

Chapter 10

Displaying Information from Tally

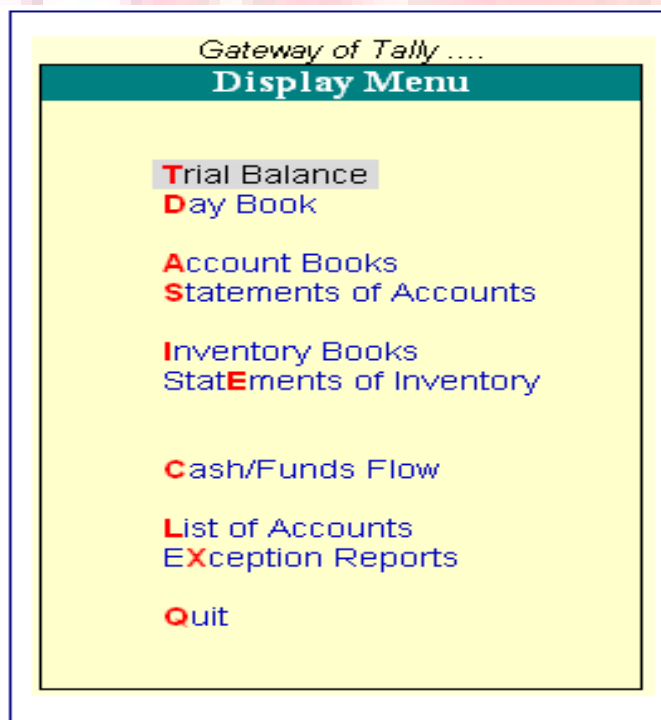
Tally's Display of information is designed to allow a user get the maximum benefit of the data that is entered. A user gets a holistic picture of the data and is also able to present information using different options. The purpose of compiling data is present it in comprehensible accounting reports. On entering the vouchers, Tally uses the same data and provides you with the management control reports in addition to all books and statements.

The display screens of Tally are dynamic and interactive. They are not spooled print files but are specially designed for the screen. Whatever you see on the screen can be printed as well depending upon your printer's capabilities.

To view the Display Menu:

Go to Gateway of Tally > Display

The following screen displays



Gateway of Tally displays only the Balance Sheet and Profit & Loss Account directly as these statements are considered the most important. All the other Tally reports are classified into two broad categories, namely. Accounting reports and Inventory reports conforming to the two major areas of operations. Each area is further grouped into books and statements.

The Cash and Funds Flow display too has not been grouped under Statements of Accounts.

Trial Balance provides you a report on the account balances sorted by groups, for all the accounts of the selected company. In other words, the Trial balance displays a collection of main groups and their closing balances.

The Stock Summary is a statement of stock-in-hand on a particular date and gets updated every transaction so as to provide the current stock position.

The Ratio Analysis Statement is a single sheet report indicating the company's performance based on values and key indicators, over a selected period. This report gives a manager an idea of the company's financial condition and where it is going in the short-term.

The Day Book contains all vouchers for the day, including inventory vouchers. Its purpose is to show you a day's transactions, though you can display a report for any period using Change period option.

The List of Accounts gives the tree structure of all your masters, namely, Groups, Ledgers, Stock items, Cost Centers, Currencies, etc.

Exception Reports are those reports that track unusual transactions or balances.

BASIC FEATURES OF DISPLAYING REPORTS

Tally creates the books of accounts and the financial statement based on the vouchers entered till date. You can then customize the appearance of reports as required.

For example, you can compare different companies, periods of the financial year, groups and ledgers.

Press Enter after highlighting the item in a report, to navigate to the next level of detail till you reach an individual voucher. Similarly, you can navigate back to higher levels by pressing Esc. The special features available for a displayed report are indicated on the button bar, which can be operated by a single- click of the mouse.

Accessing reports

The Gateway of Tally menu provides access to all the financial reports listed in the Display Menu.

For example, if you want to view the Sales Register,

Go to Gateway of Tally > Display > Account Books > Sales Register. Tally will display the report for the currently selected period.

Modifying Reports

On selecting a report, the screen displays. Modify the display to suit your requirements using the appropriate buttons from the button bar.

If you select the buttons using the keyboard, the conventions are:

F (n):- Press the F (n) key

F (n):- Press Alt + F (n)

F (n):- Press Ctrl + F (n)

Note: Here n is used as an example of a function key (Eg. F1, F2 and so on).

(Alt + F1) F1: - Detailed/Condensed

Adds a further level of detail to the report, or condenses the report.

F2: Period

You can change the period of the report by specifying From/To dates.

<u>Change Period</u>	
From	: 1-4-2006
To	: 31-3-2007

F3: Company

If you have more than one company selected, this button enables you to switch among them to display the new company data in the current screen format.

F4: to F10:

The functions performed by these buttons vary from report to report.

F11: Company Features

This button is not related to displaying reports but to setting the options that affect the voucher entry.

F12: Configure

This button is very relevant to displaying reports and enables you to define the report specific options.

For example, depending on the report displayed you can specify whether it should be in horizontal or vertical format, show percentages, show gross profit, show opening and/or closing balances, change the periodicity, change the sorting method, and so on.

For instance, if you want to view graphs with monthly reports:

1. Select the F12: Configure Button while in the Gateway of Tally screen and you will be taken to the Configuration menu.
2. select General and by default Show Monthly Reports with Graphs under Other Options is set to Yes. If this option is No set it to Yes.

<u>Country Details</u>	
Use Accounting terminology of	: India / SAARC <i>(SAARC countries include India, Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan and Maldives.)</i>
<u>Style of Names</u>	
Default appearance of Names in Reports	: Name Only
Default appearance of Stock Item Names in Reports	: Name Only
<u>Style of Dates</u>	
Style of Short Date	: dd-mm-yy
Separator used in Short Date	: -
<u>Configuration of Numbers</u>	
Decimal Character to use	: .
Thousands Separator to use	: ,
Put Sign before Currency/Unit Symbols	? No
Show numbers in Millions (and not Lakhs)	? No
<u>Other Options</u>	
Show Monthly reports with Graphs	? Yes
Use separate Menu for Final A/c Statements	? No
Ignore errors & continue during data import <i>(Applicable for importing vouchers in XML format)</i>	? No
Export Base Currency Symbol along with Amount	? No
Show tables with Masters only in Current Language	? Yes

(Alt + F12) F12: Range

This button enables you to filter the information displayed based on monetary values.

For example, you can specify that you want Tally to display only Vouchers having Batch Names greater than \$5,000 in Day Book.

Range of Information in Report
(show only those lines satisfying the given conditions)

Voucher having Batch Name equal to \$5000

Condition

End of List

and

or

(Ctrl + F12) F12: Value

This button enables you to filter vouchers.

For example, you can specify that you want vouchers having Employee-Attendance Entries with their Designation containing all the details about the employee

Value to Calculate in Report
(calculate balances using Vouchers satisfying the given conditions)

Using Voucher having Batch Name greater than

Condition

End of List

and

or

New Column (Alt +c)

This button enables you to add and display another column in the report to compare information.

ABC Company	
Column Details	
From (blank for beginning) :	1-4-2006
To (blank for end) :	
Currency :	
Method of Stock Valuation :	Default
Currencies	
<input type="checkbox"/> Base Currency	
\$	(U.S.A.)
Rs.	(Indian Rupees)

Alter Column (Alt + a)

This button enables you to alter the details of a new column added previously, for example, the date range. Select the column to be altered by positioning the cursor on it.

Del Column (Alt + d)

Use this button to delete the column, which you no longer wish to have in the report

Auto Column (Alt + n)

Use this button to add multiple columns to a report.

For example, add columns for each month, or to accommodate other companies if more than one company has been selected. You can also have a total column.

		Column Details
Auto Repeat Columns		4 Week Month
Repeat Using :		Daily
		Fortnightly
		Half Yearly
		Monthly
		Quarterly
		Stock Valuation Methods
		Weekly
		Yearly

Report Specific options

Report specific options, if any are displayed at the bottom-half of the screen and can be amended as per requirements.

DISPLAY ACCOUNT BOOKS AND STATEMENTS

Books of account

Books of account record the transaction details as entered. Although items are posted too many different ledgers, Tally brings all the transactions of a particular category together into a book of account for viewing and printing.

For example, Cash Book records all the transactions affecting cash and the Sales Book records all sales transactions.

Statement of Accounts

These pertain to cost centres and outstanding analysis. The Statements of Account are derived from individual transactions but are not statutory requirements.

Financial Statements

Ledger Monthly Summary		ABC Company		Ctrl + M
Particulars	Sales@4%			
	ABC Company 1-Apr-2006 to 31-Mar-2007			
	Transactions		Closing Balance	
	Debit	Credit		
Opening Balance				
April		1,200.00	1,200.00 Cr	
May			1,200.00 Cr	
June			1,200.00 Cr	
July			1,200.00 Cr	
August			1,200.00 Cr	
September			1,200.00 Cr	
October			1,200.00 Cr	
November			1,200.00 Cr	
December			1,200.00 Cr	
January			1,200.00 Cr	
February			1,200.00 Cr	
March			1,200.00 Cr	
Grand Total		1,200.00	1,200.00 Cr	

Month	Grand Total
Apr	1,200.00
May	0
Jun	0
Jul	0
Aug	0
Sep	0
Oct	0
Nov	0
Dec	0
Jan	0
Feb	0
Mar	0

Financial Statements though derived from individual transaction tend to show summary totals, ratios and statistics, analyzing a company's financial data in a wide variety of ways. Financial statements include Balance Sheet, Profit & Loss A/c, and Cash Flow Analysis and form part of the statutory requirements in most countries.

1. All books are displayed as a monthly summary with opening and closing balances.

2. Select a month and press Enter to display all transactions for the month. The opening and closing balances as well as the total of all transactions are displayed.

3. Select a transaction to bring up the voucher. The voucher displays either in alteration mode or simply displays depending on your access rights.

Let us see some typical examples of how to display the books of account and financial statements. You will then be able to experiment with other statements for yourself

VIEWING CASH/BANK BOOKS

To view the Cash/Bank Summary

1. Go to Gateway of Tally > Display > Account Books > Cash/Bank Book (s)

Particulars	Bank Accounts ABC Company 1-Apr-2006 to 31-Mar-2007	
	Closing Balance	
	Debit	Credit
Cash-in-hand		5,44,148.83
Cash		5,44,148.83
Bank Accounts		7,77,255.97
Co-Operativ Bank Ltd		5,46,791.72
Corporation Bank		563.00
Deposit A/c		2,29,911.25
Grand Total		13,21,404.80

2. If you have more than one bank account, select one bank account. Press Enter to display the Ledger Monthly Summary.

3. Select F12: Configuration and activate the option Show with Graph to Yes.

Configuration

Nett transactions only ? **No**
 Show Closing Balances ? **Yes**
 Show Percentages ? **No**

Appearance of Names : **Name Only**
 Scale Factor for Values : **Default**
 Periodicity to use : **Monthly**
 Show Average Details ? **No**

Graphs

Show with Graph ? **Yes**

4. Highlight a month, press Enter and the Ledger Vouchers screen displays.

Ledger Vouchers		ABC Company		Ctrl + M	
Ledger: Customer		1-Mar-2007 to 31-Mar-2007			
Date	Particulars	Vch Type	Vch No.	Debit	Credit
31-3-2007	Sales	Sales	1	1,56,000.00	
31-3-2007	Sales	Credit Note	1		3,120.00
31-3-2007	Sales	Sales	2	2,250.00	
				Opening Balance :	
				Current Total :	1,58,250.00 3,120.00
				Closing Balance :	1,55,130.00

5. All the vouchers for the selected month are listed. Press Esc to return to the Ledger Monthly Summary screen.

6. Select F12: Value to bring up the Value to Calculate in Report screen.
 - a) Select Voucher Type from the Particulars menu.
 - b) In the Particulars menu, select Narration.
 - c) In the Range of Info. Menu select equal to.
 - d) Type Contra in the next field and press Enter.
 - e) In the Condition menu select End of List and press Enter twice.

Value to Calculate in Report
(calculate balances using Vouchers satisfying the given conditions)

Using Voucher having Narration equal to Contra

Condition

End of List

and

or

7. In the display of the Ledger Monthly Summary the figure are now reduced as they show only Contra vouchers. To check this, position th highlight bar over the July figures and press Enter to display the details.

8. Press Esc until you return to the Gateway of Tally menu.

DISPLAY BALANCE SHEET

The Balance Sheet is a report on the status of the financial affairs of a company at a given date. To view Balance Sheet:

Bar. Extract information from the Balance sheet using options available in the Button

1. Select F1: - Detailed/Condensed to explode the summarized information.
2. Change the date of the Balance Sheet using F2: Period.
3. Add up new columns and
 1. Display a Balance Sheet for a different date to compare with current one
 2. Display the Balance Sheet in a different currency
 3. Display Budget figures and analyse the variances or
 4. See the effect of different Stock Valuations on the Balance Sheet

ABC Company	
Column Details	
Name of Company	ABC Company
From (blank for beginning) :	1-4-2006
To (blank for end) :	20-12-2006
Method of Stock Valuation :	<input type="text"/>
<u>20,778.38</u>	14,75,400.80

All Valuation Methods
At Zero Cost
At Zero Price
Avg. Cost
Avg. Price
Default
FIFO
Last Purchase Cost
Last Sale Price
LIFO Annual
LIFO Perpetual
Monthly Avg. Cost
Std. Cost
Std. Price

INTERGRATE ACCOUNTS WITH INVENTORY

Effect on Balance Sheet and Profit & Loss Account

Integrate Accounts with Inventory in F11: Features has a significant effect on the Balance Sheet and Profit & Loss Account.

- If Accounts with Inventory is set to Yes in F11: Features, it has stock/inventory balance figures are updated from the inventory records, which in turn enables you to drill down to the Stock Registers from the Balance Sheet.
- If the option Accounts with Inventory is set to No in F11: Features, the inventory books figures are ignored and closing stock balances are entered manually.

Note: Stock records often contain compensating errors caused by wrong allocation to items. This feature of Tally enables the finalization of financial books without waiting for reconciliation of stock that might take time.

DISPLAY PROFIT & LOSS ACCOUNT

The Profit and Loss Account shows the operational results over a given period. It lists out the Incomes and Expenditures based on the Primary Groups of Tally and the Profit & Loss Account in Tally is updated instantly with every transaction voucher that is entered and saved.

To view the Profit & Loss Account

Go to Gateway of Tally > Profit & Loss Account

Profit & Loss A/c		ABC Company		Ctrl + M
Particulars	ABC Company 1-Apr-2006 to 31-Mar-2007	Particulars	ABC Company 1-Apr-2006 to 31-Mar-2007	
Opening Stock	1,500.00	Sales Accounts	1,200.00	
Gross Profit c/o	52,700.00	Purchase Accounts	53,000.00	
		Closing Stock		
	54,200.00		54,200.00	
Indirect Expenses	1,24,775.00	Gross Profit b/f	52,700.00	
		Nett Loss	72,075.00	
Total	1,24,775.00	Total	1,24,775.00	

Note: The Profit & Loss Account is displayed according to the configuration set up for it in F12: Configure.

HORIZONTAL FORM OF PROFIT & LOSS ACCOUNT

The sample screen shown is in horizontal form which is the default display. You can also set it up to display in vertical form.

Using options in the Button Bar

1. Select F1: Detailed/Condensed to display more information or condense.
2. Change the date of the Profit & Loss Account using F2: Period.
3. Add new columns to
 1. Display a Profit & Loss Account for a different period to compare with the current one
 2. display the Profit & Loss Account in a different currency
 3. Display a column with Budget figures and analyse variances
 4. See the effect of different Stock Valuations on the Profit/Loss account.
 5. Select and compare Profit & Loss of different companies.

INCOME/EXPENSE STMT INSTEAD OF P&L?

Account statements for Non-Trading Organizations

For Non-Trading accounts (e.g. Accounts of Charitable Organizations), the Trading and Profit & Loss Statement are inappropriate.

In such cases, you may use Income & Expenditure Account by setting Income/Expense Stmt instead of P&L to Yes in F11: Features.

The Income & Expenditure Statement displays as shown.

Income & Expenditure Statement		ABC Company		Ctrl + M
ABC Company 1-Apr-2006 to 31-Mar-2007		ABC Company 1-Apr-2006 to 31-Mar-2007		
Particulars		Particulars		
Opening Stock		Sales Accounts	1,55,130.00	
Closing Stock	1,56,000.00	Gross Loss c/o	870.00	
	<u>1,56,000.00</u>		<u>1,56,000.00</u>	
Gross Loss b/f	870.00	Indirect Expenses	21,648.38	
Excess of Income over Expenditure	20,778.38			
Total	21,648.38	Total	21,648.38	

DISPLAY TRIAL BALANCE

Trial Balance is a report of all account balance for the company sorted by groups, i.e., it is displayed in a grouped form, comprising main groups and their closing balances. You can see that the debit and credit balance match.

In Tally, the matching of the Trial Balance is a foregone conclusion since all voucher entries are in Debit – Credit format and must balance at the entry point

To view the Trial Balance

Go to Gateway of Tally > Display > Trial Balance

Note: As per accounting principles, the Trial Balance does not list Closing Stock.

Trial Balance		ABC Company	
Particulars	ABC Company		
	1-Apr-2006 to 31-Mar-2007		
	Closing Balance		
	Debit	Credit	
Capital Account		500.00	
Current Liabilities			1,80,79,560.00
Current Assets	16,51,679.18		
Sales Accounts			1,55,130.00
Indirect Incomes			1,00,10,000.00
Indirect Expenses	15,500.00		22,148.38
<i>Diff. in Opening Balances</i>		2,65,99,159.20	
Grand Total		2,82,66,838.38	2,82,66,838.38

- Select F1: Detailed to break down the grouped information or simply drill down a Group of further detail.

The screen appears as shown

Trial Balance		ABC Company		Ctrl + M
Particulars	ABC Company			
	1-Apr-2006 to 31-Mar-2007			
	Closing Balance		Debit	Credit
Capital Account		500.00		
Conveyance		500.00		
Current Liabilities			1,80,79,560.00	
Duties & Taxes			55,880.00	
Sundry Creditors			1,80,23,680.00	
Current Assets	16,51,679.18			
Opening Stock				
Sundry Debtors		3,30,274.38		
Cash-in-hand		5,44,148.83		
Bank Accounts		7,77,255.97		
Sales Accounts			1,55,130.00	
Sales			1,55,130.00	
Indirect Incomes			1,00,10,000.00	
Project Inspection Charges			1,00,10,000.00	
Indirect Expenses	15,500.00	22,148.38		
Interest Received			22,148.38	
Postage		500.00		
Transportation Charges		15,000.00		
Diff. in Opening Balances	2,65,99,159.20			
Grand Total		2,82,66,838.38	2,82,66,838.38	

- Select F5: Led-wise to list all ledgers and their closing balances.

The screen appears as shown

Trial Balance		ABC Company		Ctrl + M
Particulars	ABC Company			
	1-Apr-2006 to 31-Mar-2007			
	Closing Balance		Debit	Credit
Opening Stock		1,500.00		
Bank		1,56,506.64		
Basic Salary		84,862.00		
Basic Salary+DA		1,334.00		
Conveyance		14,204.00		
Customer		1,720.00		
DA		8,866.67		
Direct Expenses		5,050.00		
Employee PF			2,22,305.00	
Food Coupon			47,500.00	
HRA		12,458.33		
Input Credit on Capital Goods		555.56		
Input VAT		100.00		
Input VAT 1%			50.00	
Input VAT @4			20.00	
Input Vat on Opening Stock @12.5%		6,250.00		
Input Vat on Opening Stock@4%		3,333.33		
Medical Allowance		3,250.00		
Professional Tax			200.00	
Purchases		5,000.00		
Purchases@12.5%			37,500.00	
Grand Total		3,62,565.89	3,62,565.89	

- Select New Column to bring up the closing balances for another date

The screen appears as shown

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company 1-Apr-2006 to 31-Mar-2007		ABC Company 1-Apr-2006 to 31-Mar-2007		
	Closing Balance		Closing Balance		
	Debit	Credit	Debit	Credit	
Capital Account	500.00		500.00		
Current Liabilities		1,80,79,560.00		1,80,79,560.00	
Current Assets	16,51,679.18		16,51,679.18		
Sales Accounts		1,55,130.00		1,55,130.00	
Indirect Incomes		1,00,10,000.00		1,00,10,000.00	
Indirect Expenses	15,500.00	22,148.38	15,500.00	22,148.38	
Diff. in Opening Balances	2,65,99,159.20		2,65,99,159.20		
Grand Total	2,82,66,838.38	2,82,66,838.38	2,82,66,838.38	2,82,66,838.38	

DAY BOOK

To view Day Book

Go to Gateway of Tally > Display > Daybook

The Day Book lists all transactions made over a particular day and by default displays the last voucher entry date of a regular voucher. It could also be set up to list all the transactions made over a period.

Press F2: Period on the button bar or press the keys Alt+F2.

All the transactions include all financial vouchers, reversing and memorandum journals as well as inventory vouchers.

Consider an example:

Day Book for current date

Day Book		ABC Company		Ctrl + M	
Day Book		For 3-Jul-2006			
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
				Inwards Qty	Outwards Qty
3-7-2006	Basic Salary	Payroll	19	2,144.00	
3-7-2006	Basic Salary	Payroll	20	2,144.00	
3-7-2006	Basic Salary	Payroll	21	2,144.00	

Day Book for a period

Day Book		ABC Company		Ctrl + M	
Day Book		1-Apr-2006 to 31-Jul-2006			
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
				Inwards Qty	Outwards Qty
1-4-2006	Employee A - Absent	Attendance	1		
1-4-2006	Employee A - Absent	Attendance	2		
1-4-2006	Employee A - Absent	Attendance	3		
1-4-2006	Employee A - Absent	Attendance	4		
1-4-2006	Employee A - Absent	Attendance	5		
1-4-2006	Employee A - Absent	Attendance	6		
2-4-2006	Employee A - Absent	Attendance	7		
2-4-2006	Basic Salary	Payroll	1	22,000.00	
2-4-2006	Basic Salary	Payroll	2	1,545.00	
2-4-2006	Basic Salary	Payroll	3	1,455.00	
2-4-2006	Basic Salary	Payroll	4	2,500.00	
2-4-2006	Basic Salary	Payroll	5	16,666.67	
30-4-2006	Basic Salary	Payroll	6		(-)1,466.67
1-5-2006	Basic Salary	Payroll	7	2,144.00	
1-5-2006	Basic Salary	Payroll	8	2,144.00	
1-5-2006	Basic Salary	Payroll	9	2,144.00	
1-5-2006	Basic Salary	Payroll	10	2,144.00	
1-5-2006	Basic Salary	Payroll	11	2,144.00	
1-5-2006	Basic Salary	Payroll	12	2,144.00	
2-5-2006	Employee A - Absent	Attendance	8		
2-5-2006	Employee B - Absent	Attendance	9		
2-5-2006	Employee D - Absent	Attendance	10		
2-5-2006	Employee F - Absent	Attendance	11		
2-5-2006	Employee A - Absent	Attendance	12		
2-5-2006	Employee C - Absent	Attendance	13		

17 more ...

You can also filter the list so as to display the transactions of a particular voucher type using F4: Chg Vch button from the button bar.

The screen appears as shown:

Change Voucher Type		ABC Company		Ctrl + M	
Day Book		1-Apr-2006 to 31-Jul-2006			
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
				Inwards Qty	Outwards Qty
1-4-2006	Employee A - Absent	Attendance	1		
1-4-2006	Employee A - Absent	Attendance	2		
1-4-2006	Employee A - Absent	Attendance	3		
1-4-2006	Employee A - Absent	Attendance	4		
1-4-2006	Employee A - Absent	Attendance	5		
1-4-2006	Employee A - Absent	Attendance	6		
2-4-2006	Employee A - Absent	Attendance	7		
2-4-2006	Basic Salary	Payroll	1	22,000.00	
2-4-2006	Basic Salary	Payroll	2	1,545.00	
2-4-2006	Basic Salary	Payroll	3	1,455.00	
2-4-2006	Basic Salary	Payroll	4	2,500.00	
2-4-2006	Basic Salary	Payroll	5	16,666.67	
30-4-2006	Basic Salary	Payroll	6		(31,466.67)
1-5-2006	Basic Salary	Payroll	7	2,144.00	
1-5-2006	Basic Salary	Payroll	8	2,144.00	
1-5-2006	Basic Salary	Payroll	9	2,144.00	
1-5-2006	Basic Salary	Payroll	10	2,144.00	
1-5-2006	Basic Salary	Payroll	11	2,144.00	
1-5-2006	Basic Salary	Payroll	12	2,144.00	
2-5-2006	Employee A - Absent	Attendance	8		
2-5-2006	Employee B - Absent	Attendance	9		
2-5-2006	Employee D - Absent	Attendance	10		
2-5-2006	Employee F - Absent	Attendance	11		
2-5-2006	Employee A - Absent	Attendance	12		
2-5-2006	Employee C - Absent	Attendance	13		

Voucher Types

- All Items
- Attendance
- Contra
- Credit Note
- Debit Note
- Journal
- Memorandum
- Payment
- Payroll
- Physical Stock
- Purchase
- Receipt
- Reversing Journal
- Sales
- Stock Journal

BOOKS AND REGISTERS

The objective of having books and registers in Tally is to pile up similar entries into a single entity so that they are meaningful, e.g., all cash entries in the Cash Book, all sales entries in the Sales Day Book (called Sales Register).

The Tally transaction flow

A part from the subsidiary books, entries are also filed under each Voucher Type. Therefore, there will be as many registers as there are voucher types.

JOURNALS, DAY BOOK AND REGISTERS

Journal, Sales Register, Purchase Register, Debit Note Register, Credit Note Register, Payment Register, Receipts Register, etc. are the different kinds of Registers.

There are three ways to view various types of registers:

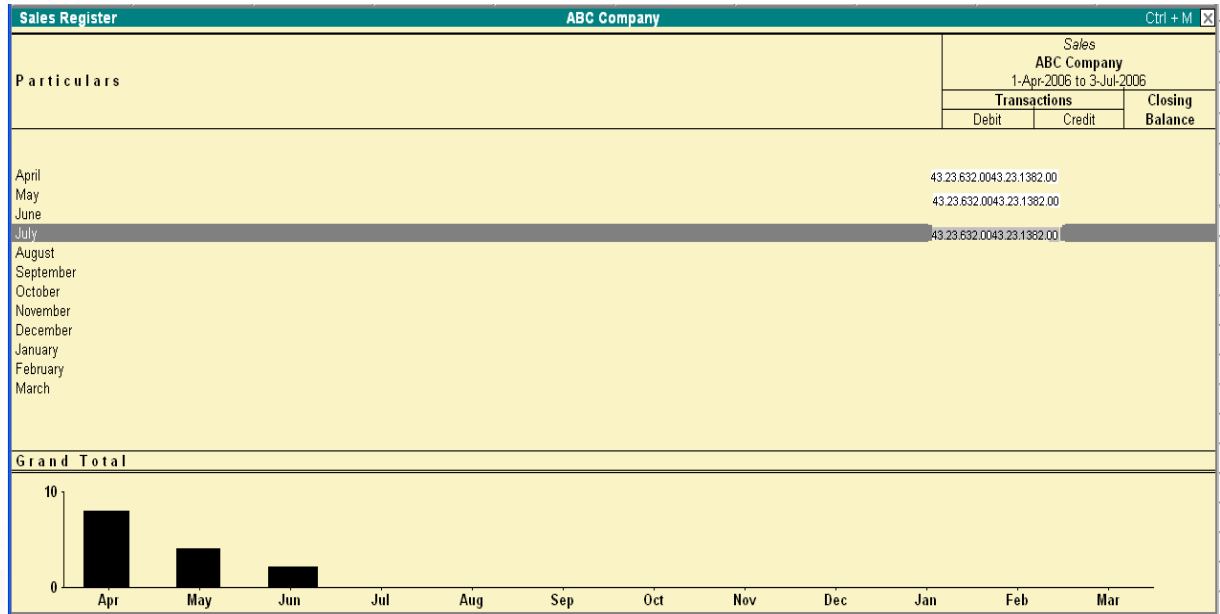
1. From the Display menu
2. By changing the type of voucher from within a register
3. From the Statistics page

Consider the Sales Register which includes most of the options.

SALES REGISTER (SALES DAY BOOK)

Go to Gateway of Tally > Display > Account books > Sales Register

The following screen displays.



By default, all registers display Monthly Summary with transactions and closing balances. For Balance Sheet Accounts, opening balance is displayed at the top of the screen.

Select a month and press Enter to see the Sales Voucher Register.

A list of all sales vouchers pertaining to the month you selected displays. You can use the options in the button bar to change the display according to your preferences. You can change the period of the report as well as the depth of information.

Use F12: Configure to see the report with some or all of the following information, namely Narrations, Bill –wise details, Cost Centre details and Inventory details.

Click on F1: Detailed to view the report in detailed format.

INVOICE PROFITABILITY

Display the Sales Voucher Register for a period by drilling down a month and change the period if required.

Select F2: Show Profit or activate the option Show Gross Profit estimates to Yes in F12: Configure.

Voucher Register		ABC Company			Ctrl + M		
List of All Sales Vouchers		1-Apr-2006 to 31-Mar-2007					
Date	Particulars	Vch Type	Vch No.	Transaction Value	Gross Revenue	Cost	Gross Profit %age
1-4-2006	Customer	Sales	1	4,800.00	4,800.00	12,000.00	(+7,200.00) 450.00%
1-4-2006	Supplier	Sales	2	1,500.00	1,500.00	15,000.00	(+13,500.00) 900.00%
1-4-2006	Customer	Sales	3	4,800.00	4,800.00	12,000.00	(+7,200.00) 450.00%
1-4-2006	Supplier	Sales	4	1,500.00	1,500.00	15,000.00	(+13,500.00) 900.00%
Total :				12,600.00	12,600.00	54,000.00	(+41,400.00) 328.57%

The report now displays each invoice with

Transaction Value – Invoice value including taxes

Gross Revenue- Actual sale value minus taxes

Cost – Book cost of the product

Gross Profit – Amount of profit or loss on the sale

EXTRACT OF SALES REGISTER

When you are in the Sales Voucher Register, select F6: Extract from the button bar.

The following screen displays.

Voucher Register		ABC Company		Ctrl + M	
Extract of All Sales Vouchers		1-Apr-2006 to 31-Mar-2007			
Particulars	Debit Amount	Credit Amount			
Sundry Debtors		9,600.00			
Customer		9,600.00			
Sundry Creditors	3,000.00				
Supplier	3,000.00				
Sales Accounts		12,600.00			
Sales@4%		12,600.00			
Grand Total :		12,600.00	12,600.00		

The Extract gives a break-down of the sales vouchers and groups them to provide totals for each group and ledger used in all sales vouchers for the period. The information is useful, when you want to know how much each group of customers bought, what is the tax component or what is the total value of each sales ledger.

Inventory- wise Extract of Sales Register

“ in the Sales Voucher Register select F6: Extract from the button bar

“ Go to F12: Configure.

“ Set Show Inventory-wise Extract to Yes to view the report of the details on quantity and value.

The following screen display.

Voucher Register		ABC Company			Ctrl + M		
Extract of All Sales Vouchers		1-Apr-2006 to 31-Mar-2007					
Particulars	Inwards Qty	Rate	Amount	Outwards Qty	Rate	Amount	
Stock Item				360 nos	35.00	12,600.00	
Grand Total :				360 nos	35.00	12,600.00	

MONTHLY SUMMARY

When drilling down from a statement into any Group, Ledger, Stock item or Cost center the screen displayed first is the Monthly summary. Monthly Summary can also be accessed from a voucher level screen with the help of the button Monthly. The monthly summary shows the opening balance for the year, and then lists cash month’s total transactions, inclusive of both debit (inwards for stocks) and credit (outwards for stocks) and finally each month’s closing balance. Below the monthly summary, is a bar chart showing the movement of account.

Use F12: Configure to display the monthly summary accounting to your requirements.

The options available on the button bar are very useful for configuring managerial reports.

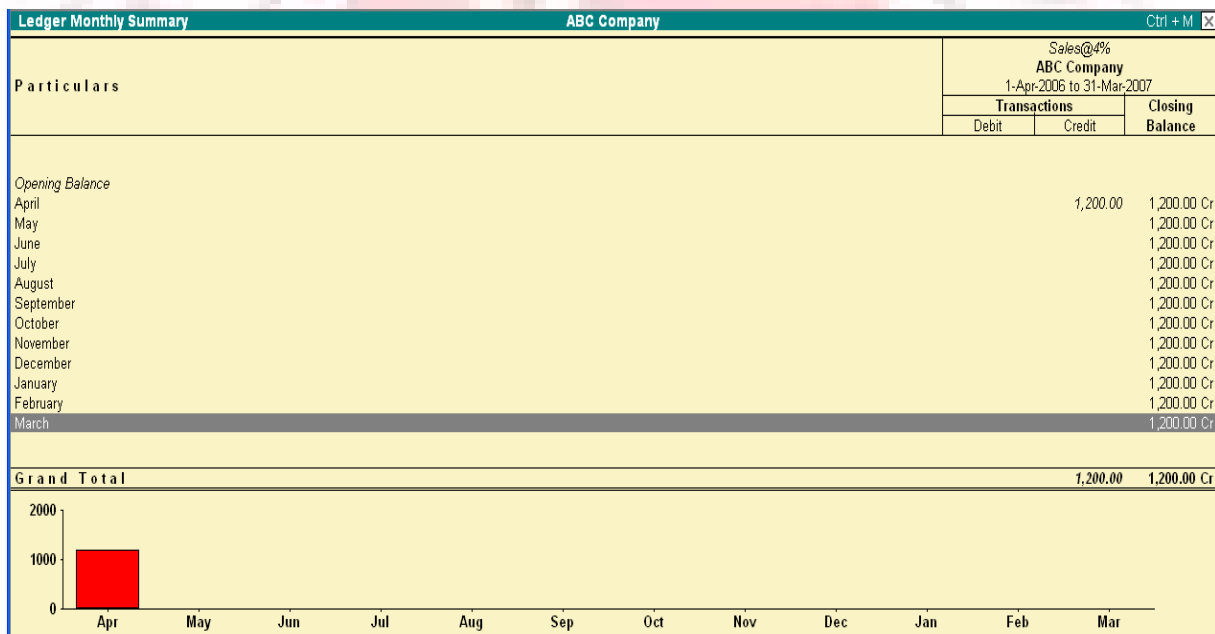
E. g. Use the New Column button to bring up the Monthly Summary of another ledger or object or the same object in another company.

Press the button F5: Quarterly, to view the summarized quarterly figures.

Use the options in F12: Configure to view the details on percentages, averages and so on.

Ledger Voucher Monthly Summary

The Ledger Voucher Monthly summary screen is displayed as shown.



COST CATEGORY MONTHLY SUMMARY

The cost category monthly summary is displayed as shown. You can place the cursor on any particular month, say October and drill down for more details.

CC Monthly Summary		ABC Company		Ctrl + M	
Particulars	Category: Primary Cost Category Employee B ABC Company 1-Apr-2006 to 31-Mar-2007				
	Transactions		Closing		Balance
	Debit	Credit			
... 1 more					
April	40,667.33	5,466.00			35,202.33 Dr
May					35,202.33 Dr
June	2,299.00	14,456.00			23,045.33 Dr
July					23,045.33 Dr
August					23,045.33 Dr
September					23,045.33 Dr
October					23,045.33 Dr
November					23,045.33 Dr
December					23,045.33 Dr
January					23,045.33 Dr
February					23,045.33 Dr
March					23,045.33 Dr
Grand Total	42,966.33	19,921.00			23,045.33 Dr

Stock Item Monthly summary

The screen will be displays as follows. If you want to view the details for any particular month you have to place the cursor on the month and drill down.

Stock Item Monthly Summary		ABC Company		Ctrl + M		
Particulars	Stock Item ABC Company 1-Apr-2006 to 31-Mar-2007					
	Inwards		Outwards		Closing Balance	
	Quantity	Value	Quantity	Value	Quantity	Value
Opening Balance					10 nos	1,500.00
April			360 nos	12,600.00	(360 nos)	(52,500.00)
May					(360 nos)	(52,500.00)
June					(360 nos)	(52,500.00)
July					(360 nos)	(52,500.00)
August					(360 nos)	(52,500.00)
September					(360 nos)	(52,500.00)
October					(360 nos)	(52,500.00)
November					(360 nos)	(52,500.00)
December					(360 nos)	(52,500.00)
January					(360 nos)	(52,500.00)
February					(360 nos)	(52,500.00)
March	(10 nos)	(500.00)			(360 nos)	(52,500.00)
Grand Total	(10 nos)	(500.00)	360 nos	12,600.00	(360 nos)	

Cash and Funds Flow

Cash management is essential for any business. Many companies, as they go into liquidation, continue to make profits because of insolvency. Businesses shut down because of lack of cash despite being profitable. Cash and Fund Flow Statements aid in cash management and are an important component of the management accounts.

Cash Flow

Cash Flow Statement is a chronological account of the movement of cash in and out of the business and includes all cash transactions made with banks also. When used with the Balance Sheet and Profit & Loss Account, the Cash Flow Statement helps to assess the reasons for the differences between net income and net cash flow as well as the effect of cash/non-cash investing and financing transactions.

To access the Cash Flow:

1. Go to Gateway of Tally > Display > Cash/Funds Flow> Cash Flow
2. A Monthly Cash Flow Summary that shows the Cash Movement – inflow and outflow for each month and the Nett Flow, displays.

Cash Flow		ABC Company		Ctrl + M
Particulars	ABC Company			
	1-Apr-2006 to 31-Mar-2007			
	Cash Movement		Nett Flow	
	Inflow	Outflow		
April	83,097.13	1,08,670.13	(-)25,573.00	
May	86,736.00	13,794.00	72,942.00	
June	86,736.00	13,794.00	72,942.00	
July	43,368.00	6,897.00	36,471.00	
August				
September				
October				
November				
December				
January				
February				
March		275.36	(-)275.36	
Grand Total	2,99,937.13	1,43,430.49	1,56,506.64	

3. Select a month and Press Enter to drill down. Select the button F1: Detailed form the button bar to see the cash flow for that month.

For Quarterly Cash Flow:

- Change Period by pressing F2: Period and set the period, e.g., 1-4-05 to 1-12-05.
- Select the option Auto Column from the button bar.
- You can also select Quarterly (or Monthly or any other period) form the list

Columnar Cash Flow Statement

Cash Flow Summary					ABC Company				Ctrl + M
	ABC Company	ABC Company	ABC Company	ABC Company					
	1-Apr-2006 to 2-Apr-2006	3-Apr-2006 to 9-Apr-2006	10-Apr-2006 to 16-Apr-2006	17-Apr-2006 to 23-Apr-2006					
Inflow of Cash :									
Current Liabilities	47,200.00								
Current Assets	9,477.80								
Total	56,677.80								
Outflow of Cash :									
Indirect Expenses	1,04,657.33								
Total	1,04,657.33								
Nett Inflow	(-47,979.53)								

FUNDS FLOW

While Cash Flow Statement is concerned only with cash, Funds Flow takes into account, the movement of the entire working capital. It includes rise and fall in inventories, creditors and debtors apart from cash and bank. The statement reveals the Sources of Funds and how they were applied.

To access the Funds Flow:

1. Go to Gateway of Tally > Display > Cash/Funds Flow > Funds Flow
2. A Monthly Funds Flow Summary with the movement of working capital for each month displays. It shows the Opening and Closing Balances of each month with a column for Funds Flow.

Funds Flow					ABC Company				Ctrl + M
Particulars	ABC Company								
	1-Apr-2006 to 31-Mar-2007				Working Capital		Funds Flow		
	Opening	Closing							
April	1,000.00	(-),18,638.00						(-),19,638.00	
May	(-),18,638.00	(-),1,32,432.00						(-),13,794.00	
June	(-),1,32,432.00	(-),1,46,226.00						(-),13,794.00	
July	(-),1,46,226.00	(-),1,53,123.00						(-),6,897.00	
August	(-),1,53,123.00	(-),1,53,123.00							
September	(-),1,53,123.00	(-),1,53,123.00							
October	(-),1,53,123.00	(-),1,53,123.00							
November	(-),1,53,123.00	(-),1,53,123.00							
December	(-),1,53,123.00	(-),1,53,123.00							
January	(-),1,53,123.00	(-),1,53,123.00							
February	(-),1,53,123.00	(-),1,53,123.00							
March	(-),1,53,123.00	(-),47,623.00						1,05,500.00	
Grand Total	1,000.00	(-),47,623.00						(-),48,623.00	

3. Select a month and press Enter to drill down.
4. Select F1: Detailed to see the funds flow for the selected month.

Funds Flow Summary		ABC Company		Ctrl + M
Sources	ABC Company 1-May-2006 to 31-May -2006	Applications	ABC Company 1-May-2006 to 31-May -2006	
		Nett Loss		13,794.00
Total		Total		13,794.00
<i>Particulars</i>		<i>Opening Balance</i>	<i>Closing Balance</i>	<i>Wkg Cap Increase</i>
Current Assets		73,938.00 Cr	87,732.00 Cr	(+)13,794.00
Current Liabilities		44,700.00 Cr	44,700.00 Cr	
Working Capital		1,18,638.00 Cr	1,32,432.00 Cr	(-)13,794.00

5. The Bottom of the screen displays the movement in Working Capital.

You can drill down any line for further detail.

For Quarterly Funds Flow:

1. Change the period by pressing F2: Period
2. Set the period e.g., 1.1.04 to 1.5.04.
3. Select the button Auto Column from the button bar.
4. Else Select Quarterly (or Monthly or any other period) from the list

Reconciliation of Bank accounts

Reconciling the company's bank accounts with the banker's statement is a regular task of accounting. In Tally, Reconciliation of Bank Accounts facilitates the following:

Ability to 'check back' the correctness of reconciliation

Tally uses Bank Date to mark against the voucher.

For instance, if you issue a cheque on 8th April and your bank clears it on 19th April; you would set the Bank Date for the voucher as 19th April. This means that when you

need to 'check back' later, whether the entry made by you is correct, you will only need to verify the bank statement of the 19th.

Recovering the reconciliation of any date

This is of crucial importance in Auditing. The Bank Reconciliation is one of the pre-requisites of auditing and verification of the correctness of accounts at the year end. However, it is not a 'real-time' task, meaning auditors do not do it on the first day of the next year.

For e.g., the reconciliation made on 31st March, should be 'viewable' even in August, by when almost all the cheques would have subsequently been marked Reconciled. Tally provides you with a facility of achieving this also.

Bank accounts may have a different Starting Date for reconciliation purpose. When you create a bank account, you are prompted to give an Effective Date for Reconciliation. Normally, this would be the Books Beginning from date itself. However, you could have imported data from a previous version of Tally or from any other system (where the reconciliation process was not available or was different). In that case, you may not want to reconcile the bank account with your bank statements from the very beginning. Give the date from which you want the reconciliation facility to be active. Once you do this, previous entries would not appear for reconciliation, but would be taken as a reconciled Opening Balance.

A quick experiment with Reconciliation will show you what it all means. Here is how you go about it:

1. Bring up the monthly summary of any bankbook.

(You can choose a bank book form any of the following: Balance Sheet, Trial Balance, Display > Account Books > Cash/Bank Books).

2. Bring the cursor to the first month (typically April), and press Enter. This brings up the vouchers for the month of April. Since this is a bank account, you can see an additional button F5: Reconcile on the button bar to the right. Press F5.

3. The display goes to the Reconciliation mode, which can be edited. The primary component of the current screen is the column for Bankers Date.

4. The Reconciliation found at the bottom of the screen shows:

1. Balance as per Company Books
2. Amounts not reflected in Bank

3. Balance as per Bank

The Balance as per Company Books reflects the balance as on the last date (in the example, it is 30th April).

The Amounts not reflected in Bank are the debit and Credit sums of all those vouchers, whose Bank Date is either BLANK, or LATER than 30-Apr (i.e. these vouchers have not yet been reflected in the bank statement).

The Balance as per Bank is the net effect to the Book Balance offset by the amounts not reflected in the Bank – which must equal the balance in the bank statement.

Note: Some discrepancies may persist due to entries made in the bank statement, which you have not yet entered in your book. You would reconcile these manually, and print your reconciliation.

As you mark the individual vouchers by setting the Bank Date, you will notice that the Reconciliation at the bottom of the screen keeps updating the changes. Once this process is complete, press Ctrl + A or Enter as many times as necessary to skip over the unmarked vouchers and accept the screen.

The next time you opt for reconciliation; the screen displays only those vouchers that remain unrecognized. You can also display vouchers that are already marked as reconciled, in case you need to edit the marking, by using F12: Configure.

<u>Configuration</u>	
Select vouchers to show	: All Vouchers
Format	: Condensed
Show Billwise Details also	? No
Show Cost Centre Details also	? Yes
Show Inventory Details also	? No
Show Narrations also	? No
Include Opening Balances <i>(set as 'no' to remove from filtered reports)</i>	? Yes
Appearance of Names	: Name Only
Sorting Method	: Default

Set Show Reconciled Vouchers also to Yes to see the reconciled vouchers.

Note: It is not possible to reconcile opening balance and can be done only with available physical transactions.

Set Allow back dated Reconciliation to Yes to enter bank dates which are lesser than the Voucher date.

Press Alt + P or click on the Print button to print your reconciliation report.

Display Inventory Reports & Statements

Inventory in Tally operates in the same way as accounting with regard to displaying, modifying and printing reports. Tally generates inventory report based on the vouchers entered to date. You can use the customized reports to compare inventory data between different companies, periods of the financial year, and so on.

Highlight the item and press Enter to step down to the next level of detail in a report. Report this process till you reach an individual voucher. Similarly, step back to higher levels by pressing Esc. The special features available for the currently displayed report are indicated on the button bar and can be selected with a single click of the mouse.

This section highlights some special inventory screens and illustrates a basic level of customization.

VIEWING STOCK SUMMARY

Stock Summary is a statement of stock-in-hand as on a particular date. It is updated with every transaction in real time and provides the current stock position.

The statement can be drilled-down, as with all Tally reports, and configured to enable you to view different details, for instance, the total flow of total flow of stock can be viewed with a single report.

Tally treats Stock Summary as one of the Primary statements and makes it accessible directly form the Gateway of Tally.

To view Stock Summary

1. Go to Gateway of Tally > Stock Summary
2. The default display is of Stock Group balances.
3. Select Detailed to show another level of detail.

The detailed report will include sub-groups or Stock Items (in cases where there are no sub-groups), display as shown:

Stock Summary		ABC Company		Ctrl + M
Particulars		ABC Company 1-Apr-2006 to 31-Mar-2007		
		Closing Balance		
		Quantity	Rate	Value
CD Rom Drives		50 nos	7,500.00	3,75,000.00
Freight				7,500.00
Stock Item		(-)360 nos		
Grand Total		(-)310 nos		3,82,500.00

In the above illustration the stock groups Hardware and Software contain stock items and have closing balances.

The Stock Groups displays total quantities, as the unit of measure is the same for all the stock items added. A grand total is also available as there is a single unit of measure for all 'addable' items. If there were different units of measure, then the grand total would not be calculated and displayed.

STOCK FLOW (RECONCLIATION)

You can configure the Stock Summary Statement to display the flow of goods.

1. Select F12: Configure while on the Stock Summary screen.
2. Set the Configuration as shown.

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

The Stock Summary displays the flow of stock, i.e. Opening Stock, Goods Inwards, Goods Outward and Closing Stock, as shown.

Particulars		ABC Company 1-Apr-2006 to 31-Mar-2007							
		Opening Balance		Inwards		Outwards		Closing Balance	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
CD Rom Drives		50 nos	3,75,000.00					50 nos	3,75,000.00
Freight			7,500.00						7,500.00
Stock Item		10 nos	1,500.00	(-)10 nos	(-)500.00	360 nos	12,600.00	(-)360 nos	
Grand Total		60 nos	3,84,000.00	(-)10 nos	(-)500.00	360 nos	12,600.00	(-)310 nos	3,82,500.00

The report is quantitatively reconciled, i.e., Opening quantity + Inward Quantity - Outward Quantity = Closing Stock Quantity. However, this is incorrect for the values as the Outward value displays Sale Values, not Cost. The Closing Stock Value is, however, based on Cost and the Cost Method adopted for each item. Value Reconciliation is possible if you are using Consumption figures instead of Sales Value.

STOCK VALUCATION METHODS

The Stock Summary report with stock valuation methods can be used to view the effects of different methods on the value of stock. Each stock item can be set up to have a different stock valuation method. In some instances, a particular method of valuation may be required, for example, to assess the replacement value or saleable value of stock. Tally displays stocks in any or all the valuation methods dynamically and simultaneously, without any complicated procedure.

Suppose you want to use Last Purchase Cost method to assess the replacement value and the Last Sale Price method for realizable (saleable) value.

In the Stock Summary screen, select the New Column button on the button bar or press Alt+C. The screen appears as shown below.

Select Last Sale Price from the Stock Valuation Methods list.

Column Details		All Valuation Methods	
From (blank for beginning) :	1-4-2006	At Zero Cost	
To (blank for end) :		At Zero Price	
Name of Group :	<input type="checkbox"/> Primary	Avg. Cost	
Method of Stock Valuation :	Default	Avg. Price	
		Default	
		FIFO	
		Last Purchase Cost	
		Last Sale Price	
		LIFO Annual	
		LIFO Perpetual	
		Monthly Avg. Cost	
		Std. Cost	
		Std. Price	

The Stock summary report with Last Sale Price column displays as shown:

VIEWING STOCK ITEMS

1. Go to Gateway of Tally > Display > Inventory Books > Stock Item

You can also use the Stock Summary to view Stock Items. Place the cursor on the item and press Enter.

2. Select an item from the List of Items.

3. Select F12: Configure. Tab down the Configuration menu to Show with Graph? Type y and press Enter

Select Bar and No. the particulars display with a graph of Goods Inwards and Outwards (red for inwards, blue for outwards).

Stock Item Monthly Summary		ABC Company				Ctrl + M	
Particulars	Stock Item ABC Company 1-Apr-2006 to 31-Mar-2007						
	Inwards		Outwards		Closing Balance		
	Quantity	Value	Quantity	Value	Quantity	Value	
Opening Balance					10 nos	1,500.00	
April			360 nos	12,600.00	(350 nos)	(52,500.00)	
May					(350 nos)	(52,500.00)	
June					(350 nos)	(52,500.00)	
July					(350 nos)	(52,500.00)	
August					(350 nos)	(52,500.00)	
September					(350 nos)	(52,500.00)	
October					(350 nos)	(52,500.00)	
November					(350 nos)	(52,500.00)	
December					(350 nos)	(52,500.00)	
January					(350 nos)	(52,500.00)	
February					(350 nos)	(52,500.00)	
March			(10 nos)	(500.00)	(360 nos)		
Grand Total			(10 nos)	(500.00)	360 nos	12,600.00	
					(360 nos)		

Stock Summary										ABC Company			Ctrl + M
Particulars	ABC Company									1-Apr-2006 to 31-Mar-2007			
	Outwards						Closing Balance						
	Quantity	Rate	Value	Consumption	Gross Profit	Per. %	Quantity	Rate	Value				
CD Rom Drives							50 nos	7,500.00	3,75,000.00				
Freight									7,500.00				
Stock Item	360 nos	35.00	12,600.00	1,000.00	11,600.00	92.06 %	(-)360 nos						
Grand Total	360 nos		12,600.00	1,000.00	11,600.00	92.06 %	(-)310 nos		3,82,500.00				

STOCK QUERY

Stock Query report provides you all the information about a particular item.

To create Stock Query:

1. Go to Gateway of Tally > Display > Statements of Inventory > Stock Query
2. Select an Item from the List of Items. Tally uses the Stock Category to display Items of the same Category. This feature helps you to ascertain the availability and location of alternative products to offer your customer.

Stock Query										ABC Company			Ctrl + M
Name	: CD Rom Drives						Part No.	:					
Group	: <input type="checkbox"/> Primary						Category	: <input type="checkbox"/> Not Applicable					
Closing Balance	: 50 nos						Closing Value	: 3,75,000.00					
Cost Price	: 7,500.00/nos						Std. Selling Price	:					
Last Purchased on	:						@						
Last Sold on	:						@						
Godown / Batch Details						Items of the same Category							
Godown	Batch	Quantity	Item Name	Quantity	Cost	Sale Price							
Main Location	Primary Batch	50 nos											
Total		50 nos	Total										

3. Select **F4: Item** to switch to another Item.

Godown / Batch Details			Items of the same Category		
Godown	Batch	Quantity	Item Name	Quantity	Cost Sale Price
Main Location	Primary Batch	(-360 nos			
Total			Total		
(-360 nos					

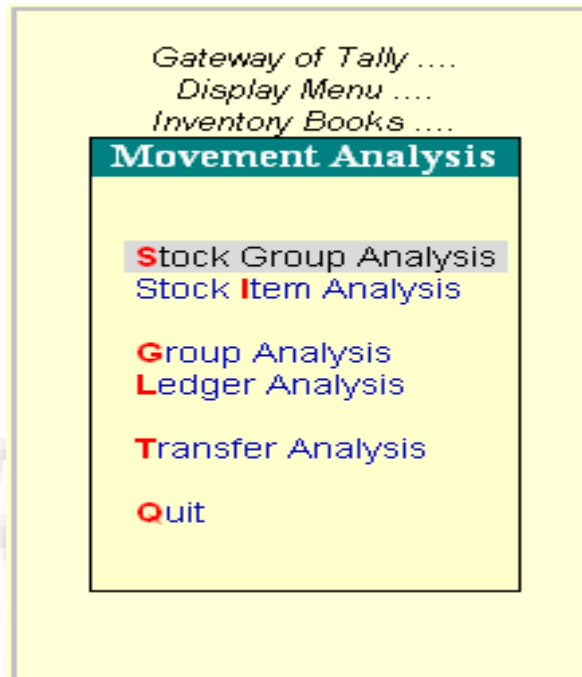
Additional Information:

1. Go to the Group Summary, select Software and press F12: Range to limit the display to Stock Groups having Closing Balance greater than 3000.
2. Explore the Locations report. Select On-site, click F1: Detailed, change the period: 1-5-05 to 31-7-05, and use Auto Column to bring up the month-by-month figures
3. Auto Column feature gives you the facility to check the stock status using different periods.
4. Bring up the initial display of each report and use Enter and Esc to drill-down through the levels of detail and back again.

ANALYSIS OF INVENTORY MOVEMENTS

The Analysis of Inventory Movements is generated for accounted transactions only, unlike Stock Summaries and other statements, where Goods Received but Bills not Received and Goods Dispatched but Bills not Raised are also considered. Thus Analysis statements, are used generally for a comparative study, and not considered authentic for Accounts or Inventory records.

Go to Gateway of Tally > Display > Inventory Books > Movement Analysis



Analyse stock movements by stock groups, categories, financial group or ledger.

MOVEMENT ANALYSIS (STOCK GROUP ANALYSIS)

Movement Analysis of a selected stock group displays the Total Inward and Outward movement of all the items in a selected Stock Group. The quantities displayed are Actual Quantities of movement (which, in some cases, may be different from the Billed Qty in the transactions.) The 'Inward' detail displays the Effective Rate or Final Landed Cost of the materials, after considering all overhead costs (see 'Valuation of Purchases'). If the Effective Rate varies from the Basic Invoice Rate of the materials, it is highlighted. The Outward detail displays the Basic Invoice Rate and Value of goods sold/transferred out.

Movement Analysis		ABC Company		Ctrl + M		
Particulars	ABC Company					
	1-Apr-2006 to 31-Mar-2007					
	Inward			Outward		
	Quantity	Eff. Rate	Value	Quantity	Eff. Rate	Value
Stock Item	(-)10 nos	50.00	(-)500.00	360 nos	35.00	12,600.00
	(-)10 nos	50.00	(-)500.00	360 nos	35.00	12,600.00

ITEM MOVEMENT ANALYSIS

Gateway of Tally>Display >Inventory Books > Movement Analysis> Stock Item Analysis.

Item Movement Analysis is the next level of information (press Enter on the Stock Item or Display Inventory Books Stock Item Analysis). This brings up the Party-wise/Transfer-wise detail of Movements. The Inward detail displays the Basic Invoice Rate and Effective Rate.

Item Movement Analysis		ABC Company			Ctrl + M
Particulars	Stock Item ABC Company 1-Apr-2006 to 31-Mar-2007				
	Quantity	Basic Rate	Effective Rate	Value	
Movement Inward :					
<u>Suppliers :</u>					
Customer	(-)10 nos	50.00	50.00	(-)500.00	
				(-)10 nos 50.00 (-)500.00	
Movement Outward :					
<u>Buyers :</u>					
Customer	160 nos		60.00	9,600.00	
Supplier	200 nos		15.00	3,000.00	
	360 nos		35.00	12,600.00	

This report helps you compare Purchase Costs across different suppliers. For example, supplier A may have a lower Basic Invoice Rate as Compared to Supplier B, though the Effective Rate may be higher (perhaps due to differences in Taxes, Packing Costs, and Freight Costs etc). Suppose a material is manufactured in-house as well as purchased, the difference in Purchase Costs and In-house Costs can be checked. Select multiple columns for different periods, to view the changes in the Effective Rate for purchases.

Press Enter on the Party Name or Stock Journal Name to display the transaction-level details on Date of goods received/sold, Quantities, Basic Rates, Addl.Costs, and Effective Rate for each transaction.

The default screen displays the Addl.Costs (if any), in a single column. To view the spread of costs, press F12: Configure and select to view Show Addl.Costs. This brings up the bifurcation of all Additional Costs.

ITEM VOUCHER ANALYSIS

This report gives the value details of all transactions for a selected stock item from a particular supplier or to a particular customer. It is obtained from Movement Analysis Report of a stock item.

1. Go to Gateway of Tally> Display> Inventory Books > Movement Analysis.
2. Select Item from List.
3. Select a Supplier (or Customer) from the item Movement Analysis.

Item Voucher Analysis		ABC Company				Ctrl + M	
Stock Item: Stock Item		1-Apr-2006 to 31-Mar-2007					
OutwardsUnder Ledger: Supplier							
Date	Particulars	Quantity	Basic Rate	Basic Value	Adtl Cost	Total Value	Eff. Rate
	Sales						
1-Apr-2006	Supplier	100 nos	15.00/mos	1,500.00			
1-Apr-2006	Supplier	100 nos	15.00/mos	1,500.00			
	Total	200 nos	15.00/mos	3,000.00			

The report displays every purchase from Tally Solutions. Bangalore during the period specified with break-down of Basic Value and Additional Cost. To view full details of Additional Cost, Press F12: Configure and set the option.

The Item Voucher Analysis considers only billed transactions, not ones for which invoices have not been raised.

Use F12: Configure for more details.

STOCK CATEGORY ANALYSIS – MOVEMENT ANALYSIS

1. Go to Gateway of Tally > Display > Inventory Books > Movement Analysis > Category Analysis.
2. Select a category, for example, spreadsheets.
3. Change period, if necessary

The Stock Category Analysis statement displays the movement of Stock Items of a selected Stock Category.

The Inward and Outward movement of these two items are summarized in the Summary. Drill-down to bring up the Item Movement Analysis for the selected item.

LEDGER ANALYSIS

Ledger Analysis is similar to Movement Analysis, except that you can view movements of the items for the selected Ledger (Party). Thus, you get an 'analyses of all purchases made from a supplier, or all items sold to a customer. The next level of information brings up the transaction level details.

TRANSFER ANALYSIS

When using different Stock Journals for each transaction, transfer Analysis gives the movement details for each type of Stock Journal. This is a very useful costing and waster analysis tool. In non-manufacturing set ups, which have Multiple Godowns, this report becomes a quick check to verify that all transfer entries have entered correctly.

PRINTING REPORTS

Reports and documents generated through Tally's extensive display capabilities can also be printed.

Printing is possible in two ways:

1. Using the Print (Alt + P) button and
2. Multi-Account Printing

Using the Print (Alt + P) button

You can choose to print directly from the screen currently displayed by selecting the button PRINT (top-most button on the right-hand side of the screen). This brings up the Print Configuration screen for the report and new button options on the right-hand side of the screen.

You can change and alter the settings in the print configuration screen

Printer – Click Alt + S (Select Printer) to change printer settings. This also displays the default paper size that you have set for the printer.

No. of Copies- Click Alt + C (Copies) to specify the number of copies to be printed.

Print Language – Set Enable Multilingual Support to Yes in F12: Configure and click Alt + L (Print Language) to print in the language of your choice.

Method – Click Alt + F (Print Format) to select the print format. A pop-up list displaying the printing formats available in Tally. The formats provide are, dot-Matrix Format, Near Format and Quick (Draft) Format. Here you can select either the per-printed or plain paper to print out your reports.

Pre-Printed / Plain Paper:

By default, the Printing Configuration screen is set to print on plain paper. The print-out displays as shown.

To print on a per-printed invoice/ report, select Pre-printed (Alt+ R) and the Print Preview screen display as shown.

Tally enables you to print the company details on the invoice/ report. You can toggle between the two options to print using either method.

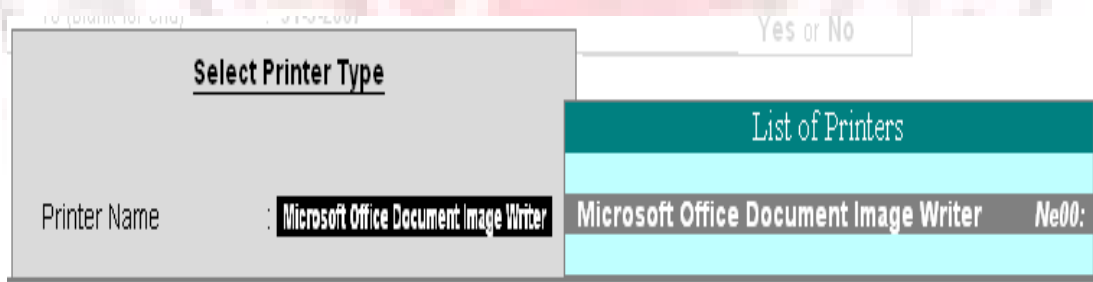
Page Range – Click Alt + G (Page Nos) to select the starting page number and the page number range.

Paper Type – The paper Type can be set after you select the printer.

Paper Size – By default, the paper size in Tally is set at 8.50 X 10.98 or 216mm X 279mm.

To alter the paper size to your requirements, select Alt+S (Select Printer).

A list of printers displays.



EXPORT OF DATA

Use Export option to export data (reports and statements) from Tally. The exported data can be rearranged on a spreadsheet, published on the web or exported to another company using Tally.



Go to a report or a statement and click on the Export button or use ALT+E. The export screen displays Export? Yes or No.

Exporting Profit & Loss	
Language	: Default (All Languages)
Format	: <i>XML (Data Interchange)</i>
Output File Name	: PandL.xml
Scale Factor for Values : Default Format : Detailed Show Vertical Profit & Loss ? No Show Percentages ? No Show with Gross Profit ? Yes	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Export ? Yes or No </div>	

Press Backspace or No to navigate through the fields and alter the parameters

Language

This option enables you to export your report in English or any of the Indian languages.

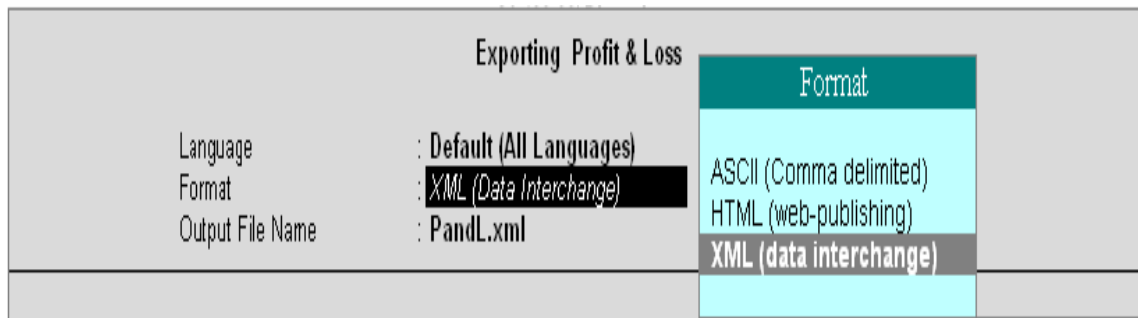
Exporting Profit & Loss		Language
Language	: Default (All Languages)	Default (All Languages)
Format	: <i>XML (Data Interchange)</i>	Restricted (ASCII Only)
Output File Name	: PandL.xml	
Scale Factor for Values : Default Format : Detailed Show Vertical Profit & Loss ? No Show Percentages ? No Show with Gross Profit ? Yes		

On selecting Default (All Languages) you can export your reports in any of the Indian languages. However, the display language has to be set to the respective Indian language.

On Selecting Restricted (ASCII Only) you can export your reports in English.

Note: If you have used the option Restricted (ASCII Only) to export reports of a company created in any of the Indian language, then the exported data will appear with question marks.

Format



Tally has three formats for export of data from E-mail, Export and Upload options:

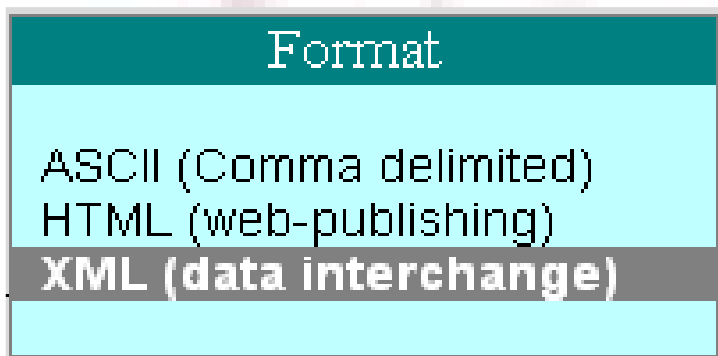
- ASCII
- HTML
- XML

By default, the exported file will be saved in the Tally folder on your computer. To export to a different folder enter the path of the drive and folder in Output File Name. Another program can be used to import the content from the exported file or used as it is.

EXPORT FORMATS

Tally has three formats for export of data from E-mail, Export and Upload options:

- ASCII (Comma-delimited)
- HTML (Web- publishing)
- XML (Data-interchange)



ASCII

American Standard code for Information Interchange (ASCII) is a plain-text format, without any special formatting or fonts, in which data is separated using commas. Commonly used for email and all email programs, ASCII data can also be easily worked upon by other programs.

HTML

Reports in Hyper Text Markup Language (HTML) format retain their formatting and fonts. They can be read using an HTML enabled program, or using browsers such as Microsoft Internet Explorer.

Resolution (Only in HTML format)

Resolution is based on the pixels used to format the report. A higher resolution gives a better quality of output. The Resolution option is available only in HTML format in Tally.

Resolution	: 800 x 600
	Resolutions
	1024 x 768 <i>Recommended</i>
	1280 x 1024
	640 x 480 <i>Not Recommended</i>
	800 x 600

XML

Extensible Markup Language (XML) is an extension of HTML, but the data can be imported by other XML- aware systems. Using XML, Tally allows the user to exchange information even with systems that do not run Tally. An XML file from Tally has as XML envelope and is formatted with XML tags, to enable import into other systems. The destination system requires reformatting of XML Style Sheets (XSLT), based on the inherent style used in Tally before importing the data. When two systems are running different versions of Tally, XML data can be directly imported using the import menu option, without any re-formatting.

Data from Tally in XML format can be imported by another system with ease in lesser time.

XML is fast emerging as the de facto standard for information exchange all over the world. This format helps the user to collaborate and share information with others.

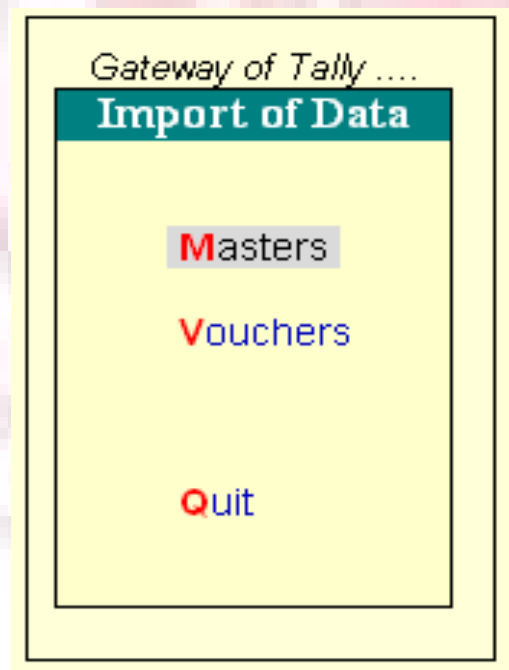
By default, the exported file will be saved in the Tally folder on your computer. To export to a different folder enter the path of the drive and folder in Output File Name. Another program can be used to import the content from the exported file or used as it is.

IMPORT OF DATA

Data can be imported to Tally from other users of Tally. Tally can also be programmed to import data from other systems to be used as an integrated system.

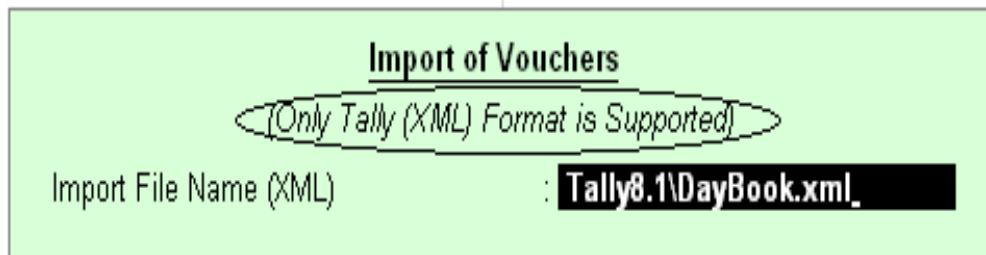
For example, a Customer Contact Management Program, with details such as status of an order and last contact established, can be imported to Tally. This imported data can be merged into a report containing outstanding balances. When data is changed in the other system, the change is also reflected in Tally.

To import data, Go to Gateway of Tally > Import of Data



IMPORT FORMATS

Only the Tally XML format is supported for import of Data in Tally.



Tally (XML) Format

This option imports data in XML format. More on XML.

SYNCHRONIZATION

Synchronization is the replication of data between two or more locations that use Tally. Data can be sent over the Internet, or in a private network system. Tally offers control over the frequency of replication. Data can be replicated after each transaction or updated at specific intervals.

Synchronization takes place in a Client-Server environment and can be initiated only by the client. Data from the client is transferred to the server and from the server to the client.

Replicating data is a single-click activity in Tally once Synchronization is set up between a server and its clients.

Chapter 11

Introduction to Taxation

TEX DEDUCTED AT SOURCE (TDS)

Tax Deducted at Source (TDS) is one of the modes of collecting income tax. The buyer (Deductor) deducts the tax from the payment made to the seller (Deductee) and remits the tax to the Income Tax Department within the stipulated time.

The buyers (Corporate and Non-Corporate) make payment (such as Salary, Rent, interest on securities, Dividends, Insurance Commission, Professional Fees, Commission on Brokerage, Commission on Lottery Tickets, etc) to the sellers (Services) and deduct the requisite amount from such payments towards tax.

The buyer files the TDS returns containing details of the seller and the bank, where the TDS amount is deposited to the Income Tax Department (TDS).

The Income Tax Department has prescribed the formats for filling these returns electronically, which the buyer does in a CD/floppy.

TDS IN TALLY

TDS (Tax Dedicated at Source) in Tally provides an easy-to-use and flexible interface. It helps you to handle intricate cases and calculate the tax payable to the Income Tax Department.

Tally calculates the tax of all parties/suppliers where TDS deduction is mandatory. It calculates the TDS automatically and prints Form 16A certificates, Forms 26Q, 26, 27 and 27A (Cover Note) for Quarterly / Annual Returns as per statutory requirement.

It allows the user to view and print various TDS reports, Challans and TDS Outstanding statements.

FEATURES OF TDS IN TALLY

The TDS functionality in Tally supports the following features:

1. Simple and user-friendly
2. Quick and easy to set up and use
3. Accounting for tax on partial/full payment of bills
4. Flexibility for auto and manual calculation of TDS
5. Complete tracking of each transaction from deduction to Payment.
6. Challan management and printing for prompt and accurate filling of tax
7. The Auto allocation feature prevents error-prone data entry and helps track the transactions faster.
8. From 16A management:
9. Can be printed for a transaction
10. Can be printed yearly
11. Allows multi-Party printing
12. Exporting of data in NSDL compliant TDS file format.
13. Electronic format (e-TDS return) with Form 26Q, Form 27 and Form 27A which will be validated by the utility, provided by the government.
14. Generates Form 16A, TDS Challan, TDS Computation and TDS Payable reports.

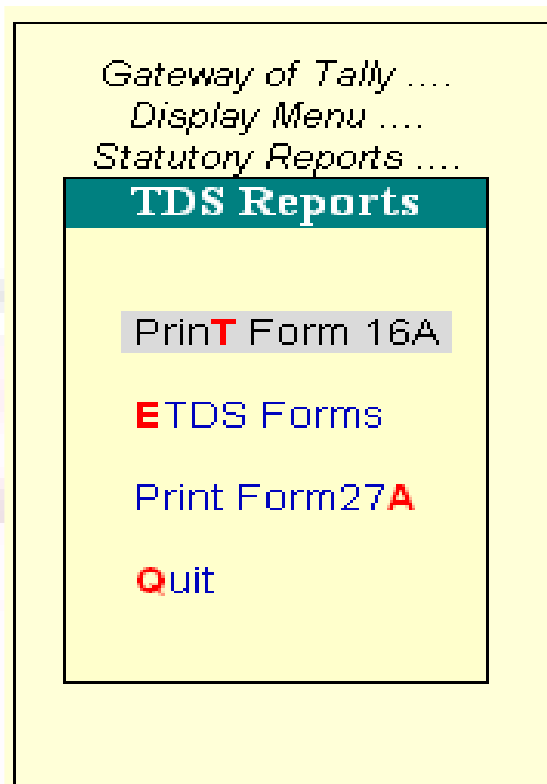
TDS REPORTS

TDS Reports in Tally display the tax amount of the concerned party/supplier. Tally generates Form 16A and Form 27A and also provides the printing option to print this form. You can export the e-TDS forms (Form 26/Form 27/Form 26Q/Form 27Q) from Tally. The exported file will be saved in the defined path specified in the Output file name.

You can get the e-TDS file validated through NSDL freely downloadable utility, File Validation Utility (FVU) to verify whether the e-TDS return file prepared by the deductors conform to the prescribed format.

Go to Gateway of Tally> Display> Statutory Reports>TDS Reports.

Click on the TDS Reports option to display the following



MIS REPORTS

The MIS Reports provide you with the TDS Outstanding.

To view the TDS Outstandings,

Go to Gateway of Tally > Display > Statements of Accounts > TDS Outstandings

TDS COMPUTATION

To view the TDS Computation report,

Go to Gateway of Tally > Display > Statements of Accounts > TDS Outstandings > TDS Computations

TDS Computation										
ABC Company										Ctrl + M
TDS Computation										1-Apr-2006 to 30-Apr-2006
Particulars	Amount Paid Payable Till Date	Tax Rate	Tax	Surcharge Rate	Surcharge	Addl Surcharge (Cess) Rate	Addl Surcharge (Cess)	Total TDS	Less: TDS Deducted Till Date	Net TDS to Deduct

1. The Particulars column provides you with the Name of the Party and its TDS ledger names.
2. Amount Paid/Payable Till Date column displays the total amount of the Bills accounted or Payment made to the party
3. The Tax column provides the amount of TDS computed as per the rate specified in the tax column, which is displayed below the TDS amount.
4. Surcharge is the total surcharge value computed as per the rate specified in this column, which is displayed below the surcharge amount
5. Addl. Surcharge (Cess) column displays the amount of Education Cess applicable as per the rate specified in this column, which is displayed below the Education Cess amount
6. Addl. Education Cess column displays the amount of Additional Education Cess @ 1% as computed
7. Total TDS column displays the total TDS amount including all additional taxes
8. Less: TDS Deducted Till Date column provides the TDS amount deducted till date
9. Net TDS to Deduct column displays the TDS amount yet to be deducted from the bills accounted or payment made. If TDS is deducted using TDS journal and if the complete amount of TDS due is deducted. This column will not display any balance. Partial amount deducted will display the balance amount of TDS to be deducted in this column

Press F12 or Click on the F12: Configure button.

Configuration	
Show Party TDS PAN Number	? Yes

In Show Party TDS PAN Number field enter yes, to display the party's PAN number in the report.

TDS Computation											ABC Company	Ctrl + M
TDS Computation											1-Apr-2006 to 30-Apr-2006	
Particulars	PAN	Amount Paid Payable Till Date	Tax Rate	Tax	Surcharge Rate	Surcharge	Addl Surcharge (Cess) Rate	Addl Surcharge (Cess)	Total TDS	Less: TDS Deducted Till Date	Net TDS to Deduct	

Click on the Print button or use ALT+P to Print the TDS Computation report. This brings up the Printing TDS Computation configuration sub-form by which the user can customize the appearance of the Ledger report.

Accept the TDS Computation configuration sub-form to view the TDS Computations report in print preview mode.

If the TDS payment is made to the government then such payment will not be displayed in TDS Computation drill down report

TCS INTRODUCTION

TCS is the Tax Collected at Source by the seller (collector) from the buyer/lessee (collectee/payee). The goods are as specified under section 206C of the Income Tax Act, 1961.

If the purchase value of goods is X , the amount payable by the buyer is $X+Y$, where Y is the value of tax at source. The seller deposits Y (tax collected at source) at any designated branch of banks authorised to receive the payment.

The seller, lessor or licensor, is responsible for the collection of tax from the buyer, lessee or licensee. The tax is collected for sale of goods, on transactions, receipt of amount from the buyer in cash or issue of cheque, draft or any other mode, whichever is earlier.

Classification of Seller for TCS

Under TCS, a seller is defined as any of the following:

- Central Government
- State Government
- Any Local Authority
- Any Statutory Corporation or Authority
- Any Company
- Any partnership Firm
- Any Co-operative Society
- Any individual/HUF whose total sales or gross receipts exceed the prescribed monetary limits as specified under section 44AB during the previous year

Classification of Buyer for TCS

A buyer is classified as a person who obtains goods or the right to receive goods in any sale, auction, tender or any other mode. The following are not included:

- Public Sector Companies
- Center Government
- State Government
- Embassy of High Commission, Consulate and other Trade Representation of a Foreign State
- Any Club, such as social clubs, sports clubs and the like

INTRODUCTION TO VAT

VAT is a system of indirect taxation, which has been introduced in lieu of sales tax. It is the tax paid by the producers, manufactures, retailers or any other dealer who add value to the goods and that is ultimately passed on to the consumer. VAT has been introduced in India to ensure a fair and uniform system of taxation. It is efficient, transparent, revenue-neutral, globally acceptable and easy to administer taxation system. It benefits the common man (consumer), businessman and the Government.

VAT enhances competitiveness by removing the cascading effect of taxes on goods and makes the levy of tax simple and self-regulatory, ensuring flexibility to generate large revenues.

The cascading effect is brought about by the existing structure of taxation where inputs are taxed before a commodity is produced and the output is taxed after it is produced. This causes an unfair double-taxation. However, in VAT, a set-off is given for input tax (tax paid on purchases). This results in the overall tax burden being rationalized and a fall in prices of goods.

VAT makes the tax structure simple, hassle-free and export-oriented. The integration of VAT with Tally will help you in the smooth functioning of your business and eliminate the complications that might otherwise arise in VAT.

CONCEPT OF VAT

The essence of VAT is in providing set-off for input tax and this is applied through the concept of input credit/rebate. This input credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. Value Added Tax (VAT) is based on the value addition to the goods, and the related VAT liability of the dealer is calculated by deducting the input credit from the tax collected on sales during the payment period.

This concept is explained with an example, in the Computation of VAT section.

VAT works in two different ways:

1. If VAT-registered business receives more output tax than the taxes paid as input, they will need to pay the difference to the Commissioner of Taxes (State).
2. If the input tax paid is more than the output tax collected,
 - You can carry forward the Input credit and adjust it against the output tax in the subsequent months.
 - You can have the Input Credit refunded to you by the Government at the end of the current or following year.

- You can receive refunds for Input Credit on exports within a period of three months.

General terminologies used in VAT

Term	Description
Input tax	This is a tax paid on purchase
Output tax	This is a tax charged on sales
Input Credit	The amount of Input tax that is permitted to be set off against Output tax.
Composite Dealers	Dealers with annual gross turnover not exceeding a certain threshold (threshold-decided by the respective State Government) can opt for a composition scheme whereby they will pay tax as a small percentage of their gross turnover. However, retailers opting for this composition schema will not be entitled to Input Credit. The State Governments fix the periods and the procedures for the payment of the lump sum.

JUSTIFICATION OF VAT

VAT was adopted because the Sales Tax system is complex and induces non-compliance. It has been found to be a hindrance in the economic growth of Industry, State and the Country. This causes a huge loss of revenue to the government.

VAT also helps in eliminating the dreaded cascading effect of Tax.

For instance, in the existing structure, inputs are taxed before a commodity is produced and the output is taxed after it is produced. This causes an unfair double taxation with cascading effects. However, in VAT, as a set-off is given for input tax as well as tax paid on previous purchases, overall tax burden will be rationalized and prices in general will fall. VAT thus makes the tax system simple and transparent.

Advantages of VAT over Sales Tax

- As VAT is a multi-point tax with set-off for tax paid on purchases, it prevents repeated taxation of the same product.
- Simple and Transparent: In the Sales tax system the amount of tax levied on the goods at all stages is not known. However, in VAT, the amount of tax would be known at each and every stage of goods sale or purchase.
- VAT has the flexibility to generate large and buoyant revenues, as it levies tax on value additions.
- Zero rating of tax on exports is possible in case of VAT
- Fair and Equitable: VAT introduces uniform tax rates across the state so that unfair advantage cannot be taken while levying the tax.
- Procedure of simplification: Procedures related to filling of returns, payment of tax, furnishing declaration and assessment are simplified under the VAT system so as to minimize any interface between the tax payer and the tax collector.
- Ability to provide same revenue to the Government with lower rates of tax.
- Tax does not become a cost of doing business/.

VAT Rates

According to the White Paper, there are 550 categories of goods under the VAT system. They are classified into the following four groups, depending on the VAT rate:

VAT @ 4%

The largest number of goods (270) comprising of basic necessity items such as drugs and medicines, agricultural and industrial inputs, capital goods and declared goods are under 4% VAT rate.

EXEMPTED FORM VAT

There are about 46 commodities under the exempted category. This includes a maximum of 10 commodities that each stat would be allowed to select, from a broader approved list for VAT exemption. The exempted commodities include natural and unprocessed products in unorganized sector as well as items. Which are legally barred from taxation.

VAT @1%

This is for a specific category of goods like gold, silver etc.

VAT @12.5%

The remaining commodities are under the general VAT rate of 12.5%.

Note: The few goods that are outside VAT as a matter of policy would include liquor lottery, tickets, petroleum products, as the prices of these items are not fully market-determined. These items will continue to be taxed under the sales tax act of the respective states.

COMPUTATION OF VAT AND PROFIT

**Raw Material
supplier**

Price of Raw Materials	=Rs.100
Input Tax Paid	=Rs. 10
Setting Price	=Rs.110
Supplier collects Rs.110 from the manufacture and pays Rs.10 to the Government.	

Manufacturer

A. Cost of goods	=Rs.100
B. Input tax paid	= Rs. 10
C. Total Purchase Cost	=Rs.110
D. Product Price	=Rs.120
E. Output Tax Charged	=Rs. 12
F. Total Selling Price	=Rs. 132
G. VAT payable (E-B)	=Rs. 2
Profit (F-G-C)	=Rs. 20

Retailer

A. Cost of goods	=Rs.120
B. Input tax paid	= Rs. 12
C. Total Purchase Cost	=Rs.132
D. Product Price	=Rs.150
E. Output Tax Charged	=Rs. 15
F. Total Selling Price	=Rs. 165
G. VAT payable (E-B)	=Rs. 3
Profit (F-G-C)	=Rs. 30

Consumer

The above diagram depicts computation of (10%) VAT at each stage of business. Hence, it is not the manufactures and retailers but only the consumer who has paid 10% VAT to the government. The profits for manufactures and retailers thus remain unaffected.

VAT IN TALLY

Features of VAT in Tally

VAT is completely integrated with Tally. The VAT functionality in Tally supports the following features, making it easier for computation:

- Quick & easy setup
- Fast & error-free voucher entry
- Pre-defined list of sales & purchase classifications
- Complete tracking of each transaction till annual returns.
- Printing of Tax invoice
- VAT computation report
- Better VAT-returns management
- Monthly Return

ENABLING VAT

Go to Gateway of Tally >Accounts info.> F11: Features > Statutory & Taxation. Set Enable Value Added Tax (VAT) and Set/Alter VAT Details to Ye

The screenshot shows the 'Company Operations Alteration' window for 'ABC Company'. The window is titled 'Company Operations Alteration' and has a 'Ctrl + M' icon in the top right corner. The current period is '1-4-2006 to 31-3-2007'. The company name is 'ABC Company'. The window is divided into several sections:

- Statutory & Taxation:** This section contains a table of settings for various tax-related features. The 'Enable Value Added Tax (VAT)' and 'Set/Alter VAT Details' are both set to 'Yes'.
- Tax Information:** This section displays the VAT TIN (Composition) as '89745682134' and other tax-related information.
- Accept ?** A button at the bottom right of the window, with 'Yes or No' options below it.

Statutory & Taxation			
Enable Dealer - Excise	? No	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Dealer - Excise Details	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? Yes	Set/Alter TCS Details	? No
Set/Alter VAT Details	? Yes	Enable Fringe Benefit Tax (FBT)	? No
Enable Service Tax	? No	Set/Alter FBT Details	? No
Set/Alter Service Tax Details	? No		

Tax Information

VAT TIN (Composition) : 89745682134
VAT TIN (Regular) :
Local Sales Tax Number :
Inter-state Sales Tax Number :
PAN / Income - Tax No. :

Accept ?
Yes or No

F1: Accounts F2: Inventory F3: Statutory

On enabling Set /Alter VAT Details to Yes, Tally will prompt with VAT Details Screen.

<u>VAT Details</u>		? No
State	: Karnataka	? Yes
Type of Dealer	? Regular	? No
Regular VAT Applicable From	: 1-4-2006	
		Types of VAT Dealer
		Composition
		Composition To Regular
		Regular

VAT Details

- Select the State name.
- Set Type of Dealer? to Regular
- Enter the Regular VAT Application From date.
- Accept the screen to save.

Note: All Classification and Statutory forms shown here are based on the Karnataka State Model.

CONFIGURING LEDGER FOR VAT REPORTING

VAT Classification

The VAT Classification is a list of VAT rates, which describes the nature of the Business Activity and the type of transaction. There are in-built in the system and will be updated if and when any statutory changes take place.

- Input VAT @ 4%
- Input VAT @ 1%
- Input VAT @ 12.5%
- Output VAT @ 1%
- Output VAT @ 4%

- Output VAT @ 12.5%
- Purchases-Capital Goods
- Purchases-Exempt
- Purchases from unregistered dealers

Depending on the type of the business, type of transaction, and the statutory requirements of your State, you will need to select the appropriate classifications from the list during Ledger creations, vouchers entries, etc.

The Sales and Purchase transactions are segregated based upon the classification selected during voucher entry and shown in the VAT computation. In the VAT Computation you can view the classification-wise VAT and Nett Values.

LEDGER MASTERS

The VAT Classification will be displayed as a drop down list in the Ledger Masters. Tally gives the flexibility to the user, to either have the classification selected in the Ledger Master tagged to all transactions. Or, select different classifications each time during voucher entries. This is explained in detail in the Vouchers and Transactions section.

The Ledgers that are affected by VAT are:

- Purchase Ledger
- Sales Ledger
- Duties and Taxes Ledger
- Direct Expenses/Income

CREATING A PURCHASE LEDGER FOR VAT

The following additional fields pertaining to VAT can be seen in the Ledger entry screen.

Go to Gateway of Tally > Accounts Info > Ledger> Create/Alter

Ledger Creation		
Name : Purchases @4% (alias) :	<u>Total Op. Bal.</u>	
Under : Purchase Accounts		
Maintain balances bill-by-bill	? No	
Inventory values are affected	? Yes	
<u>Statutory Information</u>		
Used In VAT Returns	? Yes	
Opening Balance (on 1-Apr-2006) :		
<table border="1"> <tr> <td>Accept ? Yes or No</td> </tr> </table>		Accept ? Yes or No
Accept ? Yes or No		

Used in VAT Return

Set this to Yes if you wish to select VAT/Tax class for this Ledger.

Note: Tally gives the flexibility to the user to either have the classification selected in the Ledger Master tagged to all transactions Or select different classification each time during voucher entries. For more details refer Vouchers and Transactions.

The rest of the Ledger creation process is the same as in default Tally.

In the above example we have selected a VAT classification of 4%.

VAT CLASSIFICATION-PURCHASE-EXEMPT

Let us take an example of a VAT exempted transaction below.

Ledger Creation		Total Op. Bal.
Name : Purchases Exempt (alias) :		
Under : Purchase Accounts		
Maintain balances bill-by-bill	? No	
Inventory values are affected	? Yes	
Statutory Information		
Used In VAT Returns	? Yes	

Used in VAT Returns

Set this to Yes and select Purchases-Exempt form VAT/Tax class for this Ledger.

VAT/Tax Class		ABC Company		Total Op. Bal.	Ctrl + M
Name : Purchases @4% (alias) :					VAT/TAX Class
Under : Purchase Accounts		Mailing Details			<input type="checkbox"/> Not Applicable Consignment/Branch Transfer Inward Imports Inter-State Purchases Purchases @ 1% Purchases @ 12.5% Purchases @ 4% Purchases - Capital Goods @ 12.5% Purchases - Capital Goods @ 4% Purchases - Exempt Purchases From Composition Dealers Purchases - From Unregistered Dealers Purchases - Others
Maintain balances bill-by-bill	? No	Name :			Gateway of Tally ... Accounts Info. Ledgers
Inventory values are affected	? Yes	Address :			Single Ledger Create Display Alter
Used In VAT Returns	? Yes	VAT/Tax Class Purchases - Exempt			Multiple Ledgers Create

Accept the screen to save.

Creating a Supplier ledger

Create a ledger for the Supplier form whom you are buying the VAT exempted item:

Ledger Creation	
Name : Supplier (alias) :	<u>Total Op. Bal.</u>
Under : Sundry Creditors (Current Liabilities)	
Opening Balance (on 1-Apr-2006) :	
<div style="border: 1px solid black; padding: 2px;"> Accept ? Yes or No </div>	

Note: The TIN or Sales Tax number of the creditor whichever applicable needs to be entered in the Ledger.

If VAT is not enabled for your company, the TIN/Sales Tax No. field will be replaced by Sales Tax No.

To learn about the actual transaction, refer to Creating Purchase Voucher (As Invoice) for VAT section.

Creating a Sales Ledger for VAT

Like in the Purchase Ledger Screen, select the required VAT/Tax classification in the Sales Ledger as well.

Go to Gateway of Tally > Accounts Info > Ledger > create/Alter.

Ledger Creation		Total Op. Bal.	
Name (alias)	: Salws@4%	5,000.00 Dr	
		<i>Difference</i>	
		5,000.00 Dr	
<hr/>			
Under	: Sales Accounts		
Maintain balances bill-by-bill	? No		
Inventory values are affected	? Yes		
<hr/>			
		Statutory Information	
Used In VAT Returns	? Yes		
<hr/>			
Opening Balance (on 1-Apr-2006) :		Accept ?	
		Yes or No	

Used in VAT Return

Set this to Yes if you wish to select VAT/Tax class for this Ledger.

Note: Tally gives the flexibility to the user to either have the classification selected in the Ledger Master tagged to all transactions Or select different classifications each time during voucher entries. For more details refer Vouchers and Transactions.

The rest of the Ledger Creation process is the same as in default Tally.

In the above example we have selected a VAT class of 4%.

The rest of the settings are the same as in default Tally.

Creating a VAT Ledger under Duties and Taxes

The ledger for Input VAT is shown below:

Ledger Creation		ABC Company	
Name (alias)	: Input VAT@4%	VAT/TAX Class	
		<input type="checkbox"/> Not Applicable <input type="checkbox"/> Input VAT @ 1% <input type="checkbox"/> Input VAT @ 12.5% <input checked="" type="checkbox"/> Input VAT @ 4% <input type="checkbox"/> Output VAT @ 1% <input type="checkbox"/> Output VAT @ 12.5% <input type="checkbox"/> Output VAT @ 4% <input type="checkbox"/> Purchases - Capital Goods @ 12.5% <input type="checkbox"/> Purchases - Capital Goods @ 4%	
		Date of L chers	
<hr/>			
Under	: Duties & Taxes (Current Liabilities)		
Type of Duty/Tax VAT/Tax Class	: VAT : Input VAT @ 4%		
Maintain balances bill-by-bill	? No		
<hr/>			
Inventory values are affected	? No		
Percentage of Calculation (eq 5) Method of Calculation	? 4 % : On VAT Rate		

Type of Duty/Tax

On the selection of group Duties and Taxes, the list of Tax Types CST, others and VAT, is displayed. Select VAT for VAT related transactions.

Note: If you have VAT and TDS enabled, the list will also include TDS.

VAT/Tax Class

Like in the Purchase and Sales Ledger, this is a drop down list containing the VAT classifications. Select the appropriate classification or select Not Applicable if you wish to select the classifications at the Voucher level.

Percentage of calculation

This field will display the VAT rate that you selected in the VAT/Tax class field.

Method of calculation

This will display On VAT Rate if you have selected VAT under Type of Duty/Tax.

Output VAT

Ledger Creation		ABC Company	
Name : Output VAT@4% (alias) :	Total Op. Bal. 5,000.00 Dr <i>Difference</i> 5,000.00 Dr	06	VAT/TAX Class <input type="checkbox"/> Not Applicable Input VAT @ 1% Input VAT @ 12.5% Input VAT @ 4% Output VAT @ 1% Output VAT @ 12.5% Output VAT @ 4% Purchases - Capital Goods @ 12.5% Purchases - Capital Goods @ 4%
Under : Duties & Taxes (Current Liabilities)		Date of	chers
Type of Duty/Tax : VAT VAT/Tax Class : Output VAT @ 4%			
Maintain balances bill-by-bill ? No			
Inventory values are affected ? No			
Percentage of Calculation (eg 5) ? 4 % Method of Calculation : On VAT Rate			

On selection of CST

Ledger Creation		ABC Company	
Name (a/a/s)	Cst on Sales	Total Op. Bal.	
		5,000.00 Dr	06
		Difference	
		5,000.00 Dr	Date of Last Entry
Under	Duties & Taxes (Current Liabilities)		Characters Entered
Type of Duty/Tax	CST	Type of Duty	
VAT/Tax Class	Inter-State Sales	Additional Duty	
Maintain balances bill-by-bill	No	On Total Sales	
Percentage of Calculation (eq 5)	4 %	Surcharge on Tax	
Method of Calculation	On Total Sales	Tax based on Item Rate	
Opening Balance (on 1-Apr-2006) :			

Type of Duty/Tax

On selection of CST for Type of Duty/Tax, you can select either Inter-State Purchases or Inter-State Sales for Tax Class. Once you select this, you need to manually enter the Percentage of Calculation.

Method of Calculation

Once you enter the Percentage of calculation, select the Type of Duty from the drop down list.

CREATING A VAT LEDGER UNDER DIRECT EXPENSES/INCOME

Direct Expenses/Income

The VAT/Tax Classification is selected in the same manner as for the Sales and Purchase Ledger screen.

VAT/Tax Class		ABC Company	
Name (a/a/s)	Purchase	Total Op. Bal.	
		5,000.00 Dr	06
		Difference	
		5,000.00 Dr	Date of Last Entry
Under	Purchase Accounts		Characters Entered
Maintain balances bill-by-bill	No	VAT/Tax Class	
Inventory values are affected	Yes	Purchases @ 12.5%	
Used In VAT Returns	Yes	Purchases @ 12.5%	

VAT/TAX Class

- Not Applicable
- Consignment/Branch Transfer Inward Imports
- Inter-State Purchases
- Purchases @ 1%
- Purchases @ 12.5%**
- Purchases @ 4%
- Purchases - Capital Goods @ 12.5%
- Purchases - Capital Goods @ 4%
- Purchases - Exempt
- Purchases From Composition Dealers
- Purchases - From Unregistered Dealers
- Purchases - Others

The VAT related fields in the Direct Expense ledger is the same as for Purchase and Sales Ledger.

Ledger Creation	
Name : Freight (alias) :	Total Op. Bal. 5,000.00 Dr <hr/> <i>Difference</i> 5,000.00 Dr
Under : direct Expenses	
Statutory Information	
Used In VAT Returns	? No
Opening Balance (on 1-Apr-2006) :	
Accept ? Yes or No	

The VAT related fields are same for Direct Income Ledger as well.

Vouchers and Transactions

The entire Data entry and Reporting architecture is based upon VAT Classifications selected during voucher entry.

The Vouchers that are affected by VAT are as follows:

- Purchase
- Sales
- Debit Note
- Credit Note
- Journals

Creating a Purchase Voucher (As Invoice) for VAT

Invoice can be classified into As Item Invoice and As Accounts Invoice. The VAT functionality though, is the same for both.

Give below are examples of transactions in Item Invoice with implementation of VAT.

As Item Invoice

The selection and display of the VAT classifications in the voucher differ according to the settings in the F12: Configuration screen.

F12: Configuration screen

<u>Configure Invoices / Delivery Notes / Orders</u>	
Accept Supplementary Details (Address Details, Despatch Details etc.)	? Yes
Use Common Ledger A/c for Item Allocation	? No
Use Defaults for Bill Allocations	? No
Use Excise Format	? No
Use Additional Description(s) for Item Name	? No
Allow separate Buyer and Consignee names	? No
<u>Exporters' Options</u>	
Specify Export Shipping details	? No
Specify Marks & Nos./Container No.	? No
Specify No. and Kind of Packages	? No
<u>Other Options</u>	
Calculate Tax on current Sub-Total (else calculations are on Inventory Total only)	? No
Complete Accounting Allocations in Order/Delivery Note	? No
Show turnover achieved with Customer	? No
Allow modification of ALL fields during entry	? No
Allow selection of VAT/Tax Class during entry	? Yes
Warn on Mismatch in VAT Rates	? No
Warn on Negative Stock Balance	? Yes
Honor Expiry Dates usage for Batches	? Yes
Activate 'E1' or 'E2' Transaction	? No

Use Common Ledger A/c for Item Allocation-NO

If you wish to use more than one ledger during a voucher transaction, you have to set this to No. this way; you need to select a ledger for every item during voucher entry. When you set this to No, you can see the VAT/Tax Class at the header region of the screen if the Allow Selection of VAT/Tax Class during entry field is set to Yes.

Allow Selection of VAT/Tax Class during entry?-YES

Once you select Yes, you have the option to select the VAT classifications in the field VAT/Tax Class which is in header region of the Voucher Screen. If it is set to No, the VAT/Tax Class will not be displayed in the voucher screen and the classifications will be taken from the Ledgers.

Consider the following examples

- **Example 1 : Purchase @4%**

The following is the entry the purchase of item 1 when VAT classification is Purchase @ 4%. This classification is selected from a drop down list at the header region of the screen as shown below.

Accounting Voucher Creation		ABC Company		Ctrl + M
Purchase No. 1				1-Apr-2006
Ref : 01				Saturday
Party's A/c Name : Supplier				
Current Balance : 10,100.00 Cr				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item	100 nos	100.00 nos	10,000.00	
□ End of List				
Narration:				
				100 nos
				Accept ?
				Yes or No

Note: In the VAT/Tax Class field, there is an option called Note Application. You can select this option if you need different classifications for each item during voucher entry.

You will to select the Duties and Taxes ledger after you are done with the entry of all items

Accounting Voucher Creation		ABC Company		Ctrl + M
Purchase No. 1				1-Apr-2006
Ref : 01				Saturday
Party's A/c Name : Supplier				
Current Balance : 10,100.00 Cr				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item	150 nos	100.00 nos	15,000.00	
Input VAT @4		4 %	600.00	
Narration:				
				150 nos
				Accept ?
				Yes or No

total. It will now calculate the VAT amount and add it to the Amount to give you the

F12: Configuration screen

<u>Configure Invoices / Delivery Notes / Orders</u>	
Accept Supplementary Details <i>(Address Details, Despatch Details etc.)</i>	? Yes
Use Common Ledger A/c for Item Allocation	? No
Use Defaults for Bill Allocations	? No
Use Excise Format	? No
Use Additional Description(s) for Item Name	? No
Allow separate Buyer and Consignee names	? No
<u>Exporters' Options</u>	
Specify Export Shipping details	? No
Specify Marks & Nos./Container No.	? No
Specify No. and Kind of Packages	? No
<u>Other Options</u>	
Calculate Tax on current Sub-Total <i>(else calculations are on Inventory Total only)</i>	? No
Complete Accounting Allocations in Order/Delivery Note	? No
Show turnover achieved with Customer	? No
Allow modification of ALL fields during entry	? No
Allow selection of VAT/Tax Class during entry	? Yes
Warn on Mismatch in VAT Rates	? No
Warn on Negative Stock Balance	? Yes
Honor Expiry Dates usage for Batches	? Yes
Activate 'E1' or 'E2' Transaction	? No

Use Common Ledger A/c for Item Allocation-Yes

When you wish to use the same Ledger for all items in a transaction, you can set this to Yes. Thus, you need not select a Ledger each time you enter an item during the voucher transaction.

The following example to demonstrate the functioning of Assessable Value is shown by setting this field to Yes.

Assessable Value: It is the value on which VAT is to be calculated. The value is arrived at after making proper deductions towards Trade discounts if any, and adjustments towards Excise/ED Cess payable. It is up to the user to calculate this and enter it under the Assessable Value column. This manual entry gives flexibility to the user to make the calculations as per the local statutory requirements.

As this example does not include discount or Excise/ED Cess taxes, the Assessable Value will be Rs. 5000, which is retrieved from the Amount column.

Let us assume we have:

- A discount of Rs.200 on purchases
- Excise tax of Rs.800 (16% of 5000)
- ED Cess of Rs. 16 (2% of 800)

1. Subtracting the discount amount: $5000-200=4800$
2. Adding the Excise tax amount: $4800+800=5600$
3. Adding the ED Cess amount : $5600+16=5616$

Therefore, our Assessable Value amount is Rs. 5616.

VAT is now calculated on this amount automatically on the selection of the tax ledger (Rs,224), as shown below.

Accounting Voucher Alteration (Secondary)		ABC Company		Ctrl + M
Purchase No. 2				31 Mar 2007
Ref. :				Saturday
Party's A/c Name : Supplier				
Current Balance : 15,940.64 Cr				
Purchase Ledger : Purchases@4%				
VAT/Tax Class : Purchases@4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item Marks Nun Pakeges	100 nos	50.00 nos	5,000.00	
				5,000.00
Discount				(-200.00)
Excise		16 %		800.00
Ed Cess		2 %		16.00
Input VAT @4		4 %		224.64
Narration:		100 nos		Accept ?
				Yes or No

The entries are to be passed similarly for Sales Voucher and Credit/Debit notes.

• Example 2: Purchase-Exempt

This example is to demonstrate the working of Tally in the VAT exempted transactions and also to show the type and patterns of reports generated for such transactions.

We are passing the following entry for the purchase of the VAT exempted item.

Accounting Voucher Alteration (Secondary)		ABC Company		Ctrl + M
Purchase No. 2				31-Mar-2007
Ref.:				Saturday
Party's A/c Name : Supplier Current Balance : 15,940.64 Cr Purchase Ledger : Purchase VAT/Tax Class: Purchases - Exempt				
Name of Item	Quantity	Rate per	Amount	
Stock Item	50 nos	100.00 nos	5,000.00	
Marks				
Nun Packages				
			5,000.00	
<input type="checkbox"/> End of List				
Narration:				50 nos
				Accept ?
				Yes or No

As it is exempt from VAT, this particular transaction does not affect the VAT amount in any way. Similarly for Inter-state Sales/Purchases.

Note: In the Voucher mode there is no option for selection of the VAT classification at the header region. Therefore, the VAT classification selected in the Ledgers will apply always.

CREATING A SALES VOUCHERS (AS INVOICE) FOR VAT

Functionality of Sales Voucher is similar to that explained in the Purchase Voucher. However, in order to understand the calculation of VAT, let us take the following example:

Accounting Voucher Alteration (Secondary)		ABC Company		Ctrl + M
Sales No. 1				1-Apr-2006
Ref.:				Saturday
Party's A/c Name : Customer Current Balance : 520.00 Dr Sales Ledger : Sales VAT/Tax Class: Sales @ 4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item	80 nos	15.00 nos	1,200.00	
<input type="checkbox"/> End of List				
Narration:				80 nos
				Accept ?
				Yes or No

Assessable Value: The calculation is similar to that explained in Purchase voucher.

Printing Configuration

Printing Configuration screen after the addition of new features will appear as follows:

Purchase Printing Configuration			
Title of Document	:	T EX INVOICE	
(for Optional Voucher)	:	PROFORMA INVOICE	
Sub Title (if any)	:		
Height of Normal Invoice (inches)	:	10	Simple/Voucher : 10
Width of Normal Invoice (inches)	:	7.50	Simple/Voucher : 7.50
Space to leave on top (default 0.25)	:	0.25	Simple/Voucher : 0.25
Space to leave on left (default 0.5)	:	0.50	Simple/Voucher : 0.50
Number of Copies to Print	:	1	Print Quantity Column ? Yes
Print in Simple Format	?	Yes	Print Actual Quantity Column ? No
Print in Voucher Format	?	No	Print Rate Column ? Yes
Print Cost Allocations in Voucher Format	?	Yes	Print VAT % Column ? Yes
Print Voucher Reference	?	No	Print Batch Details ? No
Print Order Details	?	No	Print Rate of Duty with Items ? Yes
Print VAT Analysis of Items	?	Yes	Print Sub-Totals after each line ? No
Print Company's Tax Regn. Numbers	?	Yes	Print Narration ? No
Print Supplier's Tax Regn. Numbers	?	Yes	
Method to use for Stock Item Name	:	Name Only	
Jurisdiction	:		

Tax Invoice

You will see the following new sections pertaining to VAT in the Invoice:

Title of Document

This field prints the title entered in the Voucher Type Master.

E-mail

The e-mail address of your Company (as specified in the Company Master) will also be printed in the Sales Invoice, Just below the address.

VAT %

This column can be enabled by setting Print VAT % to Yes in the Printing Configuration screen. The rate of VAT from the VAT classification selected during voucher entry is printed in this column.

VAT Analysis

This field prints the VAT amount on the total Net Value. That is, Rate of VAT, Assessable Value and VAT Amount is printed at the bottom right of the screen.

VAT Amount (In words)

Prints the VAT amount in words

Company's TIN/LST No.

Prints the Company's TIN or LST number.

Company's CST No.

Prints the CST number entered in the Company master.

Buyer's TIN/Sales Tax No.

Prints the buyer's TIN or Sales Tax number, as the case may be

Date & Time

The field Print Date & Time in the Printing Configuration screen needs to be set to Yes in order to print the date. However, in case Excise details are enabled the Date & Time is printed regardless of the setting in the Printing Configuration screen.

Declaration

The declaration entered in the Sales Voucher type Master will be printed. If it is not entered in the Sales Voucher type, Tally will print the following line by default:

“We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct”.

If you do not require this, you can set Print declaration to No in the Printing Configuration screen shown above.

Generated by

By default the Generated by field will display This is a Computer Generated Invoice. However, you can change it if required. This is printed at the bottom of the Invoice.

Copies of the Invoice

For five or more copies of the Invoice, each copy will be marled as follows:

Original-Original Buyer's Copy

Duplicate-Duplicate Seller's Copy

Triplicate – Triplicate Transporter's Copy

Quadruplicate-Extra copy

Fifth and above-Extra Copy

Creating / Altering Sales Voucher Type Master for VAT

New Fields

The following are the new fields added in the Sales Voucher Type Master.

Go to Gateway of Tally > Accounts Info> Voucher Types> Alter

Default Print Title

You can set the title the Tax Invoice in the Default Print Title field. This is helpful since you need not change the title in Print configuration each time you use set it as Tax Invoice for Local Sales and Bill of Sale for Retail Invoice.

Is Tax Invoice

If Is Tax Invoice is set to Yes and the number of copies to be printed is more than one then the copy type is printed as follows:

1. Original – Buyer's Copy
2. Duplicate – Seller's Copy
3. Triplicate – Transporter's Copy
4. Quadruplicate – Extra Copy
5. Extra Copy

If Is Tax Invoice is set to No, and the number of copies to be printed is more than one, then the copy type is printed as follows:

1. Original
2. Duplicate
3. Triplicate
4. Quadruplicate – Extra Copy
5. Extra Copy Declaration

Provision is made to enter the Statutory declaration if applicable. The same will be printed in the Tax Invoice.

Voucher Type Alteration		ABC Company	
Name : Sales (alias) :			
General		Printing	
Type of Voucher : Sales Abbr. : Sale	Method of Voucher Numbering ? Automatic	Print after saving Voucher ? No	Name of Class Sales Class
Use Advance Configuration ? No	Use EFFECTIVE Dates for Vouchers ? No	Default Print Title : Is Tax Invoice ? No	
Make 'Optional' as default ? No	Use Common Narration ? Yes	Declaration :	
Narrations for each entry ? No	Use for Dealer Excise ? No		

Note: If the declaration field is left blank, Tally's default declaration will get printed in the Invoice.

Item Master

Consider the Item Master shown below:

PAYMENT OF VAT IN TALLY

The Journal and Payment Voucher entries for the payment of VAT can be demonstrated with the example shown below.

As shown in the screen above, the Output Tax is Rs. 700.00 and Input Tax is Rs.424.64. The VAT payable is Rs. 25.6.

Journal entry

Accounting Voucher Creation		ABC Company		Ctrl + M
Journal No. 5		Voucher Class : <input type="checkbox"/> Not Applicable		31-Mar-2007 Saturday
Particulars	Debit	Credit		
Dr Output VAT 1%	100.00			
Dr Output VAT 4%	600.00			
Cr Input VAT @4		424.64		
Cr Vat Payable		275.36		
Narration:		700.00	700.00	Accept ? Yes or No

Note: The VAT payable Ledger is under the group Duties and Taxes.

Payment Voucher Entry

Accounting Voucher Creation		ABC Company		Ctrl + M
Payment No. 1				31-Mar-2007 Saturday
Particulars	Debit	Credit		
Dr Vat Payable	275.36			
Cr Bank		275.36		
Narration:		275.36	275.36	Accept ? Yes or No
Ch. No. :				

The VAT payable Rs.275.36 is transferred to the Cash or Bank account.

CREATING DEBIT NOTE/CREDIT NOTE FOR VAT

Punchers Returns-Debit Note

This is a Purchases Returns entry and you have to use the Debit Note Voucher.

Accounting Voucher Creation		ABC Company		Ctrl + M
Debit Note No. 1				31-Mar-2007
Ref : DN01				Saturday
Party's A/c Name : Customer				
Current Balance :				
Purchase Ledger : Purchases				
VAT/Tax Class: Purchases@4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item	10 nos	50.00 nos	500.00	
Input VAT @4		4 %	20.00	
Narration:				
			10 nos	Accept ?
				Yes or No

Sales Returns – Credit Note

Let us take the example of a Sales Return. Here you have to use the Credit Note voucher.

Accounting Voucher Creation (Duplication)		ABC Company		Ctrl + M
Credit Note No. 1				1-Apr-2006
Ref :				Saturday
Party's A/c Name : Customer				
Current Balance :				
Sales Ledger : Sales				
VAT/Tax Class: Sales @ 4%				
Name of Item	Quantity	Rate per	Amount	
Stock Item	10 nos	150.00 nos	1,500.00	
Output VAT 4%		4 %	60.00	
Narration:				
			10 nos	Accept ?
				Yes or No

CREATING JOURNAL VOUCHER FOR VAT

If you need the Journal transactions for VAT Computation (for example, adjustment of Input credit, output tax, etc) you will need to make the following settings:

Go to Gateway Tally> Accounts Info> Voucher type> Create/Alter

The following screen is displayed

Voucher Type Alteration		ABC Company	
Name	: Journal		
(alias)	:		
General		Printing	Name of Class
Type of Voucher	: Journal	Print after saving Voucher	? No
Abbr.	: Jml		
Method of Voucher Numbering	? Automatic		
Use Advance Configuration	? No		
Use EFFECTIVE Dates for Vouchers	? No		
Make 'Optional' as default	? No		
Use Common Narration	? Yes		
Narrations for each entry	? No		
		Accept ? Yes or No	

Name of Class

You have to name the voucher class.

In the above example, we have named it as VAT Adjustment Class. Once you press Enter, the following screen is displayed.

Voucher Type Class		ABC Company	
Name	: Joui	Class : <u>Vat Adjustment Class</u>	
(alias)	:	Use Class for VAT Adjustments	? Yes
		<i>Ledger account to use</i>	
		Use Class for Fdrex Gain/Loss Adjustment	? No

Use Class for VAT Adjustments

Enable the option Use Class for VAT Adjustments to Yes, if you want the journal entries to be included in VAT Computation.

JOURNAL ENTRIES

Let us consider a Purchase transaction and then a reverse entry for adjustment of Input credit.

The following screen displays a typical Purchase Transaction.

Typical Purchase transaction

Particulars	Debit	Credit
Cr Supplier		10,100.00
Dr Purchases	10,000.00	
Dr Input VAT	100.00	
	10,100.00	10,100.00

Narration:

Accept?
Yes No

Reversal of Input Credit

1. Go to Journal voucher screen by selecting the button F7: Journal from the button bar, which is on the right side of the screen or by pressing the F7 key.
2. You will see the following screen where you need to select the Voucher class created before.
3. Once you select this you can pass the typical reversal entry as display below:

Voucher Type	
Name	: Journal
Class	: Vat Adjustment Class

Voucher Class List
<input type="checkbox"/> Not Applicable
<input checked="" type="checkbox"/> Vat Adjustment Class

Once you select this you can pass the typical reversal entry as shown below

Accounting Voucher Creation		ABC Company	Ctrl + M
Journal No. 4	Voucher Class : <input type="checkbox"/> Not Applicable		31-Mar-2007 Saturday
Particulars	Debit	Credit	
Dr Direct Expenses	5,050.00		
Cr Purchases		5,000.00	
Cr Input VAT 1%		50.00	
Narration:	5,050.00	5,050.00	
		Accept ? Yes or No	

VAT Computation Report

The VAT Computation report will be displayed as shown below.

Note: Rs.50 of the Input credit is reversed and only the balance of Rs.50 can be claimed.

Input Credit Adjustment for Capital Goods

Input Credit for Capital goods is available over a maximum period of 36 monthly installments (States have the option to reduce the number of installments).

The entry for the Purchase of Capital Goods is the same as in default Tally.

Let us consider the following example for the adjustment of the Input credit.

Purchase of Capital Goods for Rs. 500,000.

The Input Credit is Rs. 20,000, which will be available over a period of 36 monthly installments.

That is, $(20,000/36) = 555.56$

Hence, Rs.555.56 can be claimed in the first installment as Input credit.

The Journal entry for this is passed as shown below.

Particulars	Debit	Credit
Dr Input Credit on Capital Goods	555.56	
Cr Tax Paid on Capital Goods		555.56
	<u>555.56</u>	<u>555.56</u>

INPUT CREDIT ADJUSTMENT FOR OPENING STOCK

Sales Tax paid on unsold stock at the end of financial year, i.e. prior to commencement of VAT, is eligible to receive input credit on submission of the required documents by the dealer. For this, a claim is to be made to the VAT/ sub-VAT officer within 30 days of implementation of the Act. Once the assessing officer verifies it, the credit may be adjusted or refunded in equal installments over six months.

JOURNAL ENTRIES

In order to write off the Sales Tax incurred on closing stock in the next financial year, it is necessary to eliminate the tax change from the stock value of the current year. Assuming the local purchases amount to Rs. 57000 where Purchases @ 4% and Purchases @ 12.5% are Rs. 2000 and Rs. 37500 respectively, the transaction can be journalized as follows, selecting VAT Adjustment Class. (For more details on VAT adjustment class refer Journal)

Accounting Voucher Creation		ABC Company	Ctrl + M
Journal No. 2		31-Mar-2007 Saturday	
Particulars	Debit	Credit	
Dr Tax Recpverable	57,500.00		
Cr Purchases@12.5%		37,500.00	
Cr Purchases@4%		20,000.00	
Narration:		57,500.00	57,500.00
		Accept ? Yes or No	

Debit the Current Assets account Tax Recoverable A/c and credit the purchase accounts.

Following the grant of relief by the Assessing officer, you can pass a journal entry every month in the next financial (VAT) year, to adjust the sales tax paid in the previous year.

To claim the installment credit at the end of each month, pass a journal entry upon selecting VAT Adjustment Class.

Accounting Voucher Creation		ABC Company	Ctrl + M
Journal No. 1		31-Mar-2007 Saturday	
Particulars	Debit	Credit	
By Input Vat on Opening Stock @12.5% <i>Cur Bal : 6,250.00 Dr</i>	6,250.00		
By Input Vat on Opening Stock@4% <i>Cur Bal : 3,333.33 Dr</i>	3,333.33		
To Tax Paid on Opening Stock <i>Cur Bal : 9,583.33 Cr</i>		9,583.33	
Narration:		9,583.33	9,583.33
		Accept ? Yes or No	

The amount of Rs. 57500 is broken into six equal installments of Rs. 9583.33 and claimed at the end of each month.

VAT REPORTS

As per VAT Act, every registered dealer is required to maintain proper Books of Accounts and records for all sale, purchase and production. And also VAT account-containing details of Input and Output tax.

VAT Reports in Tally

VAT reports in Tally

- Statutory Reports

SALES REGISTER

Sales Register reports provide complete information on sales turnover achieved for a specific period.

To view the Sales Register screen

Go to Gateway of Tally> Display > Account Books> Sales Register

Click on Columnar button or press the F5 key to re-define the columns and set the required parameters of reports, ledgers or groups to be shown individually or in a common column.

Set Show Party's' Tax Regn. No. to Yes.

The Columnar Sales Register displays as below:

TIN/Sales Tax No.

The TIN Or the Sales Tax No. (Central or Local) of the Party is displayed here. As there is only a need to enter either the TIN or the Sales Tax No. (Central or Local) at any point of the transaction, and not both, one single field serves the purpose for all transactions (with or without VAT). Thus, the TIN or Sales Tax number, whichever applicable, is entered in the TIN/Sales Tax No. (Central or Local) field in the Party Ledger Master. This is picked up in the Tax Invoice and displayed as shown above in the Sales Columnar Register.

If VAT is not enabled for your company, the TIN/Sales Tax No/ column will be replaced by Sales Tax No.

VAT COMPOSITION RETURNS

- Introduction to Service Tax

Service tax is an indirect tax levied on certain category of services provided by a person, firm, agency, etc. The Government of India has marked a set of services as taxable under the service tax structure. The seller provides a service and the responsibility of paying the service tax to the government rests with the seller.

Information on service tax

Currently, the rate of service tax on all the taxable services is 12%. Presently, service tax is applicable on 97 categories of services. A few of the listed services have an abatement facility. Service tax returns are to be filed to the Commissionerate of Services Tax for the fiscal half-year. Information on the registration, rules, list of services, rate of service tax, forms, etc can be found on the official website for service tax-<http://www.servicetax.gov.in/>

SERVICE TAX FLOW

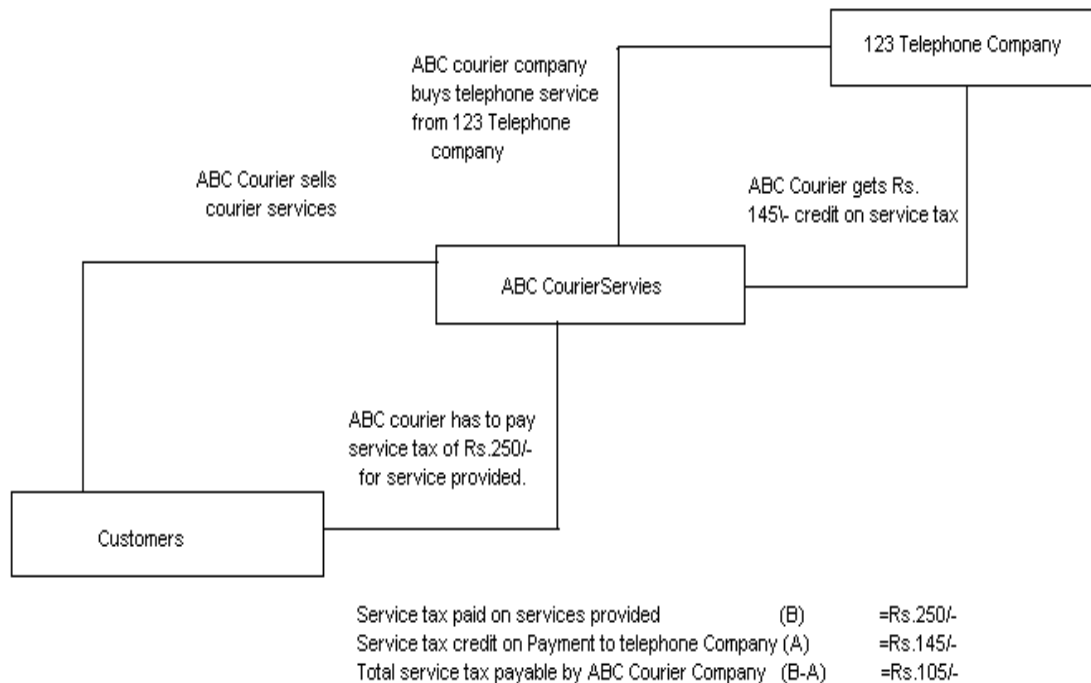
When you buy and sell services?

A person/firm providing a service that comes under the service tax category has to pay service tax. Service tax is to be shown separately in the invoice and is payable based on the payment realized and not on the total amount shown in the invoice. Similarly, when you buy a service that falls under service tax category, you avail service tax credit based on the payment made. So, you pay service tax on the services that you sell and get credit on the service tax payable when you buy a service.

Adjusting credit?

While you pay service tax on sale of services that come under the service tax category, you can adjust service tax credit availed on purchase of services (Buyer). This deduction is called adjusting credit against service tax. The difference between the service tax that you have to pay for selling services and the service tax credit on purchases that can be adjusted is the payable service tax.

Service tax (sales) that is adjustable against service tax credit (purchases) is also called availing input credit. Let us look at an example.



Adjusting 100% credit & 20% credit

If your input service (Purchase) can be directly related to the output service (Sales) then you can use 100% credit adjustment on the service tax payable. For example: If you are providing a consultancy service over the phone, then you can use the input credit from the telephone charges to adjust against 100% of the service tax payable on your consultancy service. If the input service is not solely used for the output service, then 20% credit adjustment is applicable.

Input service tax credit can be adjusted to both output service tax and output cess (surcharge on tax). But input cess credit can be adjusted only towards output cess.

Assessable value

Service tax is calculated on the assessable value. The assessable value is the service charge value minus abatement and expenses.

Abatement

The government has given a deduction on the value to be considered for service tax on a few categories of services. For example, some categories of services include material value. A caterer has to procure materials to prepare food products and sell services. Service tax

is charged on the total amount for the service and does not include the rate of the materials procured. Hence a deduction is provided. This deduction from the service charges to be considered for service tax is called abatement. Abatement is either a percentage of the service charges or a lump sum value.

Example:

a. Charge on Service	Rs. 10,000/-
b. If an abatement of 30% is applied, then abatement	Rs. 3,000/-
c. Here, the assessable value is (a-b)	Rs. 7,000/-
Therefore, service tax @ 12% on Rs.7, 000/-	Rs. 840/-

Expenses

Expenses can be deducted from the total service charge to get the taxable amount.

E.g. A technical consultant might travel to different locations with respect to work.

The invoice is prepared as ‘consultancy’ and the travel expenses are included in the total service charges. If supported by records, you can deduct the travel expenses are included in the total service charges. If supported by records, you can deduct the travel expenses from the total service charge to derive the assessable value on which service tax is applicable.

FEATURES OF SERVICE TAX IN TALLY

Service tax integrated in Tally takes care of your service tax transactions. It eliminates error-prone information, incorrect remittance, penalties, interests, compliance issues, etc. Service Tax in Tally needs a one-time configuration for service tax features to be activated.

- Tally tracks bill-wise (bill-by-bill) detail and automatically calculates service tax payable and input credit with the flexibility to make adjustments later.
- Service tax is part of a regular transaction. Information on service tax is maintained and produced category-wise, which is mandatory in service tax returns.
- Adjusts input credit towards service tax payable.
- Accounts for abatement and expenses
- Provision for exemption notification details.
- Built-in assessable value feature on which service tax is calculated

- Transfer earlier pending service tax payable and available service tax input credit in to Tally
- Reports are generated as per government suggested format. Print and file reports:
- Management Information Services (MIS) reports: Service Tax Payable Report and Input Credit Form.

EMABLING SERVICE TAX IN TALLY

To enable Service Tax,

Go to Gateway of Tally>F11: Features> Statutory & Taxatio

Set Enable Service Tax to Yes

The screenshot shows the 'Company Operations Alteration' window for 'ABC Company'. The 'Statutory & Taxation' section contains the following settings:

Option	Current Value	Option	Current Value
Enable Dealer - Excise	? No	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Dealer - Excise Details	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? No	Set/Alter TCS Details	? No
Set/Alter VAT Details	? No	Enable Fringe Benefit Tax (FBT)	? No
Enable Service Tax	? Yes	Set/Alter FBT Details	? No
Set/Alter Service Tax Details	? Yes		

The 'Tax Information' section is currently empty, showing fields for Local Sales Tax Number, Inter-state Sales Tax Number, and PAN / Income - Tax No.

Navigation keys at the bottom: F1: Accounts, F2: Inventory, F3: Statutory

Set Set/Alter Service Tax Details to Yes to enter the Company Service Tax Details

COMPANY SERVICE TAX DETAILS

The Company Service Tax Details screen is where you will enter the service tax details. The name of the company is displayed at the top followed by different fields.

Company Service Tax Details		Division	
Service Tax Registration No.	: SRKAR043AAC069T	Code	: South/Bng;R/235
Date of Registration	: 10-May-2004	Name	: Bangalore
Assessee Code	: ACR548KAR723T9T	Range	
Type of Organisation	: Company - Resident	Code	: Bang/kar/0y67/05
Major Service Category Name	: Advertising Agency	Name	: Ban/Kar
Credit Adjustment(%)	: 20	Commissionerate	
		Code	: 4056
		Name	: Robert Smith
Focal Bank Details			
Focal Bank Code	: UB1000901		
Focal Bank Name	: Uniln Bank of India		
Focal Bank Address	: Burrow Avenue, Brigade Road, Ranganore		

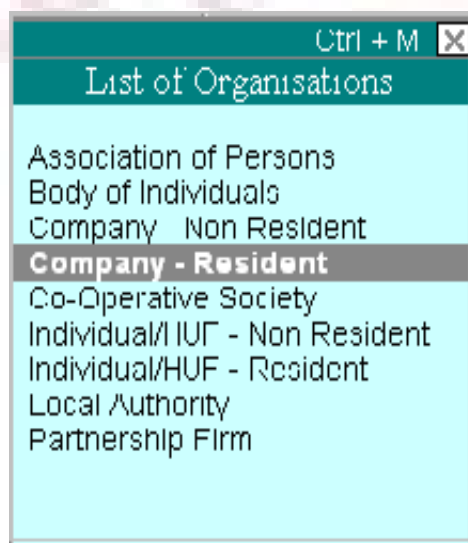
Company Service Tax Details

Service Tax Registration No. - Enter the registration number allotted to you by the Service-Tax Department.

Date of Registration – Enter the date of registration of Service Tax for your service.

Assessee Code- Enter the code given to your company by in Service Tax Department.

Type of Organization – In this field select the type of your organization from the List of Organizations menu.



Major Service Category Name-Here you will find options for different categories that come under the service tax net. You might be providing two or more services in a company. In such a situation, select the service category that is the mainstay or forms the major part of your business.

Select the relevant option from the List of Service Categories that applies to your company.



Credit Adjustment (%) – By default this field is set to 20. Enter the percentage of credit adjustment that you would like to avail.

Division

Code-Enter the code of the division in which your company falls.

Name – Enter name of the Division under which your company falls.

Range

Code-Enter the code of the range of your company.

Name-Enter the name of the range under which your company falls.

Commissionerate

Code- This is the code of the Commissionerate of Service Tax under whose range the address of your registered premise falls.

Focal Bank Details

Focal Bank Code- The Commissionerate of Service Tax allots a code to banks nominated for payment of service tax in a particular area. This code is available with the Commissionerate of Service Tax.

Focal Bank Name- This is the name of bank nominated by the Commissionerate of Service Tax to receive service tax payments in a particular area. This information is available with the Commissionerate of Service Tax.

Focal Bank Address- Enter the address of the branch of the focal bank.

CREATING SALES LEDGERS FOR SERVICES

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the Name of the Sales Ledger
2. Select the Group Sales Accounts in the field Under
3. Set Inventory Values are affected to Yes

Note: Set the Inventory Values are affected field to Yes, if you are maintaining service as item. For example: You sell consultancy charged by the number of hours.

4. Set Is Service Tax Applicable to Yes

Ledger Creation		ABC Company	
Name : Advertising Consultancy (alias) :		Total Op. Bal.	
<hr/>			
Under :	Sales Accounts		
Inventory values are affected	? Yes		
Statutory Information			
Is Service Tax Applicable	? Yes		
<hr/>			
Opening Balance (on 1-Apr-2006) :			

5. Select the Category Name from the List of Service Categories.

Category Name			ABC Company			Ctrl + M
Name : Advertising Consultancy (alias) :	Total Op. Bal.					List of Service Categories
<hr/>				Date of Last Entry	Gateway of Tally ...	
<hr/>				ouchers Entered	Accounts Info ...	
Under :	Sales Accounts		Ledgers			
Inventory values are affected	? Yes		Single Ledger			
Statutory Information				Create		
Is Service Tax Applicable	? Yes		Display			
<hr/>				Alter		
Opening Balance (on 1-Apr-2006) :				Multiple Ledgers		
				Create		
				Display		
				Alter		
				Quit		
				69 more ...		

6. Accept the screen to save.

Note: Create a Service Tax ledger for each service category. For Example, if you purchase services in two categories and sell services in three categories, create five service tax ledgers

CREATING OUTPUT SERVICE TAX LEDGER

To create an Output Service Tax ledger:

Go to Gateway of Tally > Accounts Info> Ledger> Create

1. Enter the Name of the ledger
2. Select Duties & Taxes in the field Under
3. Select the Type of Duty from the List of Types of Duty/Tax.
4. Select the Category Name from the List of Service Categories
5. Set Inventory Values are affected to No.

Ledger Creation		ABC Company
Name : Output Service Tax - Advt		Total Op. Bal.
(<i>alias</i>) :		
<hr/>		
Under :	Duties & Taxes	
	(<i>Current Liabilities</i>)	
Type of Duty/Tax :	Service Tax	
Category Name :	Advertising Agency	
Inventory values are affected ?	No	
<hr/>		
Opening Balance (on 1-Apr-2006) :		Accept ?
		Yes or No

6. Accept the screen to save

Similarly, you can create ledgers for Input Service Tax

CREATING A CUSTOMER LEDGER

To create a Customer ledger:

Go to Gateway of Tally > Accounts Info > Ledgers > Create

1. Enter the Name of the ledger

2. Select the group from the List of Groups
3. Set Maintain Balances Bill by Bill to Yes. Enter the Default Credit Period, if any
4. Set Inventory Values are affected to No
5. Set Is Service Tax Applicable to Yes

The screenshot shows the 'Ledger Creation' window for 'Creative Agency'. The window is divided into several sections:

- Header:** 'Ledger Creation' and 'ABC Company'.
- Name:** 'Creative Agency'.
- Under:** 'Sundry Debtors (Current Assets)'.
- Mailing Details:** 'Name: Creative Agency', 'Address:', 'State:', 'PIN Code:', 'Contact Person:', 'Telephone No.', 'Fax:', 'E-Mail:'.
- Statutory Information:** 'Is Service Tax Applicable: Yes'.
- Tax Information:** 'PAN / IT No.', 'Sales Tax No.', 'Service Tax No.', 'Service Tax Reg. Dt.'.
- Opening Balance (on 1-Apr-2006):** (Empty field)

6. Select the Type of Classification in the Exemption Details screen.

The screenshot shows the 'Exemption Details' window for 'Creative Agency'. The window is divided into several sections:

- Header:** 'Exemption Details' and 'ABC Company'.
- Name:** 'Creative Agency'.
- Under:** 'Sundry Debtors (Current Assets)'.
- Mailing Details:** 'Name: Creative Agency', 'Address:', 'E-Mail:', 'PAN / IT No.', 'Sales Tax No.', 'Service Tax No.', 'Service Tax Reg. Dt.'.
- Statutory Information:** 'Is Service Tax Applicable: Yes'.
- Exemption Details:** 'Type of Classification: [Redacted]', 'Notification Number:'.
- Classification:** A dropdown menu is open, showing options: 'Not Applicable', 'Exempt', and 'Export'.
- Opening Balance (on 1-Apr-2006):** (Empty field)

Note: If Exempt classification is selected, then the Notification number has to be entered. The number will appear in the ST3 Half Yearly return of exempt section

7. Enter the Mailing Details

Ledger Alteration		ABC Company		Ctrl + M
Name : Creative Agency (alias) :			Total Op. Bal.	
Under : Sundry Debtors (Current Assets)				
Maintain balances bill-by-bill Default Credit Period :	? Yes	Mailing Details Name : Creative Agency Address : #33.R.T.Nagar Bangalore State : Karnataka PIN Code : 560052		
Statutory Information Is Service Tax Applicable : ? Yes		Tax Information PAN / IT No. : KA589652 Sales Tax No. : 458962 Service Tax No. : 25698 Service Tax Reg. Dt. : 1-Apr-2006		
Opening Balance (on 1-Apr-2006) :			Accept ? Yes or No	

8. Accept the screen to save.

Tally Payroll is integrated with Accounting to give the user the benefits of simplified Payroll processing and accounting.

Tally Payroll enables users to set up and implement salary structures, ranging from simple to complex, as per the organization's requirements. Yes can also align and automate payroll processes and directly integrate them with main stream accounting applications. Payroll data can be viewed as part of the existing and configurable cost centre reports for business analysis.

Tally Payroll also supports configurable formats for payslip printing; flexible salary/wage, attendance, leave and overtime registers; gratuity and Expat reports.

FEATURES OF TALLY PAYROLL

In keeping also supports configurable formats for payslip printing; salary/wage. Attendance, leave and overtime registers; gratuity and expat requirements of small to large business enterprises.

- It allows seamless integration with Tally Accounts. There are no disconnects between Payroll and Accounts.
- It offers Employee Groups – unlimited classification and sub-classification of employees.
- I offer Pay Structures-ease of conformity, faster entry and flexibility of non-dependence.
- It offers Pay Components- user –definable earnings, deductions and others.
- It offers a unique Auto-Manual payroll processing Facility.
- It is independent of processing period restrictions.

- It offers Employee Groups, Pay structures and Pay components.
- It offers a unique Auto-Manual payroll processing facility.
- It allows Arrears Calculation.
- It computes salary based on Attendance, Time, and Unit of Production.
- Tally Payroll helps in tracking of Loans and Advances.
- It provides calculation of Gratuity.
- It allows you to drill down from any summary report to detailed levels, and till the origination transaction, for a particular Pay component value.
- It provides configurable report formats.
- You can also process Payroll using the Multilingual feature in Tally.

Enabling Payroll in Tally

To enable Payroll in Tally

Go to Gateway of Tally>F11: Features>Accounting Features.

<u>Cost/Profit Centres Management</u>	
Maintain Payroll	? Yes
Maintain Cost Centres	? No
Use Cost Centre for Job Costing	? No
More than ONE Payroll / Cost Category	? Yes
Use Pre-defined Cost Centre Allocations during Entry	? No

- Set Maintain Payroll to Yes
- You can set More than ONE Payroll/ Cost Category to Yes if you wish to process payroll for multi group of Employees.

FOUR EASY STEPS TO GENERATE A PAYSLIP

The new enhanced Payroll in Tally requires minimal effort for accurate processing. Setting up Pay Heads, Employee Group, Employees, Salary Details and attendance/Production Type is now a simple process with Tally's Four easy steps to generate a payslip.

Step 1

Create Pay Heads

The components of structured salary are created under Pay Head

Create the salary structure components in Pay head. The Pay head creation in tally is very user friendly. Tally allows creating any complex type of pay head.

Step 2

Create Employee Masters

Create an Employee master. Enter the requisite Employee Details & Employee group by grouping employees under the function they perform; their department or designation.

Step 3

Create Salary Details

Create the applicable Salary Details for both Employee Groups as well as Individual Employees with earnings, deductions and basis of computation.

Step 4

Process Payroll and Generate the Payslip

Pass a Payroll voucher to enter all Earnings and Deductions in Payroll transactions that are paid along with the salary Payslip for all employees

Generate the Payslip that provides employee as well as attendance details, itemizes each component of the employee's earnings and deductions, and displays the net amount paid to him for a given pay period. It also provides information to the employees to how the net amount was arrived at.

PAYROLL CONFIGURATION

The Payroll Configuration can be enabled as shown below:

Gateway of Tally> F12: Configure> Payroll Configuration

<u>Payroll Configuration</u>	
Show Statutory Details	? Yes
Show Passport & Visa Details	? Yes
Show Contract Details	? Yes
Information in Payment Advice	: Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:

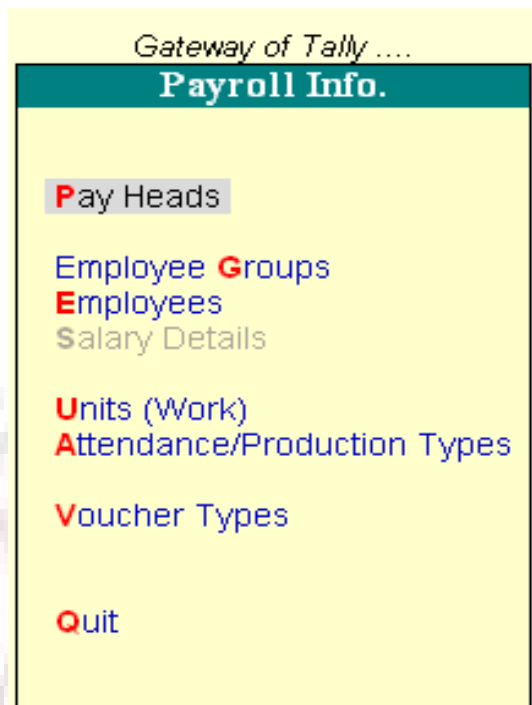
In the above screen;

- The option Show NI Number (for International companies only) and Show Statutory Details (for India/SAARC Companies only) can be set to Yes to enter the NI details/PF, ESI and PF PAN details in the Employee details form and print the same information in the Employee Payslip.
- The options, Show Passport & Visa Details and Show Contract Details, should be set to Yes as shown, to display the Passport, Visa and Contact Details in the Expat Reports. If these options are set to No, then the Expat Reports menu will not be displayed under Payroll Reports. Some of the Information related to Employee passport such as Passport Number, Passport Expiry date, Visa Number, Visa Expiry date, contract Start and Expiry dates will not be displayed at the creation of the Employee.

PAYROLL INFO.

The Payroll Info. allows you to set up the employee defaults and standard payroll information with common payroll fields used for calculating earning and deductions.

Go to Gateway of Tally > Payroll Info.



PAY HEADS

The salary components constituting Pay Structures are called Pay Heads. A Pay Head may be an earning, which is paid to an employee, or a deduction, which is recovered from his/her salary. The value of these Pay Heads could be either fixed or variable, for each Payroll period.

Pay Head Type

A Pay Head is categorized as Allowances, Deductions or Reimbursements

In Tally Payroll, Pay Head types are provided in a natural language for ease of use, as follows:

1. Earning for Employees
2. Deduction from Employees
3. Employer's Statutory deductions
4. Employer's Statutory Contribution
5. Gratuity
6. Loans and Advances

7. Reimbursement to Employees

While creating the salary payable ledger you can use Not Applicable type which will be used to post appropriate accounting entries.

CALCULATION TYPES

The Calculation of the Pay Head is based on its Calculation Type.

Tally payroll allows following calculation methods

Note: The formula defined in Calculation Type will be used for computation only while using Payroll Auto Fill functionality in the Payroll Voucher, and not in Manual entry mode of Payroll voucher.

The following computational models are supported in Calculation Types.

As Flat Rate

As Flat Rate is a Calculation where the value of the Payroll head is a fixed amount for a period. Pro-rated. In Tally the attendance can be of Payable days (Present) or loss of pay (Absent) type.

On Production

On production calculation type is used to calculate the Production incentive type of Pay head. The production date can be entered in Attendance voucher against a Production type.

As Computed Value

As Computed Value is used if the Pay Head value is based on a dependent component. You will be able to define the dependent component by specifying the formula or using the current sub- total or current earning or deduction total. You can also define the slab either by percentage to value or the combination in a slab.

Example:

HRA as 40% of Basic Salary

As User defined Value

As User defined Value allows you to manually enter the value at the time of processing the salary. This calculation type is useful for Pay Heads that have variable values and are not related to any attendance/production data.

CREATING AN EARNING PAY HEAD

To create an Earning Pay Head, Basic Salary, under Indirect Expenses:

Go to Gateway of Tally > Payroll Info. > Pay Heads > Create

Pay Head Alteration		ABC Company	Total Op. Bal.
Name	: Basic Salary		
(alias)	:		
Pay Head Info			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Appears in Payslip	? Yes		
Name to appear in Payslip	: Basic Salary		
Use for Gratuity	? No		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: <input type="checkbox"/> Not Applicable		
Leave without Pay	: Absent		
Calculation Period	: Months		
Per Day Calculation Basis	: As Per Calendar Period		
Rounding Info			
Rounding Method	: <input type="checkbox"/> Not Applicable		
Opening Balance (on 1-Apr-2006) :			
			Accept ? Yes or No

1. Enter the Name of the Earning Pay Head.
2. Select Earning for Employees as the Pay Head Type form the List of Pay Head Types.
3. Select the respective Pay Head Group Earnings from the list for the field Under.
4. select Yes from the list if you want the Pay head to affect the net salary.
5. The Pay Head name entered in the Name field will appear in this field. You can change the same, if required. The name entered in this field will appear on the payslip.
6. Select Flat Rate from the List of Calculation Types.
7. Select the Calculation Period Type from the list.

8. Based on the Calculation Period Type, you can select and enter the details for Per Day Calculation Basis.

9. Select the Rounding Method from the list if applicable.

10. Accept to save the Pay Head.

Similarly, you can crate Earning Pay Heads for HRA, Conveyance and so on...

CREATING A DEDUCTION PAY HEAD

To create a Deduction Pay Head, Professional Tax under Employees' Statutory Deductions:

Go to Gateway of Tally > Pay roll Info. > Pay Head > create

Pay Head Alteration		ABC Company		
Name	: Professional Tax	Total Op. Bal. 1,59,23,42,340.00 Dr		
(alias)	:			
		Difference 1,59,23,42,340.00 Dr		
Pay Head Info		Computation Info		
Pay Head Type	: Employees' Statutory Deductions	Compute : On Current Earnings Total		
Under	: Current Liabilities	Effective From	From Amount	Amount Upto
Appears in Payslip	? Yes	1-Apr-2006		
Name to appear in Payslip	: Professional Tax		3,000.00	Value 30
Calculation Type	: As Computed Value		4,999.99	Value 60
Calculation Period	: Months		7,999.99	Value 100
			9,999.99	Value 150
			14,999.99	Value 200
Rounding Info		Accept ?		
Rounding Method	: <input type="checkbox"/> Not Applicable	Yes or No		
Opening Balance (on 1-Apr-2006) :				

1. Enter the Name of the Deduction Pay Head.

2. Select the Pay Head Type from the List of Pay Head Types.

3. Select the Group from the List of Groups.

4. select Yes from the list if you want the Pay Head to affect the net salary.

5. The Pay Head name entered in the Name field will appear in this field. You can change the same, if required. The name entered in this field will appear on the payslip.

6. Select the Calculation Type from the List of Calculation.

7. On selecting the Calculation type to 'As Computed Value, a new field Calculation Period appears which will be set to Months automatically.

8. Select On Current Earnings Total from the list to be Computed On.

9. Specify the Slab Rate.

10. Select the Rounding Method from the list if applicable.

11. Accept to save the Pay Head.

Similarly, you can create a Deduction Pay Head for Provident Fund and so on

Note: If you are using any Pay Head component having Calculation Type As Computed Value and Compute: On Current Earning Total, while defining Salary Detail, the sequence of the component has to be selected accordingly.

Creating Salary Payable Ledger

A Salary Payable account under the group Current Liabilities is used to credit the total of Net Payable salary of all employees. When salary is disbursed, this account is debited and Cash or Bank account is credited.

To Create Salary Payable Pay Head under the group Indirect Expenses:

Go to Gateway of Tally > Payroll info. > Pay Heads > Create

Pay Head Creation		ABC Company
Name : Salary Payable		Total Op. Bal.
(alias) :		10,002.00 Dr
		<i>Difference</i>
		10,002.00 Dr
Pay Head Info		
Pay Head Type : <input type="checkbox"/> Not Applicable		
Under : Current Liabilities		
Opening Balance (on 1-Apr-2006) :		Accept ?
		Yes or No

1. Enter the Name of the Pay Head
2. Select Note Applicable from the List of Pay Head Types
3. Select Current Liabilities from the list
4. Accept to save the Pay Head

CREATING GRATUITY PAY HEAD

To create a Pay Head Gratuity under Current Liabilities:

Go to Gateway of Tally > Payroll Info. > Pay Head > Create

Pay Head Creation		ABC Company																								
Name	: Gratuity	<table border="1"> <tr> <td><u>Total Op. Bal.</u></td> </tr> <tr> <td>10,002.00 Dr</td> </tr> <tr> <td><u>Difference</u></td> </tr> <tr> <td>10,002.00 Dr</td> </tr> </table>	<u>Total Op. Bal.</u>	10,002.00 Dr	<u>Difference</u>	10,002.00 Dr																				
<u>Total Op. Bal.</u>																										
10,002.00 Dr																										
<u>Difference</u>																										
10,002.00 Dr																										
(alias)	:																									
<table border="1"> <thead> <tr> <th colspan="2">Pay Head Info</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: Gratuity</td> </tr> <tr> <td>Under</td> <td>:</td> </tr> </tbody> </table>		Pay Head Info		Pay Head Type	: Gratuity	Under	:	<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td>Not Applicable</td> </tr> <tr> <td></td> <td>Deductions from Employees</td> </tr> <tr> <td></td> <td>Earnings for Employees</td> </tr> <tr> <td></td> <td>Employees' Statutory Deductions</td> </tr> <tr> <td></td> <td>Employer's Statutory Contributions</td> </tr> <tr> <td></td> <td>Gratuity</td> </tr> <tr> <td></td> <td>Loans and Advances</td> </tr> <tr> <td></td> <td>Reimbursements to Employees</td> </tr> </tbody> </table>	List of Pay Head Types		<input type="checkbox"/>	Not Applicable		Deductions from Employees		Earnings for Employees		Employees' Statutory Deductions		Employer's Statutory Contributions		Gratuity		Loans and Advances		Reimbursements to Employees
Pay Head Info																										
Pay Head Type	: Gratuity																									
Under	:																									
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	Employees' Statutory Deductions																									
	Employer's Statutory Contributions																									
	Gratuity																									
	Loans and Advances																									
	Reimbursements to Employees																									

1. Enter the Name of the Pay Head
2. Select Gratuity from the List of Pay Head Types
3. Enter the Slab Rate Details for Gratuity Calculation in the sub-screen

Slab Rate details for Gratuity Calculation		
Gratuity Days of a Month		: 25
Number of Months		Eligibility days for Gratuity Calculation per year
From	To	
1	15	25
16	24	25
25		25

4. Select Current Liabilities from the list
5. Accept to save the Pay Head

Note: To use the Earning Pay Head for Gratuity calculation, set Use for Gratuity? Field to Yes in the ledger creation screen (for Pay Heads such as Basic Salary, HRA, and so on, created under Indirect Expenses).

EMPLOYEE GROUP

Tally allows you to set up default (common) information for employees. An Employee Group allows you to group employees in a logical manner.

The Salary structure can be defined at the Employee Group level. Referring to this Group as a template and changing accordingly will ease building all your employee records on it.

For example, by department or function such as Production, Salas, Administration and so on, or by designation such as Managers, supervisors, Workers and so on.

CREATING AN EMPLOYEES GROUP

To create Sales as an Employee Group,

Go to Gateway of Tally> Payroll Info.> Employee Groups> Create (Single Group)

Employee Group Creation	
Category	: Primary Cost Category
Name (alias)	: Sales
Under	: <input type="checkbox"/> Primary

Accept ?
 Yes or No

- Enter the Name of the Employee group.
- Select the group from the List of Employee Groups.
- Accept to save the Employee Group.

Creating Multiple Employee Groups

You can create multiple Employee Groups in this mode.

Go to Gateway of Tally > Payroll Info. > Employees > Create (under Multiple Groups)

The Multi Employee Group Creation screen displays.

Multi Employee Group Creation		ABC Company		Ctrl + M
Under Employee Group : <input type="checkbox"/> All Items				
S.No.	Category	Name of Employee Group	Under	
1.	Primary Cost Category	Accounts	<input type="checkbox"/> Primary	
2.	Primary Cost Category	Marketing	<input type="checkbox"/> Primary	
3.	Primary Cost Category	R & D	<input type="checkbox"/> Primary	
4.	Primary Cost Category	Support	<input type="checkbox"/> Primary	
-				

EMPLOYEE

The Employee Creation screen allows you to enter basic setup information that applies to the employees. Enter General Information, Payment Details and Passport & Visa Details.

CREATING AN EMPLOYEE

Creating single Employee

To create an Employee under the Employee group, Sales:

Go to Gateway of Tally> Payroll Info.> Employees> Create (Single Employees)

Employee Creation		ABC Company		Ctrl + M	
Category	: Primary Cost Category				
Name	: Employes A				
(alias)	:				
Under	: Sales				
	(<input type="checkbox"/> Primary)				
Date of Joining	: 15-Apr-2006				
General Info		Payment Details		Passport & Visa Details	
Employee Number	: Emp/1065	Bank Name	: HDFC	Passport Number	: E567871
Designation	: Semlo Executive	Branch	: J.P.Nager	Country of Issue	: India
Function	: Sales	Bank A/c Number	: 000536987456	Passport Expiry Date	: 12-Apr-2012
Location	: Bangalore	Statutory Details		Visa Number	: S085963321
Gender	: Male	Employee I.T. PAN	: AN239678PP	Visa Expiry Date	: 18-Mar-2010
Date of Birth	: 15-Dec-1975	PF Account Number	: KA2816/14	Contract Details	
Blood Group	: a+	ESI Number	: ES13456	Work Permit Number	: SE005986
Father / Mother Name	: Rann Mohan			Contract Start Date	: 6-May-2006
Address	: 23, 4#, Crose Balaji Layout Subramani Colony Bangalore Karnataka-56			Contract Expiry Date	: 4-Apr-2010
Contact Numbers	: 080-222598			Accept ? Yes or No	
E-Mail ID	: probhu@tallysolutions.com				

“Enter the Name of the Employee; Select the Employee Group in the field Under, Enter the Date of Joining, the Employee General Information, Payment Details, Passport & Visa Details and Accept to save.

CREATING MULTIPLE EMPLOYEES

You can create multiple Employees in this mode.

Go to Gateway of Tally> Payroll Info.> Employees> Create (under Multiple Employee)

Multi Employee Creation		ABC Company			Ctrl + M
Under Employee Group : Sales					
S.No.	Category	Employee Name	Under	Date of Joining	
1.	Primary Cost Category	Employee A	Sales	1-Apr-2006	
2.	Primary Cost Category	Employee C	Sales	1-Apr-2006	
3.	Primary Cost Category	Employee L	Sales	1-Apr-2006	
4.	Primary Cost Category	Employee O	Sales	1-Apr-2006	

Salary Details

Salary Details is used to define a Pay Structure to an Employee or to an Employee Group to speed up the entry of Individual Employee's Pay Structure.

Select the basic Pay Heads that applies most for your employees and create as an Employee Group. However, it is not compulsory for all employees to have the same compensation structures as of the Employee Group. If required, a Pay Head element or its value may be added, deleted or altered at Individual Employee level.

Note: If the slab rate is not defined in the Pay Head then you will get the full value

CREATING SALARY DETAILS FOR AN EMPLOYEE

To create Salary Details for an Employee:

Go to Gateway of Tally> Payroll Info.> Salary Details> create> Select the Employee from the List of Employees/Group

Salary Details Creation		ABC Company			Ctrl + M	
Name : Employee A (Emp/1065)						
Under : Sales (<input type="checkbox"/> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2006	Basic Salary	22,000.00	Months	Earnings for Employees	On Attendance	Basic Salary
	DA			Earnings for Employees	As Computed Value	Basic Salary
	HRA			Earnings for Employees	As Computed Value	
	Conveyance	800.00	Months	Earnings for Employees	On Attendance	
	Medical Allowance	1,250.00	Months	Earnings for Employees	On Attendance	
	Employee PF			Deductions From Employees	As Computed Value	Basic Salary-DA
	Food Coupon	500.00	Months	Deductions From Employees	Flat Rate	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
						Accept ? Yes or No

1. Enter the Effective From date.
2. In the Pay Head field, the Start Type list displays two option namely, copy From Parent Value and Start Afresh.
3. If you select Copy From Parent Value, the Salary Details defined for the Employee Group to which the Employee belongs will appear in the screen.

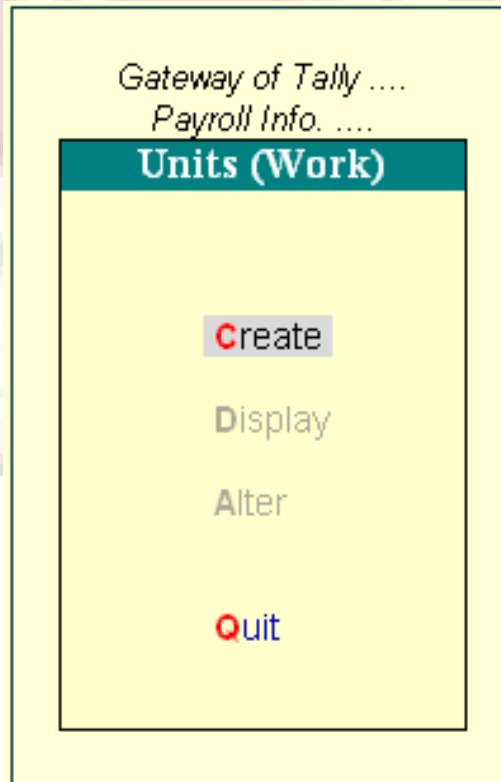
Note: If the Pay-Head details are available in the parent group then you will get Copy from parent value, else you will get only Start Afresh.

4. If you select Start Afresh, you have to select the Pay Heads from the List of Pay Heads and enter the User Defined rates if required.

UNITS (WORK)

A Unit in Tally Payroll is similar to the Unit of Measure in Tally's Inventory module. In Payroll, Units are used to facilitate calculation of a Pay Head value based on Production, which in turn would be linked to Units such as Time, Work or Quantity.

Go to Gateway of Tally > Payroll Info. > Unit (Work)



Creating Units (Work)

In the Units Creating screen, select the Type of unit from the list. Select the Symbol from the list.

A Simple Unit in Tally is a Single independent unit and has no relationship with other units, while a Compound Unit refers to two Simple Units having an arithmetical relationship and is not a distinct unite.

In the case of Overtime, whose value is computed based on Overtime Hours put in by an employee, you would need to define Hr- Hours and Min- minutes as Simple Units and Hr of 60 Min as a Compound Unit and set this unit in Overtime Pay Head.

Unit Creation ABC Company

Type : **Compound**

Units with Multiplier Factors
(example: Kgs of 1000 gms)

First Unit Conversion	Second Unit
Hr of 60	

Units

Min

ATTENDANCE/PRODUCTION TYPE

The Attendance / Production type is used to record the attendance and production data. Bases on the component (Pay head) structure, you can define multiple attendance / production types.

Examples for attendance / production types are No. of days present or conversely, No. of days Absent and production based such as Hours worked, Number of Pieces produced.

Attendance/Production Type is associated with the Pay Head in employee's Pay structure. The variable data is entered in the Attendance voucher for the payroll period.

Attendance/Production Type may also be defined in hierarchical groups whereby Types having a common Unit are combined under logical groups.

The Attendance/Production Type may be Attendance/leave with pay, Leave without Pay (if salary is to be paid based on number of days attended) Paid Leave, Unpaid Leave, Absent and Production type which can be based on Piece Production, Overtime House, and so on.

CREATING AN ATTENDANCE/PRODUCTION TYPE

Creating an Attendance/Production Type for Attendance/Leave with Pay

Go to Gateway of Tally > Payroll Info. > Attendance/Production Types > Create

Attendance/Production Type Creation	
Name	: Paid Leave
(alias)	:
Under	: <input type="checkbox"/> Primary
Attendance Type	: Attendance / Leave with Pay
Period Type	: Days

Accept ?
Yes or No

1. Enter the Name of the Attendance Type
2. Select Primary from the list for the field Under.
3. Select Attendance/Leave with Pay as the Attendance Type.
4. The Period Type appears automatically.
5. Accept to save the Attendance Type.

Similarly, you can create an unpaid Leave grouped under Leave without Pay.

CREATING AN ATTENDANCE/PRODUCTION TYPE FOR PRODUCTION

Go to Gateway of Tally > Payroll Info. > Attendance/Production Types > Create

1. Enter the Name of the Attendance Type
2. Select Primary from the list for the field Under.
3. Select Production as the Attendance Type.

4. The Unit field will appear, select the appropriate type of unit from the list.
5. Accept to save the Attendance Type.

Similarly, you can create Box Production Attendance Type

VOUCHER TYPES IN TALLY PAYROLL

Tally Payroll provides you with Payroll, Attendance and Payment Voucher Types. You may define a template called Voucher Class in order to automate and control usage of ledger accounts and computed values to be posted. It is a powerful and configurable option that enables you to define the rules of voucher entry for a particular voucher type. It also helps in speeding up the process and minimizes data entry for posting a voucher. However, creating a Voucher Class is not mandatory.

PAYROLL VOUCHERS

In addition to the existing voucher types in Accounting and Inventory module, two new Voucher Types Attendance and Payroll are enabled when Payroll Feature is activated in F11: Features.

Go to Gateway of Tally> Payroll vouchers

Attendance voucher is used to record employees' Attendance / Production data for the Attendance / Production Types created in Payroll Masters. Such data may be entered as a single Attendance voucher per payroll period or multiple vouchers as and when required within a payroll period.

While generating the Payroll voucher, Tally automatically picks up required data, based on the period selected and computes the corresponding value of Pay Heads, which are linked to such Attendance / Production types.

Payroll voucher is a document to manually enter one-time/ad-hoc payroll transactions for individual employees; as well as Payroll processing activity for all or selected employees, using Auto Fill functionality.

Payroll Buttons

If Maintain Payroll option is set to Yes in F11; Features, the payroll Buttons will appear along with Accounts and Inventory buttons in Voucher Creation screen on the button bar.

ATTENDANCE VOUCHERS

Attendance voucher allows you to enter Attendance, Overtime, Leave or Production details. You can enter separate vouchers for each day or a single voucher for a given pay period, say a month, with aggregated Values. You can also enter data for one or more or all employees.

Similarly, one or more attendance types together in a single voucher.

Attendance Voucher Entry – Manual Entry

Go to Gateway of Tally > Payroll Vouchers > F5: Attendance

Employee Name	Attendance/Production Type	Value	Unit
Employee A	Absent <i>Cur Bal: 1 Days</i>		1 Days
Employee B	Paid Leave <i>Cur Bal: 5 Days</i>		5 Days
Employee C	Box Prod <i>Cur Bal: 0 Days</i>	5000	Kg Days
Employee D	LOP <i>Cur Bal: 1 Days</i>		1 Days
Employee E	Overtime <i>Cur Bal: 0 Days</i>	2400	Min Days
Employee F	Box Prod <i>Cur Bal: 0 Days</i>	500	Kg Days
Employee G	Box Prod <i>Cur Bal: 0 Days</i>	800	kg Days

Narration:

Accept ?
Yes or No

1. Click F2: Date to change the date
2. Select the Employee from the List of Employees
3. Select the Attendance/Production Type from the List
4. Enter the Value
5. Select End of List from the List of Employees.
6. Accept to save the voucher

ATTENDANCE VOUCHER ENTRY – AUTO FILL

In the attendance voucher, you can use the A : Payroll Auto Fill button to speed up data entry process.

Auto Fill enables the user to fill all employees of a selected Cost Category (if more than one Cost Category is enabled) and/or a selected employee group and enter value data for selected type of Attendance/Production Type for these employees.

Go to Gateway of Tally > Payroll Vouchers> F5: Attendance

1. Click F2: Date to enter the date.
2. Click A: Attd Auto Fill.

<u>Employee Filters</u>		
Cost Category	:	Primary Cost Category
Employee/Group	:	Sales
Auto Fill Values		
Attendance/Production Type	:	<input style="width: 100%;" type="text"/>
List of Attendance/Production Types		
Absent	<input type="checkbox"/> Primary	Days
Basic Salary	<input type="checkbox"/> Primary	Days
Box Prod	<input type="checkbox"/> Primary	Days
LOP	<input type="checkbox"/> Primary	Days
Overtime	<input type="checkbox"/> Primary	Days
Paid Days	<input type="checkbox"/> Primary	Days
Paid Leave	<input type="checkbox"/> Primary	Days

3. In the Attendance Auto Fill screen, select the Cost Category, if applicable.
4. Select the Employee/Group from the List of Group/Employees.
5. Select the Attendance/Production Type from the list.
6. Enter the Value against the Employee name.

Attendance Voucher Creation		ABC Company		Ctrl + M
Attendance No. 2				2-Apr-2006 Sunday
Employee Name	Attendance/Production Type		Value	Unit
Employee A	Absent	Cur Bal: 2 Days		1 Days
Employee A	Absent	Cur Bal: 2 Days		2 Days
Employee C	Absent	Cur Bal: 2 Days		2 Days
Employee L	Absent	Cur Bal: 2 Days		2 Days
Employee Q	Absent	Cur Bal: 2 Days		2 Days

Narration:

Accept ?
Yes or No

7. Accept to save the Attendance voucher.

Note: Days with Loss of Pay (LOP) are treated as a Deductible with respect to an Earning Pay Head type and as a Payable with respect to a deduction component. For Example: An LOP is deducted from Basic salary which is an Earning Pay Head. However, with respect to a Deduction Component such as canteen expenses, it is treated as a payable.

PAYROLL VOUCHER

Payroll voucher is used to record Employees' Payroll related transactions. This voucher may be used in two ways – Manual Entry and Automated Entry.

Payroll Voucher entry – Manual Salary

To Create a Payroll voucher manually,

Go to Gateway of Tally > Payroll Vouchers > Payroll Voucher

Payroll Voucher Creation		ABC Company		Ctrl + M
Payroll No. 1				2-Apr-2006 Sunday
Account : Bank		Cur Bal : 44,153.20 Cr		
Particulars			Amount	
Primary Cost Category				
Employee A				44,153.20 Dr
Basic Salary	22,000.00 Dr	Cur Bal : 22,000.00 Dr		
DA	11,440.00 Dr	Cur Bal : 11,440.00 Dr		
HRA	13,376.00 Dr	Cur Bal : 13,376.00 Dr		
Conveyance	800.00 Dr	Cur Bal : 800.00 Dr		
Medical Allowance	1,250.00 Dr	Cur Bal : 1,250.00 Dr		
Employee PF	4,012.80 Cr	Cur Bal : 4,012.80 Cr		
Food Coupon	500.00 Cr	Cur Bal : 500.00 Cr		
Professional Tax	200.00 Cr	Cur Bal : 200.00 Cr		
Narration:			44,153.20 Dr	
1-may-2006 to 31-may-2006				
			Accept ? Yes or No	

1. Change the Voucher date.
2. Select Salary Payroll from the List of Ledger Accounts.
3. Select the Employee from the List of Employees in the field Particular
4. Select the Pay Heads and Enter the appropriate values
5. Select End of List and Accept the voucher.

Payroll Voucher – Auto Fill

To create a Payroll Voucher using the button A: Payroll Auto Fill,

Go to Gateway of Tally > Payroll Vouchers > Payroll voucher

1. Select the Ledger Account (Cash/Bank/Salary Payable) From the list
2. Click A: Payroll Auto Fill

<u>Employee Filters</u>	
From (blank for beginning)	: 14-2006
To (blank for end)	: 30-4-2006
Cost Category	: Primary Cost Category
Employee/Group	: <input type="checkbox"/> All Items
Payroll Ledger	: Bank

Note: Yes can calculate the Payroll Voucher for a week or fortnight.

3. Enter the From and To date in the Employee Filter Screen
4. Select the Employee/Group from the List of Group/Employees
5. Enter the User defined values if required

Payroll Voucher Creation		ABC Company		Ctrl + M
Payroll No. 3				30-Apr-2006 Sunday
Account: Bank Cur Bal: 55,540.00 Cr				
Particulars				Amount
Primary Cost Category				22,406.53 Cr
Employee A				22,406.53 Cr
Basic Salary	(-)1,466.67	Dr	Cur Bal: 20,533.33 Dr	
DA	(-)11,440.00	Dr	Cur Bal: 0.00 Dr	
HRA	(-)13,376.00	Dr	Cur Bal: 0.00 Dr	
Conveyance	(-)53.33	Dr	Cur Bal: 746.67 Dr	
Medical Allowance	(-)83.33	Dr	Cur Bal: 1,166.67 Dr	
Employee PF	(+)4,012.80	Cr	Cur Bal: 0.00 Cr	
Food Coupon		Cr	Cur Bal: 500.00 Cr	
Professional Tax		Cr	Cur Bal: 200.00 Cr	
Narration: 1-Apr-2006 to 30-Apr-2006				22,406.53 Cr

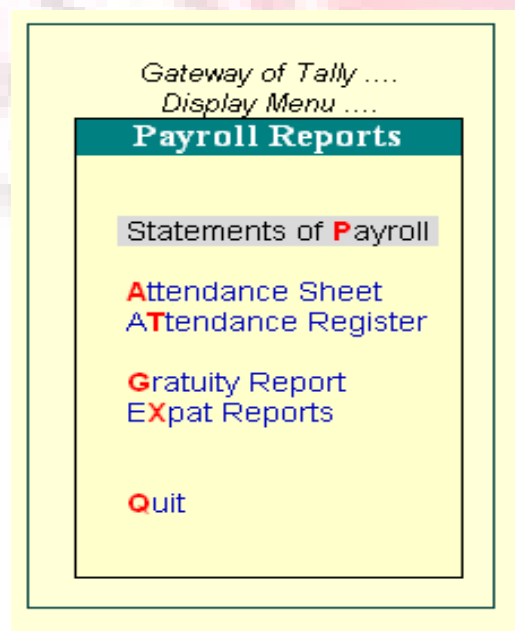
6. Accept to save the voucher

Note: A single payroll voucher can be used to pass entries for upto 100 employees efficiently. For a company with more than 100 employees, create a multiple payroll voucher for every 100 employees.

PAYROLL REPORTS

To view Payroll Reports

Go to Gateway of Tally > Display > Payroll Reports

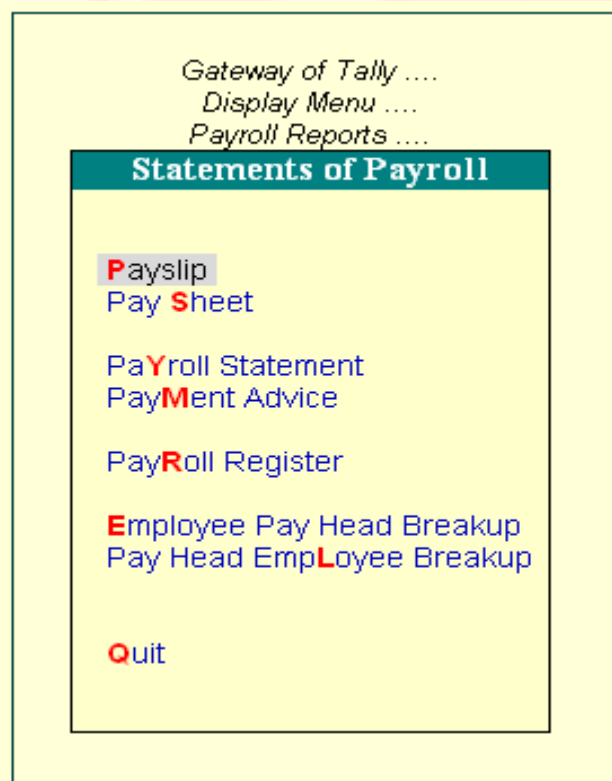


The Payroll Reports menu displays:

- Statement of Payroll
- Attendance Sheet
- Attendance Register
- Gratuity Report
- Export Report

STATEMENTS OF PAYROLL

Go to Gateway of Tally > Display > Payroll Report > Statements of Payroll



- Payslip
- Pay Sheet
- Payroll Statement

- Payroll Advice
- Payroll Register
- Employee Ledger Breakup
- Ledger Employee Breakup

PAYSLIP

A Payslip is a document issued to an employee that itemizes each component of earnings and deductions, and the net amount paid to an employee for a given pay period. It provides visibility to an employee of how the net amount has been arrived at.

In Tally Payroll, the Payslip option of Display, Payroll reports menu provides users the facility to View the Payslip, configure content and appearance bases on the requirement and then Print the Payslip.

Go to Gateway of Tally > Display > Payroll Reports > Statement of Reports > Payslip

Payslip			
ABC Company			
Payslip for April-2006			
Employee A			
Employee Number	: Emp/1065	PF Account Number	: KA2816/14
Function	: Sales	Employee I.T. PAN	: AN239678PP
Designation	: Senior Executive	Bank Details	: 000536987456, Hdfc, J.P.Nagar
Location	: Bangalore	ESI Number	: ES13456
Passport Details	:	Visa Expiry Date	:
Attendance Details		Value	
Absent		2 Days	
		2 more ...	
Earnings	Amount	Deductions	Amount
Basic Salary	20,533.33	Employee PF	
DA		Food Coupon	500.00
HRA		Professional Tax	200.00
Conveyance	746.67		
Medical Allowance	1,166.67		
Total Earnings	22,446.67	Total Deductions	700.00
		Net Amount	21,746.67

CONFIGURATION OPTIONS IN PAYSLIP

Click on F12: Configure button in the Payslip to display a configuration sub-form, using which the user can customize the display/printing content and appearance to the Payslip.

<u>Configuration</u>	
Show Vertical Payslip	? No
Show Employee Details	? Yes
Show Passport Details	? No
Show Visa Expiry Date	? No
Show Attendance/Production Details	? No
Show Attendance/Production Groups	? No
Display Attendance/Production Types in Tail Units	? No
Show Year To Date Values	? No
Remove Zero Entries for Attendance/Production also	? No
Appearance of Names	: Name Only

Display Name Style
Alias (Name)
Alias Only
Name (Alias)
Name Only

The default settings for the configuration options are shown above. These options are self-explanatory. The options, which are set to Yes, will become visible in the Payslip. Select No to exclude information, which is not required to be on the Payslip.

Configuration options in: Pay Slip

Show Vertical Payslip-Set this option to Yes to align Deduction Part below the Earning. Set it No to align them side-by-side.

Payslip		ABC Company	Ctrl + M
Payslip for April-2006			
Employee A			
Employee Number	:	Emp/1065	
Function	:	Sales	
Designation	:	Senior Executive	
Location	:	Bangalore	
PF Account Number	:	KA2816/14	
Employee I.T. PAN	:	AN239678PP	
Bank Details	:	000536987456, Hdfc, J.P.Nagar	
ESI Number	:	ESI3456	
Earnings			Amount
Basic Salary			20,533.33
Payroll	1	2-4-2006	22,000.00
DA			
HRA			746.67
Conveyance			
Total Earnings			22,446.67
Deductions			Amount
Employee PF			500.00
Food Coupon			200.00
Professional Tax			
Total Deductions			700.00
Net Amount			21,746.67

Show Employee Details – Set this option to Yes to display Employee Details as entered in the employee master.

Show Passport Details – Set this option to Yes to display the Passport Details.

Show Visa Expiry Date- Set this option to Yes to display the Visa Expiry Date.

Show Attendance/Production Details – Set this option to Yes to display Attendance/Production data.

Show Attendance/Production Groups – Set this option to Yes to display grouping of the Attendance/Production data as defined while Types creation.

Display Attendance/Production Type in Tail Units? – For compound units used in Attendance/Production Type, set this flag to Yes to display value of the Attendance/Production Data in Tail unit and set the same to No to display data in Main unit.

Show Year To Date Values – Set this option to Yes to display cumulative value of Attendance/Production data or Earning and Deduction data for the current Financial Year.

Remove Zero Entries – Set this option to Yes to remove Earning/Deduction data with Zero value from the Pay Slip

For Attendance/Production Also – Set this option to Yes to remove Attendance data with 0 values from the Pay Slip.

Appearance of Name- You can select the appropriate appearance of name from the Name Style list.

DETAILED/CONDENSED BUTTON

Click on Detailed button or press ALT+F1 to view source details of individual Attendance and Pay Head values. This view displays the Attendance or Payroll vouchers from which the data is picked in the current Payslip. Voucher Number, Date and the Value of the attendance or earning or deduction value is displayed. This is useful when multiple attendance/payroll vouchers are entered during the same payroll period. The user can drill down to the corresponding voucher directly from the Payslip screen.

Click the Condensed button or press ALT+F1 again to return to the normal mode.

Period Button

By default, when you bring up the Payslip view, the Period of Payslip – Attendance and Payroll Vouchers data is set to current month, and in most cases you don't have to change it. However, if required, you can change the period of data and include multiple-period payroll information to view/print a consolidated Payslip. As in all other Tally reports, there is a great flexibility in terms of Period of Payroll processing as well as in the printing of Payslip.

EMPLOYEE BUTTON

Using Employee Button (F4 Key), you can view another employee's Payslip from the existing Payslip display screen.

PRINTING SINGLE PAYSIP

Click on Print button or Press ALT+P from the Payslip display screen to print currently displayed Payslip. Tally will print the Payslip in the format that is configured for display.

PAYSHEET

Pay Sheet is a matrix report with category, group and employees cascading in rows, and Pay Heads appears as columns. The default report contains all earnings and deduction details for a given month or period with a number of options to configure appearance of rows and columns. Format of the Pay sheet report may be configured to serve as a Salary/Wage register as required by the organization. The selection of data may be filtered for given category or group of employees.

Go to Gateway of Tally> Display> Payroll Reports> Statement of Reports> Pay Sheet

Pay Sheet														ABC Company		Ctrl + M	
For All Employees														1-Apr-2006 to 30-Apr-2006			
Particulars	Basic Salary	Basic Salary+DA	Conveyance	DA	Grdg	HRA	Medical Allowance	Employee PF	Food Coupon	Professional Tax	Total Earnings	Total Deductions	Net Amount				
Primary Cost Category																	
Sales																	
Employee A	20,533.33		746.67				1,166.67		500.00	200.00	22,446.67	700.00	21,746.67				
Employee A																	
Employee C																	
Employee L																	
Employee Q																	
Employee B	16,666.67		533.33	8,666.67		10,133.33	833.33	3,040.00			36,833.33	3,040.00	33,793.33				
Employee D																	
Employee E																	
Employee F																	
Employee G																	
Tanu																	
Grand Total	37,200.00		1,280.00	8,666.67		10,133.33	2,000.00	3,040.00	500.00	200.00	59,280.00	3,740.00	55,540.00				

CONFIGURATION OPTIONS IN PAY SHEET REPORT

F12: Configure button in the Pay Sheet brings up a configuration sub-form by which the user can customize the display/printing content and appearance of the Pay Sheet report.

<u>Configuration</u>	
Show 'Net Amount' Column	? Yes
Show Column SubTotals	? Yes
Remove Zero Entries	? No
Show Payslip Names for Ledgers	? Yes
Include Employee Groups & Categories	? Yes
Show Category/Group Total	? No
Show Grand Total	? Yes
Format	: Detailed
Show Employee Number	? No
Expand all levels in Detailed Format	? Yes
Appearance of Names	: Name Only
Sorting Method	: Default

- **Show 'Net Pay' Column** – Set the option to Yes to display the Net Payable Column.
- **Show Column Subtotals** – Set this option to Yes to display the Sub-totals of Earnings/Deduction columns.
- **Remove Zero Entries** – Set this option to Yes to remove Earning/Deduction data with Zero value.
- **Show Payslip Names for Ledgers** – Set this option to Yes to display the Name to Appear in Payslip, defined in Ledger, as the column headings. Setting this to No will display Ledger name.
- **Include Employee Groups & Categories** – Set this option to Yes to display rows showing Category and Groups. Set this to No to list only employee information.
- **Show Category/Group Total** – Set this option to Yes to display Category and Group wise Totals.

- **Show Grand Total** – Set this option to Yes to display Grand total at the bottom of the report.
- **Format** – You can choose either Detailed or Condensed.
- **Show Employee Number** – Set this option to Yes to display employee number along with the Name
- **Expand all levels in Detailed format?** – Set this option to Yes to expand all levels and display Employee details. Set the same to No, to display summary report for Category/Group
- **Appearance of Name** – You can select the appropriate appearance of name from the Name Style list.
- **Sorting Method** – You can select the appropriate sorting method from the list.

BUTTON FUNCTIONALITIES IN PAY SHEET REPORT

Detailed/Condensed Button

Use this toggle button (F1) to quickly change the report view from detailed to summary and vice versa.

Period button

Using Period (F2) button, you can change the period for which the report is viewed. Using this functionality, you can display the report any period such as Day, Week, Fortnight, Month, Quarter, Half-Year or entire Year.

Employee Filter Button

Similar to Payroll and Payment vouchers, using Employee Filter button or clicking on F7: Employee Filters button, the user can quickly select employee/groups to be displayed in the pay sheet report.

F4: Change Currency:

Click on F4: Change Currency button or press F4 key to change the currency.

New Column

Use this button (ALT+A), to add a column for any other Pay Head not part of the default Pay Slip format. Such new column is added on the right-hand side of the existing columns.

Alter Column

Use this button (ALT+A), to replace an existing column in the report with a new Pay Head column. The cursor should be positioned in the column to be replaced.

Delete Column

Use this button (ALT+D), to replace an existing column in the report with a new Pay Head column. The cursor should be positioned on the column to be deleted.

Use above column buttons to customize the appearance of various Pay Heads as columns as per requirement.

Printing Pay Sheet Report

Printing of Pay Sheet is done in a similar way as any other report in Tally, by Pressing ALT+P from the report display screen.

While printing the Pay Sheet report, choose an option to Increase the Line Height (for each employee line) for the purpose of obtaining signature of employee or fixing a stamp, and use the printed report for manual salary disbursement or any other similar purpose.

PAYROLL STATEMENT

While Pay Sheet report gives you a readily available set of earning/deduction columns and format, Payroll Statement Report allows you to generate the report for a specific Pay Head/Ledger.

Go to Gateway of Tally > Display > Payroll Reports > Statement of Reports > Payroll Statement

Payroll Statement		ABC Company	Ctrl + M
For All Employees		1-Jul-2006 to 31-Jul-2006	
Particulars		Basic Salary	
Primary Cost Category			
Marketing			
Employee B			
Employee D			
R & D			
Employee E			
Employee G			
Sales			
Employee A			2,144.00
Employee C			2,144.00
Employee L			
Employee Q			
Support			
Employee A			2,144.00
Employee F			
Tanu			
Grand Total			6,432.00

Note: The button Functionalities in Payroll Statement report is similar to Pay Sheet report.

Configuration options in Payroll Statement report

F12: Configure button in the Payroll Statement brings up a configuration Sub-form using which the user can customize the display/printing content and appearance of the Payroll statement report.

<u>Configuration</u>		
Remove Zero Entries	? Yes	
Show Payslip Names for Ledgers	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? No	
Show Grand Total	? Yes	
Format	: Detailed	
Show Employee PF Account Number	? Yes	
Show Employee I.T. PAN	? Yes	
Show Employee Bank Details	? Yes	
Show Employee Number	? Yes	
Show Employee ESI Number	? Yes	
Show Employee Passport Details	? Yes	
Show Employee Visa Expiry Date	? Yes	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	Display Name Style
Sorting Method	: Default	Alias (Name)
		Alias Only
		Name (Alias)
		Name Only

Remove Zero Entries: Set this option to Yes to remove Earning/Deduction data with Zero value.

Show Payslip Names for Ledgers – Set this option to Yes to pick the name entered in the Name to Appear in Payslip field in Ledger master screen. Set this option to No to pick the name entered in the Name field of the Ledger master screen.

Include Employee Groups & Categories – Set this option to Yes will display rows showing Category and Groups. Setting this to No will list only employee information.

Show Category/Group Total – Set this option to Yes to display Category and Group wise Totals.

Show Grand Total – Set this option to Yes to display Grand total at the bottom of the report.

Format – Detailed or Condensed

Show Employee PF Account Number – Set this option to Yes to display employee PF Account number.

Show Employee IT PAN- Set this option to Yes to display employee IT PAN number.

Show Employee Bank Details – Set this option to Yes to display employee bank details.

Show Employee Number – Set this option to Yes to display employee number along side the Name

Show Employee ESI Number- Set this option to Yes to display employee ESI number.

Show Employee Passport Details – Set this option to Yes to display employee passport details.

Show Employee Visa Expiry Date – Set this option to Yes to display employee Visa Expiry date.

Expand all levels in Detailed format – Set this option to Yes to expand all levels and display Employee details. Set the same to No, to display summary report for Category/Group.

Appearance of Name – You can Select the appropriate appearance of name from the Name Style list.

Sorting Method – You can select the appropriate sorting method from the list.

PAYMENT ADVICE

The Payment Advice report is used to generate Payment Advice / Bank Transfer letters for a specific bank account based on the Salary Payment vouchers posted to the account

Go to Gateway of Tally> Display > Payroll Reports> Statement of Reports > Payment Advice

Printing Payment Advice			
Printer	: (Ne00:)	Paper Type	: A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area	: (8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
Payment Advice			
<i>Without Date Range of Report, Without Page Numbers</i>			
From (blank for beginning)	:	1-4-2006	
To (blank for end)	:	30-4-2006	
Cost Category	:	<input type="checkbox"/> All Items	
Employee/Group	:	<input type="checkbox"/> All Items	
Bank Ledger	:		
Date Range to Print	:	From : 1-4-2006 To : 30-4-2006	
Sorting Method	:	Bank Details	
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Print ? Yes or No </div>

Click Yes to display the screen.

PAYROLL REGISTER

Payroll register is a month- wise transaction summary report displaying vouchers month-wise, akin to Display Statistics in the accounting module. Though the register primarily displays Payroll vouchers, you can customize to add any other voucher type by adding a new column.

Go to Gateway of Tally > Display > Payroll Reports > Statement of Report > Payroll Register

Payroll Register		ABC Company	Ctrl + M
Particulars	Payroll		
	ABC Company		
	1-Apr-2006 to 3-Jul-2006		
		Transactions	
		Total Vouchers	(cancelled)
April			6
May			6
June			6
July			3
August			
September			
October			
November			
December			
January			
February			
March			
Grand Total			

Press F12: Configure button and set the Appearance of Names and the Periodicity to use as shown

Configuration

Appearance of Names : **Name Only**

Periodicity to use : **Monthly**

Display Name Style

Alias (Name)

Alias Only

Name (Alias)

Name Only

You can drill down to a List of Payroll Voucher reports for a month and then to a specific voucher, if required.

Voucher Register		ABC Company		Ctrl + M	
List of All Payroll Vouchers		1-May-2006 to 31-May-2006			
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
1-5-2006	Basic Salary	Payroll	7	2,144.00	
1-5-2006	Basic Salary	Payroll	8	2,144.00	
1-5-2006	Basic Salary	Payroll	9	2,144.00	
1-5-2006	Basic Salary	Payroll	10	2,144.00	
1-5-2006	Basic Salary	Payroll	11	2,144.00	
1-5-2006	Basic Salary	Payroll	12	2,144.00	

ATTENDANCE SHEET

The Attendance Sheet is similar to Pay Sheet report, and displays a pre-formatted report with columns, related to your attendance/production data.

Go to Gateway of Tally > Display > Payroll Reports > Attendance Sheet

Attendance Sheet		ABC Company		
For All Employees		1-Jul-2006 to 31-Jul-2006		
Particulars	Absent	Box Prod	LOP	Overtime
Primary Cost Category				
Marketing		21,200kg	1 Days	
Employee B	1 Days			
Employee D				
R & D	1 Days			
Employee E			1Days	
Employee G				150 Hr 0 Min
Sales		500 kg		
Employee A				
Employee C	1 Days		1 Days	
Employee L			1 Days	
Employee Q		500 kg	1 Days	1,255 Hr 0 Min
Support				
Employee A				
Employee F		500 kg		
Absent	5 Days			
Accounts				
Tanu			1 Days	

Configuration options in Attendance Sheet report

Configuration button, F12 in the Attendance Sheet, brings up a configuration sub-form by which the user can customize the display/printing content and appearance of the Attendance Sheet report.

<u>Configuration</u>	
Remove Zero Entries	? Yes
Include Employee Groups & Categories	? Yes
Show Category/Group Total	? No
Include Group Attendance/Production Types	? Yes
Display Attendance/Production Types in Tail Units	? Yes
Format	: Detailed
Expand all levels in Detailed Format	? Yes
Show Employee Number	? No
Appearance of Names	: Name Only
Sorting Method	: Default

Include Group Attendance/Production Types- Set this option to Yes to Include Group Attendance/Production Types in Attendance Sheet report.

Display Attendance/Production Types in Tail Units? – Set this option to Yes to display the Attendance/Production Types in Tail Units.

ATTENDANCE REGISTER

This report is similar to Payroll register and displays the summary report of the Attendance vouchers. The configuration and button functionality are the same as in other Payroll Register reports.

Go to Gateway of Tally > Display > Payroll Reports> Attendance Register

Attendance Register		ABC Company		Ctrl + M
Particulars	Attendance ABC Company 1-Apr-2006 to 3-Jul-2006		Transactions	
	Total Vouchers	(cancelled)		
April	7			
May	6			
June	8			
July	0			
August				
September				
October				
November				
December				
January				
February				
March				
Grand Total				

Press F12: Configure button and set the Appearance of Names and the Periodicity to use as shown:

Configuration		Display Name Style
Appearance of Names	: Name Only	Alias (Name)
Periodicity to use	: Monthly	Alias Only
		Name (Alias)
		Name Only

Shortcut keys in Tally

The shortcut keys appear in button names in the button bar (right side of the Tally screen). You can either click the button from the button bar or press the relevant function key or character underlined/double-underlined.

The buttons have a function key before the button names (Eg: **F1**: Select Cmp) which means you need to press **F1** key (Function Key) to select the 'Select Company' screen

The buttons have an underlined character (Eg: **F3**: Cmp Info), which means you need to press **ALT + F3** to select the 'Company Info' screen.

Some buttons have a double-underlined character (Eg: V: As Voucher) which means you need to press **CTRL + V** to select the 'Voucher' in voucher mode.

Function Key Combination

Windows	Functionality	Availability
F1	To select a company	At all masters menu screen
F1	To select the Account Button	At the Accounting Voucher creation and alteration screen
<u>F1</u> (ALT+F1)	To select the Inventory Button	At the Inventory/ Payroll Voucher creation and alteration screen
F1 (CTRL+F1)	To select Payroll Vouchers to alter	At the Accounting/ Inventory voucher creation or alteration screen.
F2	To change the current date To select company inventory features	At almost all screens in TALLY At the F11: Features screen
F3	To select the company To select Company Statutory & Taxation features	At almost all screens in TALLY At F11: Features screen
F4	To select the Contra voucher	At Accounting / Inventory Voucher creation and alteration screen
F5	To select the Payment voucher	At Accounting / Inventory Voucher creation and alteration screen
F6	To select the Receipt voucher	At Accounting / Inventory Voucher creation and alteration screen
F7	To select the Journal voucher	At Accounting / Inventory Voucher creation and alteration screen
F8	To select the Sales voucher	At Accounting / Inventory Voucher creation and alteration screen
F8 (CTRL+F8)	To select the Credit Note voucher	At Accounting / Inventory Voucher creation and alteration screen
<u>F9</u>	To select the Purchase voucher	At Accounting / Inventory Voucher creation and alteration screen
F9 (CTRL+F9)	To select the Debit Note voucher	At Accounting / Inventory

		Voucher creation and alteration screen
F10	To select the Reversing Journal voucher	At Accounting / Inventory Voucher creation and alteration screen
F10(CTRL+F10)	To select the Memorandum	At Accounting / Inventory Voucher creation and alteration screen
F11	To select the Functions and Features screen	At almost all screen in TALLY
F12	To select the Configure screen	At almost all screen in TALLY

Special Key Combination

Window	Functionality	Availability
ALT+2	To Duplicate a voucher	At list of Voucher – creates a voucher similar to the one where you positioned the cursor and used this key combination
ALT+A	To Add a voucher To Alter the column in columnar report	At list of Voucher – creates a voucher similar to the one where you positioned the cursor and used this key combination Alters the column in all the reports which can be viewed in columnar format
ALT+C	To create a master at a voucher screen (if it has not been already assigned a different function, as in report like Balance Sheet, where it adds a new column to the report) To access Auto Value Calculator in the amount field during voucher entry	At voucher entry and alteration screens, at a field where you have to select a master from a list. If the necessary account has not been created already, use this key combination to create the master without quitting from the voucher screen.

		At all voucher entry screens in the Amount field
ALT+D	To delete a voucher To delete a master To delete a column in any columnar report (if it has not been already assigned a different function, as explained above)	At Voucher and Master (Single) alteration screens. Masters can be deleted subject to conditions, as explained in the manual. All the reports screen which can be viewed in columnar format
ALT+E	To export the report in ASCII,	At all reports screen in TALLY
ALT+I	To insert a voucher To toggle between item and Accounting invoice	At List of Voucher – insert a voucher before the one where you positioned the cursor and used this key combination. At creation of sales and purchase invoice
ALT+L	To select the Language Configuration	At almost all screens in TALLY.
ALT+K	To select the Keyboard Configuration	At almost all screens in TALLY.
ALT+O	To upload the report at your website	At almost all screens in TALLY.
ALT+L	To select language for Tally interface	At almost all screens in TALLY.
ALT+M	To Email the report	At almost all screens in TALLY.
ALT+N	To view the report in automatic columns	At all the reports where columns can be added
ALT+P	To print the report	At almost all screens in TALLY.
ALT+R	To remove a line in a report	At almost all screens in TALLY.
ALT+S	To bring back a line you removed using ALT+R	At almost all screens in TALLY.
ALT+U	To retrieve the last line which is deleted using Alt+R	At almost all screens in TALLY.
ALT+V	From Invoice screen to being Stock Journal screen	At Invoice screen -> Quantity Field -> Press Alt +V to select the Stock Journal.

ALT+W	To view the Tally Web browser.	At almost all screens in TALLY.
ALT+X	To cancel a voucher in Day Book/List of Vouchers	At almost all screens in TALLY.
ALT+R	To Register Tally	At almost all screens in TALLY.
CTRL+A	To accept a form-whenever you use this key combination, that screen or report gets accepted as it is.	At almost all screens in TALLY, except where a specific details has to be given before accepting.
CTRL+B	To select the Budget	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies (Accounts Info) creation and alteration screen
CTRL+ALT+B	To check the Company Statutory details	At all the menu screens
CTRL+C	To select the Cost Centre To select the Cost Centre	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies (Accounts Info) creation and alteration screen At Stock Groups/ Stock Categories/ stock Items/ Reorder Levels/ Godowns/ Voucher Types/ Units of Measure (Inventory info) creation/ alteration screen
CTRL+E	To select Currencies	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies (Accounts Info) creation and alteration screen
CTRL+G	To select the Group	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies (Accounts Info) creation and alteration screen
CTRL+I	To select the Stock Items	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies

		(Accounts Info) creation and alteration screen
CTRL+ALT+I	To import statutory masters	At all menu screens
CTRL+L	To select the Ledger To mark a Voucher as Optional	At Groups/ Ledger / Cost Centres /Budgets /Scenarios/ Voucher Types/Currencies (Accounts Info) creation and alteration screen
CTRL+O	To select the Godowns	At Stock Groups/ Stock Categories/ stock Items/ Reorder Levels/ Godowns/ Voucher Types/ Units of Measure (Inventory info) creation/ alteration screen
CTRL+Q	To abandon a form- wherever you use this key combination, it quits that screen without making any changes to it.	At almost all screens in TALLY
CTRL+R	To repeat narration in the same voucher type	At Creation/ alteration of voucher screen
CTRL+ALT+R	Rewrite data for a Company	From Gateway of Tally screen
CTRL+S	Allows you to alter Stock Item master	At Stock Voucher Report and Godown Voucher Report
CTRL+U	To select the Units	At Stock Groups/ Stock Categories/ stock Items/ Reorder Levels/ Godowns/ Voucher Types/ Units of Measure (Inventory info) creation/ alteration screen
CTRL+V	To select the Voucher Types To toggle between Invoice and Voucher	At Stock Groups/ Stock Categories/ stock Items/ Reorder Levels/ Godowns/ Voucher Types/ Units of Measure (Inventory info) creation/ alteration screen At creation of Sales/ Purchase Voucher screen

Special Function Key Combination

Windows	Functionality	Availability
ALT+F1	To close a company To view detailed report To explode a line into its details To select Inventory vouchers to alter	At all menu screens At almost all report screen At almost all screens in TALLY At you Inventory / payroll voucher creation or alteration screen.
ALT+F3	To select the company info menu To create/alter/shut a Company	At Gateway of Tally screen
ALT+F4	To select the Purchase Order Voucher Type	At Accounting / Inventory Voucher creation and alteration screens
ALT+F5	To select the Sales Order Voucher Type To view monthly and quarterly report	At Accounting / Inventory Voucher creation and alteration screens At almost all report screen in TALLY
ALT+F6	To select the Rejection Out Voucher Type To change the Sales Order Voucher	At Accounting / Inventory Voucher creation and alteration screens
ALT+F7	To select the Stock Journal Voucher Type To accept all the Audit lists	At Accounting / Inventory Voucher creation and alteration screens At Tally Audit Listing screen
ALT+F8	To select the Delivery Note Voucher Type To view the Columnar report	At Accounting / Inventory Voucher creation and alteration screens At Ledger Voucher screen
ALT+F9	To select the Receipt Note Voucher Type	At Accounting / Inventory Voucher creation and alteration screens
ALT+F10	To select the Physical Stock Voucher Type	At Accounting / Inventory Voucher creation and alteration

		screens
ALT+F12	To filter the information based on monetary value	At almost all report screens
CTRL+F1	To select payroll voucher for alteration	At Accounting / Inventory Voucher creation and alteration screens
CTRL+ALT+12	Advanced config	At Gateway of Tally

Key Combination used for navigation

Windows	Functionality	Availability
ENTER	To accept anything you type into a field. To accept a voucher or master To get a report with further details of an item in a report.	You have to use this key at most areas TALLY At the receivables report – press Enter a pending bill to get transaction relating to this bill (e.g. original sale bill, receipts and payments against this bill, etc)
ESC	To remove what you typed into a field To come out of a screen To indicate you do not want to accept a voucher or master.	At almost all screens in TALLY.
SHIFT+ENTER	Collapse next level details	AT Voucher Register screen and Trial Balance report
SHIFT+ENTER	To explode a line into its details	In almost all Reports: At a Group/Stock Group/Cost Category /Godown/Stock Category-displays Sub Groups and Ledgers/Stock Items/ Cost Centres/ Secondary Godowns/ secondary Stock Categories At a Voucher-displays its entries and narration

		<p>At a Stock Item – displays the next level details</p> <p>At Voucher Register screen – displays the next level details</p> <p>At Trial Balance report – displays the next level details</p>
CTRL+ENTER	To alter a master while making an entry or viewing a report	<p>At Voucher entry and alteration screens</p> <p>At all reports</p>

