Session Overview

This session covers Lesson 2, Lesson 5, and Lesson 6 of the book, Accounting with Tally - Student Guide. It covers how to generate reports, such as Balance Sheet and Profit and Loss Account, for service organizations.

Recording Transactions in Service Organization

Handling Tips

Financial statements summarize the individual transactions to show totals, ratios, and statistics required by the users to analyze the company's financial data. The financial reports are classified as:

- Balance Sheet
- Profit and Loss Account
- Trial Balance

Balance Sheet

A Balance Sheet is a financial statement that reports a firm's financial position for a specific period of time. It shows a balance between the assets and liabilities of a firm and the owner's funds. Therefore, the accounting equation applicable here is Assets = Liabilities + Owner's Equity.

To view a Balance Sheet, click the **Balance Sheet** link from the **Gateway of Tally** screen. To view the Balance Sheet in a detailed format, you need to click the **F1: Detailed** link. By default, the **Balance Sheet** screen is displayed in a horizontal layout. However, you may configure the Balance Sheet to appear in a vertical layout by clicking the **F12: Configure** link and typing **yes** in the **Show Vertical Balance Sheet** text box.

Profit and Loss Account

Profit and Loss Account or Income Statement is a periodic statement that shows the net result of business operations for a specified period. All the expenses incurred and income earned during the reporting period is recorded in the Profit and Loss Account.

The Profit and Loss Account in Tally.ERP 9 displays the information based on the default primary groups. It is updated instantly when a transaction is recorded. To view the Profit and Loss Account of a given company, you need to click the **Profit & Loss A/c** link from the **Gateway of Tally** screen. The Profit and Loss Account is generated and updated immediately from the date of opening of books till the date of last entry.

To view the Profit and Loss Account in a detailed format, you need to click the **F1: Detailed** link.

Cash/Bank Summary

The Bank Summary report helps the auditor to convert a bank payment into a bearer cheque based on evidences collected by him/her during the audit process. To view the bank payments made during the selected period, you need to click the link **Display→Account Books→Cash/Bank Book(s)** from the **Gateway of Tally** screen.

Ledger Voucher

To view the Ledger Vouchers, you need to click the link **Display→Account Books→Ledger→<ledger account>** from the **Gateway of Tally** screen**.** The following table displays the purpose of the buttons available on the **Ledger Voucher** screen.

| *Button*	*Purpose*
F4	*To view the list of ledgers*
F6	*To display daily balances*
F7	*To view the monthly summary*
F8	*To display columnar report that allows you to compare and analyze the data*
B	*To display bill-wise detail for each transaction*

Button and its Purpose

Group Summary

The group summary statement shows the closing balances of the accounts of a selected group for a specified period. The default view is that of sub-groups within a group. To view the group summary, you need to click the link **Display→Account Books→Group Summary→<group name>** from the **Gateway of Tally** screen.

Day Book

The Day Book lists all the transactions made on a particular day. By default, Tally.ERP 9 displays the last voucher entry date. However, you can also view the day book for a specified period or a particular voucher. To view a Day Book, you need to click the link **Display→Day Book** from the **Gateway of Tally** screen.
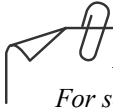
Note

For session 12(MR), tell the students that need to perform the illustrations 21-32 for the topic, 5.2.5 Transactions for June 2008 given on page no.63. In addition, they need to practice the demonstration given in the topic, 5.3.2 Balance Sheet on page no. 68.

FAQs

■ *Can I print cheques in Tally?*

Yes, you can print cheques through Tally. To print a cheque, press the F11 key and click the Accounting Features link from the **Gateway of Tally** screen and type **yes** in the **Enable Cheque Printing** text box.

■ *How can I view and enter transactions in multiple currencies in Tally.ERP 9?*

You can enter transactions in multiple currencies in Tally.ERP 9 by clicking the link **F11: Features→Accounting Features** from the Gateway of Tally screen. This displays the **Company Operations Alteration** screen. On the **Company Operations Alteration** screen, type **yes** in the **Allow Multi-Currency** text box.