

Financial Accounting with Tally

Unit-III

What is the budget in Tally?

A budget is a spending plan based on income and expenses. In other words, it's an estimate of how much money you'll make and spend over a certain period of time, such as a month or year. In Tally, you can create budgets and also alter or delete a budget. In case there is a budget variance, you can also view the same and analyze reasons for such variance. You can modify a budget using the alter option. You can also delete a budget. Multiple budgets can be created for specific purposes in Tally.

Activating Budgets Feature

To activate the Budgets feature in Tally.ERP 9:

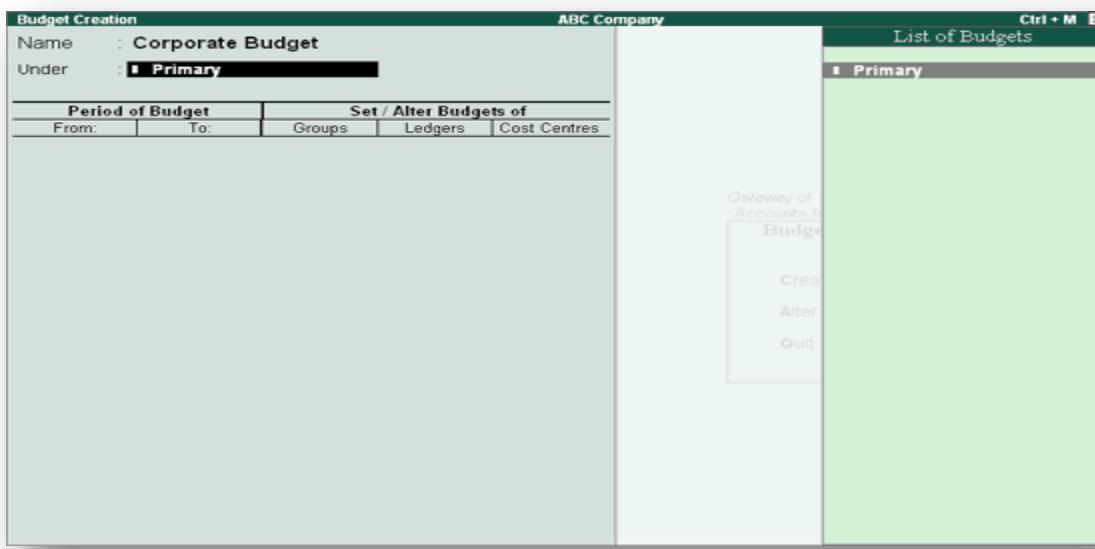
1. Select **F11: Features > F1: Accounting Features**.
2. Set **Maintain Budgets and Controls?** to Yes.
3. **Accept** to save.

Company: ABC Company		
Accounting Features		
General		
Integrate Accounts and Inventory	? Yes	Invoicing
Income/Expense Statement instead of P & L	? No	Allow Invoicing
Allow Multi-Currency	? No	Enter Purchases in Invoice Format
Outstandings Management		
Maintain Bill-wise Details (for Non-Trading A/cs also)	? Yes	Use Debit/Credit Notes
Activate Interest Calculation (use advanced parameters)	? No	Use Invoice mode for Credit Notes
	? No	Use Invoice mode for Debit Notes
Budgets & Scenario Management		
Maintain Payroll	? No	Maintain Budgets and Controls
Maintain Cost Centres	? No	Use Reversing Journals & Optional Vouchers
Use Cost Centre for Job Costing	? No	
More than ONE Payroll / Cost Category	? No	
Use Pre-defined Cost Centre Allocations during Entry	? No	
Show Opening Balance for Revenue Items in Reports	? No	
Cost/Profit Centres Management		
Maintain Payroll	? No	Allow Zero valued entries
Maintain Cost Centres	? No	Maintain Multiple Mailing Details for Company & Ledgers
Use Cost Centre for Job Costing	? No	Set/Alter Company Mailing Details
More than ONE Payroll / Cost Category	? No	
Use Pre-defined Cost Centre Allocations during Entry	? No	
Show Opening Balance for Revenue Items in Reports	? No	Enable Company Logo
Other Features		
Enable Cheque Printing (Use Banking Configuration in Bank Ledger Master for Cheque Printing Configuration)	? Yes	
Allow Zero valued entries	? Yes	
Maintain Multiple Mailing Details for Company & Ledgers	? No	
Set/Alter Company Mailing Details	? No	
Enable Company Logo	? No	

Create a budget

In Tally.ERP 9, you can create a budget for groups, ledger accounts, and cost centres.

1. Go to **Gateway of Tally > Accounts Info. > Budgets > Create .**
2. Enter a **Name** for your budget in the **Budget Creation** screen.
3. Select from the List of Budgets for **Under** field. You can have a hierarchical setup for budgets. In the List of Budgets, Primary is at the top of the hierarchy and you can create more primary budgets. Sub-budgets can be created under Primary budgets.
4. Enter the period of the budget in the **From** and **To** fields. The period entered can be a month, a year or any other period.
5. In **Set/Alter Budgets of**, select
 - o **Groups** - To create a budget for a Group of ledger accounts.
 - o **Ledgers** - To create a budget for Ledgers.
 - o **Cost Centre** - To create a budget for Cost Centre.
6. Press **Ctrl+A** to accept.



Alter a Budget

1. Go to **Gateway of Tally > Accounts Info > Budgets > Alter.**
2. Modify the fields as required, in the **Budget Alteration** screen.
3. Change the period or change budgets of **Groups , Ledgers , and Cost Centre** .

Budget Creation		ABC Co		
Name : Corporate Budget				
Under : Primary				
Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres
1-Apr-2008	31-Mar-2009	Yes	No	No

Note: By default, Set/Alter Budgets is set to **No**. Set this option to **Yes** to alter.

Delete a Budget

1. Go to Gateway of Tally > **Accounts Info** > **Budgets** > **Alter**.
2. Press **Alt+D** to delete.

View Budget Variance

Budget Variance report can be viewed from the **Trial Balance**, **Group Summary** and **Monthly Summary**. **Budget Variance** is active if the option **Maintain budgets and controls** is enabled in **Accounting Features**, and at least one budget is created.

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

Note: To view **Budget Variance** from the **Group Summary**, go to **Gateway of Tally** > **Display** > **Account Books** > **Group Summary**.

2. Click **Ctrl+B** to view budget variance, as shown below.

Trial Balance		ABC Company		Ctrl + M	
Particulars				F2: Period	
				ABC Company 1-Apr-2008 to 31-Mar-2009	
		Closing Balance		Debit	Credit
Fixed Assets				10,00,000.00	
Current Assets				1,60,000.00	
Direct Incomes					15,00,000.00
Indirect Expenses				3,40,000.00	
Grand Total				15,00,000.00	15,00,000.00

F3: Company
F4: Group
F5: Led-wise
F6: Monthly
F7: Vouchers

C: New Column
A: Alter Column
B: Del Column
M: Auto Column
B: Budget Variance

F8: Other Rep.
F9: Inv Rep
F10: Acc Rep
F11: Features
F12: Configure

3. Select the required budget to view the **Corporate Budget**, the **Actuals**, and the **Corporate Budget Variance**, as shown below.

Particulars	ABC Company		ABC Company		ABC Company	
	1-Apr-2008 to 31-Mar-2009		1-Apr-2008 to 31-Mar-2009		1-Apr-2008 to 31-Mar-2009	
	Corporate Budget		Actuals		Corporate Budget Variance	
	Closing Balance		Closing Balance		Closing Balance	
	Debit	Credit	Debit	Credit	Debit	Credit
Fixed Assets	50,00,000.00		16,00,000.00	20.00%	40,00,000.00	80%
Building			10,00,000.00			
Current Assets	20,00,000.00		1,60,000.00	8.00%	18,40,000.00	92%
Bank Accounts	20,00,000.00		1,60,000.00	8.00%	18,40,000.00	92%
Direct Incomes					75,00,000.00	
Income Received					15,00,000.00	
Indirect Expenses	5,00,000.00		3,40,000.00	68.00%	1,60,000.00	32%
Advertisement			3,00,000.00			
Printing & Stationery			40,000.00			
Profit & Loss A/c		5,00,000.00				
Grand Total			75,00,000.00	5,00,000.00	15,00,000.00	20.00%
			15,00,000.00	15,00,000.00	30.00%	60,00,000.00
						(+5,00,000.00) (-10.00%)

Corporate Budget displays the values of the budget, which is already defined.

Actual displays the values of actual expenditure incurred.

Corporate Budget Variance displays the values of the variance of the **Actual** and the **Corporate Budget**, that is, **Corporate Budget - Actual = Corporate Budget Variance**.

Note: If **Budget Variance** shows a negative value, then the actual expenditure has exceeded the budgeted value.

Credit Limits and Credit Period

Credit Limits

Credit Limit is the monetary limit up to which the buyer can purchase from a seller on credit. This limit is agreed upon mutually by the seller and the buyer. Credit limits can be set for ledgers created under the groups **Sundry Debtors** and **Sundry Creditors**.

Credit Period

Credit period can be either specified in No. of days or the due date (for eg., 31.10.09) and are calculated from the Voucher date or Invoice date or the effective date, as applicable i.e., if only Voucher Date exists, it is considered as the effective date for calculation for Credit Days otherwise if effective date is specified in the Voucher, it is considered for calculation for due date.

Enable and Set Credit Limit & Credit Period

You can set credit limits for ledgers accounts grouped under Sundry Debtors and Sundry Creditors at the time of ledger creation or from the alteration screen or also at the time of invoicing.

Go to **F11 Features > Accounting Features >** enable the option **Maintain budgets and controls**.

Budgets and Scenario Management		
Maintain budgets and controls	?	Yes
Use reversing journals and optional vouchers	?	No

Set credit limits for single ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create or Alter**
2. Select the required party ledger from the list of ledgers to set credit terms .

Ledger Creation		Total Op. Bal.
Name : Trader A	(alias) :	
Under :	Sundry Creditors <i>(Current Liabilities)</i>	
Maintain balances bill-by-bill	? Yes	
Default credit period	: 30 Days	
Check for credit days during voucher entry	? Yes	
Set Credit Limit	: 2,00,000.00 Cr	
Override Credit limit using post-dated transactions	? No	
Inventory values are affected	? No	

3. Set the required credit limit.
4. Enable the option **Override Credit limit using post-dated transactions**, if required.

Set credit limits for multiple ledgers

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Credit Limits**.
2. Select the required group of ledgers from the **List of Groups** to set credit terms.

The **Multi Ledger Limit Alteration** screen appears as shown below. The list of ledger accounts under the selected group is displayed.

Multi Ledger Limit Alteration		ABC Company			Ctrl + M
Under Group : South Debtors					1-Apr-2014 to 12-Jan-2015
S.No.	Name of Ledger	Credit Limit	Credit Period	Check for Credit Days during Voucher Entry	
1	All India Computer Institute	1,00,000.00 Dr	60 Days	Yes	
2	Arvind Kumar	1,00,000.00 Dr	60 Days	Yes	
3	AVT Computers	1,00,000.00 Dr	60 Days	Yes	
4	Best Systems Pvt Ltd	1,00,000.00 Dr	60 Days	Yes	
5	Computer Junction	50,000.00 Dr	30 Days	No	
6	Fortune Computer Services	50,000.00 Dr	30 Days	Yes	

3. Set **Credit Limit**, **Credit Period**, and **Check For Credit Dates During Voucher Entry** in the **Multi Ledger Limit Alteration** screen .

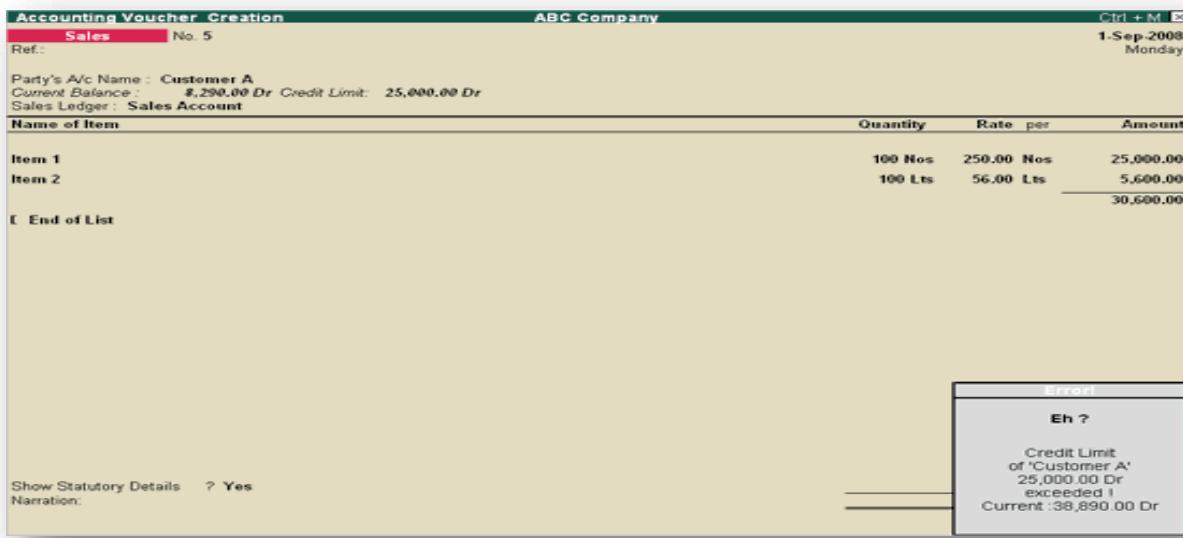
To view this report for a different group

- Press **Ctrl+F4** .
- Change the group in the **Select Group** screen.

Check on exceeding credit limit

During voucher entry, if the credit limit is exceeded, at the time of accepting the voucher, an error message is displayed.

The error message shows the credit limit defined for the party and the amount exceeded as shown below:



You can however,

- Enter a lower value (within the prescribed credit limit) to complete the entry, or
- Enable the option **Override credit limit using post-dated transactions?** in the party ledger.

This feature helps in restricting invoicing for the customers or parties exceeding the prescribed credit limits and thereby facilitating better and effective control of the outstanding.

Job Costing

Job costing is a form of specific order costing, which applies to a job undertaken according to customer requirements and specifications. Tally.ERP 9 enables the tracking of cost and revenue information like material, labour, and overhead for a specific job down to the smallest detail. With a view to ascertaining the actual costs incurred for each job, each job is assigned a job number or a job name.

You can use Job Costing for the following:

- To determine the actual cost for each job, location-wise
- To determine the revenue and expenditure and therefore the profit associated with each job
- To track overhead costs by allocating them for each job
- To identify loss on projects at an early stage

Enable Job Costing Feature

Job costing is available for companies that maintain accounts with inventory. To use job costing, cost centres and multiple godowns have to be enabled for the company.

Enable job costing

1. Go to **Gateway of Tally > F11: Company Features (F1: Accounting features)**.
2. Set the option **Maintain cost centres?** to **Yes** .
3. Enable the option **Use cost centre for job costing** .
4. Press **Crl+A** to save.

Enable multiple godowns

1. Go to **Gateway of Tally > F11: Company Features (F2: Inventory features)**.
2. Set **Maintain multiple Godowns** to **Yes** .
3. Press **Crl+A** to save.

Note: For companies, that have enabled the option **Maintain accounts only** , the option **Use Cost Centre for Job Costing?** will not be available.

Voucher Class

Voucher Classes are used to automate accounting allocations in transactions. It is a table for predefining the entries to make invoice entry a simple task. This is useful in sales invoicing where the nominal ledger accounts to be credited for each item of sale is defined once.

During voucher entry, the accounting credits for items sold are done automatically. Additional accounting entries like tax, freight, and other charges, can be predefined to be carried out untouched during actual invoicing.

Voucher Classes are available for all major voucher types like Contra, Payment, Receipt, Journal, Sales, Credit Note, Purchases, Debit Note, Sales Order, Purchase Order, Delivery Note, Stock Journal and Payroll.

Create payment voucher class

You can either alter the existing **Payment Voucher Type** or create a new voucher type based on your requirements.

- Go to **Gateway of Tally > Accounts Info > Voucher Types > Alter > Payment**.

- Take the cursor to the **Name of Class** field. Give a name to the class say Cash Payment. You can create more than one class.

*

Voucher Type Class		ABC Company		Ctrl + M
Name (alias)	Pay	Class : Cash Payment		
If you wish to restrict the groups to which this class can be used, specify them here.				List of Ledger Accounts
Exclude these Groups		Include these Groups		
Bank Accounts Bank OD A/c		J End of List		J Not Applicable Cash - Location A Cash - Location B Local Bank Local Bank-Bangalore Branch National Visa Card
Type of Voucher	A/cDr.			
Method of Voucher	Use Advance Cont.			
Use EFFECTIVE Date	Make 'Optional' as of			
Use Common Narration	Narrations for each item			
Specific Ledger for which this Class is created (e.g. Cash, or a Bank Account)				
Ledger Name VAT/Tax Class				
Cash - Location B				

- **Exclude these Groups and Include these Groups** : Using this option, you can select only those groups pertaining to the Class, which makes the entry simpler.
- **Ledger Name** : Selecting the ledger account that will be used to pay out the money will eliminate the need to select it during entry. In this case, it is Cash Account. While passing the payment voucher, the Cash-Location B account will be automatically selected. You may even select 'Not Applicable'. The purpose of selecting 'Not Applicable' will be, to permit Single Entry mode and at the same time retaining the option of selecting the account during entry.

Note: **Exclude** or **Include** Groups are irrelevant when you specify a Ledger Name for which the class is created. They are useful when you select **Not Applicable**.

Record Payment with Voucher Class

Select Accounting vouchers from **Gateway of Tally**. Press **F5: Payment**. You have to select a class or **Not Applicable**, if no class is desired for this entry. If **Cost Centre Class** has been set, it can also be selected.

Voucher Type		Voucher Class List
Name	: Payment	J Not Applicable
Class	: Cash Payment	Cash Payment

The entry will be made as follows:

Accounting Voucher Creation		ABC Company	Ctrl + M
Payment	No. 1	Voucher Class : Cash Payment	1-Apr-2008 Tuesday
Account : Cash - Location B Cur Bal: 21,300.00 Dr			
Particulars			Amount
Conveyance Cur Bal: 1,000.00 Dr			1,000.00
Staff Welfare Cur Bal: 1,500.00 Dr			1,500.00
Stationery Cur Bal: 1,200.00 Dr			1,200.00

The **Voucher Class** is **Cash dPayment**. Once the voucher class is selected, the Cash Ledger is automatically selected and you need to select only the Ledgers which are to be debited. Please note that the entry is not done in the regular **Dr/Cr** format. Data entry in Tally.ERP 9 is very rapid.

Transfer Journal Voucher

Tally.ERP 9 allows you to transfer materials from one Godown to another. The transfer of materials is done using the Transfer Journal Voucher.

To create **Stock Journal** for **Inter - Godown Transfers**,

Go to **Gateway of Tally > Inventory vouchers > Alt+F7 for Stock Journal** and select the class.

- Pass the stock transfer entry.

Printing Stock Transfer Voucher

Press Alt+P to print the **Stock Transfer Journal** Voucher

ABC Company

Stock Journal Voucher

No. : 3

Dated : 1-Apr-2009

Item Name	Godown			
		Batch/Lot	Quantity	Rate
<u>Source (Consumption)</u>				
Item A	Main Location		10 Nos	10.00/Nos
Item B	Main Location		15 Nos	10.00/Nos
			25 Nos	250.00
<u>Destination (Production)</u>				
Item A	Godown A		10 Nos	10.00/Nos
Item B	Godown A		15 Nos	10.00/Nos
			25 Nos	250.00

Narration: Transfer of Item A and Item B from Main Location to Godown A

Checked by

Verified by

Authorised Signatory

F12: Print Configuration

<u>Stock Journal Printing Setup</u>	
Height of Voucher (inches)	: 7
Width of Voucher (inches)	: 5
Print Serial No.	? No
Print Part No.	? No
Print Rate Column	? Yes
Print Amount Column	? Yes
Destination Godown on Top of Voucher	? Yes
Print Narration	? No
Print Godown Address	? Yes
Method to use for Stock Item Name :	Name Only
Space to leave on top (default 0.25) :	0.25
Space to leave on left (default 0.75) :	0.75
Print Base Currency Symbol for Total ?	Yes

While printing Stock Transfer Voucher, set the options **Destination Godown on Top of Voucher** and **Print Godown Address** to Yes.

- Enabling the option **Destination Godown on Top of Voucher** will display the **Destination Godown** name on the top of the voucher instead of printing as separate rows
 - Enabling the option **Print Godown Address** will display the godown address as mentioned in the **Godown Creation/Alteration** screen

ABC Company

Stock Journal Voucher

No. : 1

Dated : 1-Apr-2008

Destination Godown : **Godown A**

Item Name	Godown	Quantity	Rate	Amount
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Source Godown:

Item A	Main Location No. 347, Hosur Main Road, Bommanahalli, Bangalore - 560065	10 nos	10.00/nos	100.00
Item B	Main Location No. 347, Hosur Main Road, Bommanahalli, Bangalore - 560065	15 nos	10.00/nos	150.00
		25 nos		₹ 250.00

Checked by

Verified by

Authorised Signatory

Payment Voucher

Payment voucher is used to account all the payments made by the company by way of Cash/Bank.

Payment voucher can be passed using **Single Entry** or **Double Entry mode** by configuring the setting **Use Single Entry mode for Pymt/Rcpt/Contra in F12 configuration.**

Recording a Payment Entry

Payment voucher is used to record all bank and cash payments. For example, a company settles a creditor's bill by cheque.

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

For example : The company settles expenses of Conveyance, Staff Welfare, Postage and Stationery through Cash in one voucher. This entry can be passed in single entry mode where you will be crediting the Cash Ledger only once and the entry appears as shown below:

Accounting Voucher Creation		ABC Company	Ctrl + M
Payment	No. 1		1-Apr-2008 Tuesday
Account : Cash - Location A Cur Bal: 14,000.00 Dr			
Particulars		Amount	
Conveyance		150.00	
Postage		250.00	
Staff Welfare		200.00	
Stationery		400.00	
Narration: Payment towards Conveyance, Postage, Staff Welfare and Stationery		4,000.00	
		<input type="button" value="Accept ?"/> <input type="button" value="Yes or No"/>	

Note: Similarly the transactions can be recorded in single-entry mode even in Receipt and Contra vouchers.

Payment in Voucher entry mode

When you have multiple debits and credits in an entry, double entry mode is the suggested way of passing the entry.

Accounting Voucher Creation		ABC Company	Ctrl + M
Payment	No. 1		1-Apr-2008 Tuesday
Particulars		Debit	Credit
By Conveyance Cur Bal: 150.00 Dr		150.00	
By Postage Cur Bal: 250.00 Dr		250.00	
By Staff Welfare Cur Bal: 200.00 Dr		200.00	
By Stationery Cur Bal: 400.00 Dr		400.00	
To Cash - Location A Cur Bal: 24,500.00 Dr			500.00
To Cash - Location B Cur Bal: 24,500.00 Dr			500.00
Narration: Payment towards Conveyance, Postage, Staff Welfare and Stationery.		1,000.00	4,000.00
			Accept?
			Yes or No

What is a godown report?

A Godown report provides an overview of the inventory and stock levels in a warehouse or storage facility. It includes information about the items stored, their quantities, and their locations within the facility. It is used to manage and track inventory and to ensure that there is enough stock on hand to meet demand.

Location or Godown Summary

The location or godown summary contains details about all the godowns created in Tally.ERP 9.

To view the Godown/Location Summary Report

1. Go to **Gateway of Tally > Display > Statements of Inventory > Godowns > Primary.**
2. Press Alt + F1 for a detailed view. The **Godown Summary** screen is displayed as shown below:

Godown Summary		ABC Company			Ctrl + M
Particulars	ABC Company			Closing Balance	
	Quantity	Rate	Value		
Chennai Godown					
Components	1,879 Nos	50.61	95,100.00		
Spare Parts	1,869 Nos	50.83	95,000.00		
	10 Nos	10.00	100.00		
Finished Goods Godown					
Components	124 Nos	45.97	5,700.00		
Cooling Equipment	118 Nos	25.42	3,000.00		
Finished Goods	6 Nos	450.00	2,700.00		
Main Location					
Aviation Turbine Fuel				2,50,60,576.85	
Components	3,855 Nos	2,473.27	95,34,459.81		
Cooling Equipment					
Finished Goods	530 Nos	29,001.12	1,53,70,595.61		
Fuel	200 Lts	61.00	12,200.00		
Hardware Manual	305 Nos	92.86	28,321.43		
Rectified Spirit	300 Lts	383.33	1,15,000.00		
Raw Material Godown					
Components	3,585 Nos	529.71	18,99,006.20		
Cooling Equipment	2,590 Nos	387.45	10,03,506.20		
Finished Goods	5 Nos	90,000.00	4,50,000.00		
	990 Nos	450.00	4,45,500.00		
Grand Total					
	5,588 Nos		2,70,60,383.05		

3. Press **Enter** on the required Godown to go to individual Godown Summary, as shown below:

Godown Summary		ABC Company			Ctrl + M
Particulars	Main Location			Period	
	ABC Company			1-Apr-2009 to 31-Mar-2010	
Components					
Components	3,855 Nos	2,473.27	95,34,459.81		
Finished Goods					
Fuel	530 Nos	29,001.12	1,53,70,595.61		
Hardware Manual	200 Lts	61.00	12,200.00		
Rectified Spirit	305 Nos	92.86	28,321.43		
	300 Lts	383.33	1,15,000.00		
Grand Total					
			2,50,60,576.85		

F12: Configuration in Location/Godown Summary

Configurations will enable the user to view the report according to the requirements.

<u>Configuration</u>	
Show Quantities	? Yes
Show Rates	? Yes
Show Values	? Yes
Show Opening Balance	? No
Show goods inwards	? No
Show goods outwards	? No
Show Closing Balance	? Yes
Show All Items (incl. zero balance)	? No
Exclude Items With No Transactions	? No
Show Gross Value for Outwards	? No
Show Consumption & Gross Profits	? No
Show Gross Profits on Gross Value	? No
Show using Alternate Units	? No
Show Tail Units of Compound Units	? No
Appearance of Stock Item Names	: Name Only
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Sorting Method	: Default
Expand all levels in Detailed Format	? No

Job Work Analysis Report (Issue)

Job work Analysis report give the information of any variance in the issue of raw materials (issued more or less) and receipt of Finished Goods/Scrap/By-Products/Co-products. These reports can be used to analyse the reason for the variances.

Go to **Gateway of Tally > Display > Job Work In Reports > Job Work Analysis** .

Job Work Analysis reports are:

Issue Variance Report (Job Work In)

Issue Variance report displays the details of variance in the Finished Goods/Co-Product/By-Product/ Scrap delivered against the ordered Quantity of the Job Work In Order. Report also displays the variance **Quantity** and the **Percentage** of variance.

Go to **Gateway of Tally > Display > Job Work In Reports > Job Work Analysis > Issue Variance** .

Issue Variance Analysis		ABC Company			Ctrl + M	
					1-Apr-2010 to 9-Jan-2011	
Particulars		Ordered Quantity	Issued Quantity	Variance Quantity	Variance %	
Primary Items						
Cooker 10Litre		300 Nos	500 Nos	(-)200 Nos	(-)66.67 %	

Receipt Variance Report

Receipt Variance report displays the details of variance in the components received against the ordered Quantity of the Job Work In Order.

Go to Gateway of Tally > Display > Job Work In Reports > Job Work Analysis > Receipt Variance .

Receipt Variance Analysis		ABC Company			Ctrl + M	
					1-Apr-2010 to 9-Jan-2011	
Particulars		Ordered Quantity	Received Quantity	Variance Quantity	Variance %	
Primary Items						
Handle (10 Ltr)		600 Nos	750 Nos	(-)150 Nos	(-)25.00 %	
Lid Alluminium Plate-10 Ltr		300 Nos	500 Nos	(-)200 Nos	(-)66.67 %	

Report of Balance Sheet

A balance sheet is a financial statement that reports a company's financial position. This report shows the balance between the assets and liabilities of a firm. The balance sheet follows the fundamental accounting equation: Assets = Liabilities + Owner's Equity.

Note : By default, the **Balance Sheet** report will be generated as on the date of the last voucher entry. You can change the date to view the report for the required period.

To view the Balance Sheet

1. Go to **Gateway of Tally > Display > Balance Sheet .**

Balance Sheet		ABC Company		Ctrl + M
Liabilities	ABC Company as at 18-May-2015	Assets	ABC Company as at 18-May-2015	
Capital Account				
Loans (Liability)				
Current Liabilities	18,93,081.99	Fixed Assets	12,00,000.00	
Profit & Loss A/c	5,91,622.71	Current Assets	32,99,704.70	
Opening Balance				
Current Period	5,91,622.71			
Difference in opening balances	20,15,000.00			
Total	44,99,704.70	Total	44,99,704.70	

2. Press **F12** to configure the **Balance Sheet** .
3. Press **Ctrl+A** to accept.

Profit & Loss Account

The **Profit & Loss A/c** is a periodic statement, which shows the net result of business operations for a specified period. All the expenses incurred and incomes earned during the reporting period are recorded here.

Displaying Profit & Loss Account

You can view the Profit & Loss account details in Tally.ERP 9 for a specified period.

To view the Profit & Loss Account

1. Go to **Gateway of Tally > Display > Profit & Loss A/c.**

2. Click **F1: Detailed** to view the **Profit & Loss Account** in detailed format. The **Profit & Loss Account** appears as shown below:

Profit & Loss A/c		ABC Company 11-12		Ctrl + M
		ABC Company 11-12 1-Apr-2010 to 31-Mar-2012	Particulars	ABC Company 11-12 1-Apr-2010 to 31-Mar-2012
Opening Stock	16,81,848.44	Sales Accounts		4,32,99,616.28
Purchase Accounts	2,74,43,682.50	Direct Incomes		56,550.00
Direct Expenses	43,000.00	Closing Stock		75,94,295.06
Gross Profit c/o	2,17,81,930.40			
	5,09,50,461.34			5,09,50,461.34
Indirect Expenses	73,30,923.75	Gross Profit b/f		2,17,81,930.40
Nett Profit	1,55,01,006.65	Indirect Incomes		10,50,000.00
Total	2,28,31,930.40	Total		2,28,31,930.40

The **Profit & Loss Account** is generated and updated immediately from the date of opening of books till the date of last entry.

3. Press **F2: Period** to change the period as required.

Note: The **Profit & Loss Account** is displayed according to the configuration set in the **Configuration** screen. Set the option **Income & Expense A/c instead of Profit & Loss A/c ?** to **No** to display the groups **Direct Income** and **Direct Expenses** in **Profit & Loss A/c** and **List of Accounts** report.