

Journal Voucher

For what Purpose a Journal Voucher is used in Tally?

This voucher is used for all adjustment or due entries in tally software, or in other words entry which is not made by other accounting vouchers are made by this voucher.

For Example: Credit purchases of fixed asset from creditor Rs. 50,000/-

Dr. Fixed Assets 50,000

Dr. CGST 4,500

Dr. SGST. 4,500

Cr. Creditor 59,000

For adjusting entries using journal voucher: The use of adjusting entry is to get accurate financial result of a company.

For example: We use Journal vouchers in Tally for different scenarios listed below :

For journalising Outstanding Expenses	<ul style="list-style-type: none"> Outstanding expenses are expenses which are due but not paid. Usually Rent bill/Electricity bill, newspaper subscription fee, salary for the month of March is paid on April of the new accounting year but as per going concern principle, expense should be recorded in March itself so as to get an accurate financial report or profit of a complete financial year. In this scenario, we use a journal entry at the end of the march by debiting “rent expense” and crediting “expense payable ledger”.
To record prepaid expense	Pre- paid expenses are expenses paid in advance, the expense of which is said to accrue over the months or e Periods or even more than one financial year in many cases.
To recognize accrued income	Accrued income is an income earned but not received. It is a current asset for the company. This has to be recorded as income for the financial year to which it pertains by passing a journal entry.
Accrued Income	<p>Accrued income is an income received but not earned, which means cash or consideration received in advance but not actually earned.</p> <p>For example a digital marketing company receives money Rs.15,000 as advance for a particular project. But service was not provided till the date of receipt.</p> <p>In such case initially we debit cash account for the sum received and credit liability account like Accrued income account and on completion and delivery we debit the liability account and credit the revenue account using a journal entry.</p>
For Transfer entries	<p>Transfer entries are used to transfer funds from one account to another.</p> <p>For Example: 01-05-2018 ABC Ltd has two accounts in the books of accounts as “ABC Ltd (Debtor)” hold a debit balance of Rs 1000 and “ABC Ltd (Creditor)” hold a credit balance of Rs. 1000. To transfer funds from “ABC Ltd (Creditor)” to ABC Ltd (Debtor) and to close both accounts, we need to pass a journal entry by debiting ABC Ltd (Creditor) and crediting ABC Ltd (Debtor).</p>
For correcting wrong entries passed in the books of accounts	There may be situations where accounts are wrongly credited or debited, In such case to correct those entries we reverse the first entry to transfer from wrong account to the

correct account using a journal entry in Tally.

Accounting with Journal Voucher

If you are accounts savvy, you can record the same payment transaction using a journal voucher in TallyPrime. Use the following steps for the same.

1. **Gateway of Tally > Vouchers > press F7 (Journal).**
Alternatively, **Alt+G (Go to) > Create Voucher > press F7 (Journal).**
2. If you want to change the voucher date, press **F2 (Date).**
3. Select By/Dr (Debit) side of the transaction.
 - a. In By, select the expense ledger. For example, Rent.
As in other transactions, you can create the ledger on the fly by pressing **Alt+C**.
Alternatively, press **Alt+G (Go To) > Create Master** type or select **Ledger >** and press **Enter**.
By default, in a journal voucher, you need to first specify the By (debit side).
 - b. In Debit, specify the rent amount.
4. Select the To/Cr (Credit) side of the transaction.
 - a. In To, select the payment mode. For example, Cash.
To select Cash, an **F12** setting for JV is needed.
As in other transactions, you can create the ledger on the fly by pressing **Alt+C**.
Alternatively, press **Alt+G(Go To) > Create Master >** type or select **Ledger >** and press **Enter**.
 - b. In Credit, specify the amount.
If the amount is not equivalent to the debit amount, you need to select another Credit ledger.

Accounting Voucher Creation		National Enterprises	
Journal No. 23		1-Aug-2020 Saturday	
Particulars	Debit	Credit	
Dr Rent <i>Cur Bal: 7,04,500.00 Dr</i>	4,500.00		
On Account	4,500.00 Dr		
Primary Cost Category			
Primary	4,500.00 Dr		
Cr Cash <i>Cur Bal: 2,45,500.00 Dr</i>		4,500.00	
Narration:		4,500.00	4,500.00

Accept ?
Yes or No

5. Provide Narration, if any, and accept the voucher. As always, you can use **Ctrl+A** to accept.

Though you can use a journal voucher in TallyPrime to record a payment transaction, the specialised voucher type Payment helps ease the data entry.

In a similar manner, you can use a journal voucher to record any type of accounting transaction. However, TallyPrime has specialised voucher types for specific business transactions like purchase, debit note, sales, credit note, payment, receipt, contra for error-free and easy data entry.