

Adjustment Entry in Tally Prime – Full Details

Adjustment entries in Tally Prime are **journal entries** made to adjust various accounts without affecting the cash or bank. These are generally passed at the end of an accounting period to correct or update account balances.

Common Examples of Adjustment Entries

1. Outstanding Expenses
 2. Prepaid Expenses
 3. Accrued Income
 4. Depreciation
 5. Provision for Doubtful Debts
 6. Closing Stock Adjustment
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Steps to Pass Adjustment Entry in Tally Prime

◆ Step 1: Enable Accounting Features

1. Go to **Gateway of Tally > F11 (Features) > Accounting Features**
 2. Ensure "Use Debit/Credit Notes" and "Use journal vouchers" are set to Yes.
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◆ Step 2: Pass Journal Entry

1. **Gateway of Tally > Vouchers > F7: Journal**
 2. Enter the **date** of adjustment (usually end of the period)
 3. Debit and Credit the relevant accounts
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Examples of Adjustment Entries

1. Outstanding Salary ₹10,000

- **Salary A/c – Dr ₹10,000**
- **To Outstanding Salary A/c – Cr ₹10,000**

2. Prepaid Insurance ₹2,000

- **Prepaid Insurance A/c – Dr ₹2,000**
- **To Insurance A/c – Cr ₹2,000**

3. Depreciation on Machinery ₹5,000

- **Depreciation A/c** – Dr ₹5,000
 - **To Machinery A/c** – Cr ₹5,000
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To View the Adjustment Entries

- Go to **Display > Daybook** or **Display > Account Books > Journal Register**
 - Filter by **date** to view adjustment entries
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Important Notes

- Adjustment entries do **not** affect cash or bank accounts.
- These are essential for preparing **accurate final accounts** like the Profit & Loss Account and Balance Sheet.