SECTION 3: ACCOUNTANCY AND FINANCIAL MANAGEMENT LAB

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3.0 INTRODUCTION

You have already known how to maintain accounts manually. Tally is an accounting package which is used for maintaining your accounts electronically. Following are some general features of Tally:

- It maintains all the primary books of accounts, like cashbook and bankbook.
- Tally maintains all registers like purchase register, sales registers and journal registers.
- Tally maintains all statement of accounts like Balance Sheet, Profit and Loss and Trial Balance, Cash Flow and Stock Statement.
- A Tally can maintain 'Outstanding Reports'
- It may provide complete bill-wise information of amounts receivable as well as payable either party-wise or group-wise.
- It can provide a report for a particular date or reports for any range of dates.
- It provides the facility of Bank Reconciliation.

3.1 OBJECTIVES

After working with Tally, you should be able to:

- maintain all registers like purchase register, sales register, and journal Register;
- maintain all statements of accounts like Balance Sheet, Profit and Loss Account, and Trial Balance, cash flow, stock statement, and
- produce a wide range of reports.

3.2 GETTING STARTED WITH TALLY

On the home page of Tally screen 'Create Company' option is available under the title 'Company Info'.

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Calculator	ODBC Server	Qtil. + N	
1 >			F11 Configure

Figure1.1

To create the company you would click at 'Create Company' option. A new window will appear with various items on the screen. Some important ones are discussed below:

- 1. Name: Type the name of the company you want to create.
- 2. **Mailing Name**: The mailing name by default is the same as the name mentioned above. You can type some other mailing name of the company.
- 3. Address: Type mailing address of the company. There is no limit on the number if lines used.
- 4. Maintain: In Tally accounts can be maintained in a two different ways:
 - Accounts Only
 - Accounts-with-inventory
- 5. **Use Security Control**: This option provides security control to your company accounts by offering a comprehensive pass-based access control.

After filling all the required information press enter. A new window will appear asking for confirmation. For acceptance press 'Y'. The next window is as follow:

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company creation		Ctrl + M	Upload
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nter-state Sales Tak Number : Currency Symbol : F	3		
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Calculator	ODBC Server	Ctrl + N	

Once you get your company created the heading 'company Info' has a content of some new options. These options are as follows:

- 1. **Select Company**: This option permits you to load any company, which was created earlier, from the list of companies listed.
- 2. **Shut Company**: It allows you to exit, from the companies not in use, from the dialog box.
- 3. Create Company: (same as done above under same heading)
- 4. **Alter**: It allows you to change the information of an existing company filled at the time of creation of the company.
- 5. Change Tally Vault: To change the password, given earlier at the time of creating the company.
- 6. **Split Company Data:** Split the companies to form two companies out of the existing one; after the data specify by the user. In this process the closing balance of the first company will become the opening balance of the second company.
- 7. **Backup/ Restore:** This option allows the user to take a backup either on local hard disk or on any external media. The backup of one or more companies can be taken under a single directory.

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List of Selecte	d Companies		
Name of Company	Date of Last Entry	Accounts Info. Inventory Info.	F1: Select Cmp F1: Shut Cmp
SanjuDibbu & Company	No Vouchers Entered		F2: Date
		Voucher Entry Import Of Data	F2: Period F3: Company
		Balance Sheet Profit & Loss A/c Stock Summary Ratio Analysis Display Multi-Account Printing	P3 Cmp Info
		Quit	
Calculator	ODBC Server	Ctrl + N	
			F11: Features
1 >			F12: Configure

Role of Buttons

The right hand screen area of Tally contains buttons; they perform various useful functions such as:

- F1: Select Cmp It enables user to select company(s) and add them to the list of active companies.
- F1: Shut Cmp It enables the user to shut or exit the selected company from the list of active companies list.
- F11: Features This enables user to set some options related to:
 - 1. Company features
 - 2. Accounting Features
 - 3. Inventory Features

Exercise 1:

- Q1. Try to open two or more companies with different names.
- Q2. Show the role of Buttons.
- Q3. Put meaningful information into all the options available under heading 'Company Info'.

3.3 CREATING ACCOUNTS

Once the company has been created the next step is to open the accounts. This can be done as follows:

- 1. Select a company from the list of companies created above
- 2. Gateway of Tally window appears as shown below:

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Gateway of Tally		15:29: Ctrl + M	J Upl <u>o</u> ad
Current Period 1-4-2004 to 31-3-2005 List of Selecte Name of Company SanjuDibbu & Company	Current Date Thu, 1st Apr, 2004 <u>4 Companies</u> Date of Last Entry No Vouchers Entered	Gateway of Taily Accounts Info. Groups Ledgers Voucher Types Ouit	E-bell Expon Prins P1: Select Cmp P2: Date P2: Date P2: Date P2: Date P2: Company P3: Company P3: Company P3: Company
Calculator	ODBC Server	Ctrl + N	F11: Features
1 >			F12: Configure

The above listed options can be chosen either by mouse click or by pressing Bold and Capital Key of respective field such as if you wants to choose Balance Sheet from Report Section only press B from your key board.

3. Select Account Info option from the gateway if Tally. The following window will appear.

This chapter explains about the 'Account Info' option available under the title 'Gateway of Tally'. The 'Account Info' window contain the options 1. Group 2. Ledger and 3. Voucher Type. Let us explain all the above options one by one.

Groups:

It creates a group company when the main company already exists. Go for the following steps to create a group company.

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Gateway of Tally		Ctrl + M	Upload
Current Period	Current Date		E-Mail
1-4-2004 to 31-3-2005	Thu, 1st Apr, 2004		Export
List of Selecte	d Companies	Gateway of Taily Accounts info	Phot
Name of Company	Date of Last Entry	Groups	F1: Select Crnp
SaniuDibbu & Company	Ma Maushaw Enterned		F1: Shut Cmp
sanjubibbu & company	NO VOICINUS CINEFEU	Single Group	Pa Date
		Create	F3 Company
		Display	F3: Cmp Info
		Alter	
		Multiple Groups	
		CPosts	
		Display	
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		Quit	
		Secure .	
Calculator	ODBC Server	Off + N	
			F11 Features
1 >			F12: Configure

- 1. Press Groups to create group company
- 2. Select Create and press Enter.

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Jame : Marketing Jaka) : Market Inder : Capital Account Proup behaves like a Sub-Ledger ? No lett Debit/Credit Balances for Reporting ?	List of Groups	E Mail Export imm F3: Company F3: New Cmp
	Loans (Liability)	Ledgers
alculator 0	DDBC Server Ctrl + N	<u>₩</u> ch Types
		F11: Feature

Tally has 28 pre-defined Groups available for us, which cannot be altered. Out of the 28 Groups 15 are primary and 13 are secondary or sub-groups. We can create Groups of our choice also.

These groups would be shown to you at the time of creating an account to ask you under which account the new account would be listed.

(**Note:** Nature of all the groups is already let you cleared in your blocks) Option 'Display' helps the user in displaying (only) any account on the screen.

• To change any information in account, the select option 'Alter'. It can change the name of any Reserved Group. But its characteristics will remain the same.

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ees 6.3 - Release 1	EDUCATIONAL	<u>W</u> eb Browser
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(alias)		Export
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	Accounts Info	
Under : D Primary	Groups	F3: Company
		F3: New Cmp
Nature of Group ? Liabilities	Single Group	F10: Chg Sort
the second state of the se	ongio oroup	
Group behaves like a Sub-Ledger ? No	Create	
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• To delete a group, only press 'Alt+D'. Your confirmation would be sought from you before permanent deletion.

Ledger:

These are actual account heads to which the transactions are identified. All voucher entries are made in this account. But all ledgers must be grouped.

Creating a Ledger

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1-4-2004 to 31-3-2005	Thu, 1st Apr, 2004		Export
List of Selecte	d Companies		Print
Name of Company	Oate of (ast Entry)		F1: Select Cmp
vanne or company	Date of East Entry	Gateway of Tally	F1: Shut Cmp
SanjuDibbu & Company	No Vouchers Entered	Accounts Info.	F2: Date
			F2: Period
		Groups	F3: Company
		Ledgers	F3: Cmp Info
		Voucher Types	
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			F11: Features
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- 1. Select 'ledger' of the 'Account Info'.
- 2. Select 'Create'.

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Gateway of Tally		Ctrl +	M Upload
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Name of Company	Data of Last Entry	Ledgers	F1: Select Cmp
Manne or Company	Date of East Entry		F1: Shut Cmp
SanjuDibbu & Company	No Vouchers Entered	Single Ledger	F2: Date
			F2: Period
		Create	T2: Company
		Alter	
		Multiple Ledgers	
		CReate Display	
		Quit	
Calculator	ODBC Server	Ctrl +	NI
			F11: Features
1 >			F12: Configure

- 3. Fill all the required information such as:
 - 1. Name
 - 2. Alias (Second Optional Name of the Ledger)
 - 3. Under (Group Name)
 - 4. Opening Balance (will be Zero for new company)
 - 5. Mailing & Related Details

Lab Manual



You can display any ledger account on the screen by selecting 'Display' from the menu. 'Alteration' of group account allows you to change information in account format. You can change the name of any group, but cannot change its characteristics.

You can delete a ledger by pressing 'Alt+D' in the ledger 'Alteration screen'. Your confirmation would be sought before permanent deletion.

Let us create the ledger of the following transactions.

2004	1		Rs.
Apri	11	Mohan started business with cash	5000
,,	2	Deposit in the bank	500
,,	3	Furniture purchased for cash	200
,,	5	Purchased goods for cash	400
,,	8	Purchased goods from M/s Ram Narain on credit	1000
,,	16	Goods sold to M/s Ram & Co. for cash	600
,,	24	Goods sold on credit to Ramesh	300
,,	28	Received cash from Ramesh	300
,,	30	Paid Rent	100
,,	30	Paid Salary	200

In the first transaction we have two accounts - one is real, Cash Account, and the other is Personal, Ram's Capital Account, so there is a need to open two ledgers but the cash ledger is already available by default, so now there is a need only to open second ledger

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select Ledgers
- 4. Select Create
- 5. Type 'Ram's Capital Account'
- 6. Press <Enter>
- 7. Select Capital account option from the 'List of Groups' under option 'Under'.

8. Press <enter> and select No as the capital never affect inventory.

9. Press 'Y' for acceptance.

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Ledger Creation	SanjuDibbu & Company	Gtrl + M	
Name Ram's Capi	tal Account	Total Op. Bal.	E-Mail
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Under Capital Accou	nt		1.3 Company
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inventory values are anected			10
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Opening balance (on 1-A	pi-2004) .		
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			81
			61
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Address	Sales Tax No		1
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			F11: Features
			F12 Contigue

In the second transaction we have two accounts one is real, Cash Account, and the other is Personal, Bank Account, so there is a need to open only one ledger named Bank.

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select 'Ledgers'
- 4. Select 'Create'
- 5. Type 'Bank'
- 6. Press <Enter>
- 7. Select Bank Account option from the 'List of Groups' under option 'Under'.
- 8. Press <enter> and select No as it will never affect inventory.
- 9. Enter the opening balance of the bank.
- 10. Enter name and address of the bank
- 11. Press 'Y' for acceptance.

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idress Pi	eet Vihar, Delhi	Sales Tax No.	Construction of the local division of the lo	Groups
			Accept?	Locione
			Yes or No	Wh Types
alculator		ODBC Server	Ctrl + N	Mon . Abes
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1000				F12 Configu

In the third transaction we have two Real accounts, one is Cash Account and other is Furniture Account, so there is a need to open only one ledger named furniture.

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select Ledgers
- 4. Select Create
- 5. Type 'Furniture'
- 6. Press <Enter>
- 7. Select Fixed Assets option from the 'List of Groups' under option 'Under'.
- 8. Press <enter> and select Yes as it will affect inventory.

9. Press 'Y' for acceptance.

In the fourth and fifth transactions we have two Real accounts, one is Cash Account and the other is Purchase Account and one Personal account, M/s Ram Narain, so there is a need to open two ledger.

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select Ledgers
- 4. Select Create
- 5. Type 'Purchase'
- 6. Press <Enter>
- 7. Select Purchase Account option from the 'List of Groups' under option 'Under'.
- 8. Press <enter> and select Yes as it will affect inventory.
- 9. Press 'Y' for acceptance.
- 10. Press < enter> a new empty window of ledger creation will appear
- 11. Type M/s. Ram Narain
- 12. Press <Enter>
- 13. Select Sundry Creditors Account option from the 'List of Groups' under option 'Under'.
- 14. Press <enter> and select No as the capital never affect inventory.
- 15. Enter Name and Address of the M/s. Ram Narain.
- 16. Press 'Y' for acceptance.

In the sixth and seventh transactions we have two Personal accounts, one is M/s. Ram and Company and the other is Ramesh, and one Real account, cash, so there is a need to open only two ledgers of personal accounts.

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select Ledgers
- 4. Select Create
- 5. Type 'M/s. Ram and Company'
- 6. Press <Enter>
- 7. Select Sundry Debtors option from the 'List of Groups' under option 'Under'.
- 8. Press <enter> and select No as it will not affect inventory.
- 9. Enter Name and Address of Ramesh.
- 10. Press 'Y' for acceptance.
- 11. Press < enter> a new empty window of ledger creation will appear
- 12. Type Ramesh
- 13. Press < Enter>
- 14. Select Sundry Debtors option from the 'List of Groups' under option 'Under'.
- 15. Press <enter> and select No as it will not affect inventory.
- 16. Enter Name and Address of the Ramesh.
- 17. Press 'Y' for acceptance.

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		Yes or No	Heddore
lateutator	ODBC Server	· · · · · · · · · · · · · · · · · · ·	You types
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			P12 Continue

In the Eighth and ninth transactions we have two Nominal Accounts, Rent and salary Account, and one Real Account, Cash Account, so there is a need to open only two ledgers of Nominal accounts.

Accountancy and Financial Management Lab

Steps:

- 1. Come to 'Gateway of Tally'
- 2. Select 'Accounts Info'
- 3. Select Ledgers
- 4. Select Create
- 5. Type 'Rent'
- 6. Press <Enter>
- 7. Select Indirect Expenses option from the 'List of Groups' under option 'Under'.
- 8. Press <enter> and select No as it will never affect inventory.
- 9. Press 'Y' for acceptance.

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ddress :	Sales Tax No.	Accent 2	Groups
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		Yes of No	Wh Types
salculator	ODBC Surver		
			F11: Features
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- 1. Press < enter> a new empty window of ledger creation will appear
- 2. Type Salary
- 3. Press <Enter>
- 4. Select Indirect expenses option from the 'List of Groups' under option 'Under'.
- 5. Press <enter> and select No as it will not affect inventory.
- 6. Press 'Y' for acceptance.

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edger Creation	F	Ctrl + M	Upload
Name Salary Accou	unt	Total Op. Bal.	E-Mail
alias)			Export
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nder Indirect Expens	<u>es</u>		F3: Company
wenton values are affected	2 No.		13: Néw Cmp
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		Accept ?	Ledgers
		Yes or No	Wh Types
alculator	ODBC Server	Ctrl + N	
diculator			
arcinator			F11: Features

Exercise 2:

- Q4. Try to open the entire ledger, which has been manually created in Block 2 of MCS-035 exercise.
- Q5. What is a Ledger in Tally?
- Q6. Create a sample ledger in Tally

Q7. Open a ledger named Purchase and then delete it.

Q8. Change the name of ledger from Purchase to Sales.

3.4 VOUCHER ENTRY

In accounting, vouchers are the main input besides the opening balances which you put in the masters. The output is the form of Reports. Tally recognises a number of vouchers, which can be used to enter the first information of the transaction.

Vouchers are of different types. Some of them are already defined in the Tally programme. Some of the general vouchers are as follows:

- Sales Voucher
- Purchase Voucher
- Payment Voucher
- Receipt Voucher
- Journal Voucher

You are all familiar with the names of the above vouchers. Other than the predefined vouchers of the Tally software, users can create vouchers of their own desire and requirement also.

Voucher Entry

Voucher Entry is done by selecting 'Voucher Entry' option from the 'Gateway of Tally'.

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Tue, 22nd Feb, 2005		15:22:	7 Upload
Gateway of Fally		Utri + N	
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List of Selec	rted Companies	Gateway of Tally	Print
Name of Company	Date of Last Entry	Accounts Info	F1: Select Cmp
E	No Vouchers Entered	Inventory Info.	F1: Shut Cmp F2: Date
		Voucher Entry Import O f Data	<u>F2</u> : Period
		Balance Sheet	F3: Cmp Info
		Profit & Loss A/c Stock Summary	
		Ratio Analysis	
		Display Multi-Account Printing	
		Quit	
Calculator	ODBC Server	Ctrl + N	
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The default voucher entry screen displayed is the 'Payment Voucher'. To change the screen for different voucher type, use Button Bar or Function Keys.

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		F5: Payment
		F6: Receipt
		F7: Journal
		F8: Sales
		F9: Purchase
		F10:Memos
		F7: Stk Jml
		F10: Phys Stk
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1 >		r 12. Comigure

Voucher type selection is the mental work done by you not by computer and it is totally based on the accounting concepts learned earlier in theory blocks. Let us analyse the voucher type in the following transactions.

2004	ļ		Rs.
Apri	11	Mohan started business with cash	5000
,,	2	Deposit in the bank	500
,,	3	Furniture purchased for cash	200
,,	5	Purchased goods for cash	400
,,	8	Purchased goods from M/s Ram Narain on credit	1000
,,	16	Goods sold to M/s Ram & Co. for cash	600
,,	24	Goods sold on credit to Ramesh	300
,,	28	Received cash from Ramesh	300
,,	30	Paid Rent	100
,,	30	Paid Salary	200

Discussion on Voucher Type

The journal entry of the first transaction will give the idea of voucher type. As the Company is receiving some money it is **receipt voucher** or as this is of capital nature it may be **journal voucher**.

Cash Account

Dr.

Dr.

To Ram's Capital Account (Being the amount invested by Mohan in the business as capital)

The journal entry of the second transaction will give the idea of voucher type. As the Company is receiving some money it is **contra voucher**.

Bank Account To Cash Account (Being the amount paid into bank)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **payment voucher**.

Furniture Account To Cash Account (Being furniture purchased for cash)

The Tally package will ask for some details of purchased furniture. The new window is as follow:

Dr.

Dr.

Dr.

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **purchase voucher**.

Purchases Account To Cash Account (Being goods purchased for cash)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **purchase voucher**.

Purchases Account To M/s Ram Narain (Being goods purchased for cash)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **sales voucher**.

Cash Account To Sales Account (Being goods sold for cash) Dr.

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **sales voucher**.

Ramesh

Dr.

To Sales Account (Being goods sold to Ramesh on credit)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **receipt voucher**.

Cash Account To Ramesh Dr.

To Ramesh (Being cash received from Ramesh)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **payment voucher**.

Rent Account

Dr.

To Cash Account (Being Rent paid)

The journal entry of the Second transaction will give the idea of voucher type. As the Company is receiving some money it is **payment voucher**.

Salary Account

Dr.

To Cash Account (Being salary paid)

The process of entering the above voucher is as follows:

First Voucher Entry: Receipt Voucher

Cash Account

Dr.

To Capital Account

(Being the amount invested by Mohan in the business as capital)

1. Come to Gateway of Tally

2. Select Voucher Entry either by clicking by mouse or by pressing 'V'

- 3. Following window with default voucher type 'Payment Voucher' will appear.
- 4. Select F6 button from button bar or press F6 from keyboard the type of voucher change from payment voucher to receipt voucher.
- 5. Following window of 'Receipt Voucher' will appear.
- 6. In front of 'To' write 'R' a list of related ledger will appear, select the Ram's capital option.
- 7. Enter the amount Rs.5000 in credit
- 8. Press Enter
- 9. The 'By' Column will appear, write 'C' a list of related ledger will appear select the cash option, the same amount automatically gets entered in debit column.
- 10. The voucher screen will appear as follow:

Tally cos 6.3			
(c) Tally Solutions Pvt. Ltd., 1988-2001 ees 6.3 - Release 1 Tue, 2005	Tally	TallySilver - Single User EDUCATIONAL 1526-29	Help Web Browser
Voucher Creation	E Contraction of the second	Ctrl + M	Upload
Receipt No. 1		1-Apr-96 Monday	E-Mail Except
		,	Delas
Particulars		Debit Credit	Tour
To Ram's Capital Account		5,000.00	Fa: Date F3: Company
By Cash		5,000.00	
Cur Bal : 5,000.00 Dr			F4: Contra
			P5: Payment
			F6: Receipt
			P7: Journal
			P8: Sales
			P9: Purchase
			F10:Memos
			17: Stk Jml
			10: Phys 5tk
Narration :		5,000.00 5,000.00	
			Post-Dated
			a barraner[
			P11: Features
1 🗢			V12 Configure

Second Voucher Entry: contra voucher.

Bank Account

Dr.

To Cash Account (Being the amount paid into bank)

- 1. Come to 'Gateway of Tally'
- 2. Select Voucher Entry either by clicking by mouse or by pressing 'V'
- 3. Following window with default voucher type 'Payment Voucher' will appear.
- 4. In front of 'To' write 'C' a list of related ledger will appear select the cash option.
- 5. Enter the amount in credit
- 6. Press Enter
- 7. The 'By' Column will appear write 'B' a list of related ledger will appear select the bank option, the same amount automatically gets entered in debit column.
- 8. The voucher screen will appear as follow:

c) Tally Solutions Pvt. Ltd., 1988-2001 cos 6.3 - Release 1	Tally	TallySilver - Single User EDUCATIONAL	Minimiz
fue, 22nd Feb, 2005		15:00:00	Lintend
Voucher Creation		Ctrl + M	E betau
Contra No. 1		1-Apr-96	C. Quin
		Monday	Perport
Particulars		Debit Credit	Para
			P2: Date
Cash		500.00	F2: Company
By Bank		200.00	
Cur Bal : 500.00 Dr			T4: Contra
			19: Payment
			P6: Receipt
			P7: Journal
			VO: Sales
			19: Purchaze
			T10:Memoz
			TY: 5tk Jml
			Plo Phys Stk
Narration :		500.00 500.00	
			1
Calculator	ODBC Server	O(t) + N	Post-Dated
			Optional
			F11:Features
De la construcción de la			P12: Configure

Third Voucher Entry : **Payment Voucher** (As we are purchasing Fixed Assets, not Stock, if we purchased something in stock it will be posted in purchase voucher)

Furniture Account

Dr.

To Cash Account (Being the amount paid into bank)

- 1. Come to 'Gateway of Tally'
- 2. Select Voucher Entry Either by clicking by mouse or by pressing 'V'
- 3. Following window with default voucher type, 'Payment Voucher' will appear.
- 4. In front of 'Dr' write 'F' a list of related ledger will appear, select the cash option.

- 5. A new window will also appear, asking for detail of furniture purchased with amount.
- 6. Enter the amount in debit
- 7. Press Enter
- 8. The 'By' Column will appear, write 'C' a list of related ledger will appear select the cash option, the same amount automatically gets entered in debit column.

The voucher screen will appear as follows:

Tally eas 6.3		
(c) Tally Solutions Pvt. Ltd., 1988-2001	TallySilver - Single User Help	
Wed, 23rd Peb, 2005	11.55.15 Web	Browser
Voucher Creation E	Ctrl + M Upige	d
Payment No. 1	1-Apr-96	6
	Monday Expor	
	Print	
Particulars	Debit Credit	at o
Dr. Furniture Account	200.00	
Cur Bai : 200.00 Dr		
Chair 200.00	200.00 FM/S	ontra
Cur Bal : 4,300.00 Dr		
	26) Re	aceipt
	27:00	umal
	270:54	alazz
	210/04	inchase
	F 10: N	Aernos
	EZ: St	k Jml
	2.10 1	hys Stk
Narration	200.00 200.00	
Being furniture purchased for cash		
		Destand
Calculator ODBC Serve	ir Chi + N	Janua
		Constant and the second second
		Continue

Fourth Voucher Entry: Purchase voucher.

Purchase Account

Dr.

To Cash Account

(Being the amount paid into bank)

- 1. Come to 'Gateway of Tally'
- 2. Select Voucher Entry either by clicking by mouse or by pressing 'V'
- 3. Following window with default voucher type 'Payment Voucher' will appear.
- 4. Press button F9 for purchase voucher
- 5. In front of 'Cr' write 'C' a list of related ledger will appear select the cash option.
- 6. A new window will also appear, asking for detail of purchased with amount
- 7. Enter the amount in credit
- 8. Press Enter
- 9. The 'Dr' Column will appear, write 'p' a list of related ledger will appear, select the Purchase Account option, the same amount automatically gets entered in debit column.
- 10. The voucher screen will appear as follows:

20 101 101				🛤 Tally ees 6.3
<u>H</u> elp Web Browser	r - Single User EDUCATIONAL	TallySilve I	Tally	(c) Tally Solutions Pvt. Ltd., 1988-2001 ees 6.3 - Release 1
broloU	12:02:26			Wed, 20rd Feb, 2005
line d. II	M + HIJ			Volucher Creation
	Apr.96			Purchase No. 1
noqxe	VIDITOIN			1000 . 1871
Print	Credit	Debit		Particulars
12: Date	And a state of the			
1931 Company	400.00			Cr Cash
		400.00		Dr Purchase Account
TA: Contra				Cur Bal: 400.00 Dr
#5: Payment			400.00	Chair
P6: Receipt				
P7: Journal				
70: Sales				
20 St. Purchases				
P10 Mamos				
Territ Stile Jimi				
F10: Phys Stk				
	400.00	400.00		Narration :
				peing good purchased for cash
1 1	Accept			
Post-Dated	Yes or No			
JunoingO			ODBC Server	Calculator
F11: Features				
F12: Centiques				

Rest of the voucher entry is done in the above manner. The same process is applied on any type of voucher entry irrespective of their type/nature.

Role of Button

F2: To change the date of the voucher

- Alt + F2: To change Voucher Period
- F3: To switch to another loaded company and enter a voucher in it.
- F4: To create a Contra Voucher
- F5: To create a Payment Voucher

- F6: To create a Receipt Voucher
- F7: To create Journal Note such as Debit and Credit Notes
- F8: To create Sales Voucher
- F9: To create Purchase Voucher
- F10: To Reverse Journal Voucher and also To create Memorandum
- Post Dated: To make the current voucher Post-Dated
- Optional : To mark the current voucher Optional
- F11: To change the features

Exercise 3

- Q9. Make voucher entry of the questions which have been manually created by us in Block-2 of MCS-035 exercise.
- Q10. What do you under stand by Voucher?
- Q11. Show the use of all the Voucher types available with Tally
- Q12. Change the date of voucher entered.
- Q13. Change the period of voucher entered.

3.5 REPORT CREATION

Tally's display of information can give you maximum benefit of the data entered through vouchers. You would experiment it in your through process. Here Tally serves the purpose of putting all your data in the form of vouchers to get the comprehensive accounting reports. Tally uses the data and gives you reports in addition to all books and statements. Tally is real time, all reports are up-to-date at all times. They can be displayed as at the last voucher entered.

Tally provides the facility to create different types of reports. But only the Balance Sheet and Profit and Loss Account are displayed directly from the 'Gateway of Tally', as shown below:

Tally ees 6.3			
(c) Tally Solutions Pvt. Ltd., 1988 ees 6,3 - Release 1	3-2001 Tolly	TallySilver - Single User EDUCATIONAL	Help
Wed, 23rd Feb, 2005		12:07:21	Web Drowser
Gateway of Tally		Ctrl + M	Uplead
Current Period	Current Date		E-Meil Export
1-4-90 (0 31-3-97	Mon, ist Apr, issu	Gateway of Tally	inset.
List of Selecte	d Companies		10000
Name of Company	Date of Last Entry	Assessments Info	F1: Select Cmp
		Inventory Info	F1 Shut Cmp
	1-Apr-96		F2: Date
		Voucher Entry	F2: Period
		import of Data	F3 Company
		Balance Sheet	P3: Cmp Info
		Profit & Loss A/c	
		Ratio Analysis	
		Display	
		Mani-Account Printing	<u>1</u>
		Quit	
Calculator	ODBC Server		1
			F11: Features
1 >			F12: Configure

Tally accords these statements the highest importance. All other reports can be generated from the 'Display' option in 'Gateway of Tally'. The Display menu is divided as shown below:



As you can see from the menu, Displays are roughly organised into 'Accounts information' displays and 'Inventory information' displays – conforming to the two major areas of operation. Each area is grouped separately into books and statements.

Books of account record the individual transaction details you have entered through vouchers. Although you may post items to many different ledgers, Tally brings all the transactions of one category together into a book of accounts for viewing and printing. For example, the cash book records all the transactions affecting cash, the sales book records all the sales transactions.

Financial statements on the other hand are still derived from individual transactions but tend to show summary totals, ratios and statistics, analysing a company's financial data in a wide variety of ways. Typical financial statements include the Balance Sheet, Profit and Loss Account and Cash Flow Analysis. Financial statements are usually statutory requirements in most countries.

In each case, when you display a report, you can step down to the next level of detail by highlighting the item and pressing <enter> and you can keep going until you reach an individual voucher. Similarly, you can step back to higher levels by pressing (Esc). The special features available for the currently displayed report are indicated on the button bar and can be selected with a single click of the mouse.

All books are displayed first as a monthly summary with opening and closing balances. To display all the transaction of a month select the particular month and then press <enter>. The opening and closing balances as well as transactions totals are also displayed. You can see the voucher by selecting the transaction. This voucher comes up either in display or in alteration mode depending upon the access rights available to you.

Display Balance Sheet

As you already know, the Balance Sheet gives the state of the financial affairs of a company on a given date. It lists the Assets and Liabilities based on the Primary Groups of Tally. The Balance Sheet in Tally is updated instantly with every transaction voucher that is entered and saved. No special processing is required to produce a Balance Sheet.

Steps:

- 1. Select Gateway of Tally
- 2. Select Balance Sheet

You will get the Horizontal form of Balance Sheet. You may have the vertical form of the Balance sheet by selecting it from F12: Configuration. Different information can be extracted by using various buttons in Button Bar, such as by using F2 you can change the period of the Balance Sheet.

NOTE: The above figure in the profit and loss account depends only upon the figure mentioned in trial balance. You can change the period of the Profit and Loss Account.

Tally ees 6.3	Tally cox 6.3			
(c) Tally Solutions ees 6.3 - Release Wed, 20rd Peb, 2005	(c) Tally Solutions Pvt. Ltd., 1988-2001 ees 6.3 - Release 1 Wed, 20rd Feb, 2005	Ta	lly	TallySilver - Single U EDUCATION
Gateway of Ta	Balance Sheet			Ctrl +
Current / 1-4-96 to	Liabilities	E as at 1-Apr-96	Assots	E as at 1-Apr-96
	Capital Account	5,000.00	Fixed Assets	
Name of Compa	Loans (Liability)		Current Assets	6,200
E.	Current Liabilities	1,000.00	Profit & Loss A/c	800
			Current Period	800.00
	Total	1 more E	Total	1 more .
	Calculator	ODEC	Sumar	CLERE

Display Profit and Loss Account

Profit and Loss Account is prepared to list out the incomes and expenditure based on the 'Groups of Tall'. Similar to Balance Sheet, the Profit and Loss Account is updated instantly with every transaction voucher that is entered and saved. No special processing is required.

Steps:

- 1. Select Gateway of Tally
- 2. Select Profit and Loss Account

You will get the Horizontal from of Profit and Loss Account. You may have the vertical form of the Profit and Loss Account by selecting it from F12: Configuration. Different information can be extracted by using various buttons in Button Bar, such as by using F2.

NOTE: The above figure in the profit and loss account is depends only upon the figure mentioned in trial balance. You can change the period of the Profit and Loss Account.

tes Tally ees 6.3	Tally ees 6.3			
(c) Tally Solutions cos 5.3 - Release Wed, 23rd Feb. 2005	(c) Tally Solutions Pvt. Ltd., 1900-2001 ees 5.3 - Release 1 Wed 33/d Feb. 2005	Ta	lly	TallySilver - Single U EDUCATION 13:
Gateway of Ta	Profit & Loss A/c		E State State State	Ctrl +
Clurrent / 1-4-96 to	Particulars	E for 1-Apr-96	Particulars	E for 1-Apr-96
	Purchase Accounts	1,400.00	Sales Accounts	900
Name of Compa	Direct Expenses		Gross Loss c/o	500
н. -		1,400.00		1,400
	Gross Loss b/f	500.00	Nett Loss	886
	Indirect Expenses	300.00		
	Total	800.00	Total	800
	Calculator	ODEC	Surver	A251141-44
	THE Start COL 40 PTL 65 PL THE MICH		Illia Talla ana McIII av	- Pairs PSI C Sum /D (G

Display Trial Balance

Steps:

- 1. Select Gateway of Tally
- 2. Select Display
- 3. Select Trial Balance



The Trial Balance Report provides account balance listing for all accounts for the company sorted according to groups with their respective closing balances. Matching of debit and credit balances proves the arithmetical accuracy of the entries.

Lab Manual

Many other reports can be generated such as Day Book, Sales Day Book, Purchase Day Book, Monthly Summary, Ledger Monthly Summary, etc., with the same methods as adopted above.

Exercise 4

- Q14. Generate Balance Sheet of the questions manually created by us in block 2 Exercise
- Q15. Generate Profit and Loss Account of the questions manually created by us in Block 2 Exercise.
- Q16. Generate Trial Balance of the questions manually created by us in Block 2 Exercise.
- Q17. How many types of Balance Sheet can be generated in Tally?

3.6 PRACTICAL SESSION-WISE LIST OF PROBLEMS

Perform Exercise 1 to Exercise 4 for the following organizations:

- (i) A Bank
- (ii) Insurance Agency
- (iii) A Private Company
- (iv) A Govt. Organisation.

3.7 SUMMARY

Tally is a very powerful accounting package with faculty to maintain different types of registers, statements of accounts and to produce all types of reports. The purpose of this chapter was to explore all the potential features of the package. Students may explore with similar types of package in case the tally package is not available at the centre.

Accountancy and Financial Management Lab