

ACCOUNTING SOFTWARE

Accounting Software :

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

Fundamentals of Accounting :

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

Principles of Accounting:

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

Journals are classified into :

- 1. Journal Proper** : Records opening entries , closing entries and adjustment entries
- 2. Day Books:**

Purchase book - Records all credit purchases.

Sales book – Record all debit sales.

Purchase return book – Records goods returned to suppliers.

Sales return book – Record goods returned by the customers.

- 3. Cash Book** : Record all cash payments and cash receipts.

Types of Accounts :

Personal Account – relating to individuals and other organization.

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

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

Accounting Rules:

Personal Account: Debit the receiver.
 Credit the giver.

Real : Debit what comes in.
 Credit what goes out.

Nominal :Debit all expenses and losses.
 Credit All incomes and gains.

Ledger :

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

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

Trial Balance

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

Final Accounts : classified into

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

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

Trading Account :

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

Format for Trading Account follows below :

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

Profit and loss account:

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

Balance sheet :

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

Format shows below .

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

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

COMPUTERIZED ACCOUNTING Vs MANUAL ACCOUNTING

MANUAL ACCOUNTING

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

COMPUTERIZED ACCOUNTING

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

COMPUTERIZED ACCOUNTING Vs MANUAL ACCOUNTING

MANUAL ACCOUNTING

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

COMPUTERIZED ACCOUNTING

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

Features of Tally

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

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

Advantages

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

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

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

CONFIGURATION OF TALLY

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

Tally.ERP 9

P: Print	E: Export	M: E-Mail	O: Upload	S: TallyShop	G: Language	K: Keyboard	Ctrl + C	Control Centre	H: Support Centre	H: Help	Ctrl + M	X
Gateway of Tally												
Current Period 1-4-2020 to 31-3-2021			Current Date Wednesday, 1 Apr, 2020									
List of Selected Companies												
Name of Company	Date of Last Entry											
Aaaa	No Vouchers Entered											
Gateway of Tally Company Features <ul style="list-style-type: none"> Accounting Features Inventory Features Statutory & Taxation TSS Features Add-On Features Quit 												
Product	Version & Updates Ctrl + Alt + T	License & Services Ctrl + Alt + L	Configuration Ctrl + Alt + F	Calculator	Ctrl + N	X						
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 6.6.3 (Latest)	Educational Mode	Gateway localhost:9999 ODBC Server 9000		1>	X						
Tally MAIN --> Gateway of Tally --> Company Features												
© Tally Solutions Pvt Ltd., 1988-20 Sat, 10 Oct, 2020 11:06:13												
         												
AM 11:06 10-10-2020												

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard Ctrl + M H: Support Centre H: Help F1: Accounts F2: Inventory F3: Statutory F4: TSS F6: Add-Ons

Company Operations Alteration

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

Company: Aaaa

Accounting Features

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

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

Q: Quit A: Accept Ctrl + N

Tally MAIN --> Gateway of Tally --> Company Features --> Company Operations Alteration © Tally Solutions Pvt Ltd., 1988-20 Sat, 10 Oct, 2020 11:08:34

AM 11:08 10-10-2020

P: Print	E: Export	M: E-Mail	O: Upload	S: TallyShop	G: Language	K: Keyboard	K: Control Centre	H: Support Centre	H: Help
Ctrl + M X									
Gateway of Tally									
<i>Current Period</i> 14-2020 to 31-3-2021		<i>Current Date</i> Wednesday, 1 Apr, 2020		Configuration General Numeric Symbols Accts / Inventory Info. Voucher Entry Invoice / Orders Entry PaYroll Configuration Banking Configuration Printing E-Mailing Data Configuration AdvanCed Configuration Product & Features Licensing Quit					
<i>Name of Company</i> Aaaa		<i>Date of Last Entry</i> No Vouchers Entered							
Product  POWER OF SIMPLICITY Tally.ERP 9									
Version & Updates Ctrl + Alt + T Series A Release 6.6.3 <i>(Latest)</i>		License & Services Ctrl + Alt + L Educational Mode		Configuration Ctrl + Alt + F Gateway localhost:9999 ODBC Server 9000		Calculator Ctrl + N X			
1>									

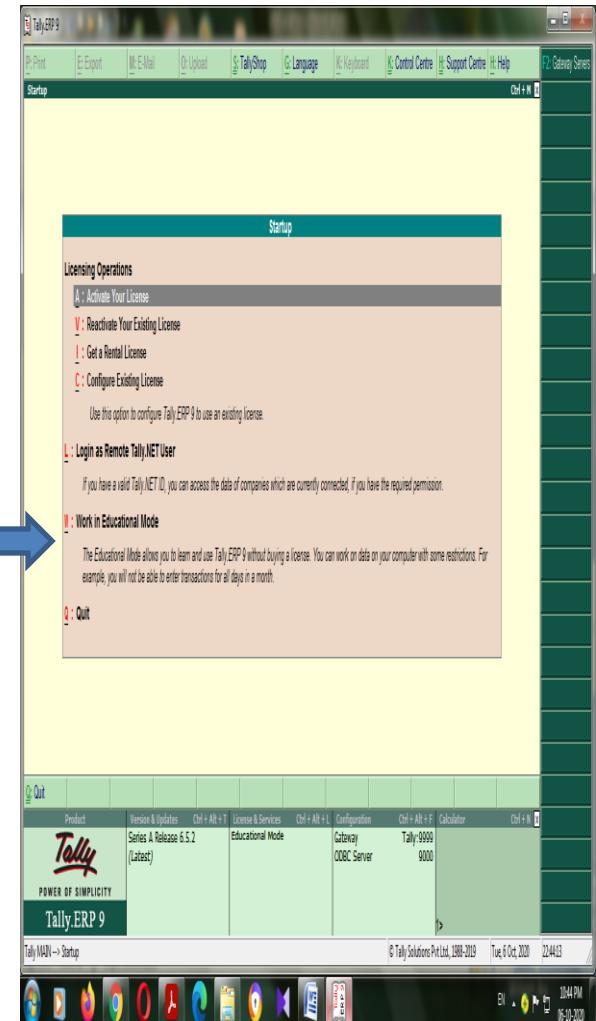
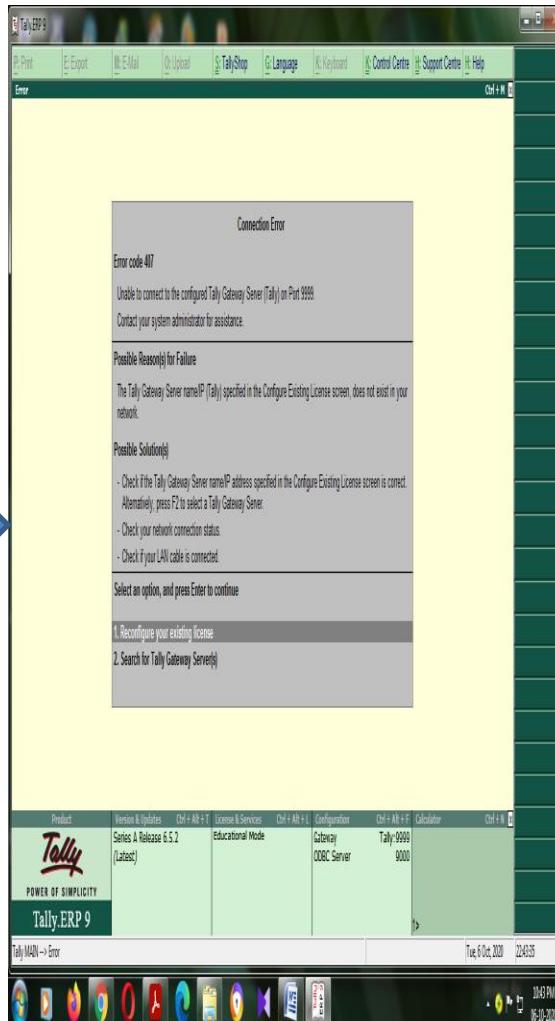
UNIT – 2 Accounting Software COMPANY CREATION

STARTING TALLY

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

Starting tally

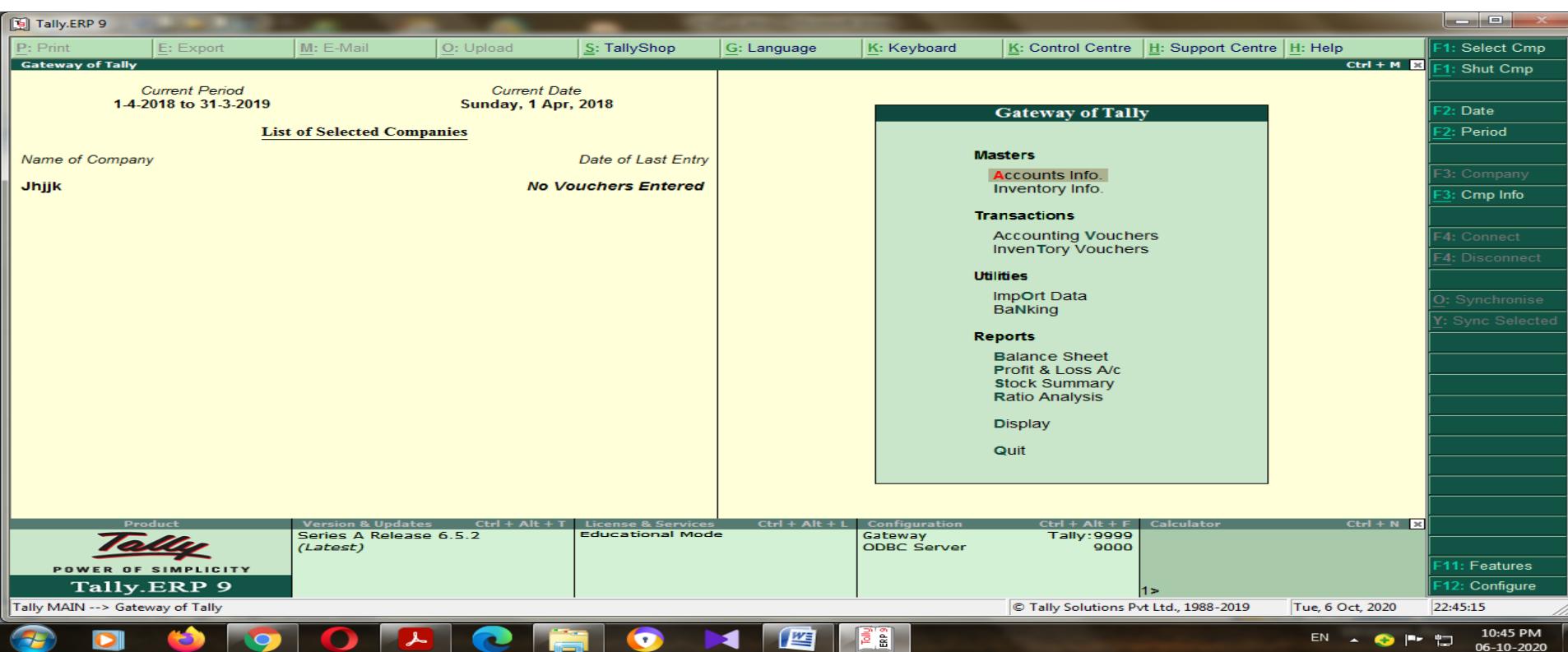
Double click the tally icon on desktop



Press ESC button

GATEWAY OF TALLY

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



GATEWAY OF TALLY

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

The Main Area gives information on:

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

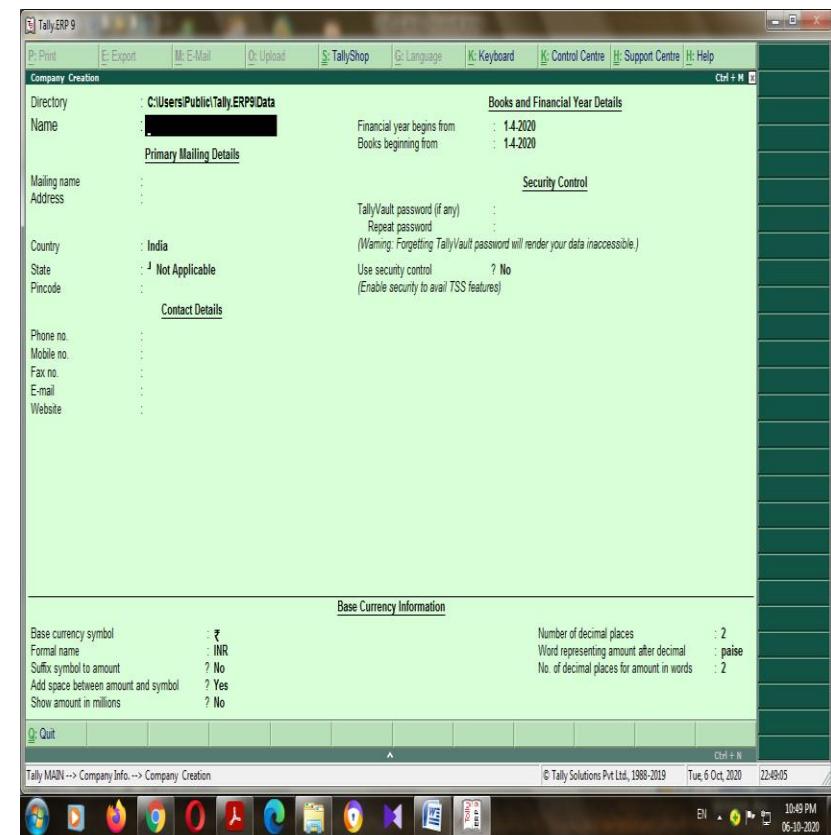
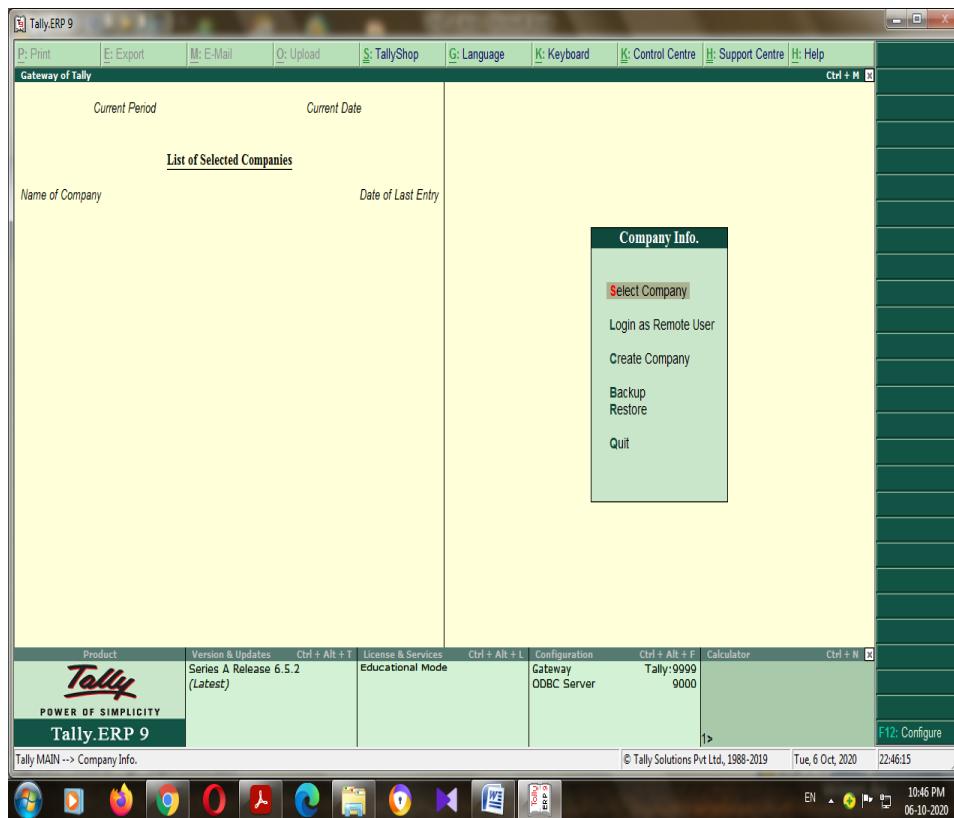
Button Bar

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

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

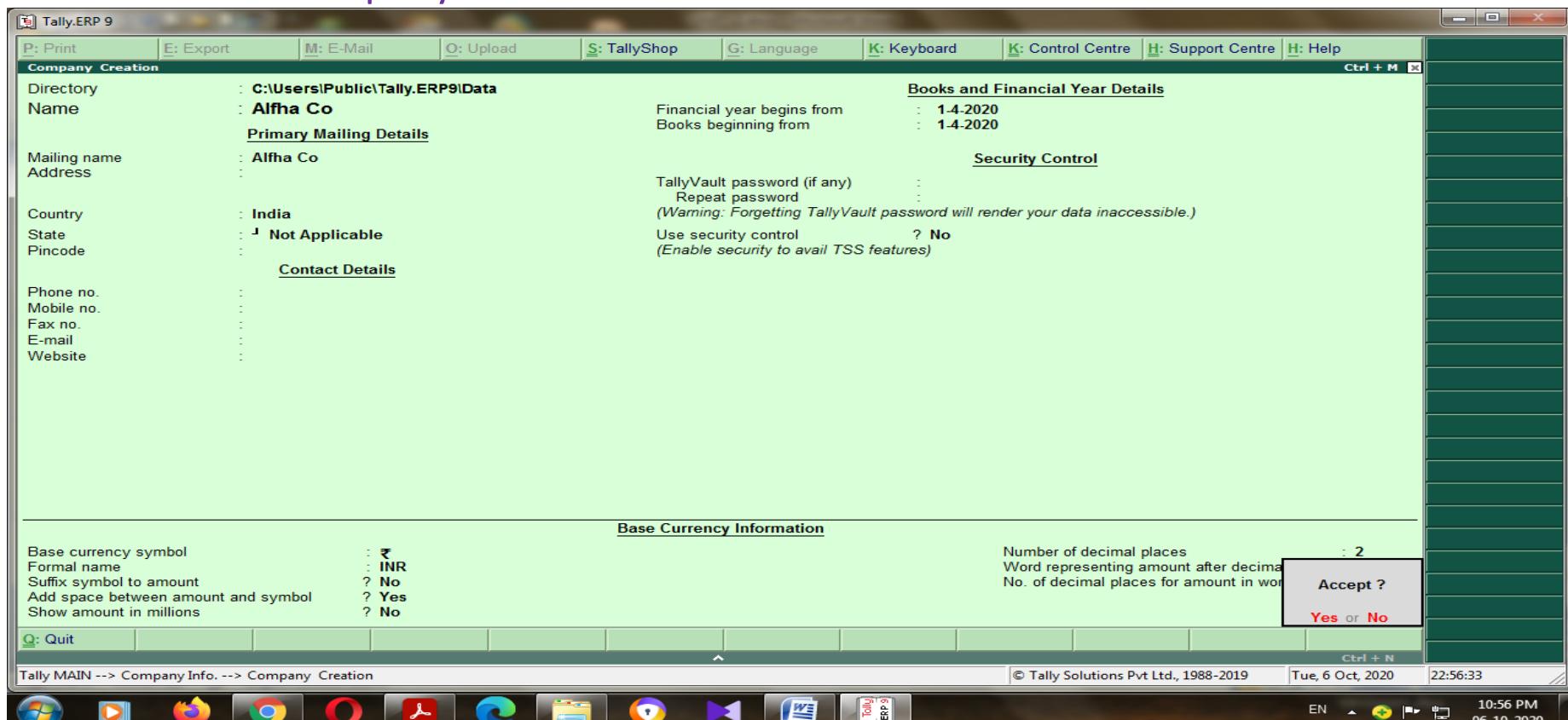
Company creation

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



Creation of a new company

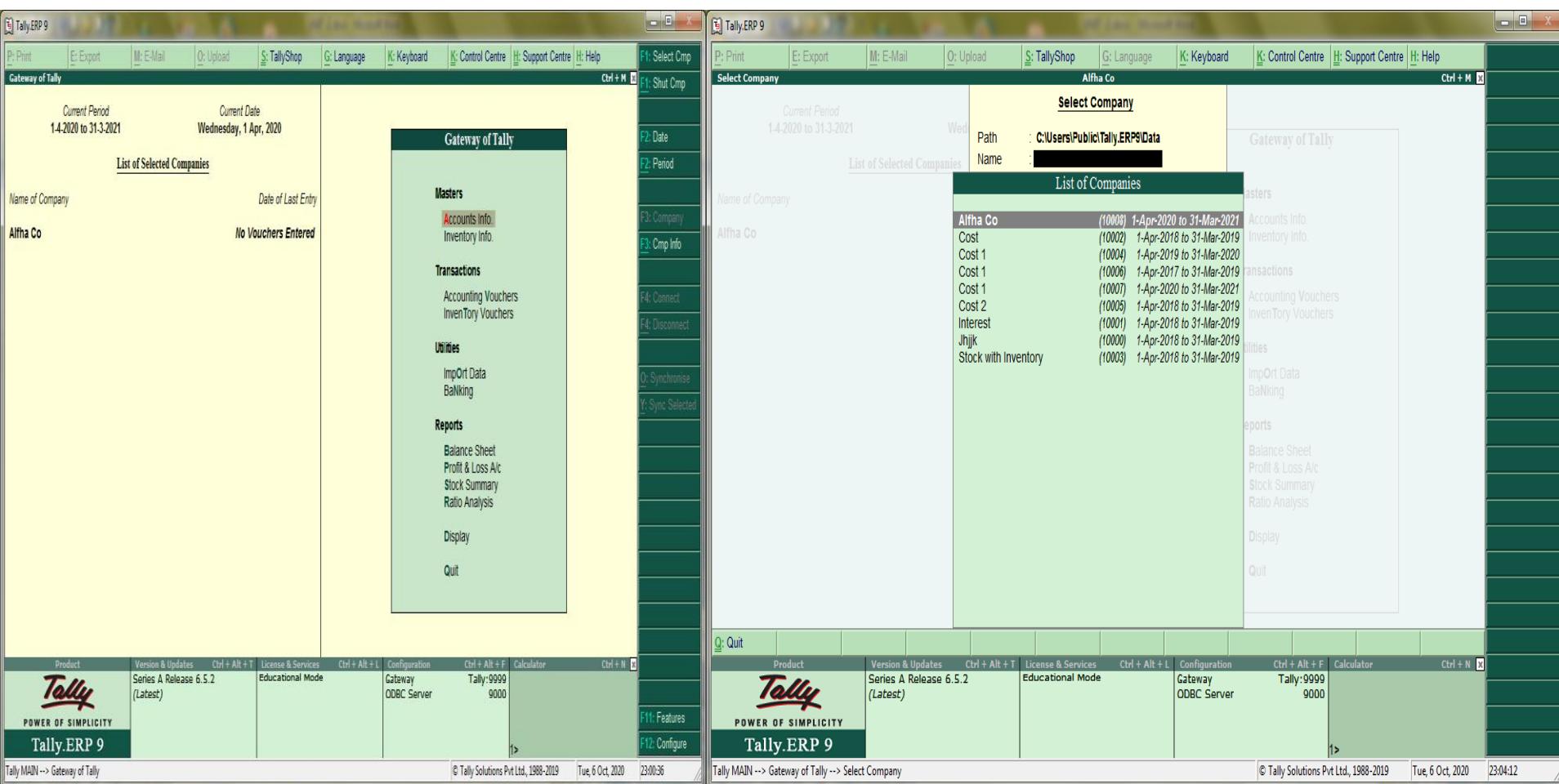
- Put your company name any one **Ex: Alfa Co.**
- And press the enter button until the end of the item and come to display the accept menu **Yes/ No**
- Finally Press Y button or Enter button if any
- The new Company created



Select Company

After the creation of a new company the menu come in to the Gate way of tally
If you want to view any company or created company we go to select company :
Press Alt +F1 or F1 button -- open the window below

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



The screenshot shows two windows of the Tally.ERP 9 software. The main window on the left is the 'Gateway of Tally' with a green header bar containing various menu options like Print, Export, E-Mail, etc. Below the header is a toolbar with buttons for Current Period, Date, and Company. A central panel titled 'Gateway of Tally' lists several options: Masters (Accounts Info., Inventory Info.), Transactions (Accounting Vouchers, Inventory Vouchers), Utilities (Import Data, Banking), Reports (Balance Sheet, Profit & Loss A/c, Stock Summary, Ratio Analysis), Display, and Quit. The status bar at the bottom provides product information and system details.

The second window on the right is the 'Select Company' dialog box, also with a green header bar. It displays the selected company 'Alfha Co'. The 'Path' field shows the company's location: C:\Users\Public\Tally.ERP9\data. The 'Name' field is also populated with 'Alfha Co'. Below this, a 'List of Companies' table is shown, listing the company 'Alfha Co' along with its details: (1000) 1-Apr-2020 to 31-Mar-2021, Cost, Cost 1, Cost 1, Cost 1, Cost 1, Cost 2, Interest, Jhjk, and Stock with Inventory. The dialog box has tabs for Masters, Transactions, Utilities, Reports, and Display. The status bar at the bottom of this window also provides product and system information.

Configuration of the company

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

The screenshot shows the Tally ERP 9 software interface. On the left, a vertical menu bar lists "Gateway of Tally", "Company Features", "Accounting Features", "Inventory Features", "Statutory & Taxation", "TSS Features", "Add-On Features", and "Quit". The main window title is "Company Operations Alteration" and the sub-title is "Company Features". The company selected is "Alpha Co". The configuration screen is divided into several sections: "General", "Outstanding Management", "Cost/Profit Centres Management", "Invoicing", "Budgets and Scenario Management", "Banking Features", and "Other Features". Each section contains various configuration options with checkboxes. At the bottom of the configuration window, there are buttons for "A: Accept", "F1: Accounts", "F2: Inventory", "F3: Statutory", and "F6: Add-Ons". The status bar at the bottom displays the path "N--> Gateway of Tally --> Company Features --> Company Operations Alteration", the copyright notice "© Tally Solutions Pvt Ltd, 1988-2019", the date "Tue, 6 Oct, 2020", the time "23:10:16", and system status indicators.

Gateway of Tally
Company Features

Accounting Features

Inventory Features

Statutory & Taxation

TSS Features

Add-On Features

Quit

Company Operations Alteration

Company: Alpha Co

Accounting Features

General

- Maintain accounts only ? Yes
- Integrate accounts and inventory ? Yes
- Use Income and Expenses A/c instead of Profit and Loss A/c ? Yes
- Enable multi-currency ? Yes

Outstanding Management

- Maintain bill-wise details ? Yes
- For non-trading accounts also ? Yes
- Activate interest calculation ? Yes
- Use advanced parameters ? Yes

Cost/Profit Centres Management

- Maintain payroll ? Yes
- Maintain cost centres ? Yes
- Use cost centre for job costing ? Yes
- Maintain more than one payroll or cost category ? Yes
- Use pre-defined cost centre allocations in transactions ? Yes
- Show opening balance for revenue items in reports ? Yes

Invoicing

- Enable invoicing ? Yes
- Record purchases in invoice mode ? Yes
- Use debit and credit notes ? Yes
- Record credit notes in invoice mode ? Yes
- Record debit notes in invoice mode ? Yes

Budgets and Scenario Management

- Maintain budgets and controls ? Yes
- Use reversing journals and optional vouchers ? Yes

Banking Features

- Enable cheque printing ? Yes
- Set/alter transaction types ? Yes
- Set/alter banking features ? Yes
- Set/alter post-dated transaction features ? Yes

Other Features

- Enable zero-valued transactions ? Yes
- Maintain multiple mailing details for company and ledgers ? Yes
- Set/alter company mailing details ? Yes
- Enable company logo ? Yes
- Mark changed vouchers ? Yes

A: Accept **F1: Accounts** **F2: Inventory** **F3: Statutory** **F6: Add-Ons**

Ctrl + N

N--> Gateway of Tally --> Company Features --> Company Operations Alteration

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Tue, 6 Oct, 2020

23:10:16

EN

11:10 PM

06-10-2020

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

Change the company name

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

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

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

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help Ctrl + M E1: Shut Cmp

Gateway of Tally

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

List of Selected Companies

Name of Company	Date of Last Entry
Alpha Co	No Vouchers Entered
Alpha Co Jhjk	No Vouchers Entered

Company Info.

- Select Company
- SHut Company
- Create Company
- Create Group Company
- Alter**
- Change TallyVault
- SPlit Company Data
- Backup
- Restore
- Quit

Product
Tally
POWER OF SIMPLICITY
Tally.ERP 9

Version & Updates Ctrl + Alt + T Series A Release 6.5.2 (Latest)

License & Services Ctrl + Alt + L Educational Mode

Configuration Ctrl + Alt + F Gateway ODBC Server Tally:9999 9000

Calculator Ctrl + N

Tally MAIN --> Gateway of Tally --> Company Info. © Tally Solutions Pvt Ltd., 1988-2019 Tue, 6 Oct, 2020 23:29:33

R: Rewrite Status F11: Features F12: Configure

EN 11:29 PM 06-10-2020

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help Ctrl + M E1: Shut Cmp

Select Item

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

Name of Company

Alpha Co

List of Companies

Name of Company	Code	Description
Alpha Co	(1000\$)	
Jhjk	(10000\$)	

Company Info.

- Select Company
- SHut Company
- Create Company
- Create Group Company
- Alter
- Change TallyVault
- SPlit Company Data
- Backup
- Restore
- Quit

Product
Tally
POWER OF SIMPLICITY
Tally.ERP 9

Version & Updates Ctrl + Alt + T Series A Release 6.5.2 (Latest)

License & Services Ctrl + Alt + L Educational Mode

Configuration Ctrl + Alt + F Gateway ODBC Server Tally:9999 9000

Calculator Ctrl + N

Tally MAIN --> Gateway of Tally --> Company Info. --> Select Item © Tally Solutions Pvt Ltd., 1988-2019 Tue, 6 Oct, 2020 23:29:58

EN 11:29 PM 06-10-2020

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

Screenshot of Tally.ERP 9 Company Alteration window:

Company Alteration

Name: Alfha&Co

Mailing name: Alfha&Co

Address: :

Country: India

State: Not Applicable

Pincode: :

Phone no.: :

Mobile no.: :

Fax no.: :

E-mail: :

Website: :

Primary Mailing Details

Financial year begins from: 1-4-2020

Books beginning from: 1-4-2020

Books and Financial Year Details

Security Control

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

Contact Details

Base Currency Information

Base currency symbol: ₹	Formal name: INR	Number of decimal places: 2
Suffix symbol to amount: ? No	Word representing amount after decimal: paisa	No. of decimal places for amount in words: 2
Add space between amount and symbol: ? Yes		
Show amount in millions: ? No		

Q: Quit

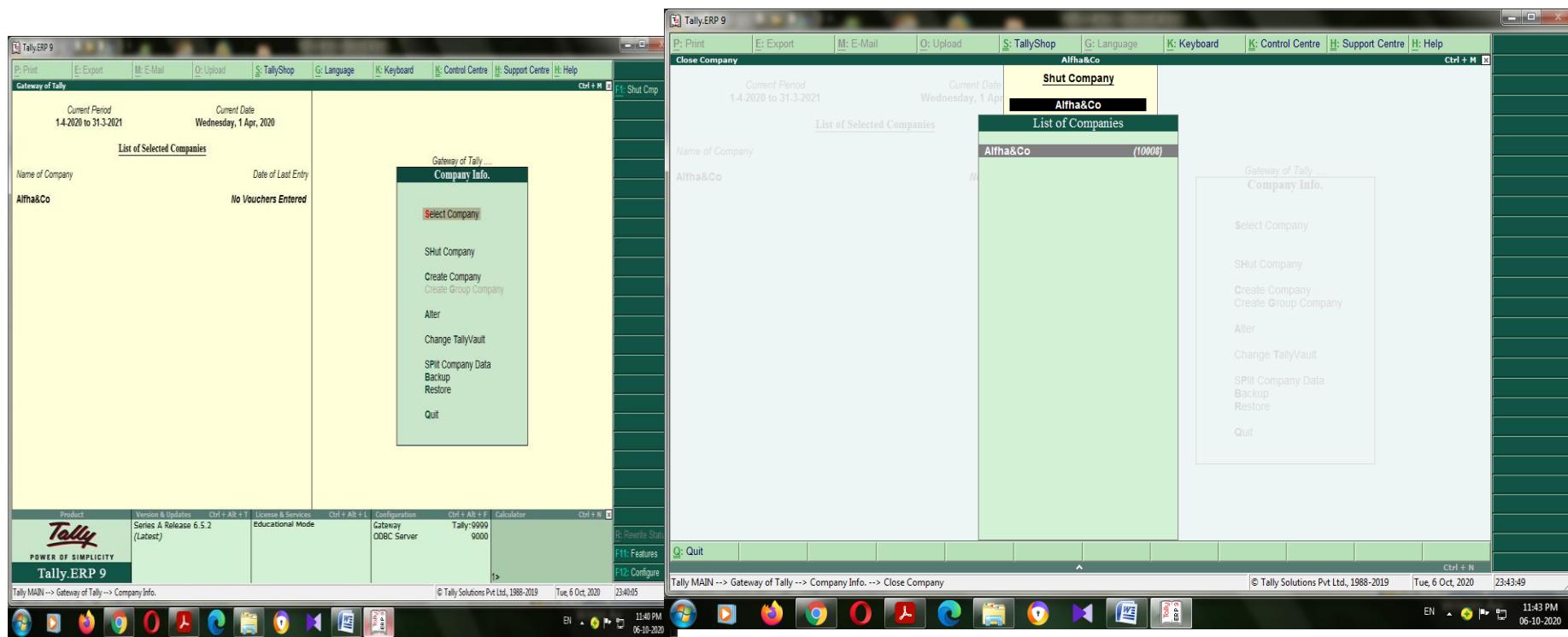
Tally MAIN --> Gateway of Tally --> Company Info. --> Company Alteration

© Tally Solutions Pvt Ltd., 1988-2019 | Tue, 6 Oct, 2020 | 23:31:47

EN 11:31 PM 06-10-2020

Shut the Company

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

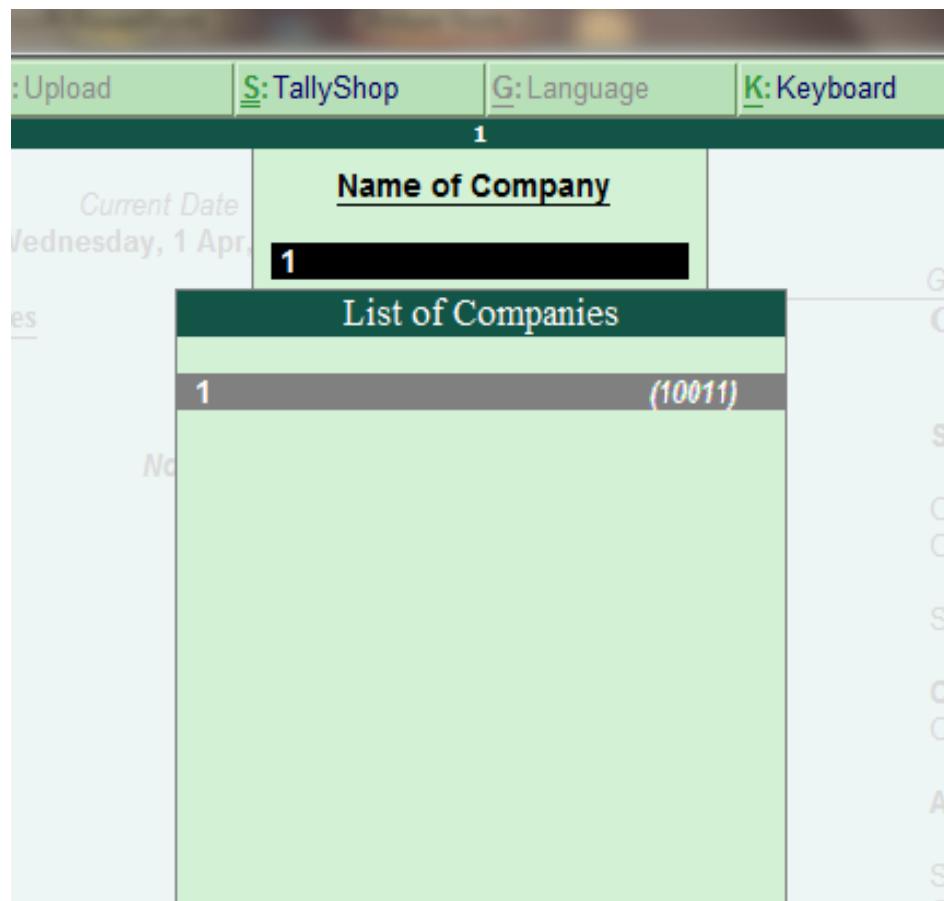
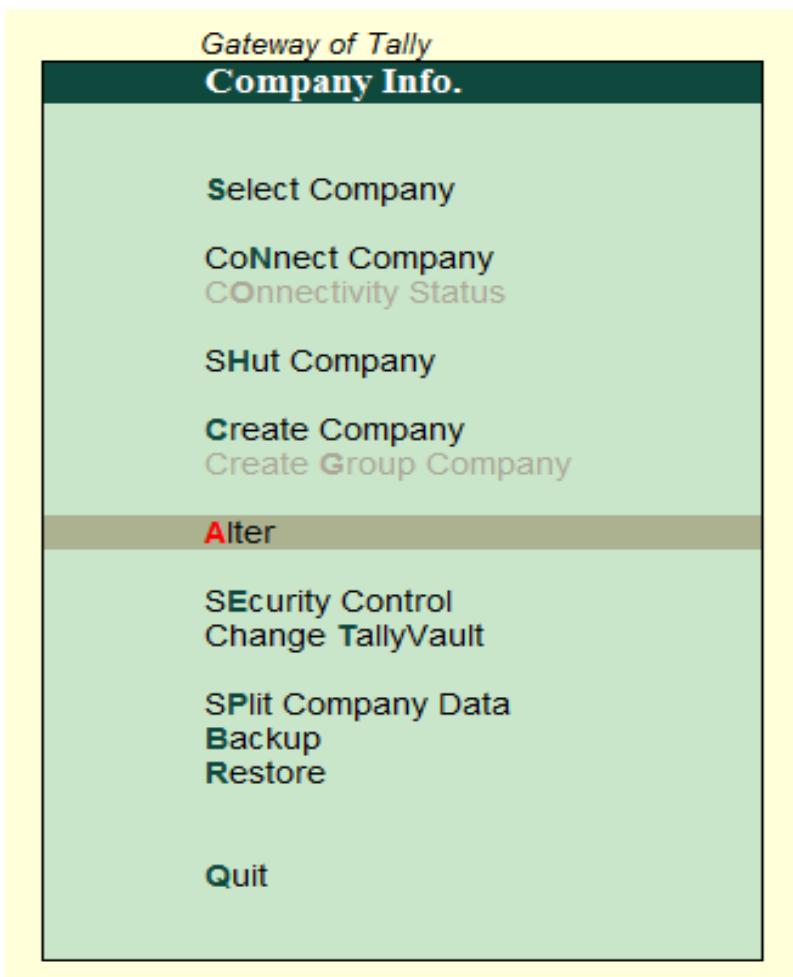


Delete company

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

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

Delete company



Delete company

Tally.ERP 9

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

Company Alteration

Name : Alpha&Co

Primary Mailing Details

Mailing name : Alpha&Co

Address :

Country : India

State : Not Applicable

Pincode :

Contact Details

Phone no. :

Mobile no. :

Fax no. :

E-mail :

Website :

Books and Financial Year Details

Financial year begins from : 1.4.2020

Books beginning from : 1.4.2020

Security Control

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

Base Currency Information

Base currency symbol : ₹

Formal name : INR

Suffix symbol to amount ? No

Add space between amount and symbol ? Yes

Show amount in millions ? No

Number of decimal places : 2

Word representing amount after decimal : paise

No. of decimal places for amount in words : 2

Q: Quit Ctrl + N

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

EN 11:52 PM 06-10-2020



Use security control
(Enable security to avail TSS fe

Delete ?

Yes or No

Groups and Ledger

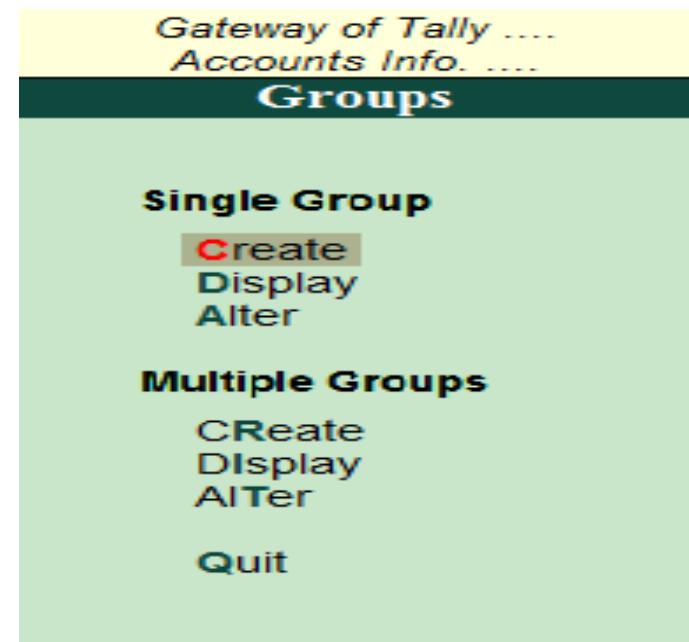
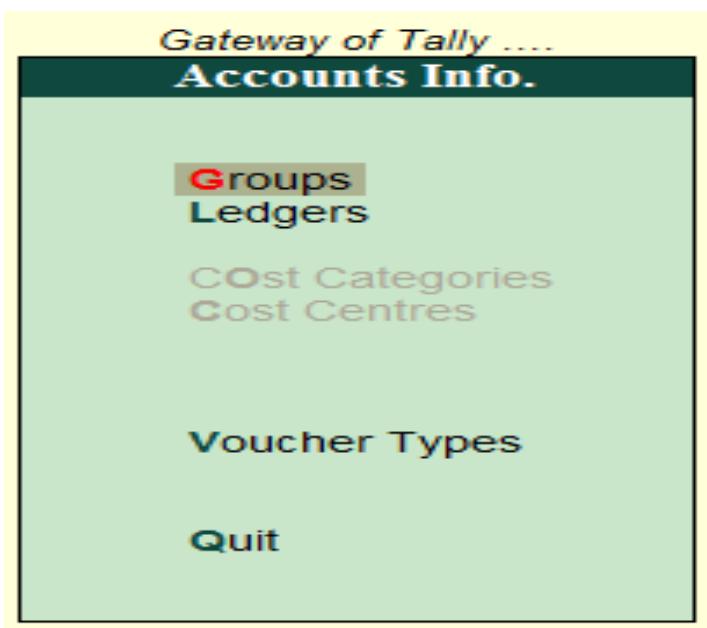
- Accounts Info menu lists the masters through which you can provide Tally the details of your company's accounts. You can also manage Groups, Ledger and Vouchers from this menu.

Groups

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

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

Go to select single group



This screenshot shows the 'Group Creation' dialog box from Tally ERP 9 overlaid on the 'Groups' window. The 'Group Creation' window has fields for 'Name (alias)', 'Under' (set to 'Capital Account'), and various checkboxes for behaviors like being a sub-ledger or used for calculations. The 'Groups' window's menu options ('Single Group', 'Multiple Groups', 'Create', 'Display', 'Alter', 'Quit') are visible as a semi-transparent overlay in the background.

Displaying and Altering Group

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

Displaying Multiple Groups

Tally.ERP 9

P: Print E: Export M: E-Mail Q: Upload S: TallyShop G: Language K: Keyboard Control Centre H: Support Centre I: Help F3: Company F3: New Company F4: Parent F4: New Parent F6: Skip Names F7: Skip Parent G: Groups L: Ledgers F11: Features

Multi Group Creation Alpha&Co Ctrl + M

Under Group : [redacted]

S.No.	Name of Group
1.	

List of Groups

J All Items

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

2 more ... ↓

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

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Groups --> Multi Group Creation © Tally Solutions Pvt Ltd., 1988-2019 Wed, 7 Oct, 2020 13:50:38

EN 1:50 PM 07-10-2020



Altering Multiple Group

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

Creating Ledger Accounts

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

Create single ledger

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

The screenshot shows the Tally.ERP 9 software interface. On the left, a vertical menu titled 'Gateway of Tally Accounts Info.' lists options: 'Ledgers' (selected), 'Single Ledger' (highlighted in red), 'Create', 'Display', 'Alter', 'Multiple Ledgers', 'Create', 'Display', 'Alter', and 'Quit'. The main window title is 'Tally.ERP 9' and the sub-title is 'Ledger Creation'. The window contains fields for 'Name' (Drawing) and 'Under' (Capital Account). It also includes sections for 'Mailing Details', 'Tax Registration Details', and 'Opening Balance (on 1-Apr-2020)'. A large list of account categories is visible on the right side of the window. The status bar at the bottom displays system information.

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard Ctrl + M F3: Company F3: New Company

Ledger Creation

Name : Drawing
(alias) :

Total Opening Balance List of Groups

Under Capital Account

Mailing Details

Name Address : Drawing

Inventory values are affected ? No

Country : India
State : Tamil Nadu
Provide bank details ? No

Pincode :
Tax Registration Details

PAN/IT No. :

Opening Balance (on 1-Apr-2020) : 1 more ...

Q: Quit A: Accept D: Delete Ctrl + N F11: Features F12: Configure

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Ledger Creation © Tally Solutions Pvt Ltd, 1988-2020 Thu, 8 Oct, 2020 23:20:02

EN 11:20 PM 08-10-2020

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

Create multiple ledger

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

The screenshot shows the Tally.ERP 9 software interface. On the left, a sidebar titled 'Gateway of Tally Accounts Info.' lists options: 'Ledgers', 'Single Ledger', 'Create', 'Display', 'Alter', 'Multiple Ledgers', 'Create' (highlighted in red), 'Display', 'Alter', and 'Quit'. The main window title is 'Multi Ledger Alteration'. It displays a table of ledgers under the group 'Under Group' with the value 'All Items'. The table columns are 'S.No.', 'Name of Ledger', 'Under', and 'Opening Balance'. The data includes:

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

A message box in the bottom right corner asks 'Accept ?' with 'Yes or No' buttons. The status bar at the bottom shows 'Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Alteration' and the date 'Thu, 8 Oct, 2020'.

Opening balance

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

Opening balance in accounting

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

Adjusting entries

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

Purpose of Adjusting Entries

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

Types of Adjusting Entries

- **Accrued Revenues:**

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

Types of Adjusting Entries

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

Types of Adjusting Entries

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

Accounting voucher entries

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

Types of accounting voucher

Payment Voucher (F5)

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

Purchase voucher (F9)

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

Sales Voucher (F8)

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

Receipt

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

Contra

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

Journal

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

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

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

Petty cash

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

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

Step – 1 for creating petty cash ledger a/c

Tally.ERP 9

P: Print E: Export M: E-Mail U: Upload S: TallyShop G: Language K: Keyboard

Ledger Alteration Samsung Wholesale

Name (alias)	Petty Cash A/c
Under	Cash-in-Hand (Current Assets)
Mailing Details	
Name	:
Address	:
Provide bank details	: No
Tax Registration Details	
PAN/IT No.	:

Step-2

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

P: Print	E: Export	M: E-Mail	O: Upload	S: TallyShop	G: Language	K: Keyboard	N: Control Centre	H: Support Centre	I: Help
Accounting Voucher Creation				Samsung Wholesale				Ctrl + M	X
Contra	No. 2				1-Apr-2016				
					Friday				
Account	Petty Cash A/c								
Cur Bal:	25,000.00 Dr								
Particulars						Amount			
BANK A/C						10,000.00			
Cur Bal:	25,000.00 Cr								

Step -3

How to do petty cash exp entries

Use the Payment Voucher F5

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

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

Petty cash expenses created through voucher

Tally.ERP 9

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

Accounting Voucher Creation Samsung Wholesale

Payment No. 1 1-Apr-2016 Friday

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

Particulars	Amount
Stationery A/C Cur Bal: 250.00 Dr	250.00

Narration: BEIGN STAIONERY PURCHASED FOR OFFICE USE

250.00

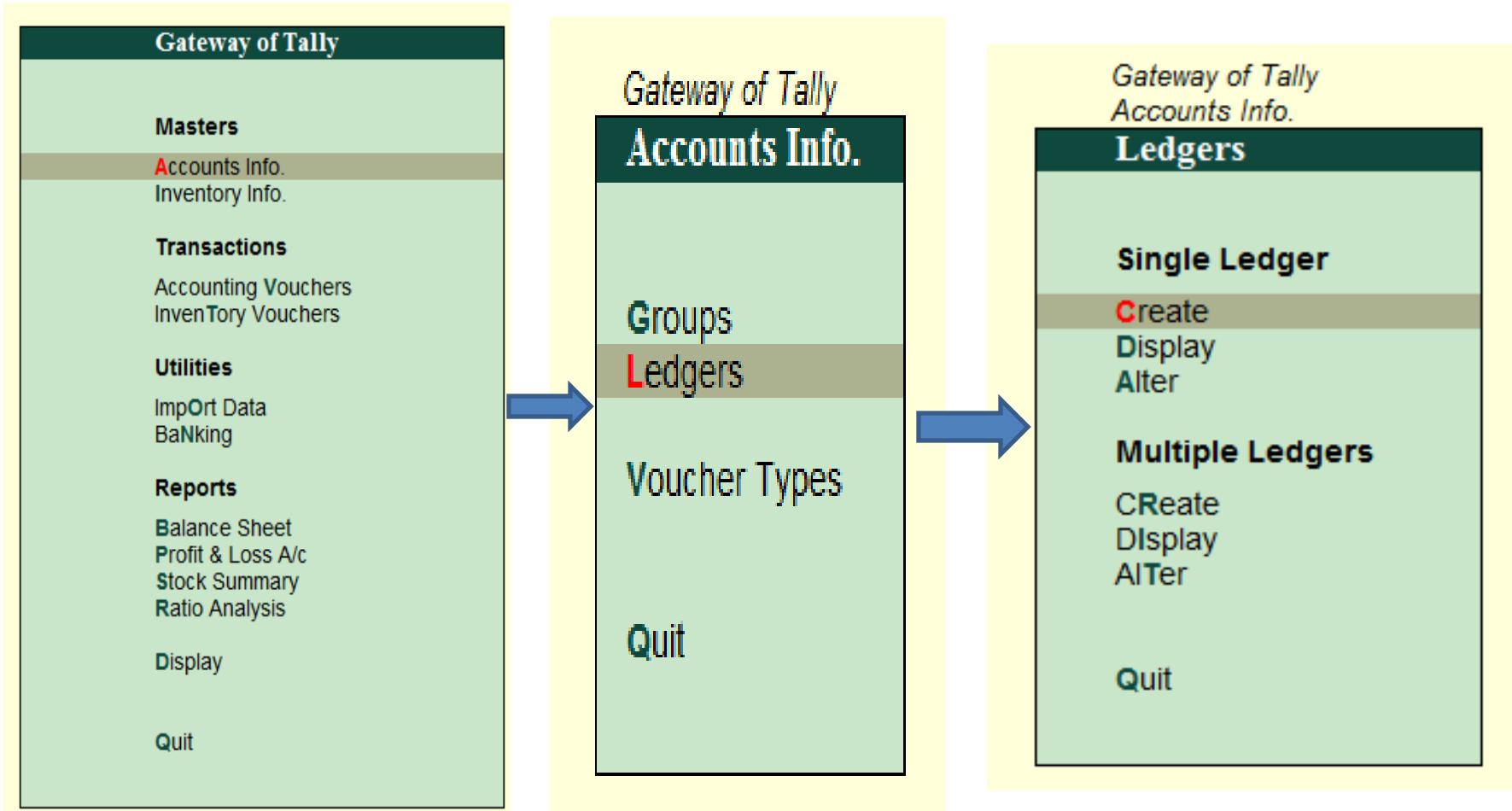
SUM :1

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

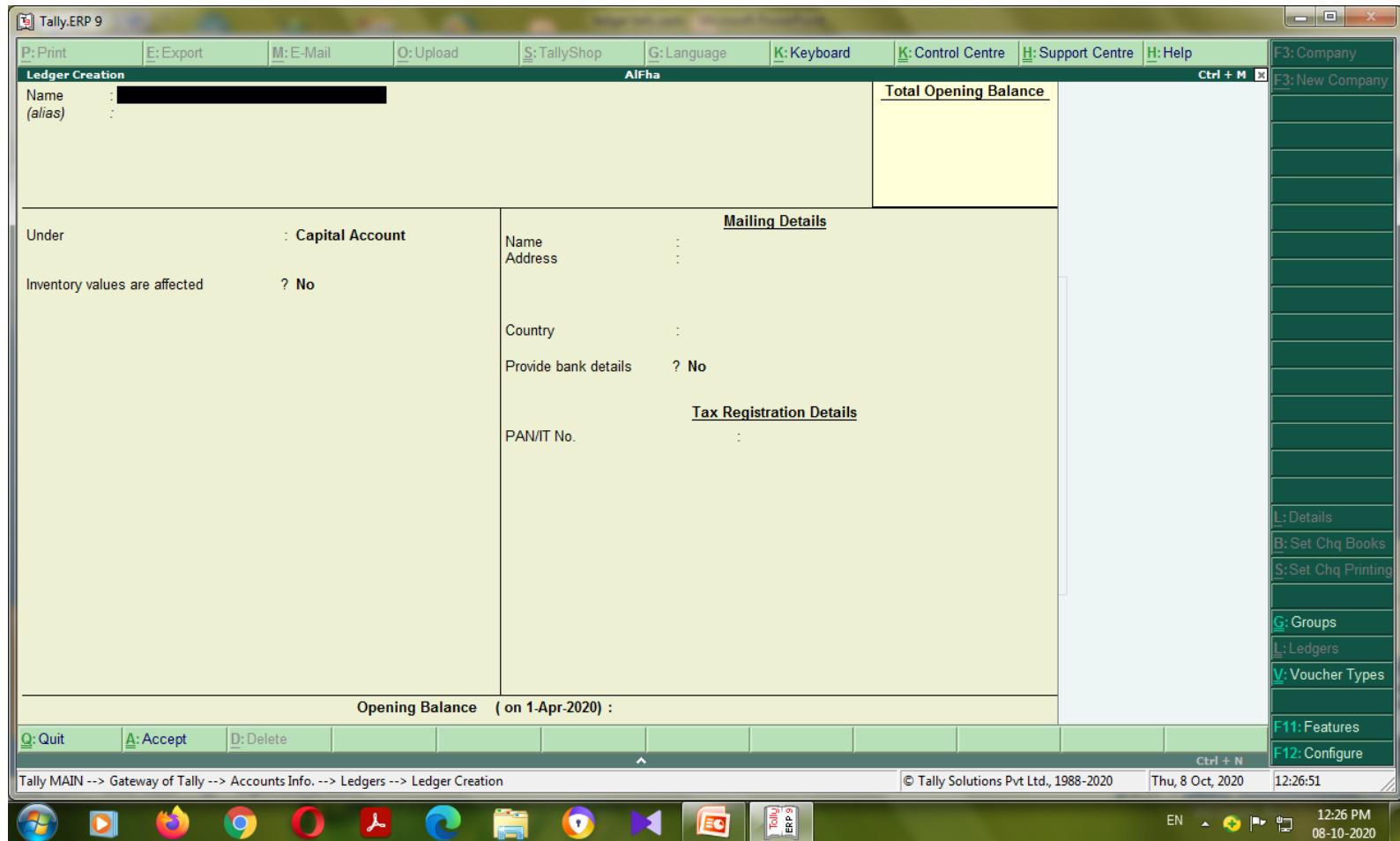
Ledger creation

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

Ledger creation



Single ledger



Multiple ledger

Tally.ERP 9

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

Multi Ledger Creation Under Group : [REDACTED]

S.No. Name of Ledger Under

1.

List of Groups

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

2 more ... ↓

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

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Creation © Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 12:27:36

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

EN 12:27 PM 08-10-2020

All ledgers created

Put the Closing stock amount Rs. 4900

Go to the single ledger and select the Alter option

The screenshot shows the Tally.ERP 9 interface with two windows open:

Single Ledger Window (Left):

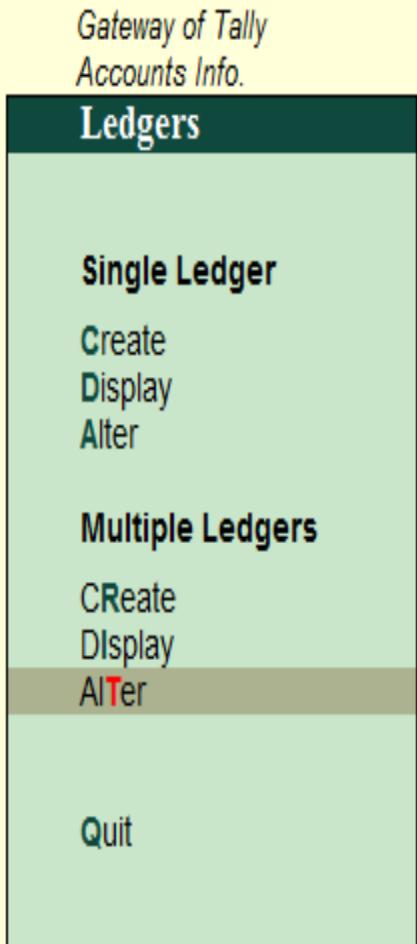
- Menu bar: P:Print, E:Export, M:E-Mail, O:Upload, S:TallyShop, G:Language, K:Keyboard, C:Control Centre, H:Support Centre, I:Help.
- Toolbar: Select Ledger, Alpha, Ctrl + N.
- Current Period: 14/2020 to 31/3/2021.
- Current Date: Wednesday, 1 Apr.
- Table:
 - Name of Ledger: [Redacted]
 - Under: Stock-in-Hand (Current Assets)
 - Opening Balance (on 1-Apr-2020): 5,200.00 Dr
 - Closing Balance (31-Mar-2021): 4,900.00 Dr
- Buttons: Create, Display, Alter.

Ledger Alteration Window (Right):

- Menu bar: P:Print, E:Export, M:E-Mail, O:Upload, S:TallyShop.
- Toolbar: Ledger Alteration.
- Table:

Total Opening Balance	
Name (alias):	Opening Stock
	59,800.00 Dr
	66,000.00 Cr
Difference	
	6,200.00 Cr
- Under: Stock-in-Hand (Current Assets).
- Buttons: Accept ?, Yes or No.

Put the cash value go to alter



The screenshot shows the "Select Group" dialog box from Tally ERP 9. The main window displays a list of account categories under the heading "Name of Group". A context menu is open over the "All Items" option, showing the following items:

- Name of Group
- List of Groups
- All Items
 - Bank Accounts
 - Bank OCC A/c
 - Bank OD A/c
 - Branch / Divisions
 - Capital Account
 - Cash-in-Hand
 - Current Assets
 - Current Liabilities
 - Deposits (Asset)
 - Direct Expenses
 - Direct Incomes
 - Duties & Taxes
 - Expenses (Direct)
 - Expenses (Indirect)
 - Fixed Assets
 - Income (Direct)
 - Income (Indirect)
 - Indirect Expenses
 - Indirect Incomes
 - Investments
 - Loans & Advances (Asset)
 - Loans (Liability)
 - Misc. Expenses (ASSET)
 - Provisions
 - Purchase Accounts
- 9 more ... ↓

At the bottom of the dialog box, there is a footer with various product and system information.

Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Select Group

© Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 12:58:04

EN

12:58 PM
08-10-2020

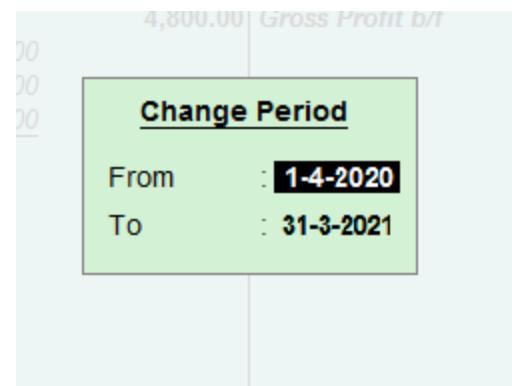
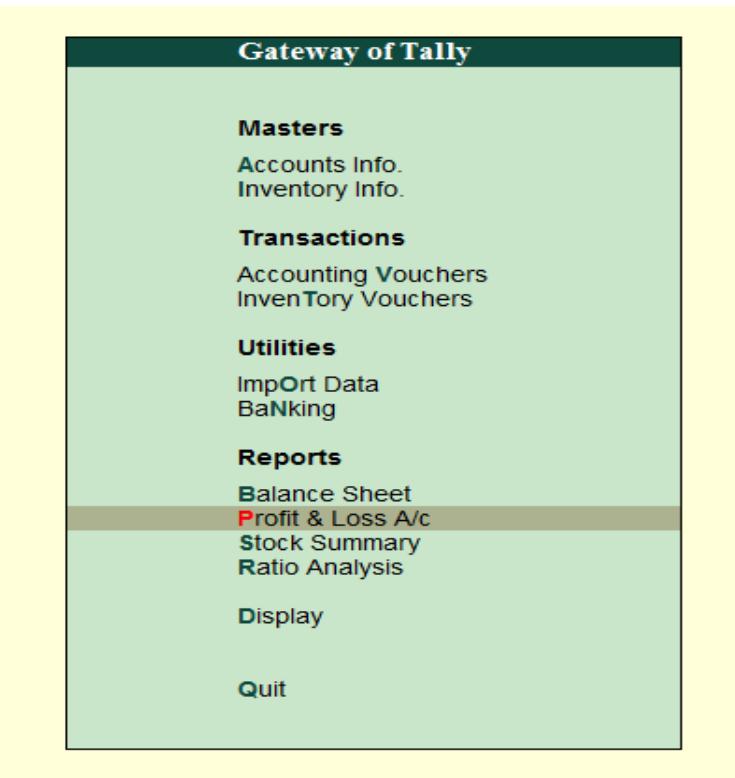
Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard Ctrl + M X
Multi Ledger Alteration AlFha F3: Company
Under Group : ♦ All Items For 1-Apr-2020 F3: New Company
S.No. **Name of Ledger** Under Opening Balance Dr/Cr
1. Bank Bank Accounts 4,500.00 Dr
2. Capital Capital Account 40,000.00 Cr
3. **Cash** Cash-in-Hand 2,000.00 Dr Z: Zero Opening Bal
4. Creditors Sundry Creditors 1,000.00 Cr F6: Skip Names
5. Debtors Sundry Debtors 2,500.00 Dr F7: Skip Parent
6. Drawing Capital Account 5,000.00 Dr F8: Skip Details
7. Insurance Indirect Expenses 300.00 Dr F10: Edit Sort
8. Machinery Fixed Assets 28,000.00 Dr
9. Opening Stock Stock-in-Hand 5,200.00 Dr
10. Profit & Loss A/c ♦ Primary
11. Purchase Purchase Accounts 15,000.00 Dr
12. Rent Indirect Expenses 1,500.00 Dr
13. Salary Indirect Expenses 3,000.00 Dr
14. Sales Sales Accounts 25,000.00 Cr

Q: Quit A: Accept D: Delete R: Remove Line U: Restore Line U: Restore All Ctrl + N
F11: Features
Tally MAIN --> Gateway of Tally --> Accounts Info. --> Ledgers --> Multi Ledger Alteration © Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 12:56:04
EN 08-10-2020 12:56 PM



Get the result



Profit & Loss A/c

Tally.ERP 9

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

F1: Condensed F2: Period F3: Company F7: Valuation S: Schedule VI

F9: New Column A: Alter Column D: Delete Column N: Auto Column

F10: A/c Reports F11: Features F12: Configure

F12: Range F12: Value

Profit & Loss A/c

AlFa

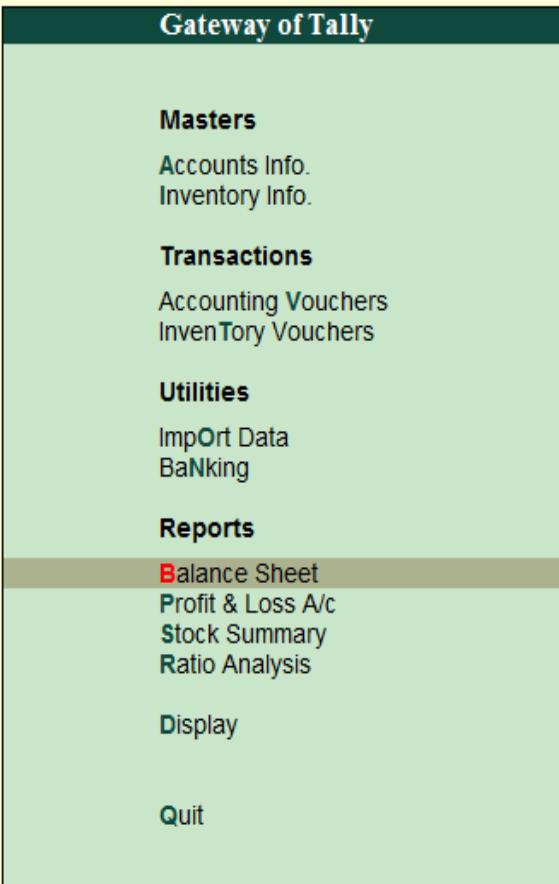
Particulars	AlFa 1-Apr-2020 to 31-Mar-2021	Particulars	AlFa 1-Apr-2020 to 31-Mar-2021
Opening Stock	5,200.00	Sales Accounts	25,000.00
Opening Stock	5,200.00	Sales	25,000.00
Purchase Accounts	15,000.00	Closing Stock	4,900.00
Purchase	15,000.00	Opening Stock	4,900.00
Gross Profit c/o	9,700.00		
	29,900.00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

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

Tally MAIN --> Gateway of Tally --> Profit & Loss A/c © Tally Solutions Pvt Ltd, 1988-2020 Thu, 8 Oct, 2020 13:04:36 1:04 PM 08-10-2020



Balance sheet



Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard Ctrl + M F1: Condensed F2: Period F3: Company F7: Valuation S: Schedule VI C: New Column A: Alter Column D: Delete Column N: Auto Column F9: Inventory Reports F10: A/c Reports F11: Features F12: Configure F12: Range F12: Value

Balance Sheet

Liabilities		AlHa as at 31-Mar-2021	Assets		AlHa as at 31-Mar-2021			
Capital Account		35,000.00	Fixed Assets		28,000.00			
Capital		40,000.00	Machinery		28,000.00			
Drawing		(-)5,000.00						
Loans (Liability)			Current Assets		13,900.00			
Current Liabilities		1,000.00	Closing Stock		4,900.00			
Sundry Creditors		1,000.00	Sundry Debtors		2,500.00			
Profit & Loss A/c		4,900.00	Cash-in-Hand		2,000.00			
Opening Balance		4,900.00	Bank Accounts		4,500.00			
Current Period								
Difference in opening balances		1,000.00						
Total		41,900.00	Total		41,900.00			
Q:Quit			R: Remove Line	U: Restore Line	U: Restore All	Space: Select		
Tally MAIN --> Gateway of Tally --> Balance Sheet						© Tally Solutions Pvt Ltd, 1988-2020	Thu, 8 Oct, 2020	13:08:12
						EN	08-10-2020	1:08 PM

Ctrl + N

Display the report of trial balance

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload S: TallyShop G: Language K: Keyboard Ctrl + M
Trial Balance Altha F1: Detailed
F2: Period F3: Company
F4: Group F5: Ledger-wise
F6: Monthly F7: Vouchers
F8: Related Reports
F9: Inventory Reports
F10: A/c Reports
F11: Features
F12: Configure
F13: Range
F14: Value

Particulars		Altha For 1-Apr-2020	
		Closing Balance	
		Debit	Credit
Capital Account		5,000.00	40,000.00
Current Liabilities			1,000.00
Fixed Assets		28,000.00	
Current Assets		14,200.00	
Sales Accounts			25,000.00
Purchase Accounts		15,000.00	
Indirect Expenses		4,800.00	
Difference in opening balances			1,000.00
Grand Total		67,000.00	67,000.00

Q: Quit R: Remove Line U: Restore Line U: Restore All Space: Select Ctrl + N
Tally MAIN --> Gateway of Tally --> Display Menu --> Trial Balance © Tally Solutions Pvt Ltd., 1988-2020 Thu, 8 Oct, 2020 13:09:49
EN 1:09 PM 08-10-2020



Basic Accounting Concept

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Ledger : The book of final entry where accounts lie.

Journal entries : A daily record of transaction.

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

Profit : Excess of credit side over debit side.

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

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

Types of accounts

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

Principles : Debit the receiver Credit the giver

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

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

Principles: Debit what comes in Credit what goes out

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

Ex. Salary, Rent, Wages, Stationery etc.

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

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

Procedure for creating company in Tally

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

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

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

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

Shut Company :

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

Short cut keys

Alt+F3 Company information menu

Enter To accept information typed into a field.

To accept a voucher or master.

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

Esc To remove what has been typed into a field.

To exit a screen.

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

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

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

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

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

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

Alt+F2 Change period

Alt+F1 To see detail

F11 Features company

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

Ctrl+N Calculator screen.

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

Gateway of tally-Accounts info-Group

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

Meaning:

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

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

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

Depreciation : Decrease the value of the asset.

Sundry debtors : The person who is the receiver or customer

Sundry creditors : The person who gives or supplier.

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

Income received in advance or Income received but not earned

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

Prepaid advance or Expenses or Prepaid expenses

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

Income outstanding or income earned but not received or Income accrued

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

Gateway of Tally-Accounts info-ledger-create

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

Printing and stationery	Indirect expenses
General expenses	Indirect expenses

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

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

Trading account : Buying and selling of goods.

Dr.Receiving aspect Giving aspect Cr.

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

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

Indirect expenses or payments	Amount	Indirect income or receipts	Amount

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

Balance sheet: Actual financial position

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

	Motor vehicles	xxx
	Prepaid expenses	xxx
	Income outstanding	xxx

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

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

Withdraw from bank - Cr. Bank - Dr. Cash

F5 Payment: - Record all bank and cash payments.

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

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

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

F7 Journal: - Records adjustments between ledger accounts.

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

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

Voucher model

Sum :1

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

Journalize the following transactions

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

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

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

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

Sum : 2

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

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

Sum : 3

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

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

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

May 31 Sold goods for Rs. 8,000.

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

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

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

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

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

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

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

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

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

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

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

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

Sum : 4

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

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

Sum :5

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

Ledgers to be created:- 1) Purchase Account 2) Sales Account 3) Bank Account & Respective parties Accounts, pass the entry in Voucher mode.

- (a) On 01.07.1998 purchased goods worth Rs. 1,00,000/- from **Mafatlal Industries Ltd.**
- (b) On 02.07.1998 sold goods worth Rs. 40,000/- to **Rakesh Mills.**
- (c) On 31.07.1998 received Rs. 25,000/- from Rakesh Mills.
- (d) Sold goods worth Rs. 50,000/- to **Anil Textiles** on 02.08.1998.
- (e) Received Rs. 40,000/- from Anil Textiles on 31.08.1998.
- (f) On 01.09.1998 paid Rs. 50,000/- to Mafatlal Industries Ltd.
- (g) Purchased goods worth Rs. 80,000/- each from **Arvind Mills** and **Vimal** on 02.08.1998.
- (h) On the same day sold goods worth Rs. 40,000/- each to **Vikas Sales Agency** and Rakesh Mills.
- (i) Received Rs. 30,000/- each from Rakesh Mills and Vikas Sales Agency.
- (j) On 31.08.1998 paid Rs. 25,000/- each to Arvind Mills and Vimal.

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