Gateway of Tally

Company Features

- Accounting Features
- Inventory Features
- Statutory & Taxation
- TSS Features
- Add-On Features
- Quit

Product  POWER OF SIMPLICITY Tally.ERP 9	Version & Updates Ctrl + Alt + T Series A Release 6.6.3 (Latest)	License & Services Ctrl + Alt + L Educational Mode	Configuration Ctrl + Alt + F Gateway localhost:9999 ODBC Server 9000	Calculator Ctrl + N
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Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Company Operations Alteration Ctrl + M

Current Period: 1-4-2020 to 31-3-2021
Current Date: Wednesday, 1 Apr, 2020

Company: Aaaa

Accounting Features

General		Invoicing	
Maintain accounts only	? No	Enable invoicing	? Yes
Integrate accounts and inventory	? Yes	Record purchases in invoice mode	? Yes
Use Income and Expenses A/c instead of Profit and Loss A/c	? No	Use debit and credit notes	? No
Enable multi-currency	? No	Record credit notes in invoice mode	? No
		Record debit notes in invoice mode	? No
Outstanding Management		Budgets and Scenario Management	
Maintain bill-wise details	? Yes	Maintain budgets and controls	? No
For non-trading accounts also	? No	Use reversing journals and optional vouchers	? No
Activate interest calculation	? No		
Use advanced parameters	? No		
Cost/Profit Centres Management		Banking Features	
Maintain payroll	? No	Enable cheque printing	? Yes
Maintain cost centres	? No	Set/alter transaction types	? No
Use cost centre for job costing	? No	Set/alter banking features	? No
Maintain more than one payroll or cost category	? No	Set/alter post-dated transaction features	? No
Use pre-defined cost centre allocations in transactions	? No		
Show opening balance for revenue items in reports	? No	Other Features	
		Enable zero-valued transactions	? No
		Maintain multiple mailing details for company and ledgers	? No
		Set/alter company mailing details	? No
		Enable company logo	? No
		Mark changed vouchers	? No

F1: Accounts F2: Inventory F3: Statutory F4: TSS F6: Add-Ons

Q: Quit A: Accept

Tally MAIN --> Gateway of Tally --> Company Features --> Company Operations Alteration © Tally Solutions Pvt Ltd., 1988-2020 Sat, 10 Oct, 2020 11:08:34

Gateway of Tally

Ctrl + M

Current Period
1-4-2020 to 31-3-2021

Current Date
Wednesday, 1 Apr, 2020

List of Selected Companies

Name of Company	Date of Last Entry
Aaaa	No Vouchers Entered

Gateway of Tally

Configuration

General

Numeric Symbols

Accts / Inventory Info.

Voucher Entry

Invoice / Orders Entry

PaYroll Configuration

Banking Configuration

Printing

E-Mailing

Data Configuration

AdvanCed Configuration

Product & Features

Licensing

Quit

Product



POWER OF SIMPLICITY

Tally.ERP 9

Version & Updates Ctrl + Alt + T

Series A Release 6.6.3
(Latest)

License & Services Ctrl + Alt + L

Educational Mode

Configuration Ctrl + Alt + F

Gateway localhost:9999
ODBC Server 9000

Calculator Ctrl + N

1>



UNIT – 2 Accounting Software

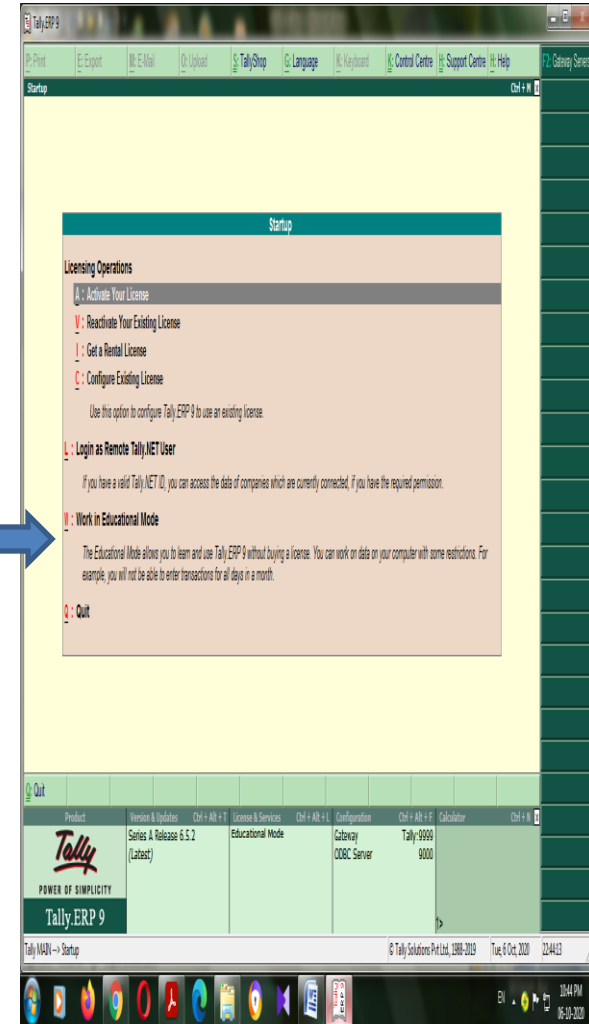
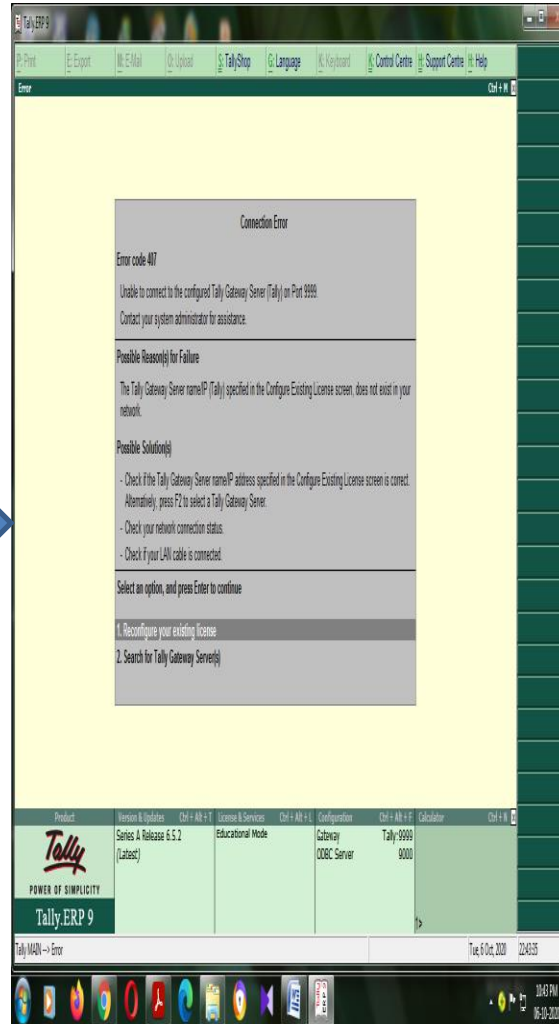
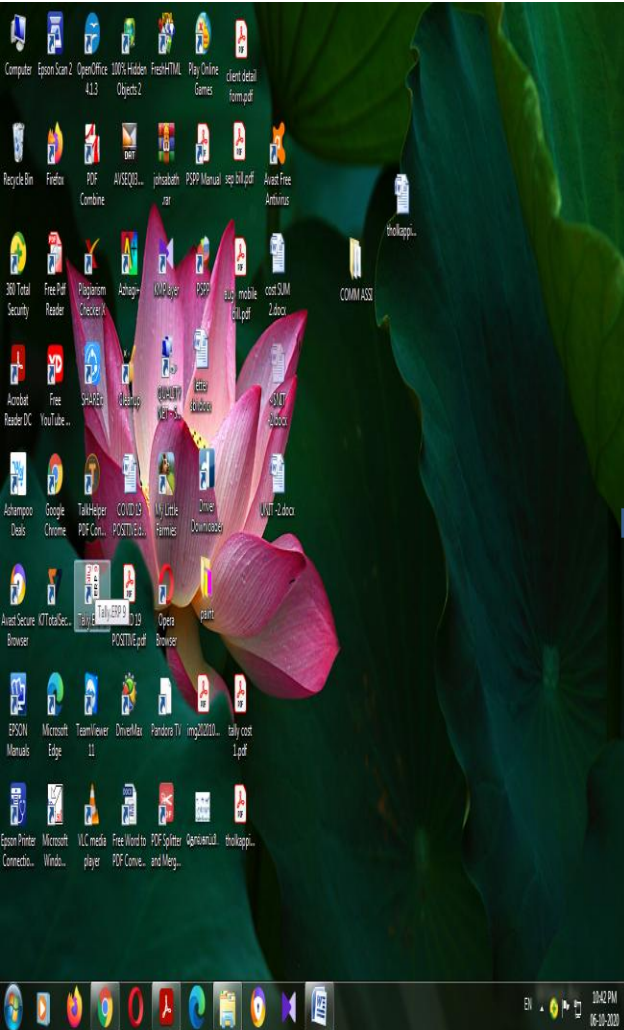
COMPANY CREATION

STARTING TALLY

1. Double click the tally icon on desktop
2. Select run from start menu and enter the command
 - a) Type path drive & path name and then the executable file name
 - b) If tally 9.0 is installed at c:Tally 9.0\tally9.0.exe and click OK button.
3. At start menu, for Tally 9.0, select program Tally 9.0 the tally window is open.
4. Explore the tally program folder double click the program file tally 9.0 is open

Starting tally

Double click the tally icon on desktop



Press ESC button

GATEWAY OF TALLY

- Gateway of Tally is the screen that appears on selecting a company. The Gateway of Tally menu differs based on the type of company selected.
- An Accounts-with-Inventory Company. Gateway of Tally of an Account Only Company The Gateway of Tally menu of an Accounts Only company appears as shown below:
- Open new window Gate way of tally

Tally.ERP 9

P: Print | E: Export | M: E-Mail | O: Upload | S: TallyShop | G: Language | K: Keyboard | K: Control Centre | H: Support Centre | H: Help

Gateway of Tally Ctrl + M

Current Period: 1-4-2018 to 31-3-2019
Current Date: Sunday, 1 Apr, 2018

List of Selected Companies

Name of Company	Date of Last Entry
Jhjjk	No Vouchers Entered

Gateway of Tally

- Masters**
 - Accounts Info.
 - Inventory Info.
- Transactions**
 - Accounting Vouchers
 - Inventory Vouchers
- Utilities**
 - ImpOrt Data
 - BaNking
- Reports**
 - Balance Sheet
 - Profit & Loss A/c
 - Stock Summary
 - Ratio Analysis
 - Display
 - Quit

Product: **Tally** POWER OF SIMPLICITY Tally.ERP 9
Version & Updates: Series A Release 6.5.2 (Latest)
License & Services: Educational Mode
Configuration: Gateway ODBC Server
Tally: 9999 9000

Tally MAIN --> Gateway of Tally

© Tally Solutions Pvt Ltd., 1988-2019 | Tue, 6 Oct, 2020 | 22:45:15

GATEWAY OF TALLY

- The Gateway of Tally screen is separated into four sections Title Area, Main Area (Ctrl+M), Calculator Area (Ctrl+N) and the Button Bar.
- Main Area The left side of the Main Area gives information on:
 1. Current Period – which is the currently loaded company's accounting period.
 2. Current Date – This is the date of the last Voucher Entry for the selected company.
 3. List of Selected Companies – This displays the name of the loaded company

The Main Area gives information on:

1. Creation of Accounting Master and Importing Master information
2. Creation of Accounting Vouchers and Importing transaction information
3. Viewing and printing financial reports using the information given in Master and Transactions.

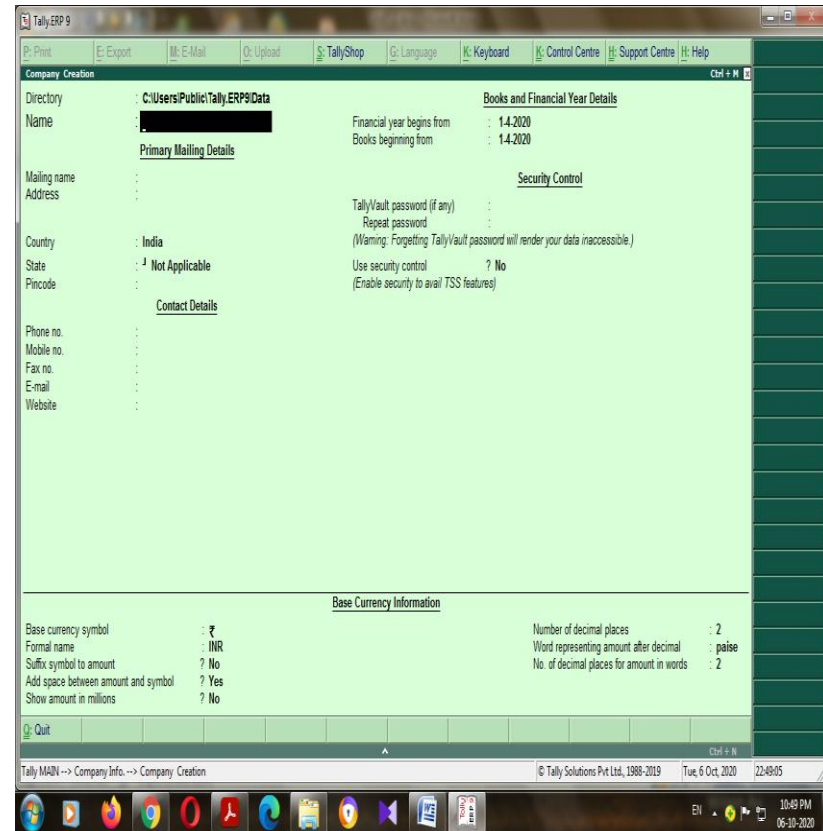
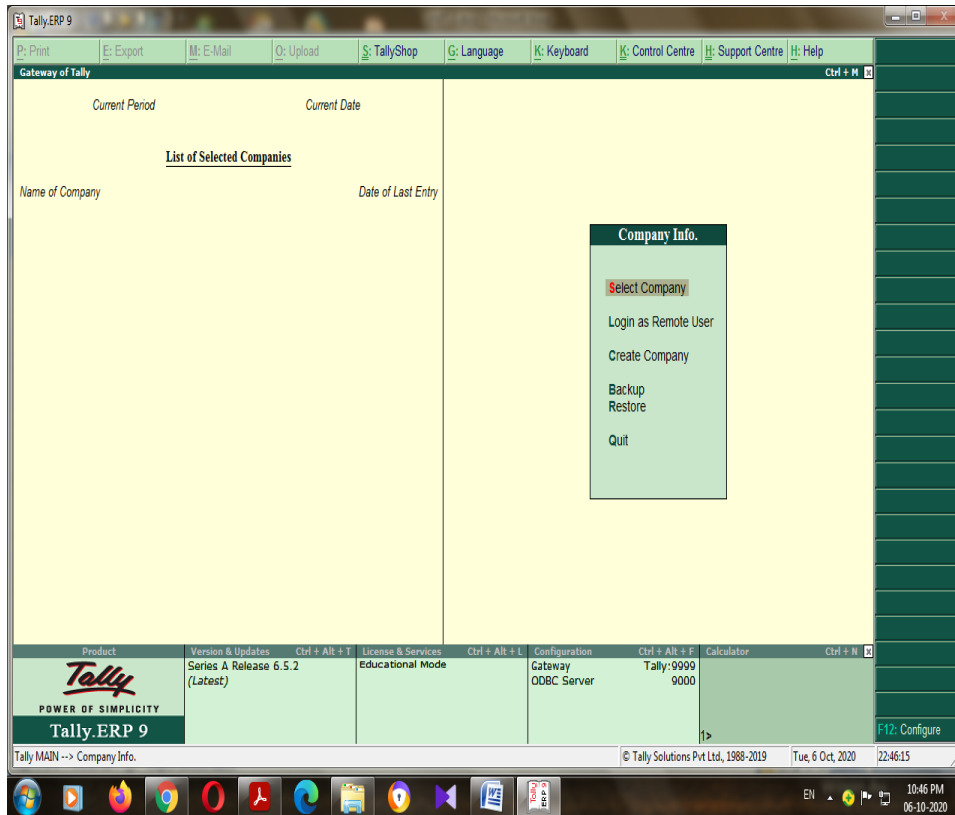
Button Bar

- The Button Bar displays the following buttons (keys):
 1. Help (Alt + H) – To access Tally's online context-sensitive help
 2. F1: Select Cmp – To select a company
 3. F1: Shut Cmp – To shut of close the company
 4. F2: Date – To change the current date
 5. F2: Period – To change the period
 6. F3: Company- To select a different company
 7. F3: Cmp Info – To access the Company Info. Menu
 8. F11: Features – To access the Company features for a company
 9. F12: Configure – To access the configuration settings

Note: You cannot load companies with the same name at the same time. The loaded or selected company will have to be shut first in order to load the other company.

Company creation

- Press **Alt + F1** for creation of new company
- Press the down arrow key from the key board - select the **create company** and press the enter button next open this window



Creation of a new company

- Put your company name any one **Ex: Alpha Co.**
- And press the enter button until the end of the item and come to display the accept menu **Yes/ No**
- Finally Press Y button or Enter button if any
- The new Company created

The screenshot shows the 'Company Creation' window in Tally.ERP 9. The window title is 'Tally.ERP 9'. The menu bar includes: P: Print, E: Export, M: E-Mail, O: Upload, S: TallyShop, G: Language, K: Keyboard, K: Control Centre, H: Support Centre, H: Help. The main area is divided into several sections:

- Company Creation**: Directory : C:\Users\Public\Tally.ERP9\Data; Name : Alpha Co; Mailing name : Alpha Co; Address : ; Country : India; State : Not Applicable; Pincode : ; Phone no. : ; Mobile no. : ; Fax no. : ; E-mail : ; Website : ;
- Primary Mailing Details**: (Section header)
- Books and Financial Year Details**: Financial year begins from : 1-4-2020; Books beginning from : 1-4-2020;
- Security Control**: TallyVault password (if any) : ; Repeat password : ; (Warning: Forgetting TallyVault password will render your data inaccessible.); Use security control ? No; (Enable security to avail TSS features)
- Contact Details**: (Section header)
- Base Currency Information**: Base currency symbol : ₹; Formal name : INR; Suffix symbol to amount ? No; Add space between amount and symbol ? Yes; Show amount in millions ? No; Number of decimal places : 2; Word representing amount after decimal : ; No. of decimal places for amount in word : ;

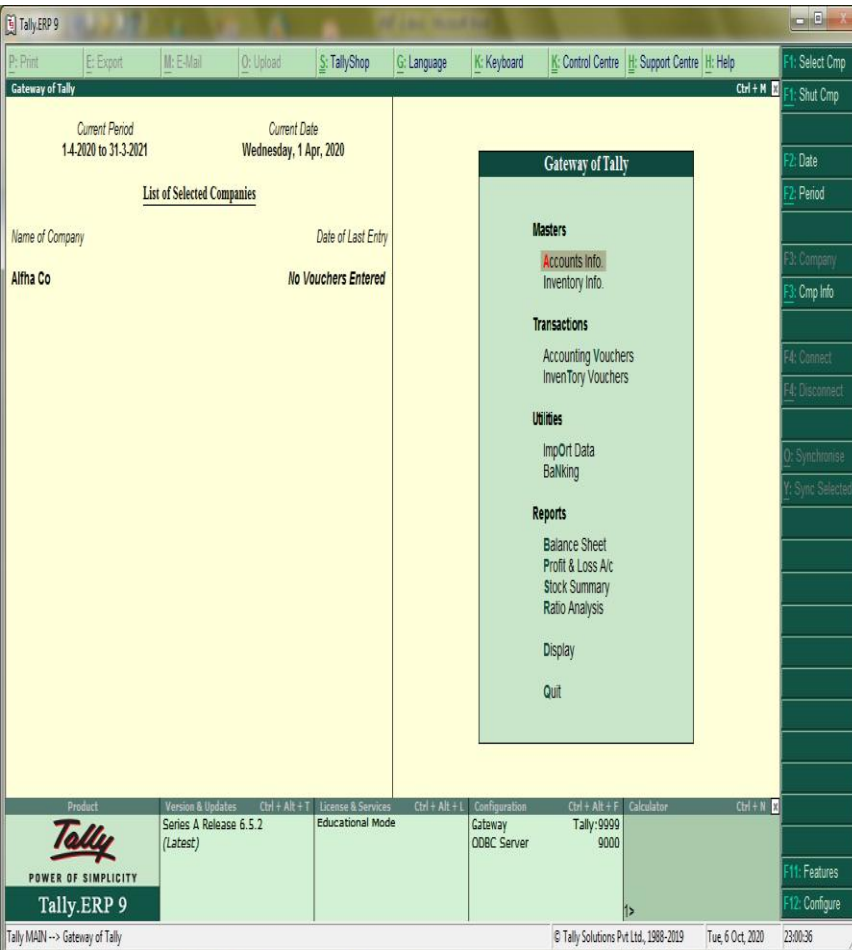
An 'Accept?' dialog box is visible in the bottom right corner with 'Yes or No' options. The status bar at the bottom shows: Tally MAIN --> Company Info. --> Company Creation; © Tally Solutions Pvt Ltd., 1988-2019; Tue, 6 Oct, 2020; 22:56:33.

Select Company

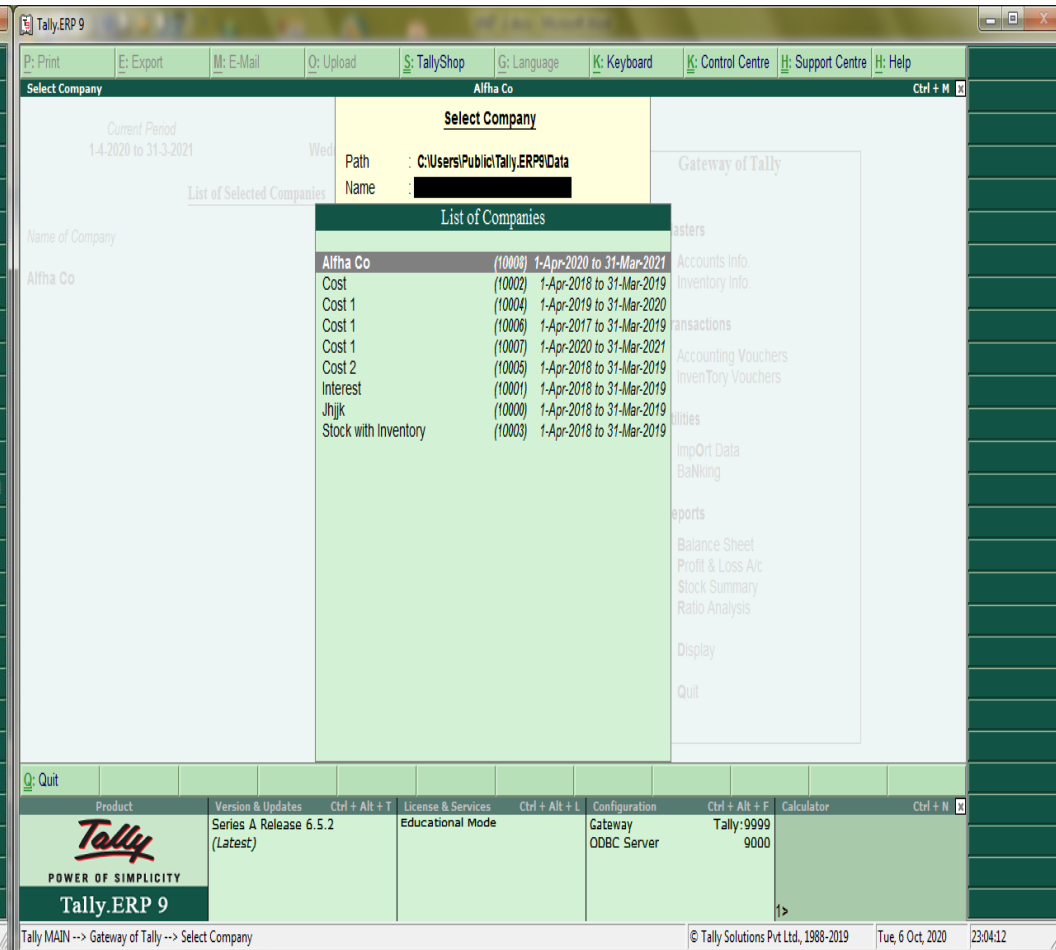
After the creation of a new company the menu come in to the Gate way of tally
If you want to view any company or created company we go to select company :

Press Alt +F1 or F1 button -- open the window below

Go to select in which company you may create **Ex: Alpha Co** and press the Enter button



The screenshot shows the 'Gateway of Tally' window in Tally ERP 9. The window title is 'Tally.ERP 9' and the menu bar includes 'Print', 'Export', 'E-Mail', 'Upload', 'TallyShop', 'Language', 'Keyboard', 'Control Centre', 'Support Centre', and 'Help'. The main area displays 'Current Period: 1.4.2020 to 31-3-2021' and 'Current Date: Wednesday, 1 Apr, 2020'. Below this, there is a 'List of Selected Companies' section with 'Alpha Co' listed. A 'Masters' menu is visible on the right, with 'Accounts Info' highlighted. The bottom status bar shows 'Tally Solutions Pvt Ltd, 1988-2019' and the date 'Tue, 6 Oct, 2020'.



The screenshot shows the 'Select Company' window in Tally ERP 9. The window title is 'Tally.ERP 9' and the menu bar is the same as the Gateway of Tally window. The main area displays 'Current Period: 1.4.2020 to 31.3.2021' and 'Current Date: Wednesday, 1 Apr, 2020'. Below this, there is a 'List of Selected Companies' section with 'Alpha Co' listed. A 'List of Companies' table is visible on the right, listing various companies and their details. The bottom status bar shows 'Tally Solutions Pvt Ltd, 1988-2019' and the date 'Tue, 6 Oct, 2020'.

Name	Code	Period
Alpha Co	(10004)	1-Apr-2020 to 31-Mar-2021
Cost	(10002)	1-Apr-2018 to 31-Mar-2019
Cost 1	(10004)	1-Apr-2019 to 31-Mar-2020
Cost 1	(10006)	1-Apr-2017 to 31-Mar-2019
Cost 1	(10007)	1-Apr-2020 to 31-Mar-2021
Cost 2	(10005)	1-Apr-2018 to 31-Mar-2019
Interest	(10001)	1-Apr-2018 to 31-Mar-2019
Jhijk	(10000)	1-Apr-2018 to 31-Mar-2019
Stock with Inventory	(10003)	1-Apr-2018 to 31-Mar-2019

Configuration of the company

- After we create company and we go to change the configuration of the company or features of the company
- Press **F11** button

Gateway of Tally

Company Features

Accounting Features

Inventory Features

Statutory & Taxation

TSS Features

Add-On Features

Quit

The screenshot shows the 'Accounting Features' configuration window in Tally ERP 9 for the company 'Alpha Co'. The window is divided into several sections, each with a list of features and their status (Yes/No). The 'General' section includes options like 'Maintain accounts only' (No), 'Integrate accounts and inventory' (Yes), and 'Use Income and Expenses A/c instead of Profit and Loss A/c' (No). The 'Invoicing' section includes 'Enable invoicing' (Yes), 'Record purchases in invoice mode' (Yes), and 'Record debit notes in invoice mode' (No). The 'Outstanding Management' section includes 'Maintain bill-wise details' (Yes) and 'Use advanced parameters' (No). The 'Cost/Profit Centres Management' section includes 'Maintain payroll' (No) and 'Use pre-defined cost centre allocations in transactions' (No). The 'Budgets and Scenario Management' section includes 'Maintain budgets and controls' (No) and 'Use reversing journals and optional vouchers' (No). The 'Banking Features' section includes 'Enable cheque printing' (Yes) and 'Set/alter transaction types' (No). The 'Other Features' section includes 'Enable zero-valued transactions' (No) and 'Mark changed vouchers' (No). The window has a menu bar at the top with options like 'E: Export', 'M: E-Mail', 'O: Upload', 'S: TallyShop', 'G: Language', 'K: Keyboard', 'K: Control Centre', 'H: Support Centre', and 'H: Help'. The status bar at the bottom shows '© Tally Solutions Pvt Ltd, 1988-2019', 'Tue, 6 Oct, 2020', and '23:10:16'. The taskbar at the bottom shows various application icons and the system clock.

Section	Feature	Status
General	Maintain accounts only	No
	Integrate accounts and inventory	Yes
	Use Income and Expenses A/c instead of Profit and Loss A/c	No
	Enable multi-currency	No
Outstanding Management	Maintain bill-wise details	Yes
	For non-trading accounts also	No
	Activate interest calculation	No
	Use advanced parameters	No
Cost/Profit Centres Management	Maintain payroll	No
	Maintain cost centres	No
	Use cost centre for job costing	No
	Maintain more than one payroll or cost category	No
Other Features	Use pre-defined cost centre allocations in transactions	No
	Show opening balance for revenue items in reports	No
	Enable zero-valued transactions	No
	Maintain multiple mailing details for company and ledgers	No
Invoicing	Enable invoicing	Yes
	Record purchases in invoice mode	Yes
	Use debit and credit notes	No
	Record credit notes in invoice mode	No
Budgets and Scenario Management	Record debit notes in invoice mode	No
	Maintain budgets and controls	No
	Use reversing journals and optional vouchers	No
	Enable cheque printing	Yes
Banking Features	Set/alter transaction types	No
	Set/alter banking features	No
	Set/alter post-dated transaction features	No
	Set/alter company mailing details	No
Other Features	Enable company logo	No
	Mark changed vouchers	No

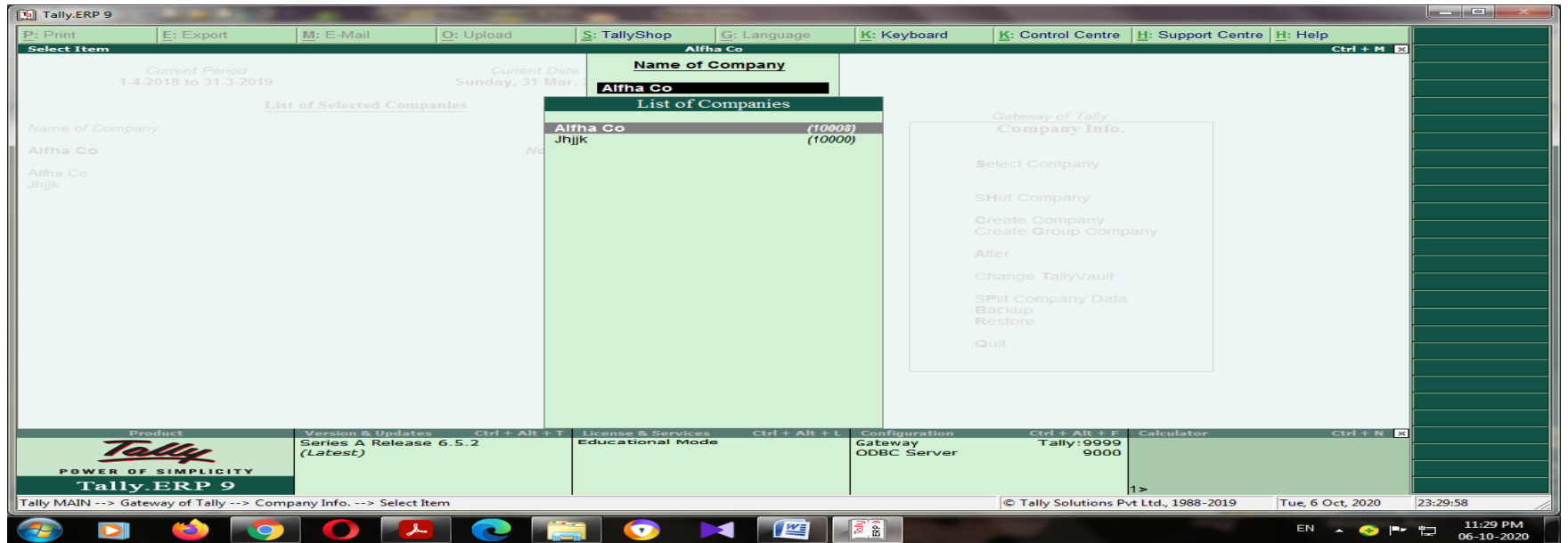
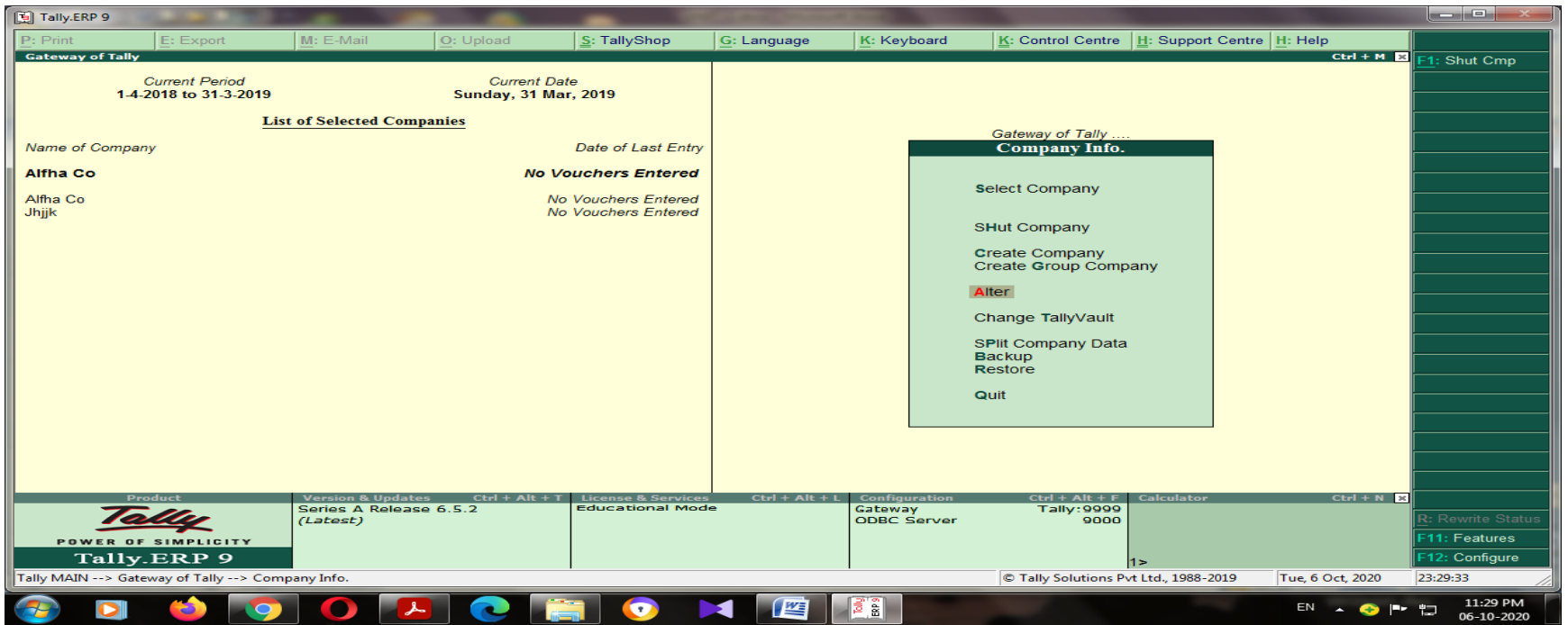
When you make any changes in this features? You have to select and change the option **Yes** or **No** after made the changes you press down arrow key or press Enter button.

Change the company name

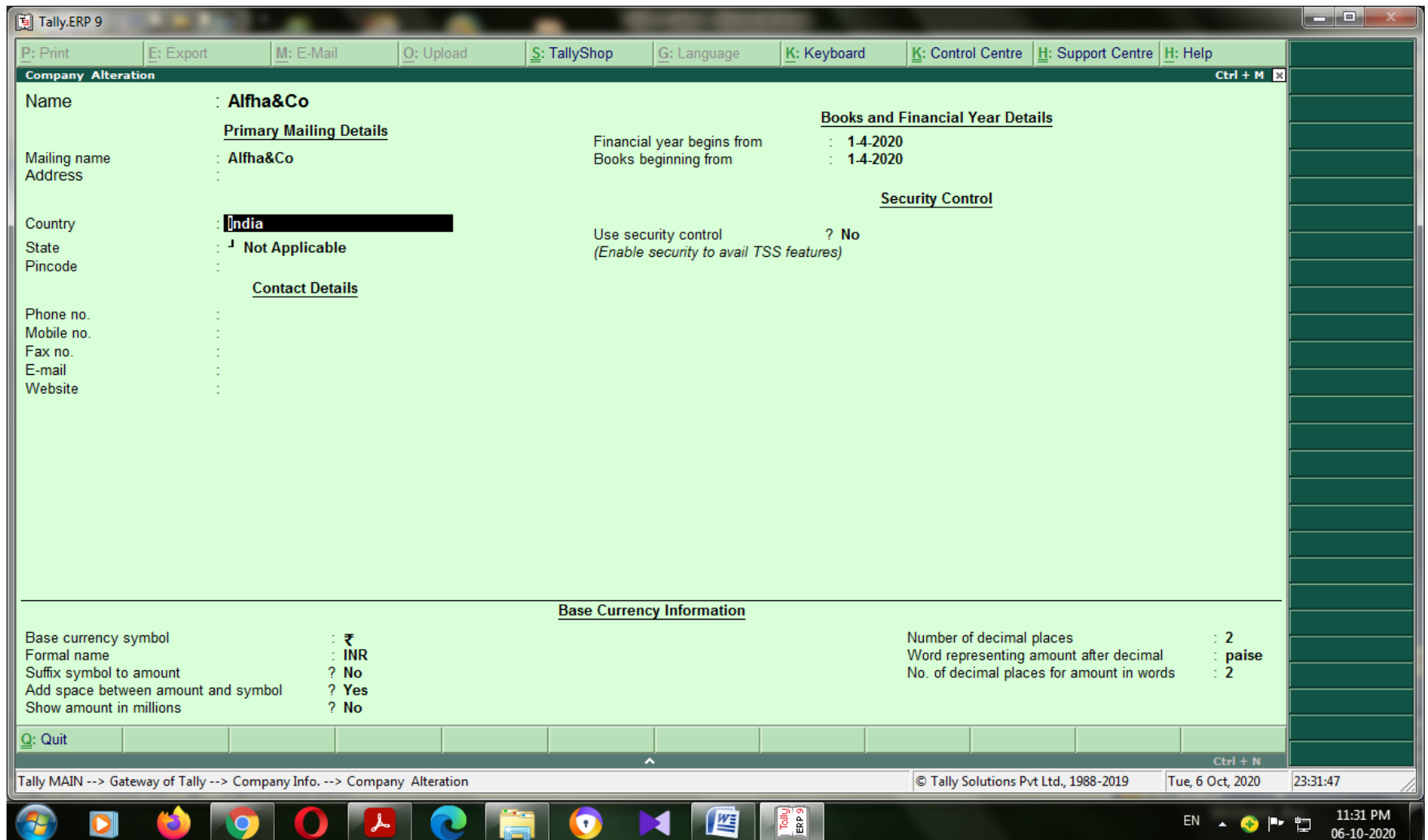
When you want to changes your company name? you may go to press **Alt + F3** button go to select Alter and press Enter button

There was open the window of select company and display the list of name of the company.

In which company you want to change the name you have to select that company and it will be open the company on the process of creation of company

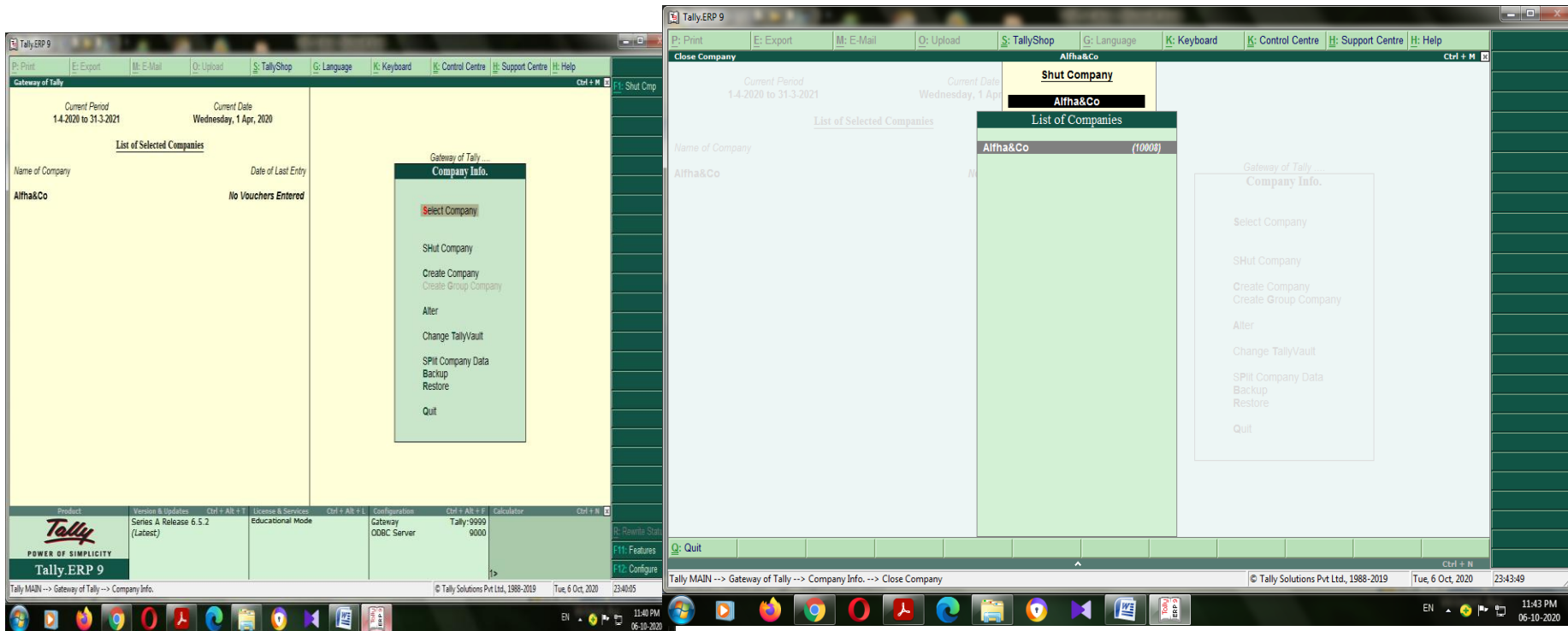


I change the name from **Alfha Co** to **Alfha &Co** and press down arrow key or Enter button until the come to the last option **Yes / No**. press Y



Shut the Company

- Shut a Company is to unload it. It does not mean that you have deleted it. Simply select it again to load and work on it again. You can shut a company in two ways- either using the button F1: Shut Cmp (Alt + F1) or pressing Enter on Shut Company menu option on the Company Info. Menu The screen appears as shown below:



Delete company

- If you want to delete unwanted company from your drive
 - To delete a company, you have to load the company first.
1. Select F3: Cmp Info. (ALT+F3) from the Gateway of Tally to proceed to the Company Information menu.
 2. Select Alter and press Enter.
 3. Select the company to be deleted. The Company Alteration screen is displayed.
 4. Use Alt + D to delete. Tally will prompt for a confirmation on deleting the company.
 5. Press enter to delete the company. Note: Deletion of a company is irreversible. The company is permanently deleted from the system.

Press **Alt +F3** --- open the window you go to select the option of **Alter**

Delete company

Gateway of Tally
Company Info.

- Select Company
- CoNnect Company
COnnectivity Status
- SHut Company
- Create Company
Create Group Company
- Alter**
- SEcurity Control
Change TallyVault
- SPlit Company Data
Backup
Restore
- Quit

: Upload | S: TallyShop | G: Language | K: Keyboard

1

Current Date
Wednesday, 1 Apr,

Name of Company

1

List of Companies

List of Companies	
1	(10011)

Delete company

Company Alteration Ctrl + M

Name : **Alpha&Co**

Primary Mailing Details

Mailing name : Alpha&Co
Address :

Books and Financial Year Details

Financial year begins from : 1-4-2020
Books beginning from : 1-4-2020

Security Control

Use security control ? No
(Enable security to avail TSS features)

Contact Details

Phone no. :
Mobile no. :
Fax no. :
E-mail :
Website :

Base Currency Information

Base currency symbol : ₹
Formal name : INR
Suffix symbol to amount ? No
Add space between amount and symbol ? Yes
Show amount in millions ? No

Number of decimal places : 2
Word representing amount after decimal : paise
No. of decimal places for amount in words : 2

Q: Quit

Tally MAIN --> Gateway of Tally --> Company Info. --> Company Alteration © Tally Solutions Pvt Ltd, 1988-2019 Tue, 6 Oct, 2020 23:52:07

Use security control
(Enable security to avail TSS fe

Delete ?

Yes or No

Groups and Ledger

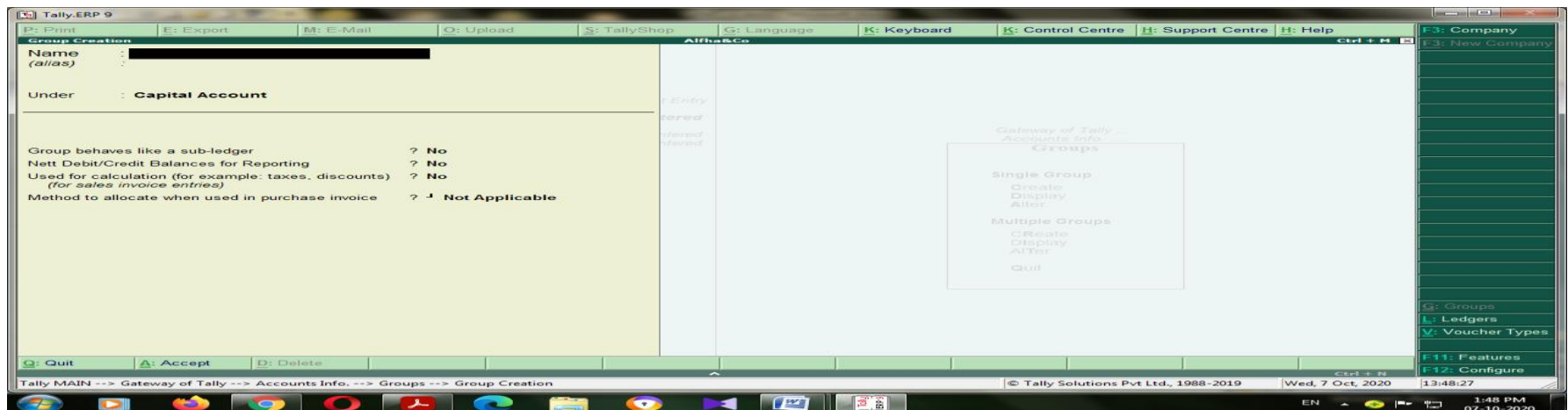
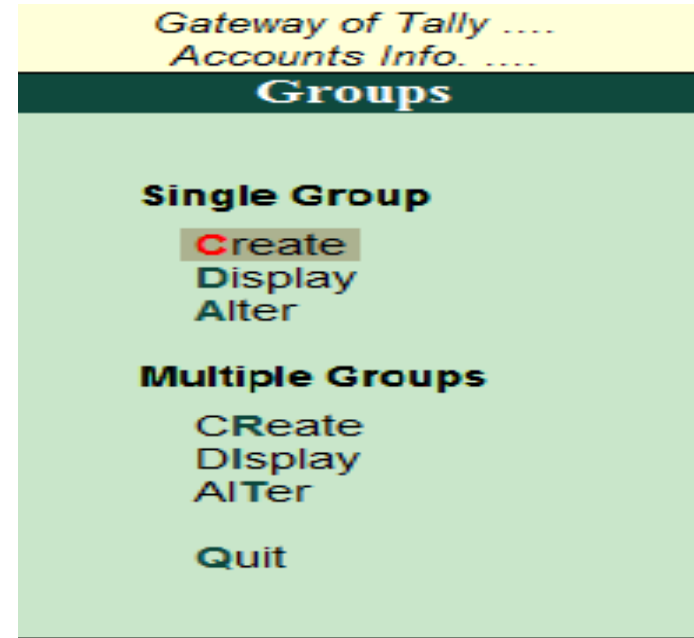
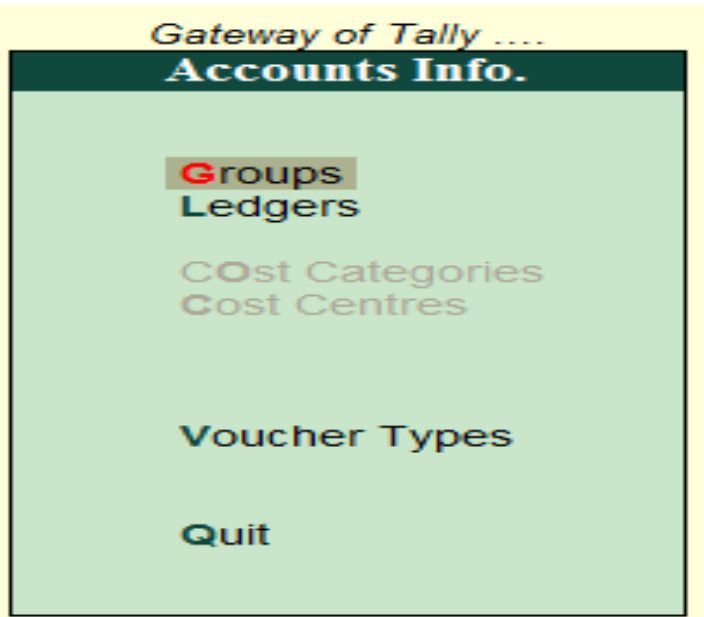
- Accounts Info menu lists the masters through which you can provide Tally the details of your company's accounts. You can also manage Groups, Ledger and Vouchers from this menu.

Groups

A group is a collection of ledger of the same nature. Account groups provide us the ability to clarify the accounts to get all the reports instantly and properly clarified. The accounting heads are classified into four types: Income, Expenditure, Assets and Liabilities

- **Go to Gateway of Tally > Accounts Info.**
- Select groups and press enter
- Appear groups file
- You can choose single group or multiple group
- Press create or alter button

Go to select single group



Displaying and Altering Group

- You can display and alter the Group in Single mode or Multiple mode.
- **Displaying a Single Group Go to Gateway of Tally > Accounts Info. > Group > Display (under Single Group)**
- Select the name of the Group from the List of Items.
- You cannot make any changes in Display mode.
- Altering a Single Group
- **Go to Gateway of Tally > Accounts Info. > Group > Alter (under Single Group)**
- Select the Group that you wish to alter from the List of Groups. Make the necessary changes and click Yes to save the changes.
- **Displaying Multiple Groups**
- Go to Gateway of Tally > Accounts Info. > Group > Display (under Multiple Group)
- Select the Group from the List of Groups to display all the Groups under the selected Group or select
- All Items to display all Groups. The Multi Group Display screen lists Groups and the corresponding details of the Groups.

Displaying Multiple Groups

The screenshot displays the Tally.ERP 9 interface for Multi Group Creation. The window title is "Tally.ERP 9" and the company name is "Alpha&Co". The main area shows a table for group creation with one row:

S.No.	Name of Group
1.	

To the right, a "List of Groups" dropdown menu is open, showing a list of group types:

- All Items
- Bank Accounts
- Bank OCC A/c
- Bank OD A/c
- Branch / Divisions
- Capital Account
- Cash-in-Hand
- Current Assets
- Current Liabilities
- Deposits (Asset)
- Direct Expenses
- Direct Incomes
- Duties & Taxes
- Expenses (Direct)
- Expenses (Indirect)
- Fixed Assets
- Income (Direct)
- Income (Indirect)
- Indirect Expenses
- Indirect Incomes
- Investments
- Loans & Advances (Asset)
- Loans (Liability)
- Misc. Expenses (ASSET)
- Provisions
- Purchase Accounts
- Reserves & Surplus
- Retained Earnings
- Sales Accounts
- Secured Loans
- Stock-in-Hand
- Sundry Creditors
- Sundry Debtors

At the bottom, the status bar shows the navigation path: "Tally MAIN --> Gateway of Tally --> Accounts Info. --> Groups --> Multi Group Creation". The system tray at the bottom right shows the date and time: "Wed, 7 Oct, 2020 13:50:38".

Altering Multiple Group

- Go to Gateway of Tally > Accounts Info. > Group > Alter (under Multiple Group)
- Select the Group for which you want to alter from the List of Groups.
- In Multi Group Alteration screen, make the necessary changes and click Yes to save changes. **Deleting a Group**
- **Gateway of Tally > Accounts Info > Groups > Single/Alter**
- The Delete function is performed through the single alteration mode. You cannot delete groups from the Multiple Alteration mode.
- 1. Select the group to be deleted.
- 2. Press Alt+D to delete.
- **Note:** You cannot delete a group if it is a reserved group or a group has sub-groups or ledgers in it.
- **Note:** A new group created under primary will not reflect in reports until you pass masters/transactions for that group.

Creating Ledger Accounts

- Introduction to Ledgers A Ledger is the actual account head to which you identify a transaction. In Tally, you pass all accounting vouchers using Ledgers. However, all Ledgers have to be classified into Groups. Hence a thorough understanding of account classifications is important for working with Ledgers.
- Go to Gateway of Tally > Accounts Info. > Ledgers
- Creating a Ledger

Create single ledger

Press create option in single – open the window you have to create no of ledger one by one

Gateway of Tally
Accounts Info.

Ledgers

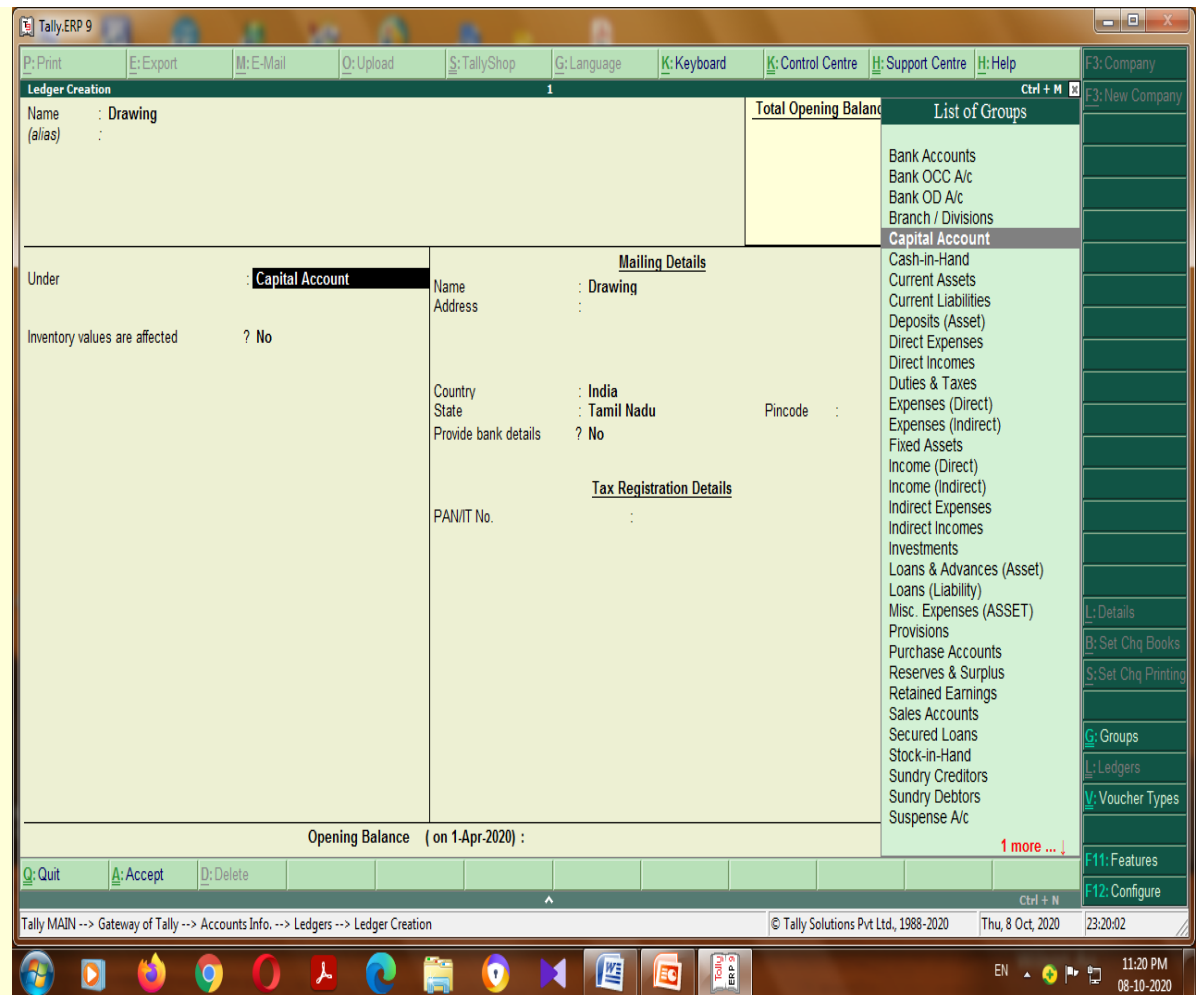
Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
Display
AlTer

Quit



The screenshot shows the 'Ledger Creation' window in Tally ERP 9. The window title is 'Tally ERP 9' and the menu bar includes 'Print', 'Export', 'E-Mail', 'Upload', 'TallyShop', 'Language', 'Keyboard', 'Control Centre', 'Support Centre', and 'Help'. The main area is divided into several sections:

- Name:** Drawing (alias)
- Total Opening Balance:** (Empty field)
- List of Groups:** A list of account groups including Bank Accounts, Cash-in-Hand, Current Assets, etc. 'Capital Account' is highlighted.
- Under:** Capital Account
- Mailing Details:** Name: Drawing, Address: (Empty), Country: India, State: Tamil Nadu, Pincode: (Empty), Provide bank details: No.
- Tax Registration Details:** PANIT No.: (Empty)
- Inventory values are affected:** ? No
- Opening Balance (on 1-Apr-2020):** (Empty field)

The bottom status bar shows 'Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Ledger Creation' and '© Tally Solutions Pvt Ltd, 1988-2020 Thu, 8 Oct, 2020 23:20:02'. The Windows taskbar at the bottom shows the system clock as 11:20 PM on 08-10-2020.

Create multiple ledger

Press create option in multiple ledger – open the window you have to create no of ledger one by one and display the all ledger in one window it is very useful to check out all the ledger in simultaneously.

Gateway of Tally
Accounts Info.

Ledgers

Single Ledger

Create
Display
Alter

Multiple Ledgers

CRreate
DIsplay
AlTer

Quit

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Multi Ledger Alteration Alfa Ctrl + M

Under Group: All Items For 1-Apr-2020

S.No.	Name of Ledger	Under	Opening Balance	Dir
1.	Bank	Bank Accounts	4,500.00	Dr
2.	Capital	Capital Account	40,000.00	Cr
3.	Cash	Cash-in-Hand	2,000.00	Dr
4.	Creditors	Sundry Creditors	1,000.00	Cr
5.	Debtors	Sundry Debtors	2,500.00	Dr
6.	Drawing	Capital Account	5,000.00	Dr
7.	Insurance	Indirect Expenses	300.00	Dr
8.	Machinery	Fixed Assets	28,000.00	Dr
9.	Opening Stock	Stock-in-Hand	5,200.00	Dr
10.	Profit & Loss A/c	Primary		
11.	Purchase	Purchase Accounts	15,000.00	Dr
12.	Rent	Indirect Expenses	1,500.00	Dr
13.	Salary	Indirect Expenses	3,000.00	Dr
14.	Sales	Sales Accounts	25,000.00	Cr

Accept ?
Yes or No

Q: Quit A: Accept D: Delete R: Remove Line U: Restore Line U: Restore All

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Alteration © Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 23:34:03

Opening balance

- The opening balance is the balance that is brought forward at the beginning of an accounting period from the end of a previous accounting period or when starting out
- The opening balance is the amount of funds in a company's account at the beginning of a new financial period. It is the first entry in the accounts, either when a company is first starting up its accounts or after a year end.

Opening balance in accounting

- Maintaining a record of the closing and opening balance in the financial accounts of your business is a pillar of strong accounting practices. This is one of the main aspects of managing your cash flow and keeping track of a company's financial health.
- The closing balance for an accounting period is the sum of the differences between all of the credits and debits experienced by a business over that period. This amount is then carried over to the next accounting period to be used as the opening balance.

Adjusting entries

- Adjusting entries are made in your accounting journals at the end of an accounting period after a trial balance is prepared.
- After adjusted entries are made in your accounting journals, they are posted to the general ledger in the same way as any other accounting journal entry. There are several types of adjusting entries that can be made, with each being dependent on the type of financial activities that define your business.

Purpose of Adjusting Entries

- The purpose of adjusting entries is to accurately assign revenues and expenses to the accounting period in which they occurred.
- Whenever you record your accounting journal transactions, they should be done in real time. If you're using an accrual accounting system, money doesn't necessarily change hands at that time of the accounting entry; the purpose of adjusting entries is to show when the money *was* officially transferred, and to convert your real-time entries to entries that accurately reflect your accrual accounting system.

Types of Adjusting Entries

- **Accrued Revenues:**

If you perform a service for a customer in one month but don't bill the customer until the next month, you would make an adjusting entry showing the revenue in the month you performed the service. You would debit accounts receivable and credit service revenue.

Types of Adjusting Entries

- **Accrued Expenses:** A good example of accrued expenses is wages paid to employees. When a business firm owes wages to employees at the end of an accounting period, they make an adjusting entry by debiting wage expenses and crediting wages payable.
- **Unearned Revenues:** Unearned revenues refer to payments for goods to be delivered in the future or services to be performed. During the month which you made the purchase, the company would make an adjusting entry debiting unearned revenue and crediting revenue.

Types of Adjusting Entries

- **Prepaid Expenses:** Prepaid expenses are assets that are paid for and then gradually used during the accounting period, such as office supplies. an adjusting entry is made to debit office supply expense and credit prepaid office supplies.
- **Depreciation:** Depreciation is the process of allocating the cost of an asset, such as a building or a piece of equipment, over the serviceable or economic life of the asset. Adjusting entries are a little different for depreciation. an adjusting entry is made to debit depreciation expense and credit accumulated depreciation by the same amount.

Accounting voucher entries

- A voucher is a document that contains details of a financial transaction and is required for recording the same into the books of accounts. For every transaction, you can use the appropriate Tally voucher to enter the details into the ledgers and update the financial position of the company.
- The voucher entry menu options are available under **Transactions** in the **Gateway of Tally** . The **Payroll** and **Order Vouchers** are available as separate options which can be enabled based on the requirements.
- The **Payroll Vouchers** can be enabled from **F1: Accounting Features** , whereas the **Order Vouchers** can be activated from **F2: Inventory Features** .

Types of accounting voucher

Payment Voucher (F5)

It is basically an accounting entry for the payment of anything. For example, if you **want to pay salary** to someone working for you, it will be payment entry.

Purchase voucher (F9)

- A company buys goods credit or cash.
Use a Purchase Voucher to record this entry.
- Go to the **Gateway of Tally > Accounting Vouchers > F9: Purchase.**

Sales Voucher (F8)

- A company sells goods to another one cash or credit. Sales Accounts
- **Use a Sales Voucher for making this entry.**
- Go to the **Gateway of Tally > Accounting Vouchers > F8: Sales.**

Receipt

1. It is the exact opposite of a payment entry.
2. It is passed when you receive cash or an amount in your bank account.
3. For example, if you **receive cash for selling things**, it will be a receipt entry.

Contra

When there are just two ledgers involved namely **1) Cash Account** and **2) Bank Account** an accounting entry which is required to be created is Contra Entry.

Journal

It is an accounting entry which is required to be created when there is no cash or bank account involved.

So, basically it is an entry for transactions such as **accounting adjustments** or it can be **closing entries** at the end of the accounting year.

In simple words, whenever there is no cash account or bank account involved, it is a journal entry.

Petty cash

- **1 Create petty cash a/c ledger under the head of " Cash in hand ". and**
 - 2. Contra using F4 , we can debit the petty cash Once the cash is transferred from HO(HEAD OFFICE)] and crediting the Bank Account .**
 - 3 .For whatever expenses we are using the petty cash , in tally under payment voucher , debit payments and credit the petty cash a/c.**

Step -1 Create petty cash a/c ledger under the head of " Cash in hand ".

Step – 1 for creating petty cash ledger a/c

Tally.ERP 9						
P: Print	E: Export	M: E-Mail	O: Upload	S: TallyShop	G: Language	K: Keyboard
Ledger Alteration		Samsung Wholesale				
Name	: Petty Cash A/c					
(alias)	:					
Under	: Cash-in-Hand (Current Assets)	<u>Mailing Details</u>				
		Name	:			
		Address	:			
		Provide bank details	:	No		
				<u>Tax Registration Details</u>		
		PAN/IT No.	:			

Step-2

Contra Entry in tally ERP 9 using F4 key we can do contra Entry

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Accounting Voucher Creation Samsung Wholesale Ctrl + M X

Contra No. 2 1-Apr-2016
Friday

Account - Petty Cash A/c
Cur Bal: 25,000.00 Dr

Particulars	Amount
BANK A/C Cur Bal: 25,000.00 Cr	10,000.00

Step -3

How to do petty cash exp entries

Use the Payment Voucher F5

Debit the stationery account and credit the petty cash a/c

one can see in step-2 image the petty cash a/c was with Rs 25000/- after purchase of stationery the account is been credited with 250/-, so balance showing 24750/- . in this way we can create petty cash expenses entries can be done like staff welfare exp., conveyance exp .etc , in this way all the transactions can be recorded

Petty cash expenses created through voucher

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Accounting Voucher Creation Samsung Wholesale Ctrl + M X

Payment No. 1 1-Apr-2016
Friday

Account : **Petty Cash A/c**
Cur Bal: 24,750.00 Dr

Particulars	Amount
Stationery A/C <i>Cur Bal: 250.00 Dr</i>	250.00

Narration: 250.00
BEIGN STAIONERY PURCHASED FOR OFFICE USE

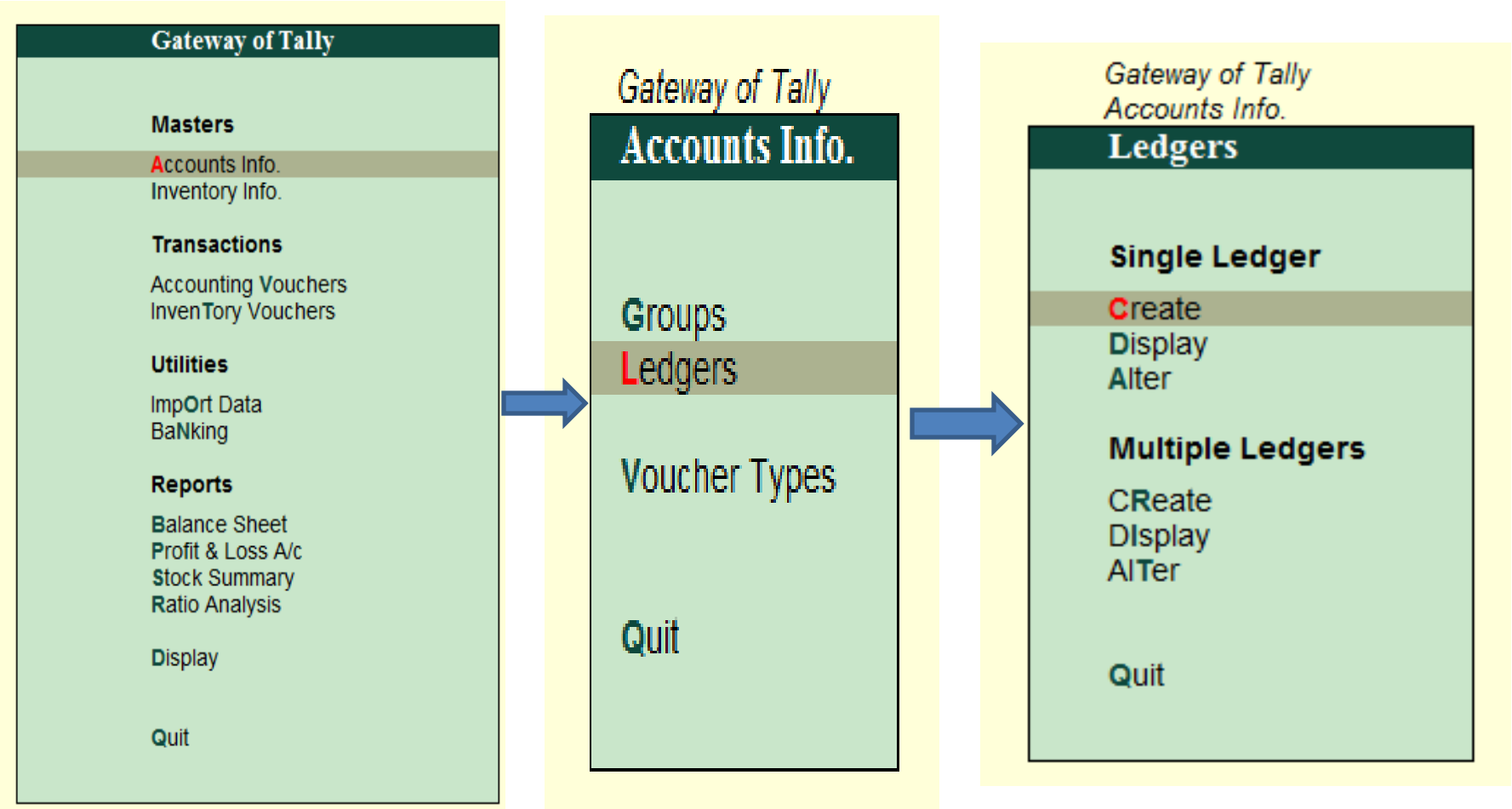
SUM :1

S. No	Particulars	Amount Rs.
1.	Drawings	5,000
2.	Capital	40,000
3.	Sales	25,000
4.	Purchase	15,000
5.	Salary	2,000
6.	Rent	1,500
7.	Insurance	300
8.	Machinery	28,000
9.	Bank	4,500
10.	Cash	2,000
11.	Opening stock	5,200
12.	Creditors	1,000
13.	Debtors	2,500
14.	Closing stock	4,900

Ledger creation

1. Open the tally window
2. Create a new company
3. Configuration of accounting features
4. Go to Account information from the gate way of tally
5. Go to ledger
6. Go to single ledger or multiple ledger
7. Press create option
8. Open the ledger window

Ledger creation



Single ledger

The screenshot displays the 'Ledger Creation' window in Tally.ERP 9. The window title is 'Tally.ERP 9'. The menu bar includes: P: Print, E: Export, M: E-Mail, O: Upload, S: TallyShop, G: Language, K: Keyboard, K: Control Centre, H: Support Centre, H: Help. The main area is titled 'Ledger Creation' and 'ALFha'. It contains the following fields and sections:

- Name** : [Redacted]
- (alias)** :
- Total Opening Balance** : [Empty field]
- Under** : Capital Account
- Inventory values are affected** : ? No
- Mailing Details**
 - Name** :
 - Address** :
 - Country** :
 - Provide bank details** : ? No
- Tax Registration Details**
 - PAN/IT No.** :
- Opening Balance (on 1-Apr-2020) :**

The bottom status bar shows: Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Ledger Creation. Copyright: © Tally Solutions Pvt Ltd., 1988-2020. Date: Thu, 8 Oct, 2020. Time: 12:26:51.

Multiple ledger

The screenshot displays the 'Multi Ledger Creation' window in Tally.ERP 9. The window title is 'Tally.ERP 9' and the menu bar includes 'P: Print', 'E: Export', 'M: E-Mail', 'O: Upload', 'S: TallyShop', 'G: Language', 'K: Keyboard', 'K: Control Centre', 'H: Support Centre', and 'H: Help'. The main area is titled 'Multi Ledger Creation' and shows 'Under Group' as 'ALFha'. Below this is a table with columns 'S.No.', 'Name of Ledger', and 'Under'. A single row is visible with 'S.No.' 1 and 'Name of Ledger' blank. A 'List of Groups' dropdown menu is open, showing a list of ledger types such as 'Bank Accounts', 'Bank OCC A/c', 'Bank OD A/c', 'Branch / Divisions', 'Capital Account', 'Cash-in-Hand', 'Current Assets', 'Current Liabilities', 'Deposits (Asset)', 'Direct Expenses', 'Direct Incomes', 'Duties & Taxes', 'Expenses (Direct)', 'Expenses (Indirect)', 'Fixed Assets', 'Income (Direct)', 'Income (Indirect)', 'Indirect Expenses', 'Indirect Incomes', 'Investments', 'Loans & Advances (Asset)', 'Loans (Liability)', 'Misc. Expenses (ASSET)', 'Provisions', 'Purchase Accounts', 'Reserves & Surplus', 'Retained Earnings', 'Sales Accounts', 'Secured Loans', 'Stock-in-Hand', 'Sundry Creditors', and 'Sundry Debtors'. The bottom of the window shows a status bar with 'Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Creation', '© Tally Solutions Pvt Ltd., 1988-2020', 'Thu, 8 Oct, 2020', and '12:27:36'. The Windows taskbar at the bottom shows various application icons and the system clock.

S.No.	Name of Ledger	Under
1.		

List of Groups

- ◆ All Items
- Bank Accounts
- Bank OCC A/c
- Bank OD A/c
- Branch / Divisions
- Capital Account
- Cash-in-Hand
- Current Assets
- Current Liabilities
- Deposits (Asset)
- Direct Expenses
- Direct Incomes
- Duties & Taxes
- Expenses (Direct)
- Expenses (Indirect)
- Fixed Assets
- Income (Direct)
- Income (Indirect)
- Indirect Expenses
- Indirect Incomes
- Investments
- Loans & Advances (Asset)
- Loans (Liability)
- Misc. Expenses (ASSET)
- Provisions
- Purchase Accounts
- Reserves & Surplus
- Retained Earnings
- Sales Accounts
- Secured Loans
- Stock-in-Hand
- Sundry Creditors
- Sundry Debtors

2 more ... ↓

All ledgers created

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Multi Ledger Display AIFha Ctrl + M

Under Group : ♦ All Items For 1-Apr-2020

S.No.	Name of Ledger	Under	Opening Balance	Dr/Cr
1.	Bank	Bank Accounts	4,500.00	Dr
2.	Capital	Capital Account	40,000.00	Cr
3.	Cash	Cash-in-Hand		
4.	Creditors	Sundry Creditors	1,000.00	Cr
5.	Debtors	Sundry Debtors	2,500.00	Dr
6.	Drawing	Capital Account	5,000.00	Dr
7.	Insurance	Indirect Expenses	300.00	Dr
8.	Machinery	Fixed Assets	28,000.00	Dr
9.	Opening Stock	Stock-in-Hand	5,200.00	Dr
10.	Profit & Loss A/c	♦ Primary		
11.	Purchase	Purchase Accounts	15,000.00	Dr
12.	Rent	Indirect Expenses	1,500.00	Dr
13.	Salary	Indirect Expenses	3,000.00	Dr
14.	Sales	Sales Accounts	25,000.00	Cr

Q: Quit A: Accept D: Delete R: Remove Line U: Restore Line U: Restore All Ctrl + N

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Display © Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 12:46:40

F3: Company F3: New Company F4: Parent F4: New Parent Z: Zero Opening Bal F6: Skip Names F7: Skip Parent F8: Skip Details G: Groups L: Ledgers F11: Features

Put the Closing stock amount Rs. 4900

Go to the single ledger and select the Alter option

Gateway of Tally
Accounts Info.

Ledgers

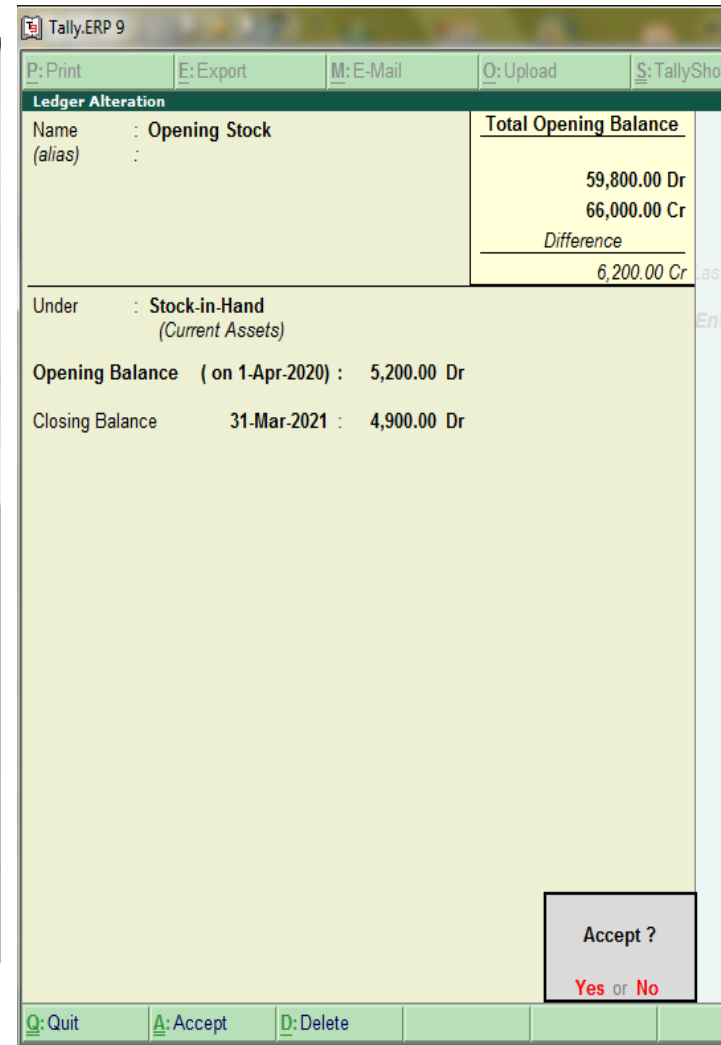
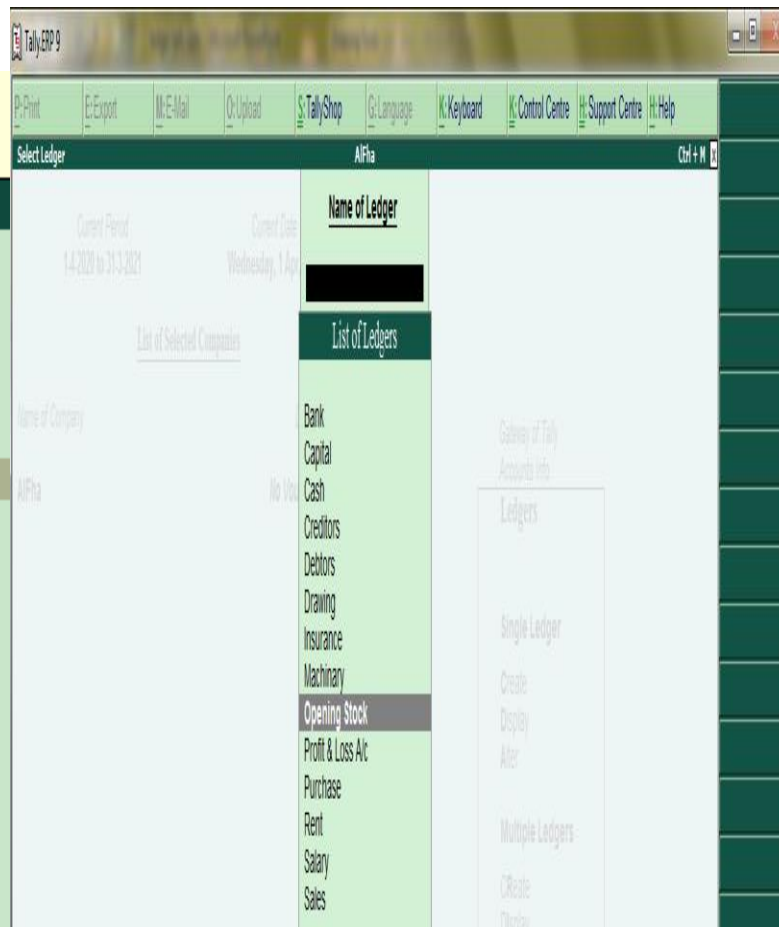
Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
DIsplay
AlTer

Quit



Put the cash value go to alter

Gateway of Tally
Accounts Info.

Ledgers

Single Ledger

Create
Display
Alter

Multiple Ledgers

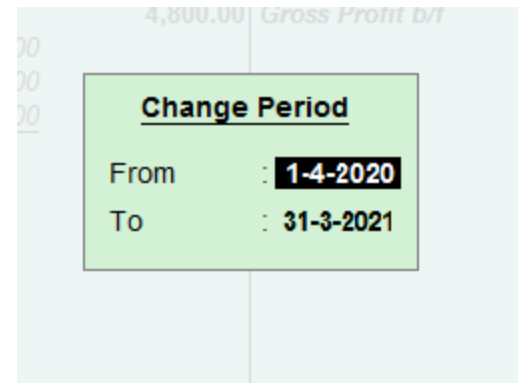
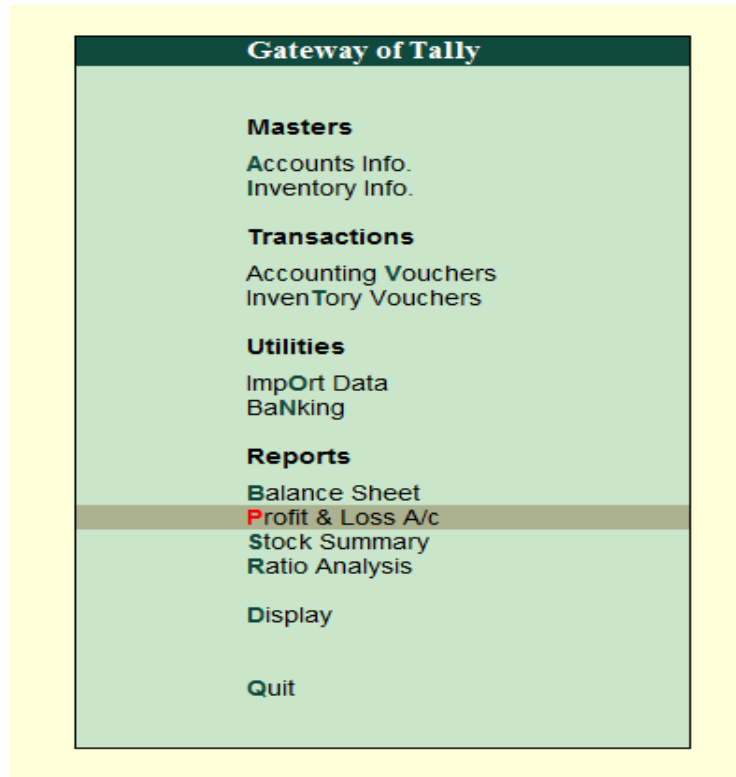
Create
Display
Alter

Quit

The screenshot shows the Tally.ERP 9 software interface. At the top, there is a menu bar with options: P: Print, E: Export, M: E-Mail, O: Upload, S: TallyShop, G: Language, K: Keyboard, K: Control Centre, H: Support Centre, H: Help. Below the menu bar, the main window is titled 'Select Group' and displays the 'Name of Group' field with 'AlFha' entered. A 'List of Selected Companies' table is visible, showing 'AlFha' as the company name. A 'List of Groups' menu is open, listing various account types such as Bank Accounts, Bank OCC A/c, Bank OD A/c, Branch / Divisions, Capital Account, Cash-in-Hand, Current Assets, Current Liabilities, Deposits (Asset), Direct Expenses, Direct Incomes, Duties & Taxes, Expenses (Direct), Expenses (Indirect), Fixed Assets, Income (Direct), Income (Indirect), Indirect Expenses, Indirect Incomes, Investments, Loans & Advances (Asset), Loans (Liability), Misc. Expenses (ASSET), Provisions, and Purchase Accounts. The 'Alter' option is highlighted in red. The bottom status bar shows the current period as '1-4-2020 to 31-3-2021' and the current date as 'Wednesday, 1 Apr'. The bottom right corner displays the date 'Thu, 8 Oct, 2020' and the time '12:58:04'.

S.No.	Name of Ledger	Under	Opening Balance	Dr/Cr
1.	Bank	Bank Accounts	4,500.00	Dr
2.	Capital	Capital Account	40,000.00	Cr
3.	Cash	Cash-in-Hand	2,000.00	Dr
4.	Creditors	Sundry Creditors	1,000.00	Cr
5.	Debtors	Sundry Debtors	2,500.00	Dr
6.	Drawing	Capital Account	5,000.00	Dr
7.	Insurance	Indirect Expenses	300.00	Dr
8.	Machinery	Fixed Assets	28,000.00	Dr
9.	Opening Stock	Stock-in-Hand	5,200.00	Dr
10.	Profit & Loss A/c	♦ Primary		
11.	Purchase	Purchase Accounts	15,000.00	Dr
12.	Rent	Indirect Expenses	1,500.00	Dr
13.	Salary	Indirect Expenses	3,000.00	Dr
14.	Sales	Sales Accounts	25,000.00	Cr

Get the result



Profit & Loss A/c

Particulars		AIFha 1-Apr-2020 to 31-Mar-2021		Particulars		AIFha 1-Apr-2020 to 31-Mar-2021	
Opening Stock		5,200.00		Sales Accounts		25,000.00	
Opening Stock		5,200.00		Sales		25,000.00	
Purchase Accounts			15,000.00	Closing Stock			4,900.00
Purchase		15,000.00		Opening Stock		4,900.00	
Gross Profit c/o		9,700.00					
			29,900.00				29,900.00
Indirect Expenses			4,800.00	Gross Profit b/f			9,700.00
Insurance		300.00					
Rent		1,500.00					
Salary		3,000.00					
Nett Profit			4,900.00				
Total		9,700.00		Total			9,700.00



Balance sheet

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard C: Control Centre H: Support Centre H: Help

Balance Sheet AIFha Ctrl + M

Liabilities		Assets	
AIFha as at 31-Mar-2021		AIFha as at 31-Mar-2021	
Capital Account	35,000.00	Fixed Assets	28,000.00
Capital	40,000.00	Machinery	28,000.00
Drawing	(-)5,000.00	Current Assets	13,900.00
Loans (Liability)		Closing Stock	4,900.00
Current Liabilities	1,000.00	Sundry Debtors	2,500.00
Sundry Creditors	1,000.00	Cash-in-Hand	2,000.00
Profit & Loss A/c	4,900.00	Bank Accounts	4,500.00
Opening Balance			
Current Period	4,900.00		
Difference in opening balances	1,000.00		
Total	41,900.00	Total	41,900.00

Q: Quit R: Remove Line U: Restore Line U: Restore All Space: Select Ctrl + N

Tally MAIN --> Gateway of Tally --> Balance Sheet © Tally Solutions Pvt Ltd, 1988-2020 Thu, 8 Oct, 2020 13:08:12

Gateway of Tally

Masters

Accounts Info.
Inventory Info.

Transactions

Accounting Vouchers
Inventory Vouchers

Utilities

Import Data
Banking

Reports

Balance Sheet
Profit & Loss A/c
Stock Summary
Ratio Analysis

Display

Quit

Display the report of trial balance

The screenshot displays the Trial Balance report in Tally.ERP 9. The report is for the company 'AIFha' as of '1-Apr-2020'. The closing balance is 67,000.00 for both the debit and credit sides. The report includes the following items:

Particulars	Closing Balance	
	Debit	Credit
Capital Account	5,000.00	40,000.00
Current Liabilities		1,000.00
Fixed Assets	28,000.00	
Current Assets	14,200.00	
Sales Accounts		25,000.00
Purchase Accounts	15,000.00	
Indirect Expenses	4,800.00	
Difference in opening balances		1,000.00
Grand Total	67,000.00	67,000.00

The interface includes a menu bar with options like Print, Export, E-Mail, Upload, TallyShop, Language, Keyboard, Control Centre, Support Centre, and Help. A right-hand pane contains function keys (F1-F12) for various report options. The status bar at the bottom shows the current date as 'Thu, 8 Oct, 2020' and the time as '13:09:49'.

Basic Accounting Concept

Accounting : It is an art of recording, classifying and summarizing in significant manner and in terms of money, transactions and events which are of financial character and interpreting the results thereof.

Business Transaction : A business transaction is “The movement of money and money’s worth from one person to another”. Or exchange of values between two parties is also known as “Business Transaction”.

Purchase : A purchase means goods purchased by a businessman from suppliers.

Sales : Sales is goods sold by a businessman to his customers.

Purchase Return or Rejection in or Outward Invoice : Purchase return means the return of the full or a part of goods purchased by the businessman to his suppliers.

Sales Return or Rejection out or Inward Invoice : Sales return means the return of the full or a part of the goods sold by the customer to the businessman.

Assets : Assets are the things and properties possessed by a businessman not for resale but for the use in the business.

Liabilities : All the amounts payable by a business concern to outsiders are called liabilities.

Capital : Capital is the amount invested for starting a business by a person.

Debtors : Debtor is the person who owes amounts to the businessman.

Creditor : Creditor is the person to whom amounts are owed by the businessman.

Debit : The receiving aspect of a transaction is called debit or Dr.

Credit : The giving aspect of a transaction is called credit or Cr.

Drawings : Drawings are the amounts withdrawn (taken back) by the businessman from his business for his personal, private and domestic purpose. Drawings may be made in the form cash, goods and assets of the business.

Receipts : It is a document issued by the receiver of cash to the giver of cash acknowledging the cash received voucher.

Account : Account is a summarized record of all the transactions relating to every person, every thing or property and every type of service.

Ledger : The book of final entry where accounts lie.

Journal entries : A daily record of transaction.

Trail Balance : It is a statement of all the ledger account balances prepared at the end of particular period to verify the accuracy of the entries made in books of accounts.

Profit : Excess of credit side over debit side.

Profit and loss account : It is prepared to ascertain actual profit or loss of the business.

Balance Sheet : To ascertain the financial position of the business. It is a statement of assets and liabilities.

Types of accounts

Personal account: Personal accounts are the accounts of persons, firms, concerns and institutions which the businessmen deal.

Principles : Debit the receiver Credit the giver

Real Account: These are the accounts of things, materials, assets & properties. It has physical existence which can be seen & touch.

Ex. Cash, Sale, Purchase, Furniture, Investment etc.

Principles: Debit what comes in Credit what goes out

Nominal account: Nominal account is the account of services received (expenses and Losses) and services given (income and gain)

Ex. Salary, Rent, Wages, Stationery etc.

Principles: Debit all expense/losses Credit all income/ gains

Tally is a complete business solution for any kind of Business Enterprise. It is a full fledged accounting software.

Procedure for creating company in Tally

Double click on Tally icon on desktop. **Alt+F3 Company info**-Create company.

Accounts Only : To maintain only the financial accounts of the company. Inventory (stock) management is not involved in it.

Account with Inventory : This is the default option, which allows maintaining both the financial account of the company as well as the inventory of the company.

Select Company : We can choose the company which is already created. Shortcut key - F1.

Shut Company :

It is used to close the company which is opened. Shortcut key –Alt+F1. **Alter :** It is used to make alterations in the company creation like name, date, maintain etc. **Quit :** Exits from Tally. 1. Click on quit button., 2. Esc, Esc, Esc and enter. 3. Ctrl+Q

Short cut keys

Alt+F3 Company information menu

Enter To accept information typed into a field.

To accept a voucher or master.

To get a report with further details of an item in a report.

Esc To remove what has been typed into a field.

To exit a screen.

To indicate you do not want to accept a voucher or master.

Ctrl+A To accept a form wherever you use the key combination the screen or report will be accepted as it is on this screen.

Ctrl+Q It quits the screen without making any changes to it. **Alt+C** To create a master at a voucher screen.

When working within an amount field presses Alt+C to act as a calculator.

Alt+D To delete a voucher. To delete a master.

Ctrl+Enter To alter a master while making an entry or viewing report. **F2** Date

Alt+F2 Change period

Alt+F1 To see detail

F11 Features company

F12 Configuration options are applicable to all the companies in a data directory.

Ctrl+N Calculator screen.

Ctrl+V Voucher mode (Cr. Dr) Invoice mode (name of item, rate, quantity, and amount)

Gateway of tally-Accounts info-Group

Bank account	Bank Od account	Branch/division	Capital account
Cash in hand	Current asset	Current liability	Deposit
Direct expenses	Direct income	Indirect expense	Indirect income
Duties and tax	Fixed asset Investment	Loans and advance	
Loan (liability)	Miscellaneous expenses	Provisions	Retained earning
Purchase account	Reserves and surplus	Sales account	unsecured a/c
Secured loan	Stock in hand	Sundry debtors	sundry creditors

Meaning:

Current asset : It is converted into cash within a year. Ex. Bills receivable

Direct expenses : These are the expenses which are directly related to manufacturing of goods. Ex. Wages, factory rent, heating, lighting etc

Indirect expense : These are the expenses which are indirectly related to manufacturing of goods. Ex. Salary, rent, stationery, advertisement, printing

Depreciation : Decrease the value of the asset.

Sundry debtors : The person who is the receiver or customer

Sundry creditors : The person who gives or supplier.

Expenses Outstanding or Unpaid expenses or Expenses due : Expenditure incurred during current year but the amount on which is not yet paid. (Added to the expenditure on the debit side and entered on the liability side.)

Income received in advance or Income received but not earned

Income received during the current year but not earned or a part of which relates to the next year. (Deducted from the concerned income on the credit side and entered on the liability side)

Prepaid advance or Expenses or Prepaid expenses

Expenditure paid during current year but not incurred or a part of which relates to the next year is called expenditure prepaid. (Deducted from the concerned expenditure on the debit side and entered on the assets side)

Income outstanding or income earned but not received or Income accrued

Income outstanding means income earned during the current year but the amount on which is not yet received (added to the concerned income on the credit side and entered on the asset side)

Gateway of Tally-Accounts info-ledger-create

Ledger	Group
Opening stock	Stock in hand
Purchase	Purchase account
Purchase return	Purchase account
Fright charges	Direct expenses
Carriage inwards or Purchases	Direct expenses
Cartage and coolie	Direct expenses
Octroi	Direct expenses
Manufacturing wages	Direct expenses
Coal, gas, water	Direct expenses
Oil and fuel	Direct expenses
Factory rent, insurance, electricity, lighting and heating	Direct expenses
Sales	Sales account
Salary	Indirect expenses
Postage and telegrams	Indirect expenses
Telephone charges	Indirect expenses
Rent paid	Indirect expenses
Rates and taxes	Indirect expenses
Insurance	Indirect expenses
Audit fees	Indirect expenses
Interest on bank loan	Indirect expenses
Interest on loans paid	Indirect expenses
Bank charges	Indirect expenses
Legal charges	Indirect expenses

Printing and stationery	Indirect expenses
General expenses	Indirect expenses

Sundry expenses	Indirect expenses
Discount allowed	Indirect expenses
Carriage outwards or sales	Indirect expenses
Traveling expenses	Indirect expenses
Advertisement	Indirect expenses
Bad debts	Indirect expenses
Repair renewals	Indirect expenses
Motor expenses	Indirect expenses
Depreciation on assets	Indirect expenses
Interest on investment received	Indirect income
Interest on deposit received	Indirect income
Interest on loans received	Indirect income
Commission received	Indirect income
Discount received	Indirect income
Rent received	Indirect income
Dividend received	Indirect income
Bad debts recovered	Indirect income
Profit by sale of assets	Indirect income
Sundry income	Indirect income
Loan from others	Loan Liabilities
Bank loan	Loan Liabilities
Bank overdraft	Bank OD
Bills payable	Current Liabilities
Sundry creditors	Sundry creditors
Mortgage loans	Secured loans
Expense outstanding	Current Liabilities
Income received in advance	Current Liabilities
Other liabilities	Current Liabilities
Capital	Capital account
Drawings	Capital account
Cash in hand	Cash in hand
Cash at bank	Bank account
Fixed deposit at bank	Deposit

Investments	Investments
Bills receivable	Current asset
Sundry debtors	Sundry debtors
Closing stock	Stock in hand
Stock of stationery	Current asset
Loose tools	Fixed asset
Fixtures and fittings	Fixed asset
Furniture	Fixed asset
Motor vehicles	Fixed asset
Plant and machinery	Fixed asset
Land and building	Fixed asset
Leasehold property	Fixed asset
Patents	Fixed asset
Goodwill	Fixed asset
Prepaid expenses	Current asset
Income outstanding	Current asset

Trading account : Buying and selling of goods.

Dr.Receiving aspect Giving aspectCr.

Direct expenses		Amount	Direct Income		Amount
To	Opening stock	xxx	By	Sales	xxx
To	Purchases	xxx	By	(-)Sales return	xxx
To	(-)purchase return	xxx	By	Closing stock	xxx
To	Freight charges	xxx			
To	Cartage and coolie	xxx			
To	Lorry hire	xxx			
To	Manufacturing expenses	xxx			
To	Wages	xxx			
To	Factory rent, fuel power	xxx			
To	Gross profit (transfer to profit and loss account)	xxx			

To Profit and loss account : Actual profit and loss of the business

Indirect expenses or payments	Amount		Indirect income or receipts	Amount
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To	Salary	xxx	By	Gross profit	xxx
To	Postage and Telegram	xxx	By	Interest on investment received	xxx
To	Telephone charges	xxx	By	Interest on deposit received	xxx
To	Rent paid	xxx	By	Interest on loans received	xxx
To	Rate and taxes	xxx	By	Discount received	xxx
To	Insurance paid	xxx	By	Discount received	xxx
To	Interest on bank loan	xxx	By	Rent received	xxx
To	Bank charges	xxx	By	Bad debts received	xxx
To	Printing and stationery	xxx	By	Net loss	xxx
To	Discount allowed	xxx			
To	Advertisement	xxx			
To	Carriage outward (sales)	xxx			
To	Depreciation on assets	xxx			
To	General expenses	xxx			
To	Traveling	xxx			
To	Bad debts	xxx			
To	Net profit	xxx			

Balance sheet: Actual financial position

Liabilities	Amount	Assets	Amount
Bank loan	xxx	Cash in hand	xxx
Bank overdraft	xxx	Cash at bank	xxx
Bills payable	xxx	Fixed deposit at bank	xxx
Sundry creditors	xxx	Investments	xxx
Expenses outstanding	xxx	Bills receivable	xxx
Capital	xxx	Sundry debtors	xxx
(-)drawings	xxx	Closing stock	xxx
Net profit	xxx	Stock of stationery	xxx
		Furniture	xxx
		Plant machinery	xxx
		Land and building	xxx

		Motor vehicles	XXX
		Prepaid expenses	XXX
		Income outstanding	XXX

F4 Contra: - Records funds transfer between cash and bank accounts.

Deposit into bank or Opened bank account - Cr. Cash - Dr. Bank

Withdraw form bank - Cr. Bank - Dr. Cash

F5 Payment: - Record all bank and cash payments.

Paid or Give - Dr.Cr. Cash/bank (in case cheque)

F6 Receipt: - Records all receipts into bank or cash accounts.

- Received or Borrow or Take - Cr. Dr. Cash/bank (in case cheque)

F7 Journal: - Records adjustments between ledger accounts.

F8 Sales: - Records all sales.Dr. Caash/party (incase of credit-party)

F9 Purchase: - Records all purchase. Cr. Cash/party (incase of credit-party) Dr. Purchase

Voucher model

Sum :1

Create a company Milan Trade for the year 2009-10, and pass necessary Journal Entries

Journalize the following transactions

1. Commenced business with cash Rs.10, 000.
2. Deposit into bank Rs. 15,000
3. Bought office furniture Rs.3,000
4. Soled goods for cash Rs.2,500
5. Purchased goods form Mr X on credit Rs.2,000
6. Soled goods to Mr Y on credit Rs.3,000
7. Received cash form Mr. Y on account Rs.2,000
8. Paid cash to Mr X Rs. 1,000
9. Received commission Rs. 50
10. Received interest on bank deposit Rs. 100
11. Paid into bank Rs. 1,000
12. Paid for advertisement Rs.500
13. Purchased goods for cash Rs. 800
14. Sold goods for cash Rs. 1,500
15. Paid salary Rs. 500

Gateway of tally-Account info-Ledger-Create Gateway of tally – Accounting voucher

Sl. No	Key	Voucher	Ledger	Group	Type of account	Principles	Amount
1	F6	Receipt	Cr. Capital	Capital account	Personal	Giver	10,000
			Dr. Cash	Cash in hand	Real	Comes in	10,000
2	F4	Contra	Cr. Cash	Cash in hand	Real	Goes out	15,000
			Dr. Bank	Bank account	Real	Comes in	15,000
3	F5	Payment	Dr. Office furniture	Fixed asset	Real	Comes in	3,000
			Cr. Cash	Cash in hand	Real	Goes out	3,000
4	F8	Sales	Dr. Cash	Cash in hand	Real	Comes in	2,500
			Cr. Sales	Sales account	Real	Goes out	2,500
5	F9	Purchase	Cr. X	Sundry creditor	Personal	Giver	2,000
			Dr. purchase	Purchase account	Real	Comes in	2,000
6	F8	Sales	Dr. Y	Sundry debtors	Personal	Receiver	3,000
			Cr. Sales	Sales account	Real	Goes out	3,000
7	F6	Receipt	Cr. Y			Giver	2,000
			Dr. cash	Cash in hand	Real	Comes in	2,000
8	F5	Payment	Dr. X			Receiver	1,000
			Cr. Cash	Cash in hand	Real	Goes out	1,000

9	F6	Receipt	Cr. Commission	Indirect income	Nominal	Credit all income	50
			Dr. cash	Cash in hand	Real	Comes in	50
10	F6	Receipt	Cr. Interest on bank deposit	Indirect income	Nominal	Credit all income	100
			Dr. Bank	Bank account	Real	Comes in	100
11	F4	Contra	Cr. Cash	Cash in hand	Real	Goes out	1,000
			Dr. Bank	Bank account	Real	Comes in	1,000
12	F5	Payment	Dr. Advertisement	Indirect expenses	Nominal	Debit all expenses	500
			Cr. Cash	Cash in hand	Real	Goes out	500
13	F9	Purchase	Cr. Cash	Cash in hand	Real	Goes out	800
			Dr. purchase	Purchase account	Real	Comes in	800
14	F8	Sales	Dr. cash	Cash in hand	Real	Comes in	1,500
			Cr. Sales	Sales account	Real	Goes out	1,500
15	F5	Payment	Dr. salary	Indirect expense	Nominal	Debit all expenses	500
			Cr. Cash	Cash in hand	Real	Goes out	500

Sum : 2

Create a company 'InfoSoft Pvt. Ltd.' On 1-4-2006. Pass the Journal Entry for the following transactions:-

1. Commenced business with Rs. 15000, goods of Rs. 3000 & Building Rs. 12000.
2. Purchase goods for Rs. 1000.
3. Sold goods to Pallavi for Rs. 15000.
4. Sold goods for Rs. 2000.
5. Paid office rent Rs. 200.
6. Paid cash to Dhanashi Rs. 500.
7. Received Commission Rs. 100.
8. Returned goods by Pallavi of Rs. 150.
9. Withdrawn Rs. 2000 for personal use.
10. Purchase Furniture for Rs. 10000.
11. Borrowed from Bank Rs. 8000.
12. Paid carriage on behalf of Sudesh Rs. 30.
13. Sold Building of Rs. 8000 for Rs. 7500.
14. Depreciation charged on all the assets @ 5% p.a.
15. Repaid loan to bank Rs. 3400.
16. Goods purchase from Kanji worth Rs. 1500.
17. Purchase Motor Car worth Rs. 8000 in exchange of Furniture worth Rs. 10000.
18. Sold half of the goods purchase from Kanji to Kalidas, getting profit of Rs. 15 on each Rs. 100.

Sum : 3

Create a company 'M/S Albert & Brothers' for the year 01.04.2006 and books beginning from 01.05.2006 and pass the transactions considering the following

2006 May 1 Albert starts business with Rs. 50,000. He opens a bank account and deposits Rs. 20,000.

May 1 Bought furniture for Rs. 5,000, machinery for Rs. 10,000. May 2 Purchased goods for Rs. 14,000.

May 31 Sold goods for Rs. 8,000.

May 31 Purchased goods from Malhotra & Co. Rs. 11,000. June 1 Paid telephone rent for the year by cheque Rs. 500.

June 1 Bought one typewriter for Rs. 2,100 from 'Universal Typewriter Co.' on credit. June 2 Sold goods to Keshav Ram for Rs. 12,000.

July 1 Sold goods to Rajesh Kumar for Rs. 2,000 cash.

July 1 Amount withdrawn from bank for personal use Rs. 1,500.

July 2 Received cash from Keshav Ram Rs. 11,900 and discount allowed Rs. 100. July 31 Paid into bank Rs. 5,800.

July 31 Bought 50 shares in X Y & Co. Ltd. At Rs. 60 per share, brokerage paid Rs. 20.

Aug 1 Goods worth Rs. 1,000 found defective were returned to Malhotra & Co. and balance of the amount due to them settled by issuing a cheque in their favour.

Aug 1 Sold 20 shares of X Y & Co. Ltd. at Rs. 65 per share, brokerage paid Rs. 20.

Aug 2 Bought goods worth Rs. 2,100 from Ramesh and supplied them to Suresh at Rs. 3,000.

Aug 2 Suresh returned goods worth Rs. 100, which in turn were sent to Ramesh.

Aug 31 Issued a cheque for Rs. 1,000 in favour of landlord for rent .

Aug 31 Paid salaries to staff Rs. 1,500 & received from travelling salesman Rs. 2,000 for goods sold by him, travelling expenses Rs. 100.

Sum : 4

Create a Company by name “Khanna Sons” for the year 2007-08, prepare following ledgers and pass necessary entries

1. Commenced business with cash Rs.10, 000, as on 1/4/2007
2. Deposit into bank Rs. 15,000 on 2/4/2007
3. Bought office furniture Rs.3,000 on 2/4/2007
4. Sold goods for cash Rs.2,500 on 1/5/2007
5. Purchased goods form Mr X on credit Rs.2,000 on 2/5/2007
6. Sold goods to Mr Y on credit Rs.3,000 on 31/5/2007
7. Received cash form Mr. Y on account Rs.2,000 on 1/6/2007
8. Paid cash to Mr X Rs. 1,000 on 2/6/2007
9. Received commission Rs. 50 on 2/6/2007
10. Received interest on bank deposit Rs. 100 on 1/7/2007
11. Paid into bank Rs. 1,000 on 2/7/2007
12. Paid for advertisement Rs.500 on 31/7/2007
13. Purchased goods for cash Rs. 800 on 1/8/2007
14. Sold goods for cash Rs. 1,500 on 2/8/2007
15. Paid salary Rs. 500 on 31/8/2007

Sum :5

Create a company in the name of Raj Traders for the year ended 01.04.1998 and books beginning from 01.07.1998 and pass the transactions considering the following:-

Ledgers to be created:- 1) Purchase Account 2) Sales Account 3) Bank Account &

Respective parties Accounts, pass the entry in Voucher mode.

(a) On 01.07.1998 purchased goods worth Rs. 1,00,000/- from **Mafatlal Industries Ltd.**

(b) On 02.07.1998 sold goods worth Rs. 40,000/- to **Rakesh Mills.**

(c) On 31.07.1998 received Rs. 25,000/- from Rakesh Mills.

(d) Sold goods worth Rs. 50,000/- to **Anil Textiles** on 02.08.1998.

(e) Received Rs. 40,000/- from Anil Textiles on 31.08.1998.

(f) On 01.09.1998 paid Rs. 50,000/- to Mafatlal Industries Ltd.

(g) Purchased goods worth Rs. 80,000/- each from **Arvind Mills** and **Vimal** on 02.08.1998.

(h) On the same day sold goods worth Rs. 40,000/- each to **Vikas Sales Agency** and Rakesh Mills.

(i) Received Rs. 30,000/- each from Rakesh Mills and Vikas Sales Agency.

(j) On 31.08.1998 paid Rs. 25,000/- each to Arvind Mills and Vimal.

Book for reference

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