Tally
POWER OF SIMPLICITY

Attitude
THE WORLD OF PROFESSIONALS
AN ISO 9001 : 2008 COMPANY

Tally.ERP 9

Objectives

In this e-book, you will learn about Concepts of Accounting, Journal Entries Manually, Create a Company, Protect Company Ledger Creation, Balance Sheet with Opening Balance, Contram Payment, Receipt, Journal, Sale, Purchase Voucher Entries, Report of Balance Sheet, P&L and Trial Balance with the help of journal Entries...

This e-Book contains 6 topics, each topic has its content & its assignment also for practice purpose. We're sure that you will learn a lot after reading and practicing it thoroughly...

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Tally.ERP 9

CONTENT

- ◆ What is manual Accounting and Tally ERP9
- ◆ Assignment - 1
- ◆ Journal Entry Concept
- ◆ Assignment - 2
- ◆ Create, Delete and Alter Company
- ◆ Assignment - 3
- ◆ How to create, Alter delete Ledger Group Voucher
- ◆ Assignment - 4
- ◆ Balance Sheet Tally.ERP9
- ◆ Assignment - 5
- ◆ Cash Book in Tally.ERP9
- ◆ Assignment - 6

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Lesson No.1
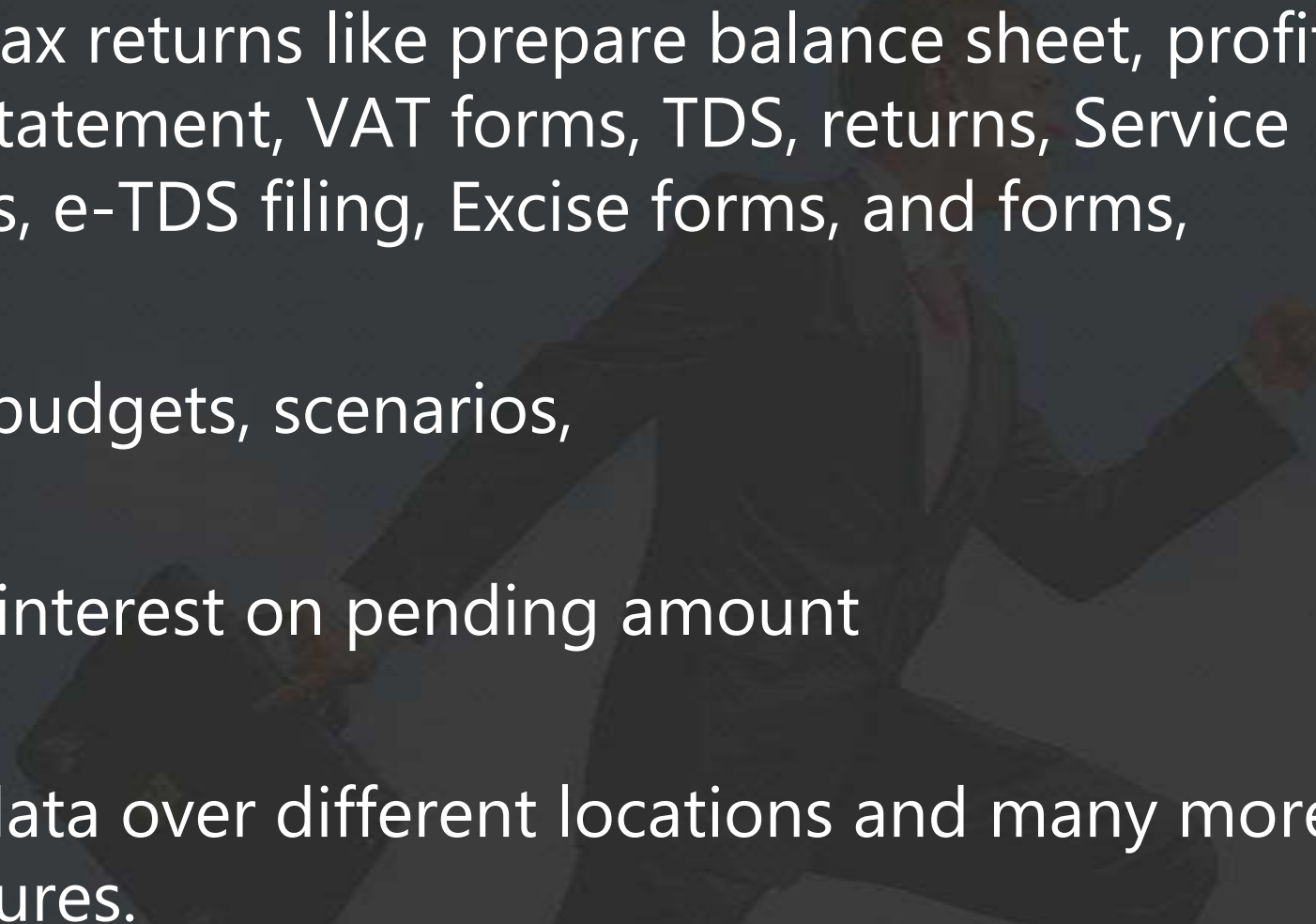## Manual Accounting & intro of Tally.ERP9

What is Tally?

Tally is an accounts and inventory management software which is having many other features too. With the latest version of this software Tally.ERP9 you can

1. Do All Basic Accounting Functions
2. Manage Your Store And Items,
3. Do The Job Costing,
4. Manage Payroll,
5. Get Many MIS Reports Which Are Useful For Day Today Functions,

6. File your tax returns like prepare balance sheet, profit and loss statement, VAT forms, TDS, returns, Service tax returns, e-TDS filing, Excise forms, and forms,

7. Maintain budgets, scenarios,

8. Calculate interest on pending amount

9. Manage data over different locations and many more other features.

HISTORY OF TALLY

Tally Started in **1986** by **"Bhart Goenka"**.
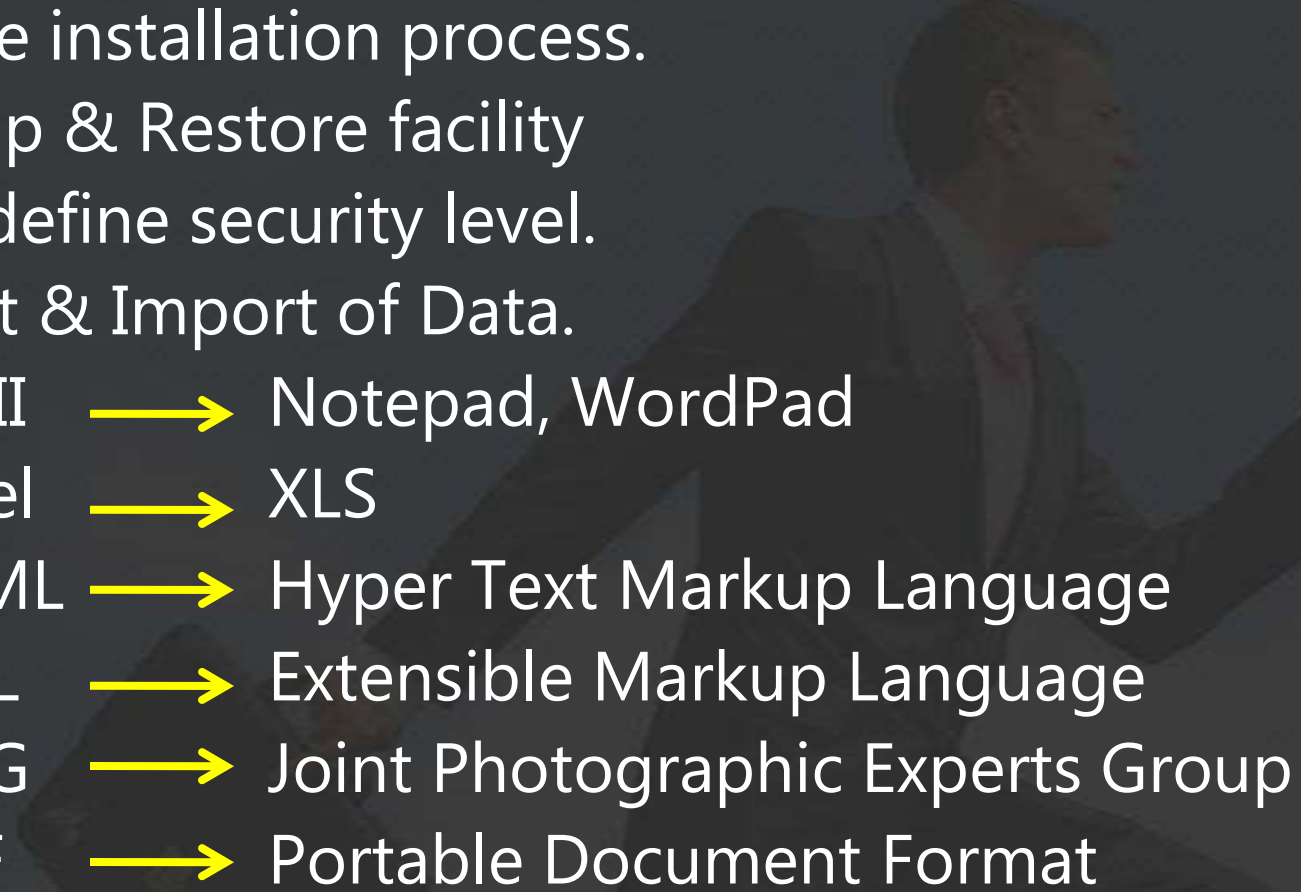
- ❖ 1988-1996   Tally 4.5 (Dos-Window)
- ❖ 1996-2000   Tally 5.4
- ❖ 2000-2004   Tally 6.3
- ❖ 2004-2007   Tally 7.2
- ❖ 2007-2009   Tally 9.0
- ❖ 2009-Till   Tally.ERP9

                                        (1.1,3.4, 3.6, 3.7,4.5, 4.61, 4.7, 4.8, 4.91, 5.1, 5.2, 5.3 etc.)

ERP   ⟶   Enterprise Resource Planning

Tally.ERP9 ADVANTAGE

1) Simple installation process.
2) Backup & Restore facility
3) User define security level.
4) Export & Import of Data.
   i)   AscII $\longrightarrow$ Notepad, WordPad
   ii) Excel $\longrightarrow$ XLS
   iii) HTML $\longrightarrow$ Hyper Text Markup Language
   iv) XML $\longrightarrow$ Extensible Markup Language
   v)   JPEG $\longrightarrow$ Joint Photographic Experts Group
   vi) PDF $\longrightarrow$ Portable Document Format

Tally → ODBC → Excel

6.Tally.NET

Manual Accounting

5 Types Nature Of Account

Capital	:	पूंजी
Assets	:	सम्पत्ति
Liabilities	:	दायित्व (कर्जा)
Expenses	:	खर्चे
Income	:	आय

Financial Period -1 April To 31 march

Assets

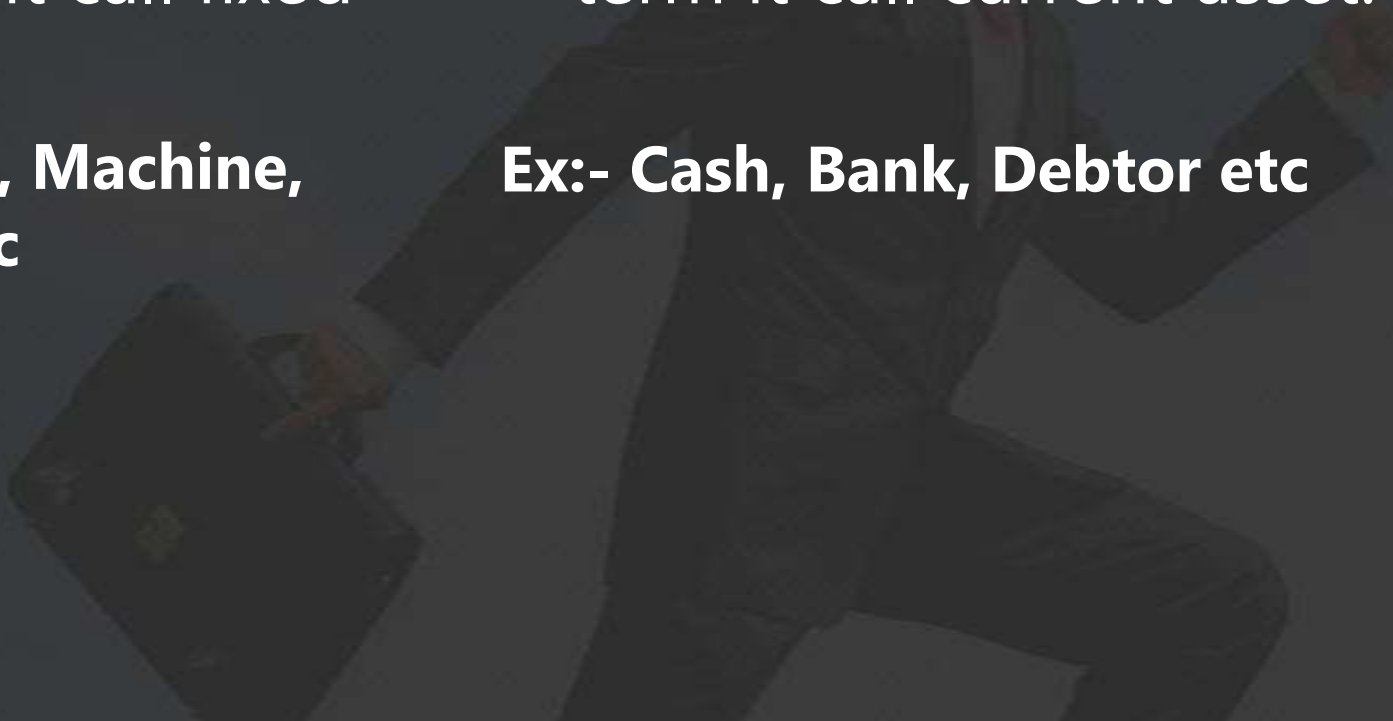- **<u>Fixed Assets(स्थायी सम्पत्ति)</u>**

  Which Asset we can use more then one year or long term it call fixed Assets .

  Ex:- Furniture, Machine, Building Etc

- **<u>Current Assets(चालू सम्पत्ति)</u>**

  Which Assets we can use less then one year or short term it call current asset.

  Ex:- Cash, Bank, Debtor etc

Liabilities

Long Term

Secured loan

Unsecured loan

Short Term

Creditor

Provision

Direct Expense
(Manufacturing)

Carriage inward

Wages etc

Indirect Expense
(Trading/Service)

Rent exp

Advertisement etc

Income

Direct Income
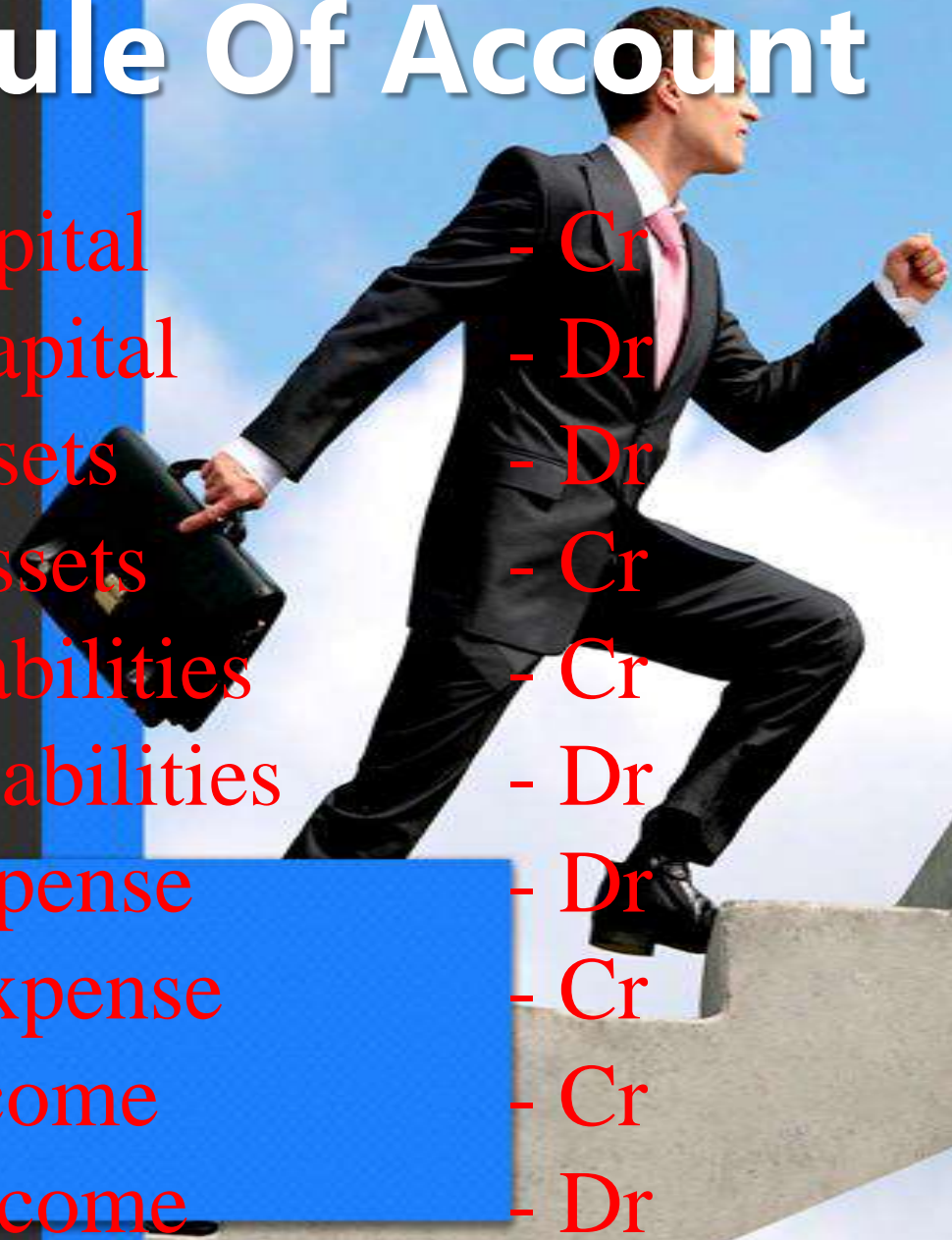
Salary

Indirect Income

Interest Receive

Commission Receive

5-Basic Rule Of Account

- ❖ Increase in Capital — Cr
- ❖ Decrease in Capital — Dr
- ❖ Increase in Assets — Dr
- ❖ Decrease in Assets — Cr
- ❖ Increase in Liabilities — Cr
- ❖ Decrease in Liabilities — Dr
- ❖ Increase in Expense — Dr
- ❖ Decrease in Expense — Cr
- ❖ Increase in Income — Cr
- ❖ Decrease in Income — Dr

3 Golden Rule Of Account

1. Personal Account (Owner, Creditor, Debtor)

Debit The Receiver
Credit The Giver
{ लेने वाला हमेशा Debit होगा ।
देने वाला हमेशा Credit होगा ।।}

2. Real Account (Assets)

Debit What Come In
Credit What Goes Out
{क्या आया ।
क्या गया ।।}

3. Nominal Account

Debit All Expenses / Loss
Credit All Income / Gain

Lesson No.2
Journal Entry Concept

Attitude

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Journal Entry
1.Capital (िwath) (receipt Voucher-F6)

Received From Anyone One

a. Ram Started a business with cash 4000.

        Cash a/c Dr   4000

            to ram's capital a/c Cr   4000   (F6)

b. Ram started a business with cash 4000, bank 2500, furniture 5800.

        Cash a/c Dr   4000

        Bank a/c Dr   2500

        Furniture a.c Dr   5800

            To Ram's Capital a/c   12300   (F6)

c. Received Commission 5000 by cheque.

        Bank a/c Dr   5000

             To commission received   5000   (F6)

d. Took Loan from raj pvt ltd 7000.

        Cash a/c Dr   7000

             To Raj's Loan   7000   (F6)

e. Sold/Sale Furniture with cash 4000.

          Cash a/c Dr   4000
               To Furniture a/c Cr   4000   (F6)

f.   Sold/sale Goods by Cheque 300.

          Bank a/c Dr   300
               To Sale a/c   300   (F6)

2.Payment Voucher (iSls nsuk)-F5

Paid to anyone in form of
Cash/bank (cheque)

a. **Paid Salary 4000 cash .**

salary exp a/c Dr   4000
to cash a/c Cr   4000

b. Paid 5800 to sohan pvt ltd by cheque.

Sohan Pvt Ltd Dr   5800
To Bank a/c   5800

c. Purchase/ Bought Furniture 5000 From Cash.
Furniture a/c Dr   5000
To Cash a/c   5000

d. Given Loan To Rohan Pvt Ltd 4000 by Bank.
Rohan's Loan Dr 4000
To Bank   4000

Attitude

e. Purchase/ Bought Goods 5000 From Cash.

Purchase a/c Dr   5000

To Cash a/c   5000

f.   Withdraw cash For Personal Use 5000.

Drawing a/c Dr 5000

To Cash a/c 5000

g. Withdraw cash For Personal Use 5000 from bank.

Drawing a/c Dr 5000

To Bank a/c 5000

3. Contra Voucher – F4

Cash To bank
Bank To Cash

a. Deposit cash into ICICI bank 4000 .

    ICICI Bank a/c Dr   4000
        to cash a/c Cr   4000

b. Withdraw cash From ICICI Bank 5800.

    Cash Dr   5800
        To Bank a/c   5800

Attitude

4.Journal Voucher –F7

Bill/Invoice, Credit (m/kkj), Transfer, Adjustment, Provision,

Closing Years entries,

a. Purchase/ Bought Furniture 5000 From Raj Pvt Ltd on credit.

    Furniture a/c Dr 5000

      To Raj Pvt Ltd 5000

b. Sold/Sale Furniture 4000 to mohan pvt ltd.

     Mohan Pvt Ltd Dr 4000

      To Furniture a/c Cr   4000

c. Sold/sale Goods by 300 to sita pvt ltd.

     Sita pvt ltd Dr 300

      To Sale a/c 300

5.Purchase Voucher –F9

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

Purchase/ Bought Goods 5000 From Cash.
Purchase a/c Dr   5000
To Cash a/c   5000

Purchase/ Bought Furniture 5000 From Cash.
Furniture a/c Dr   5000
To Cash a/c   5000

6.Sale Voucher –F8

Records all Sale
        Dr. Cash/party (incase of credit-party)
        Cr. Sale

Sold/Sale Furniture with cash 4000.

Cash a/c Dr 4000

To Furniture a/c Cr   4000

Sold/sale Goods by Cheque 300.

Bank a/c Dr   300

To Sale a/c   300

Attitude

Journalize the following transactions

Commenced business with cash Rs.10, 000.

Deposit into bank Rs. 15,000

Bought office furniture Rs.3,000

Soled goods for cash Rs.2,500

Purchased goods form Mr X on credit Rs.2,000

Soled goods to Mr Y on credit Rs.3,000

Received cash form Mr. Y on account Rs.2,000

Paid cash to Mr X Rs. 1,000

Received commission Rs. 50

Received interest on bank deposit Rs. 100

Paid into bank Rs. 1,000

Paid for advertisement Rs.500

Purchased goods for cash Rs. 800

Sold goods for cash Rs. 1,500

Paid salary Rs. 500

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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 Cr cash	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

Assignment 1.

Transaction of M/S Vipin Traders are given below.
Show the effect on Assets, Liabilities and Capital with the help of accounting equation.

S.no	Particulars	Amount (in Rs.)
1	Business started with cash	1,25,000
2	Purchased goods for cash	50,000
3	Purchased furniture form R.K furniture	10,000
4	Sold goods to Parul Traders (CostingRs.7,000 vide bill no. 5,674	9,000
5	Paid cartage	100
6	Cash paid to R,K. furniture in full settlement	9,700
7	Cash sales (costing Rs. 10,000)	12,000
8	Rent received	4,000
9	Cash withdrew for personal use	3,000

Assignment 2.

Prove that Accounting Equation is satisfied in all the following transactions of Sameer Gupta:-

1. Started business with cash Rs. 1, 00,000.
2. Paid rent in advance Rs. 3,000.
3. Purchased goods for cash 50,000 and credit Rs. 20,000.
4. Sold goods for cash Rs. 80,000.
5. Paid salary in casl~ Rs. 4,500. and salary outstanding Rs. l,000
6. Bought motor cycle for personal use Rs,30,O00

Assignment 3.

Show the Accounting Equation on the basis of the following transaction and prepare a Balance Sheet on the basis of the new equation:-

S.NO.	Particulars	Amount (In Rs.)
1.	Mukesh started business with cash	80,000
2.	Purchased goods for cash	28,000
3.	Purchased goods for credit	20,000
4.	Purchased furniture for cash	6,000
5.	Paid rent	2,000
6.	Received Commission	500
7.	Withdrew cash for private use	3,000
8.	Sold :goods on credit (cost price Rs. 30,000)	40,000
9.	Paid to creditors	15,000

Creating a Company

Creating a Company involves providing basic information about the company whose books of accounts are to be maintained in Tally.ERP 9.

Go to Gateway of Tally > (Alt+F3) Company Info. > Create Company

A detailed explanation on each field is given:

Directory

The data path where you want the company to be created is specified in the Directory field.

This field is skipped by default when you create the company in the data path given in the Tally.INI file. If you want to change it, use the Backspace key and modify it to the path required.

This is referred to as the Tally Anywhere concept – which is the ability to create/load companies in separate directories. The Directory field is displayed while selecting Select, Create, Backup, Restore and Rewrite options for a company. By default, the cursor will skip the field, presuming that you wish to use the default data directory for your work. You may press Backspaceto give a new path and work from there.

For example, the default Tally.ERP 9 data directory could be C:\TALLY.ERP\DATA. You may now wish to create a new company on C:\TALLY.ERP\PERSONAL, and some other companies on C:\TALLY.ERP\BRANCHES. The next time, the default directory displays C:\TALLY.ERP\DATA, and if you wish to work on the data of your branches, press Backspace and enter C:\TALLY.ERP\BRANCHES for the directory name. This displays the companies whose data is stored in that location in the List of Companies. You can even give the path of a network server or any other storage device.

If your business uses Tally.Server 9 to maintain data,

- Click on S: Server List or press Alt+S

- The List of Tally.Servers is displayed. Select the required location

- Press Enter to continue with Company Creation

Name

Enter the name of the company whose books are being opened. If you are a professional accountant and are maintaining the books of your clients, give the Client Company's name.

Mailing Name and Address

In addition to the Company Name, Tally.ERP 9 provides the facility to enter the Mailing Name field. It displays the Company Name by default. You may change it as required, if the mailing name is different from the Company Name. The mailing name and address details are picked up for inclusion in any report that needs the company name and address as heading. For example: Balance Sheets, Statement of Accounts, and so on.

Mailing & Contact Details

Mailing Name	: ABC Company
Address	: 9/1, Mahalaxmi Chambers
	M.G. Road,
	Bangalore

Tally.ERP's reports print the mailing name and address as given:

ABC Company
9/1, Mahalaxmi Chambers
M.G Road,
Bangalore

Tally.ERP 9 does NOT restrict the number of lines for the address details. Tally.ERP 9 accommodates all the entered information and vertically compresses the same.

Note: In the space provided for the Address details, observe the vertical compression as compared to the Mailing Name field where there is horizontal compression.

You can specify any length for the mailing name and you are permitted to give any number of lines for the address. The information is completely visible.

Tally. ERP 9 handles compressed information correctly while printing. It adjusts the reports accordingly.

Statutory compliance for

Select the Country from the List of Countries. The Statutory Features and Base Currency Symbol are enabled in accordance with the country selected. For example, if the accounts belong to a company in India, the base currency would be Indian Rupees. The Base Currency will appear with respect to the Country selected.

Selecting India from the List of Countries brings up a State, Pin Code and Telephone No. field.

State

You can select the appropriate state from the predefined list.

PIN Code

Specify the PIN Code (Postal Index Number) of the specified address.

Telephone

Enter the Telephone number.

Mobile No

Enter the mobile number of the company.

E-mail Address

Enter the E-mail address that will be used to e-mail documents, reports and data from Tally.ERP 9.

Enable Auto

Set this to Yes, if you want to enable the automatic backup of Tally.ERP 9 data (per company). Else, set this to No. The data backup is stored in the data folder of the respective company. The auto backup data can be restored by pressing Ctrl+Alt+Kfrom Company Info menu or Gateway of Tally.

Currency

Currency symbol is the symbol of the base currency, that is, the currency that will be used to maintain the books of account.

The symbol ` appears by default in case India for India/SAARC Companies and the field is left blank for International Companies.

Click here to read about Indian Rupee Symbol Conversion.

Maintain

Tally.ERP 9 displays a drop down for the Type of Company with two options Accounts only and Accounts with Inventory

Select Accounts only if you do not have any inventory transactions (suitable for professionals and corporate offices).

However, at a later date (if required) you can choose to alter the information as Accounts-with- Inventory. SelectAccounts-with-Inventory, to maintain both financial accounts and inventory.

Financial Year From

In most countries, the books of accounts of a company are maintained for a stipulated period like, 12 months, 15 months, and so on. This stipulated period is referred to as the Financial Year.

The stipulated period of the financial year is 12 months in most countries. Tally.ERP 9 automatically considers 12 months from the date you give here as the Financial Year.

For example, if you enter April 1, 2008 as the date, the Financial Year will be from April to March ending with March 31, 2009. If you enter October 1, 2008 as the Financial Year From then the financial year will be from October 2008 to September 2008 ending with 30th of September every year.

Tally.ERP 9 allows you to maintain data for multiple years by changing the period (Alt+F2) at the Gateway of Tally. In addition, you can also specify the date of actual establishment of the company (date of incorporation)

Books Beginning From

Tally.ERP 9 presumes that you wish to maintain books from the beginning of the financial year. Hence, Tally.ERP 9 displays the date given in Financial Year From field automatically.

The date for Books beginning from can be changed, in case of companies, which are incorporated in the middle of the year. If your company is new, you can opt to start the books of accounts from the date of actual establishment of the company (date of incorporation) but close books according to the Financial Year as specified by you. Tally.ERP 9 provides the required flexibility in such a case by allowing you to give the date when the books of accounts actually began. Tally.ERP 9 will open books from this date and close as on the last day of the Financial Year.

For example, if your company is established on August 19, 2008, the opening balances for all the accounts can be given as on August 19, 2008 even though the Financial Year given is April 1, 2008 (April to March financial year). The company's books will begin on August 19, 2008 and close on March 31, 2009, which ensures smooth transition to the next year.

This concept can be applied even when you are migrating to Tally.ERP 9 from any other system or from a manual accounting system on any day during the Financial Year. Close books in that other system on the previous day and start books on Tally.ERP 9 from this day. You are allowed to give opening balances of all Ledger accounts including Revenue accounts.

TallyVault Password

TallyVault is an enhanced security system, which allows for encryption of the company data. Encryption involves converting normally accessible Tally information into unrecognisable information, which can only be reconverted by authorised persons.

Give a password here and repeat the same in the Repeat field. This basically results in the creation of an encrypted company whose information is not accessible to users other than the password holder.

Password Strength

Password Strength indicator is available in Tally.ERP 9 from Release 4.5 onwards. Now, strength is displayed while creating / altering passwords under Security Control, Tally Vault, and Control

Centre. Also when Password Policy is enabled, Password Strength is indicated in the Change Password screen that appears for first time login.

Let us understand the logic used by Tally.ERP 9 to ascertain a password's strength. This logic consists of two sets of conditions to be applied.

A. Password Score

B. Password Length and Username match

Use Security Control?

Set this to Yes, if you want to initiate a password-protected system to control access to Tally.ERP 9 data. Else, set this to No.

I   to different features of Tally.ERP
9   ment in Tally.ERP 9.

Name of Administrator, Password, Repeat

Assuming the Tally Vault Password and Use Security Control is set to Yes enter the Name of Administrator, Password andRepeat in the respectivefields.

Use TallyAudit Features

Tally Audit allows the administrator or an auditor profile user to track changes in accounting information. If you wish to use this facility, select Yes. Tally Audit will be available only to the administrator/auditor, through Display of Statements of Accounts.For more information refer Data Management in Tally.ERP 9.

Disallow opening in Educational mode ?

Set this option to Yes, if you don't want the company to be opened in Educational mode of Tally.ERP 9. Else, set this to No.
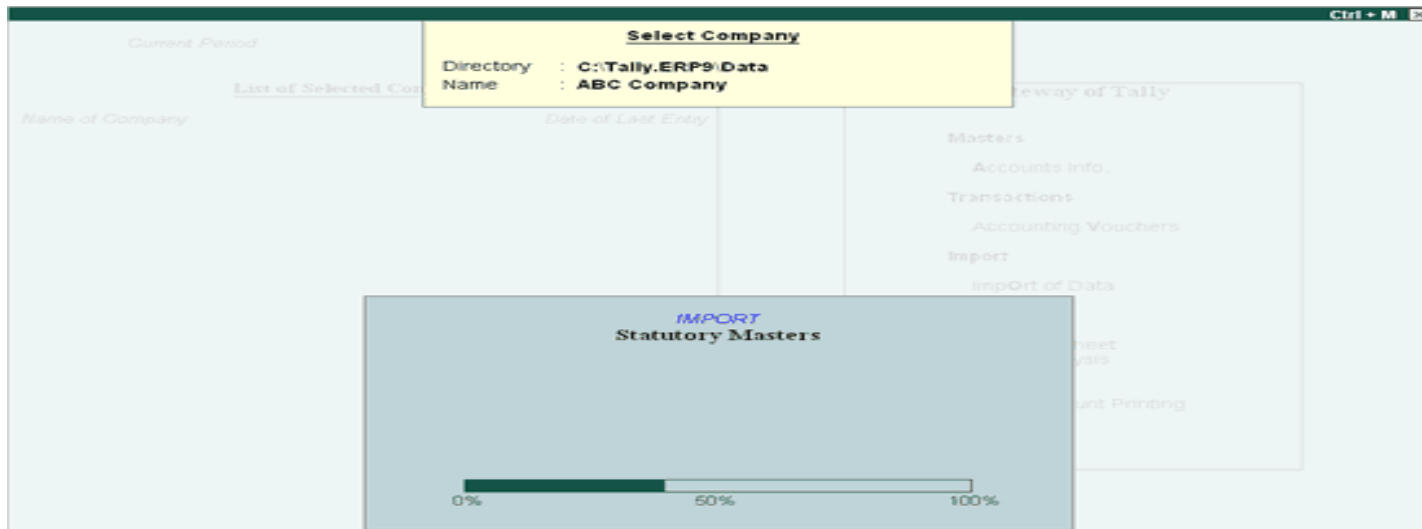
On accepting the company creation screen, if you have specified Tally Vault password, Tally.ERP 9   prompts you to enter the TallyVault password as appears:
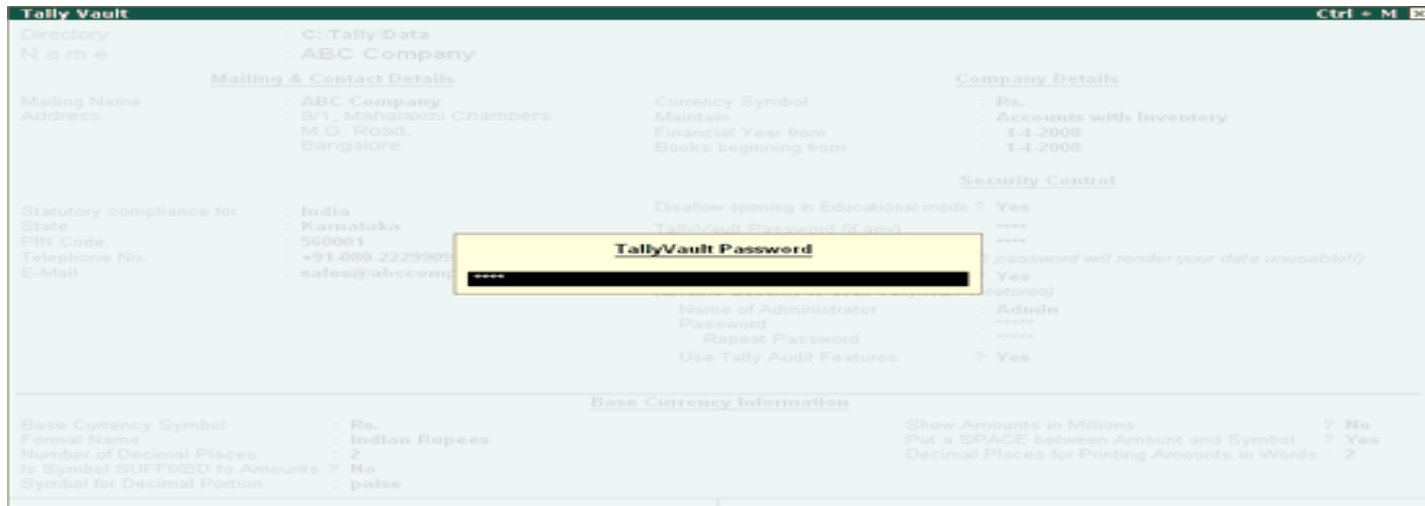
Then Tally.ERP 9 prompts you to enter the Name of User and Password (if any).
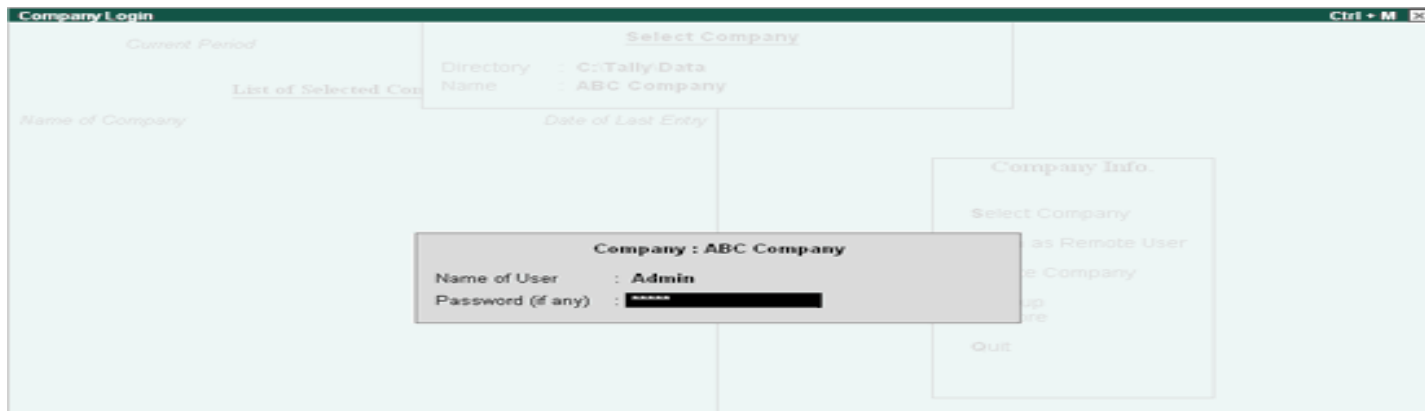
After verification Tally.ERP 9 imports the latest statutory masters. Wait till the screen shows that 100% of import is complete.

This completes the Company Creation process in Tally.ERP 9.

An explanation on the fields on the bottom of the Company creation screen follows:

Base Currency Information

The Base Currency Information is found in the bottom frame of the Company creation Screen. Base Currency is the currency in which your accounts would be maintained. Financial statements are prepared in the base currency by default and these are normally required to be submitted to local statutory authorities. The Base Currency information in Tally.ERP 9 varies with the country selected for Statutory Compliance.
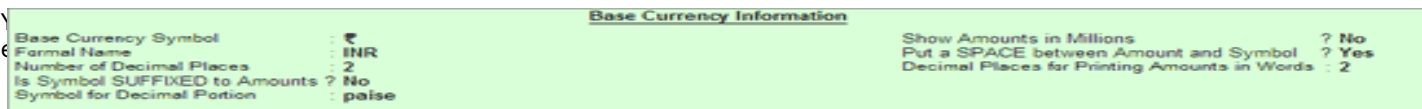
Base Currency Symbol

The currency symbol given earlier in the Company Creation screen is displayed here automatically.

Tally.ERP 9 uses this currency symbol in reports, wherever necessary.

Click here to read about Indian Rupee Symbol Conversion.

Formal Name

Formal Name is the full name of the currency specified.

The Formal Name for the base currency is set to Indian Rupees for Indian Companies.

Number of decimal places

The number of decimal places for the base currency is set to 2, by default. However, you have the option of specifying up to 4 decimal places. Indian currency has 2 decimal places whereas certain other countries require 3 decimal places and so on.

Is Symbol Suffixed to Amounts

For countries, which specify the symbol after the amount (value) – this facility is provided. For example, Yen is specified after the amount (5000 Yen) unlike in India where the symbol is specified before the amount (Rs.5000)

Symbol for Decimal Portion

Enter the symbol for decimal portion.

Show Amounts in Millions

This is useful for companies, which require reporting the financial statements in millions. This is possible only if Allow Multi-Currency is enabled in F11: Accounting Features.

Put a space between Amounts and Symbol

This facility is provided to users who require a space between the amount and the symbol. However, putting a space between the amount and symbol could give an opportunity for misuse incase of cheque printing. Hence, the flexibility to turn this option on and off as required is provided.

Decimal Places for Printing Amounts in Words

Note: The Name of the Company, cannot be translated or transliterated but will appear in the

You can specify the number of decimal places for printing the amount in words. This number should be equal to or lesser than the number specified in Number of Decimal places field in company creation or currency master screen which will appear in Invoice and Cheque printing screen.

For example, if the currency is expressed upto 3 decimal places, the numeric to be printed in words can be restricted to 2 decimal places.

Loading a Company

In order to load a company using the Select Company option, disable the default loading of a company in Tally.ini file. SetDefault Companies to No OR place a semi-colon before Load = 00001 (company number - placing a semicolon means that the words following it in that line would not be executed. Each line is a separate command).

On double-clicking the Tally icon, the screen is displayed as shown:
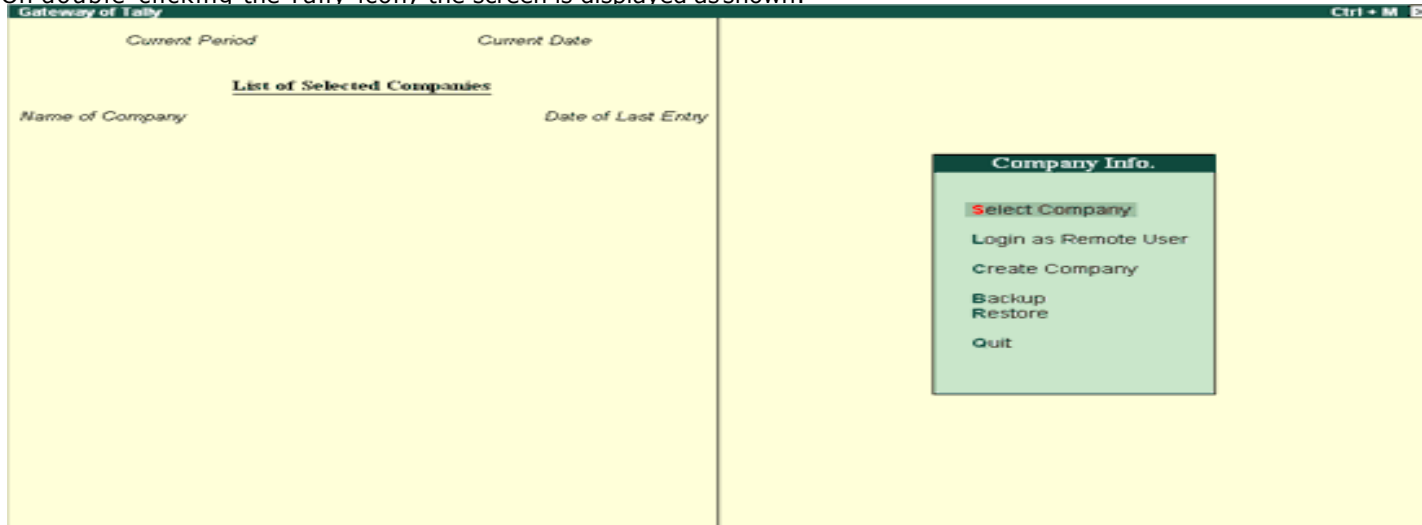
You can use the Select Company option in two ways, from the Company Info. Menu OR by using the button F1: Select Cmp(available on the Gateway of Tally screen).
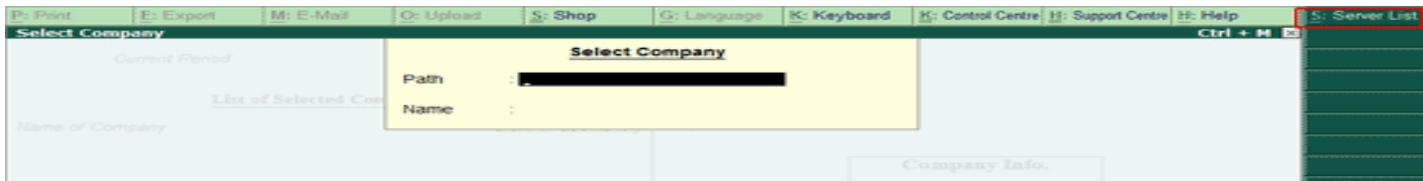
Select Company

Select Company option allows you to load another company from the list of companies listed which you may have created earlier.

Press Enter on Select Company or use the button F1: Select Cmp. Tally.ERP 9 displays the following screen:
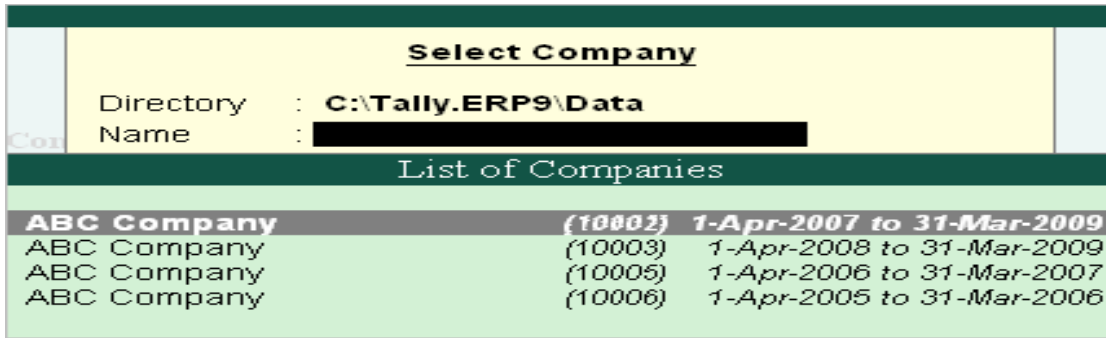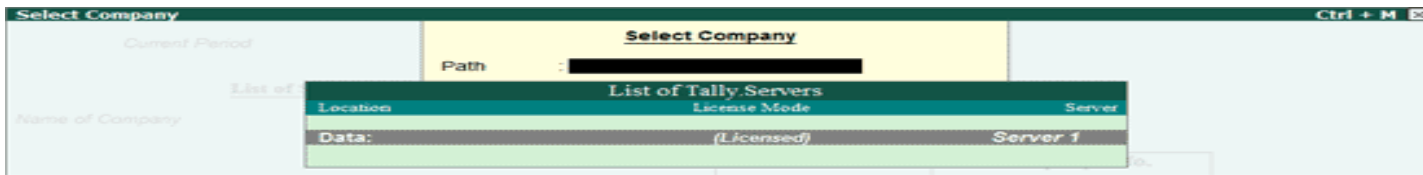
If your business uses Tally.Server 9 to maintain data,

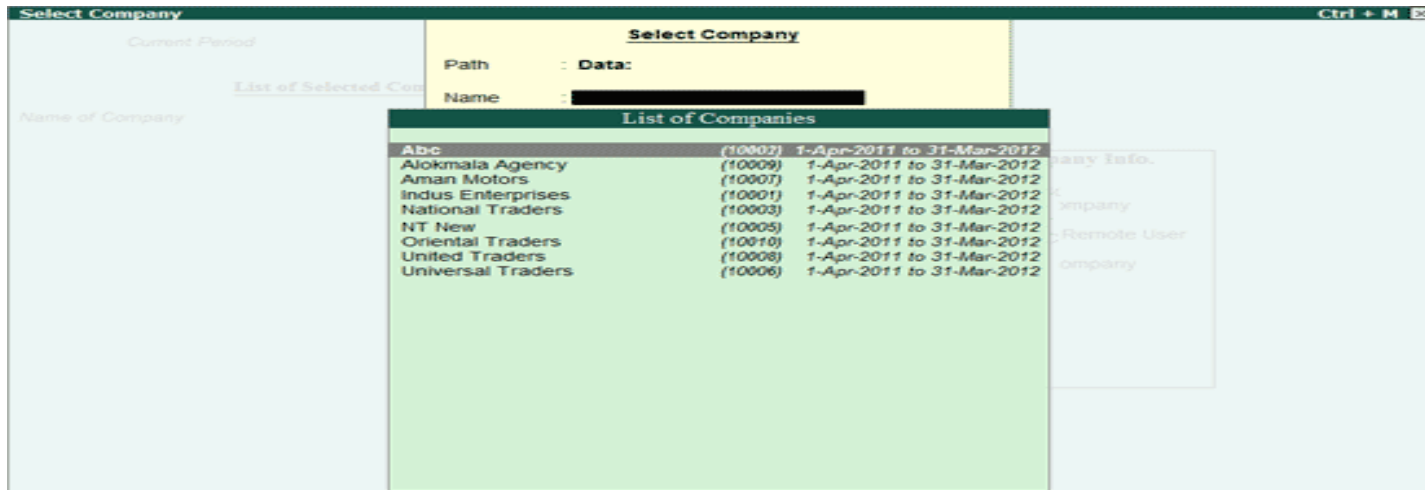Click on S: Server List or press Alt+S

> Note: If the administrator has enabled Security Access, users need to provide the authorised Tally.NET credentials in order to access the Server List.

The List of Tally.Servers is displayed. Select the required location

The Companies available on the selected Tally.Server will be displayed:

Tally.ERP 9 displays

1. Company Name (All the companies created are displayed in an alphabetical order)

2. System-generated code for each company displayed

3. The Financial Year information relating to the number of years data present in the company

Note: The system- generated code for each company is displayed to assist you in identifying which company you wish to work on in case you have multiple companies with the same name (as displayed in the above screen).

Select the required company from the list given to go to the Gateway of Tally for that company.

In case two or more companies are loaded , click on the company which you need to work on so that the selected company will be highlighted and will appear on top of the list.

Shut a 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 Companymenu option on the Company Info. Menu.

The screen appears as shown below:

Select the company to be shut from the List of Primary Companies.

Alter a Company

This option allows you to alter information about the existing company, you can modify any information at any time that is set while creating a company.

Go to Gateway of Tally

1. Select F3: Cmp Info. (ALT+F3) from the buttonbar

3. Select the company from the List of Companies and press Enter to view the Company Alteration screen.
4. Make the necessary changes in the required fields and accept the screen.

To change the password if Use Security Control is set toYes:

1. Enter the Name of Administrator.

2. Enter the new password.

3. Re-enter the password in the Repeat field to confirm.

4. Enter the Old Password and Accept the screen to alter the company.

Security Control

Use Security Control   ? Yes
(Enable Security to avail Tally.NET Features)
    Name of Administrator   : Ajay
    Password   : ***************
      Repeat Password   : ***************
      Old Password   : *************

(Password Strength is Strong)

Note: To understand the conditions that determine a Password' s strength, click Password Strength Indicator.

Delete a Company

This option allows you to delete an existing company.

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.

5.   Press Enter to delete the company.

Note: Deletion of a company is irreversible. The company is permanently deleted from the system.

Pre-defined Groups in Tally.ERP 9

By default, Tally.ERP 9 provides a list of Groups called pre-defined groups. The user can create any number of Primary Groups and Sub Groups which are again grouped under a Primary Group/Sub Group.

There are 28 pre-defined Groups in Tally.ERP 9, out of which 15 are Primary Groups and 13 are Sub-Groups.

15 Primary Groups	13 Sub Groups
Branch / Divisions	Bank Accounts
Capital Account	Bank OD A/c
Current Assets	Cash-in-hand
Current Liabilities	Deposits (Asset)
Direct Expenses	Duties & Taxes
Direct Incomes	Loans & Advances (Asset)
Fixed Assets	Provisions
Indirect Expenses	Reserves & Surplus
Indirect Incomes	Secured Loans
Investments	Stock-in-hand
Loans (Liability)	Sundry Creditors
Misc. Expenses (ASSET)	Sundry Debtors
Purchase Accounts	Unsecured Loans
Sales Accounts	
Suspense A/c	

Out of the 15 Primary Groups, 9 Primary Groups appear in the Balance Sheet which are Capital in nature and 6 Primary Groups appear under Profit & Loss Account which are Revenue in nature.

13 Sub Groups are classified under the 15 Primary Groups and they appear in the Balance Sheet.

Pre defined Sub Groups	Under
Bank Accounts	Current Assets
Bank OD A/c	Loans (Liability)
Cash-in-hand	Current Assets
Deposits (Asset)	Current Assets
Duties & Taxes	Current Liabilities
Loans & Advances (Asset)	Current Assets
Provisions	Current Liabilities

Q:1 Firstly Installation Of Tally. Erp 9 Software.

Q:2 Create a company with Following Details Given Below:

Telephone No	Mobile Number	Email Id
011235546	9253738921	God BlessU@Godbless.com

Directory	C:\tally.erp9\Data
Company	God Bless Associates
Address: Flat/Door / Building/Area	Block-04, Shadi Pur
State	Delhi
Staturory Complaince	INDIA
Pin Code	110025
Contact & Email ID	011-45214521, GodBless@godbless.com
Maintain (A/c only or A/c with Inventory)	Account Only
Year	01-04-2014
Book Beginning	01-04-2014
Control	YES
User Name	God
Password	sone

Q:3 Company requires To alter or edit the following Details

Q:4 ShutDown The Company and Exit tally'.

Q:5 Select the Existing Company (God Bless Associates) Open in Tally Main Screen

Note "Create The Company and Use All Short Cut Keys.

Creating a Single Ledger

By default, Tally.ERP 9 contains two Ledger accounts namely, Cash (Under Cash-in- Hand) and Profit and Loss Account (direct Primary Account). You need to create all other accounts heads. There are no restrictions in Ledger creation except that you cannot create another Profit & Loss A/c. Any number of Cash Accounts may be created in any other name for ex: Petty Cash.

Go to **Gateway of Tally > Accounts Info > Ledgers > Create**
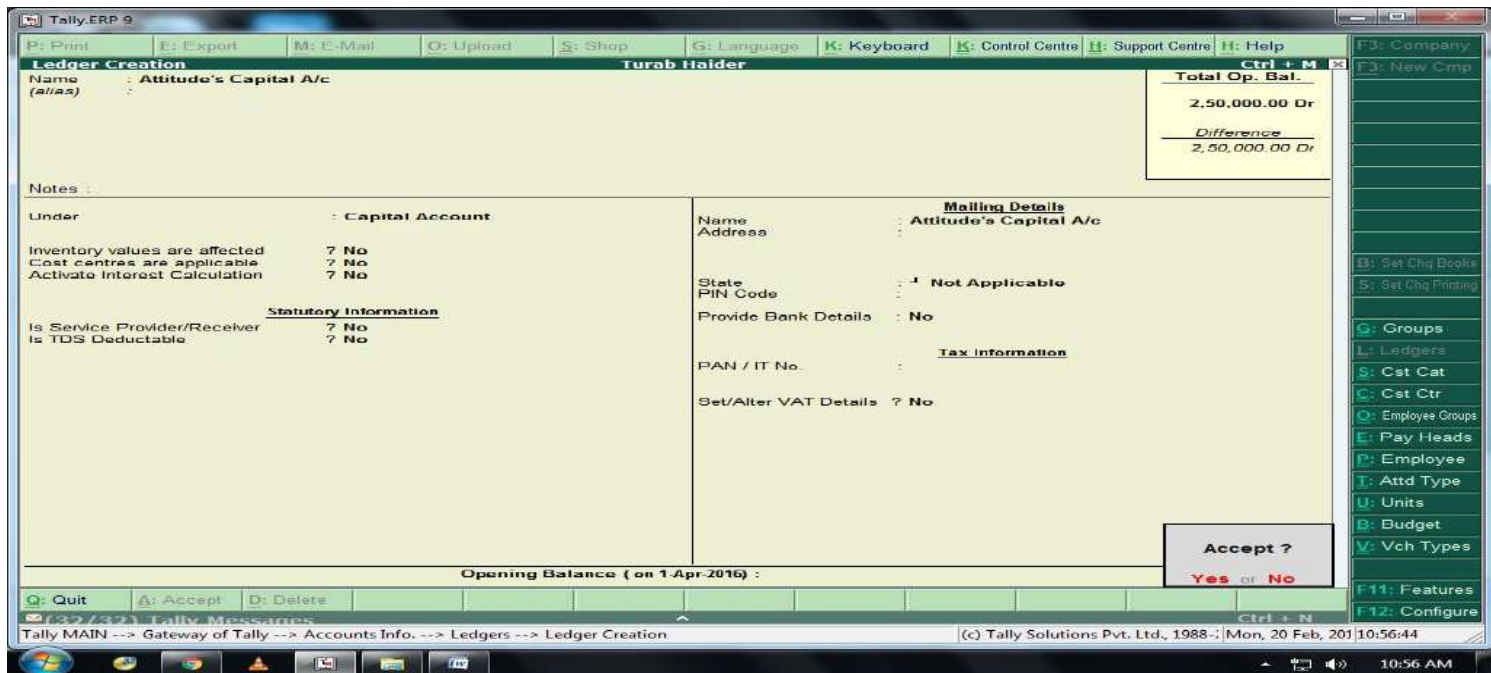

Ledgers can be created in **Normal mode** or in **Advance mode**.

Creating Ledger in Normal Mode

The creation of a Ledger depends on the features you have selected under **F11: Features** of your company and **F12: Configure**. You can create a single ledger account with the default options enabled.

Go to **Gateway of Tally > Accounts Info > Ledgers > Single Ledger > Create**

Name

Enter the **Name** of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself.

Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same.

Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

Alias

Enter an **alias name** if required. You can access the Ledgers using the original name or the alias name.

Under

All accounts must be classified **under** their appropriate **Groups**. Select the **Group** under which the Ledger is created from the List of Groups. (To create a new Group from this field press **[ALT + C]**). A wrong classification would affect the treatment of the Ledger account in final statements and during voucher entry.

You can, alter a Ledger account to change its group classification at any time. Refer Importance of Grouping and Accounting Classifications: for more details in Grouping

Opening Balance

If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9.

Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities. It accepts the reverse for obverse balances. Revenue accounts normally do not have balances. Tally.ERP 9, however, permits you to give balances even for such accounts - You may ~~be transferring your books on to Tally.ERP 9 in the middle of the year and may not have closed them in your earlier system. Hence, you may specify~~ whether the balance is Debit or Credit. Simply **D** or**C** would suffice.

Go to **Gateway of Tally > Accounts Info > Ledgers > Multi Ledgers> Create**
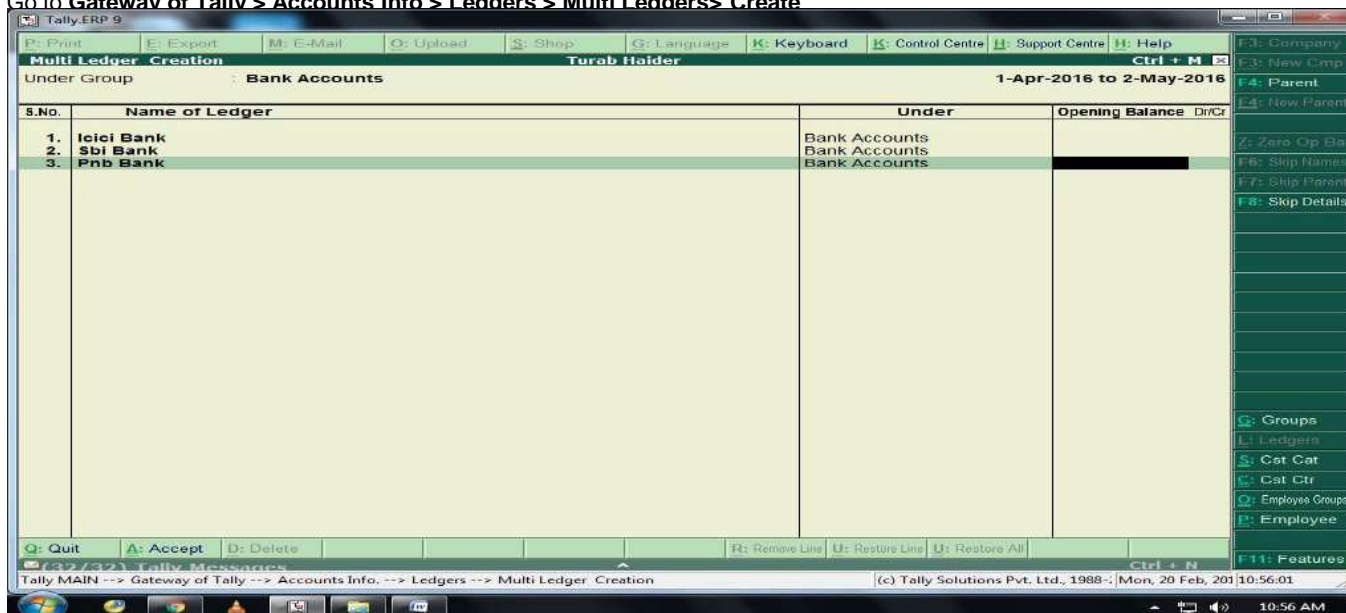
Go to **Gateway of Tally > Accounts Info > Ledgers > Ledgers> Display**
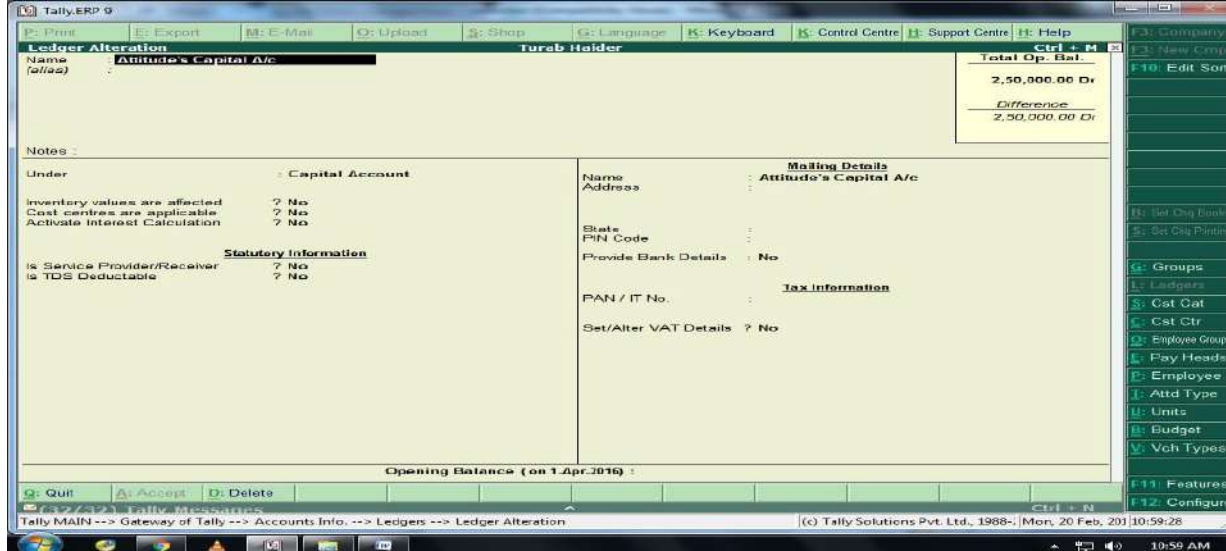
Change and save
For Delete Press Alt+D !!

Q:1 :

Ledger	Group
Capital	Capital account
Bank	Bank account
Purchase	Purchase account
Anil	Sundry Creditor
Chandan	Sundry Creditor
Harish	Sundry Creditor
Purchase return	Purchase account
Naveen	Sundry Creditor
Sales	Sales account
Guptha	Sundry debetor
Commission	Indirect expenses
Wages	Direct expenses
Drawings	Capital account
Manju	Sundry Creditor
Anand	Sundry Creditor

Create flowing Ledger with under group?

Balance Sheet Opening Balance:

Creating a Single Ledger

By default, Tally.ERP 9 contains two Ledger accounts namely, Cash (Under Cash-in- Hand) and Profit and Loss Account (direct Primary Account). You need to create all other accounts heads. There are no restrictions in Ledger creation except that you cannot create another Profit & Loss A/c. Any number of Cash Accounts may be created in any other name for ex: Petty Cash.

Go to Gateway of Tally > Accounts Info > Ledgers > Create

Ledgers can be created in **Normal mode** or in **Advance mode**.

Creating Ledger in Normal Mode

The creation of a Ledger depends on the features you have selected under **F11: Features** of your company and **F12: Configure**. You can create a single ledger account with the default options enabled.

Go to **Gateway of Tally > Accounts Info > Ledgers > Single Ledger > Create**

Name

Enter the **Name** of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself.

Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same.

Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

Alias

Enter an **alias name** if required. You can access the Ledgers using the original name or the alias name.

Under

All accounts must be classified **under** their appropriate **Groups**. Select the **Group** under which the Ledger is created from the List of Groups. (To create a new Group from this field press **[ALT + C]**). A wrong classification would affect the treatment of the Ledger account in final statements and during voucher entry.

You can, alter a Ledger account to change its group classification at any time. Refer Importance of Grouping and Accounting Classifications: for more details in Grouping

Opening Balance

If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9.

Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities. It accepts the reverse for obverse balances. Revenue accounts normally do not have balances. Tally.ERP 9, however, permits you to give balances even for such accounts - You may be transferring your books on to Tally.ERP 9 in the middle of the year and may not have closed them in your earlier system. Hence, you may specify whether the balance is Debit or Credit. Simply **D** or**C** would suffice.

Detailed Setup Guide:

Create all Ledger same as Capital and submit opening Balance.
1. Execute Tally.ERP 9 and select the required Company.

2. Go to > Gateway of Tally > Balance Sheet

1) In Bala

Press Alt+S for Schedule VI.

Following Balances appear in the Books of Saraswati Paradise

To See the Report of Balance Sheet

Gate of Tally →Balance Sheet →Alt + F1 (To see Detailed Format)

Liabilities	Amount		Assets	Amount	
Capital			Fixed Assets		
Bipin's Capital Rs 1000000			Machinery		200000
Binesh's Capital Rs 500000	1500000		Computer		100000
			Furniture & Fixture		40000
Secured Loan			Investment		
Loan Taken From H DFC Bank	300000		Share of Tara		250000
			Share of [CICI Bank		150000
	450000		Share Of Reliance		500000
⸬ Loan Taken From SBI Bank					
Unsecured Loan			Current Assets		
LoanTaken from Pratibha	100000		Cash In Hand		500000
			ICICI Bank		300000
Out Standing Expense			Sundry Debtor		
O/s Salary	10000		JeetTraders		250000,
O/s Rent	20000		RahiTraders		300000
Current Liabilty					
Provident Fund	50000				
Sundry Creditor					
Planet World	35000				
Computer World	25000				
Profit & Loss A/c	100000				

Voucher Entry in Tally.ERP 9

In accounting terms, a voucher is a document containing the details of a financial transaction. For example, a purchase invoice, a sales receipt, a petty cash docket, a bank interest statement, and so on. For every such transaction made, a voucher is used to enter the details into the ledgers to update the financial position of the company. This feature of Tally.ERP 9 will be used most often.

Tally.E

	Real Accounts	Personal Accounts	Nominal Accounts
Debit	What Comes in	The Receiver	Expenses and Losses
Credit	What Goes out	The Giver	Incomes and Gains

5.1 Accounting Vouchers

Tally.ERP 9 is pre-programmed with a variety of accounting vouchers, each designed to perform a different job. The standard Accounting Vouchers are:

Contra Voucher (F4) Payment Voucher (F5)

Receipt Voucher (F6) Journal Voucher (F7)

Sales Voucher /Invoice (F8) Credit Note Voucher (CTRL+ F8)

Purchase Voucher (F9)

Optional Voucher: All the available vouchers in Tally.ERP 9 (except non-accounting vouchers) can be marked optional, if required.

Post-dated voucher: All the available vouchers in Tally.ERP 9 can be marked post-dated, if required.

You can alter these vouchers to suit your company, and also create new ones. Read ahead to understand the function of each voucher type. The following exercises are sample enteries for understanding Voucher entry in Tally.ERP 9, do not make these entries.

5.1.1 Contra Voucher (F4)

For example: withdrawing money from the bank for petty cash.

Contra Voucher			
Description	Records funds transfer between cash and bank accounts		
Voucher Entry	**Account**	**Amount**	**Amount**
	State Bank of India (Bank Accounts)		Credit
	Petty Cash (Cash-in-hand)	Debit	

Use a Contra Voucher to record the entry. Setup :

In **Voucher entry mode**, press **F12: Contra Configuration** and set the following to

Yes: Skip the Date field in Create Mode (faster entry!)

Use Cr/Dr instead of To/By during entry Warn on Negative

Cash Balance Show Ledger Current Balances

Show Balances as on Voucher Date

Go to the **Gateway of Tally > Accounting Vouchers > F4: Contra**.

Accounting Voucher Creation	Indus Enterprises	Ctrl + M ⊠
Contra No. 1		1-Apr-2009 Wednesday

Particulars	Debit	Credit
Cr **State Bank of India** *Cur Bal: 30,000.00 Dr*		5,000.00
Dr **Petty Cash** *Cur Bal: 5,000.00 Dr*	5,000.00	

Narration:
Ch. No. :235648 Cash Transferred from State Bank of India to Petty Cash.

| | 5,000.00 | 5,000.00 |

Accept ?

Yes or No

Figure 5.1 Contra Voucher

Press **Y** or **Enter** to accept the screen.

5.1.2 Payment Voucher (F5)

For example, a company settles a creditor's bill by cheque.

Payment Voucher			
Description	Records all bank and cash payments		
Voucher Entry	**Account**	**Amount**	**Amount**
	Ledger account paid Kaltronic Ltd. (Sundry Creditors)	Debit	
	Bank or cash account State Bank of India (Bank Account)		Credit

Use a Payment Voucher to record the entry.

Go to the **Gateway of Tally > Accounting Vouchers > F5: Payment**.

Figure 5.2 Payment Voucher

Press **Y** or **Enter** to accept the screen.

Payment in Single Entry Mode

In **Voucher entry mode**, use **F12: Payment Configuration** and set **Use Single Entry mode for Pymt/Rcpt/Contra** to **Yes**.

Payment Voucher			
Description	Records all bank and cash payments		
Voucher Entry	**Account**	**Amount**	**Amount**
	Ledger account paid Conveyance Postage (Indirect Expenses)	Debit	
	Bank or cash account Petty Cash (Bank Account)		Credit

The entry made in the single entry mode appears as shown below:

Figure 5.3 Payment Voucher with Single Entry Mode

Press **Y** or **Enter** to accept the screen.

The advantage of a single entry mode is that you can select multiple debits or credits depending on the type of entry. Similarly the transactions can be recorded in single entry mode even in Receipt and Contra vouchers.

Warn on Negative Cash Balance

Tally.ERP 9 displays a warning if the cash balance is NIL when **Warn on Negative Cash Balance** is set to **Yes** in the **F12: Payment Configuration**. For example, a cash ledger account has no balance. A payment of Rs. 4,500 towards Telephone expenses is to be made. In the process of making the payment, Tally.ERP 9 displays a warning at the time of accepting the entry.

The entry made appears as shown below:

Figure 5.4 Payment Voucher with Warning on Negative Cash

In addition to the warning, Tally.ERP 9 also displays the negative balance amount in Red.

5.1.3 Receipt Voucher (F6)

For example, the company receives a bank advice that the interest has been credited to its deposit account.

Receipt Voucher			
Description	Records all receipts into bank or cash accounts		
Voucher Entry	**Account**	**Amount**	**Amount**
	Ledger account receiving Bank Interest (Indirect Incomes)		Credit
	Bank or cash account Deposit Account	Debit	

Use a Receipt Voucher to record the entry.

Ensure in **F12: Payment Configuration**, **Use Single Entry mode for Pymt/Rcpt/Contra** is set to **No**.

Go to the **Gateway of Tally > Accounting Vouchers > F6:**

Receipt. The entry made appears as shown below:

	Indus Enterprises		Ctrl + M
Receipt No. 1			1-Apr-2009 Wednesday
Particulars		**Debit**	**Credit**
Cr **Bank Interest**			1,000.00
Cur Bal: 1,000.00 Cr			
Dr **Deposit Account**		1,000.00	
Cur Bal: 1,000.00 Dr			
Narration:		1,000.00	1,000.00
Ch. No. :		Accept ?	
		Yes or No	

Figure 5.5 Receipt Voucher

Press **Y** or **Enter** to accept the screen.

5.1.4 Journal Voucher (F7)

For example, the company has entered some expenditure on advertising as general office costs, rather than recording the transaction in the separate ledger for advertising.

Journal Voucher			
Description	Records adjustments between ledger accounts		
Voucher Entry	**Account**	**Amount**	**Amount**
	Advertising (Indirect Expenses)	Debit	
	Office Costs (Indirect Expenses)		Credit

Use the Journal Voucher to adjust the two accounts. Go to the **Gateway**

of Tally > Accounting Vouchers > F7: Journal. The entry made appears as

shown below:

Figure 5.6 Journal Voucher

Press **Y** or **Enter** to accept the screen.

5.1.5 Sales Voucher (F8)

For example, a c

Sales Voucher			
Description	Records all sales		
Voucher Entry	**Account**	**Amount**	**Amount**
	Buyer's ledger account Milton & Co. (Sundry Debtors)	Debit	
	Sales Accounts (Local Sales)		Credit

Use a Sales Voucher for making this entry.

Go to the **Gateway of Tally > Accounting Vouchers > F8: Sales**. The entry made appears as shown below:

Figure 5.7 Sales Voucher

Press **Y** or **Enter** to accept the screen.

5.1.6 Credit Note Voucher (Ctrl + F8)

This voucher type is made available when the option **Use Debit/Credit Note** to is set to **Yes** in the **F11: Features (F1: Accounting features)**.

For example: A customer returns stock that was incorrectly supplied.

Credit Note Voucher			
Description	Records credit note entry for sales returns or Customer over-charging		
Voucher entry	**Account**	**Amount**	**Amount**
	Buyer's ledger account Milton & Co (Sundry Debtors)		Credit
	Sales Accounts Local Sales	Debit	

Use a Credit note to record this entry.

Go to the **Gateway of Tally > Accounting Vouchers > F8: Credit**

Note. The entry made appears as shown below:

Figure 5.8 Credit Note Voucher

Press **Y** or **Enter** to accept the screen.

5.1.7 Purchase Voucher (F9)

A company buys computer parts on credit.

Purchase Voucher			
Description	Records all purchases		
Voucher Entry	**Account**	**Amount**	**Amount**
	Supplier's ledger account Beltron Ltd (Sundry Creditor)		Credit
	Purchase Accounts (Local Purchases)	Debit	

Use a Purchase Voucher to record this entry.

Go to the **Gateway of Tally > Accounting Vouchers > F9: Purchase**. The entry made appears as shown below:

Accounting Voucher Creation	Indus Enterprises		Ctrl + M ⊠
Purchase No. 1			1-Apr-2009
Supplier Invoice No. :	Date :		Wednesday
Particulars		**Debit**	**Credit**
Cr **Beltron Ltd**			3,000.00
Cur Bal: 3,000.00 Cr			
Dr **Local Purchases**		3,000.00	
Cur Bal: 3,000.00 Dr			
Narration:		3,000.00	3,000.00
		Accept ?	
		Yes or **No**	

Figure 5.9 Purchase Voucher

Press **Y** or **Enter** to accept the screen.

5.1.8 Debit Note Voucher (Ctrl + F9)

This voucher type is made available when the option **Use Debit/Credit Notes** is set to **Yes** in the **F11: Features (F1: Accounting Features)**.

Debit Note Voucher
For example a company returns damaged goods to a supplier purchase returns or over-charging by a supplier

Voucher Entry	Account	Amount	Amount
	Supplier's ledger account Beltron Ltd (Sundry Creditor)	Debit	
	Purchase Accounts (Local Purchases)		Credit

Use a Debit Note to record this entry.

Go to the **Gateway of Tally > Accounting Vouchers > F9: Debit Note**. The entry made

appears as shown below:

Figure 5.10 Debit Note Voucher

Press **Y** or **Enter** to accept the screen.

5.1.9 Reversing Journal Voucher (F10)

Reversing Journals are special journals that are automatically reversed after the date of the journal. They exist only for a day and are effective on the date of the reversing journal. This voucher type is available only if the feature **Use Reversing Journals & Optional Vouchers** is set to **Yes** in the **F11: Features (F1: Accounting Features)**.

The entry made for this is as follows:

Reversing Journal Voucher			
Description	Records the voucher entries in a Reversing Journal Register, without affecting the ledger accounts and financial statements		
Voucher entry	**Account**	**Amount**	**Amount**
	Ledger account	Debit	
	Ledger account		Credit

Go to the **Gateway of Tally > Accounting Vouchers > F10: Reversing Journal.**

Reversing Journals are useful in *Scenario Management.*

5.1.10 Memo Voucher (Ctrl + F10)

Memo Voucher is a non- accounting voucher and the entries made using it will not affect your accounts. In other words, Tally.ERP 9 does not post these entries to ledgers but stores them in a separate **Memo Register**. You can alter and convert a Memo voucher into a regular voucher when you decide to bring the entry into your books.

Memo vouchers are used for the following purposes :

1. Making suspense payments

For example, the company gives an employee cash to buy office supplies, the exact nature and cost of which are unknown. You could have entered a voucher stating petty cash advance, a voucher to record the actual expenditure details when they are known, and another voucher to record the return of surplus cash. However, a simpler way is to enter a Memo voucher when the cash is advanced, and then turn it into a Payment voucher for the actual amount spent, when known.

2. Vouchers not verified at the time of entry

Sometimes it so happens that you do not understand the details of a voucher you are entering. In such cases, enter it as a Memo voucher and amend it when you get the details.

3. Items given on approval

Usually, entries are made into the books only after a sales transaction is completed. Items given **on approval**, can be tracked by using a Memo voucher. It can either be converted into a proper Sales voucher or be deleted depending on the outcome.

Memo Voucher			
Description	Records the voucher entries in a memo register, without affecting the ledger accounts and financial statements		
Voucher Entry	**Account**	**Amount**	**Amount**
	Ledger account	Debit	
	Ledger account		Credit

5.1.11 Optional Voucher

This is another **non-accounting** voucher which is available only if the feature **Use Reversing   Journals & Optional Vouchers** is set to **Yes** in the **F11: Features (F1: Accounting Features)**. It differs from the Memo voucher in two respects:

It is not a voucher type, since all the other voucher types can be marked as Optional during a voucher entry.

You have the option to bring this voucher into your accounts **temporarily** and see its effect on financial reports. Any voucher type (except non-accounting voucher) can be designated as an Optional voucher.

Optional Voucher			
Description	Records voucher entries temporarily, to help visualise the effect on reports, without affecting the ledgers		
Voucher Entry	**Account**	**Amount**	**Amount**
	Ledger account	Debit	
	Ledger account		Credit

5.1.12 Post-dated Vouchers

Post-dated Vouchers are ignored by Tally.ERP 9 until the date in question. This is useful for entering transactions that take place on a regular basis. For example, if you pay for something by instalments, you can set-up the payments in advance, and Tally.ERP 9 will only enter them in the ledgers as and when they fall due. A voucher is marked as Post-dated while creating or altering it.

5.1.13 Creating a New Voucher Type

National Traders wants to record bank and petty cash payments differently and needs two new voucher types to replace the pre-defined Payment voucher. Inorder to do this:

Create a **Bank Payment** voucher

Go to the **Gateway of Tally** > **Accounts Info. > Voucher Types > Create**.

1. **Name**: **Bank Payment**
2. **Type of Voucher**: **Payment** (Specify the default Tally.ERP 9 voucher, whose functions the new voucher should copy).
3. **Abbr.: Bank Pymt** (Specify the abbreviation to denote this new voucher in reports)
4. **Method of Voucher Numbering**: **Automatic**

You ca

Method of Numbering	Purpose
Automatic	For Tally.ERP 9 to do it for you.
Manual	You do it. You can also specify if you wish to prevent duplicates.
None	To disable numbering for this voucher type.

5. **Use Advance Configuration**: **No**
6. **Use EFFECTIVE Dates for Vouchers**: **No**
7. **Make 'Optional' as default**: **No** (This is to set the voucher type as an Optional voucher, by default)
8. **Use Common Narration**: **Yes**
9. **Narrations for each entry**: **No**
10. **Print after saving Voucher**: **No**
11. **Name of Class**: **Skip**.

*The voucher date is taken from the current date mentioned at the Gateway of Tally.ERP 9. However, the **effective date** for the voucher may be different. For example, entering a post-dated cheque.*

*Tally.ERP 9 displays the narration field which applies to the whole voucher. By setting **Use Common Narration** option to **No**, we can have separate narration fields for each line on the voucher. Reversing Journals are used for Scenario Management.*

*The **Name of Class** field enables creation of Voucher Classes for the respective voucher types. (The Voucher class is a template to custom- ise voucher data entry).*

A **Bank Payment Voucher Type** Creation screen appears as shown below:

Figure 5.11 Voucher Type Creation Screen — Bank Payment

12. Press **Y** or **Enter** to accept the screen.

5.1.14 Displaying and Altering a Voucher Type

Observe the menu, you will notice that you can also display and alter voucher types. Selecting these options brings up a **List of Voucher Types**, from which you can select the one you want to view or work on. Apart from the heading, the *Voucher Type Display/Alter* screens are identical to the *Creation* screen.

Practice Exercise

Create a Petty Cash Payment Voucher Type

Ensure that the details in the Voucher Type Creation screen are as shown below:

Figure 5.12 Voucher Type Creation — Petty Cash

Press **Y** or **Enter** to accept the screen.

The above exercises are sample enteries for understanding Voucher entry in Tally.ERP 9, do not make these entries.

5.1.15 Recording Accounting Transactions

Let us record the following business transactions of National Traders for the month of April 2009 :

National Traders Business Transactions	
Date	**Transaction Details**
1-4-09	Paid Rs 500 to Challenger Systems by cheque
1-4-09	Bought office supplies for Rs 150 with Petty Cash
2-4-09	Wages of Rs 600 paid to employees by cheque
5-4-09	Banked a cheque for Rs 5000 received from Data Link Technologies
6-4-09	Sold 1 IBM Pentium IV to Spectrum Computers for Rs 24,785.
6-4-09	Withdrew Rs 200 from Bank Account for Petty Cash
7-4-09	Bought 1 Laserjet 1500 from Silver Plus computers on credit for Rs 8,100

The basic steps to be followed while entering each voucher are:

Check if the date is correct and use **F2: Date** to change it if necessary.

Select the voucher type from the button bar and make a further selection from the supple- mentary list that Tally.ERP 9 displays, if necessary.

Enter the appropriate reference for the **Purchase** and **Sales**

vouchers. Select the ledgers and enter the amounts.

Type the narration and check whether all the data is correct before accepting

Create the following **Accounting Vouchers** in the books of National Traders :

Date	Voucher Type	Ledgers to be Selected	Debit	Credit
1-4-09	**F5:Payment** Bank Payment	Dr - Challenger Systems Cr - Bank Account	500.00	500.00
1-4-09	**F5: Payment** Petty Cash	Dr - Office Costs Cr - Petty Cash	150.00	150.00
2-4-09	**F5: Payment** Bank Payment	Dr - Wages Cr - Bank Account	600.00	600.00
5-4-09	**F6: Receipt**	Cr - Data Link Technologies Dr - Bank Account	5000.00	5000.00
6-4-09	**F8: Sales**	Dr - Spectrum Computers Cr - Computer Sales	24,785.00	24,785.00
6-4-09	**F4: Contra**	Cr - Bank Account Dr - Petty Cash	200.00	200.00
7-4-09	**F9:Purchase**	Cr - Silverplus Computers Dr - Printer Purchases	8,100.00	8,100.00

*In the **Purchase/Sales Ledger** Masters, set **Inventory Values are affected** to **No** and proceed with the above transactions. Enable the option to **Yes** in the **Inventory Transactions** section.*

A **Voucher Entry screen** comprises of the following :

Type of voucher

It is essential to check if you are using the right voucher for the transaction. You can change the voucher type by selecting a new type from the button bar, if required. For example on the selection of a payment voucher, Tally.ERP 9 automatically displays the **List of Voucher** types you have cre-ated. You can select the voucher type required.

Voucher number

Tally.ERP 9 automatically sets the voucher number for you. You can change the voucher number manually, if required.

Reference

You can enter a reference of your choice. A Purchase order number or an Invoice Number can be entered as a reference.

Date of voucher

The date of the voucher you enter is displayed at the top right of the Voucher Creation screen. The date is taken initially from the Gateway of Tally - Current Date and you may need to change it frequently to ensure that the vouchers are dated as you want.

Effective date

A voucher type can be configured to allow for an **Effective date**. The line below the **Date of voucher** displays the date when the voucher will be effective.

Particulars

This is where you enter the ledger names and the debit and credit amounts. Each line displays a prompt of **Dr** or **By** for debit entries and **Cr** or **To** for credit entries.

Depending on the voucher type, Tally.ERP 9 selects either 'Dr' or 'Cr' for the first prompt, which you cannot change. Thereafter, you can change the prompt (if necessary) by typing over it with a **D** or a **C**. To select a ledger, type the first letter of its name. Tally.ERP 9 then displays a **List of Ledger Accounts** beginning with the letter highlighted. Only ledgers suitable for the voucher type are displayed. As you continue typing, the highlights reduce until a match is found.The current balance is displayed when you select the ledger, (if this option has been configured). The revised current balance is shown after the amount is entered. On selecting the next ledger, Tally.ERP 9 suggests the balancing amount as the value to be entered, which may be accepted or typed over. The voucher entry cannot be completed until the debits equal the credits.

Narration

Here you type whatever appropriately describes the transaction. Remem- ber, you can have a separate narration for each line of particulars, if you configure the voucher type in that way.

For Payment Vouchers, where a bank account has been credited, Tally.ERP 9 pre-sets the narration to Ch.No. expecting a cheque number to be entered. This can be over written if required.

Once the narration is complete, press Enter to bring up the Accept? box.

Once you accept the data, Tally.ERP 9 presents another data entry screen.

5.1.16 Trial Balance for April 2009

Go to the **Gateway of Tally > Display > Trial Balance**.

After making the above emtries, the Trial Balance of National Traders will appear as shown :

Particulars	Closing Balance Debit	Closing Balance Credit
Capital Account		2,50,000.00
Loans (Liability)		50,000.00
Current Liabilities		1,81,980.00
Fixed Assets	1,00,000.00	12,500.00
Current Assets	4,42,485.00	
Sales Accounts		24,785.00
Purchase Accounts	8,100.00	
Direct Expenses	600.00	
Indirect Expenses	150.00	
Profit & Loss A/c		32,070.00
Grand Total	**5,51,335.00**	**5,51,335.00**

Figure 5.13 Trial Balance From April 1, 2009 to April 7, 2009

Enter further transactions for National Traders.

National Traders Business Transactions	
Date	**Transaction Details**
10-5-09	Bank Advice received for bank interest of Rs.500 credited to the deposit account.
11-5-09	Electricity bill (Office costs) for Rs.400 received from Horizon Enterprises. *(Note: Use a Journal Voucher)*
13-5-09	Sold 1 HP Laserjet 1010 Series for Rs 9,500 to a cash customer, retaining the money as Petty Cash.
19-5-09	Salaries of Rs 2,500. Amount paid through Bank Account.
24-5-09	Sold 1 HCL Pentium IV for Rs. 21,500 to Supreme Computers.
30-5-09	Purchased 5 USB Pen Drives 64MB @ Rs. 1,250 each from Challenger Systems on credit.
01-6-09	Paid freight charges of Rs 200 from petty Cash
01-6-09	Paid Challenger Systems Rs. 11,500 by cheque
09-6-09	Transferred Rs 6,000 from Bank Account to Deposit Account.
15-6-09	Cheque for Rs 15,000 received from Spectrum Computers
22-6-09	Purchased 4 IBM Pentium IVs for Rs. 17,100 each from a new supplier and paid by cheque
22-6-09	Sold 2 IBM Pentium IVs for Rs. 24,785 to a customer who paid by cheque

*In the **Purchase/Sales Ledger** Masters, set **Inventory Values are affected** to **No** and proceed with the above transactions. Enable the option to **Yes** in the **Inventory Transactions** section.*

5.1.17 Trial Balance for June 2009

Go to the **Gateway of Tally > Display > Trial Balance**

Particulars	Closing Balance Debit	Closing Balance Credit
Capital Account		2,50,000.00
Loans (Liability)		50,000.00
Current Liabilities		1,88,630.00
Fixed Assets	1,00,000.00	12,500.00
Current Assets	4,52,455.00	
Sales Accounts		1,05,355.00
Purchase Accounts	82,750.00	
Direct Expenses	800.00	
Indirect Incomes		500.00
Indirect Expenses	3,050.00	
Profit & Loss A/c		32,070.00
Grand Total	**6,39,055.00**	**6,39,055.00**

Figure 5.14 Trial Balance From April 1, 2009 to June 30, 2009

CASH BOOK

A book in which receipts and payments of money are recorded.

Cash Book Transactions

1. Commenced business with cash Rs.10, 000.

2. Soled goods for cash Rs.2,500

3. Received cash form Mr. Y on account Rs.2,000

4. Received commission Rs. 50

5. Paid cash to Mr X Rs. 1,000

6. Paid into bank Rs. 1,000

7. Paid for advertisement Rs.500

8. Purchased goods for cash Rs. 800

9. Sold goods for cash Rs. 1,500

10. Paid salary Rs. 500