

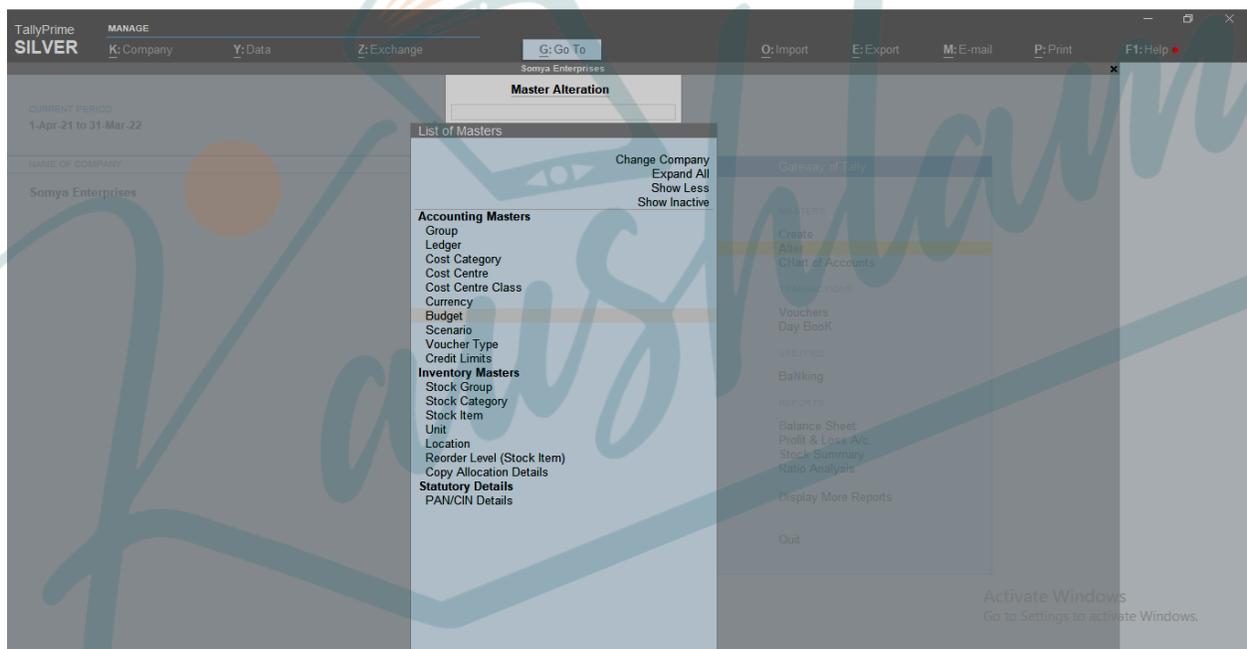
Creation of Budget for Groups in TallyPrime

The purpose of a budget is to control expenditure. You can create budgets in TallyPrime for groups, ledger accounts, and cost centre. You can create multiple budgets, each for a specific purpose. You can also have a hierarchical setup for budgets in TallyPrime. In the **List of Budgets, Primary** is at the top of the hierarchy and you can create more primary budgets. Sub-budgets can be created under Primary budgets in TallyPrime.

2.1 Create Budgets for Groups

You can create budgets in TallyPrime for groups like expenses, sundry debtors, sundry creditors, and more. This budget will be applicable for all ledgers created under these groups.

1. **Gateway of Tally > Create > Budgets >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Create Master > Budgets >** and press **Enter**.



2. Enter a **Name** for the budget.

TallyPrime **SILVER** MANAGE
 K: Company Y: Data Z: Exchange G: Go To O: Import E: Export M

Budget Creation Somya Enterprise

Name : Expenses Budget 2021-22
 Under : ♦ Primary

Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres

Master Creation

Budget

DATE OF LAST ENTRY

15-Oct-21

7-Dec-21

15-Oct-21

15-Aug-21

Gateway of Tally

MASTERS

Create

Alter

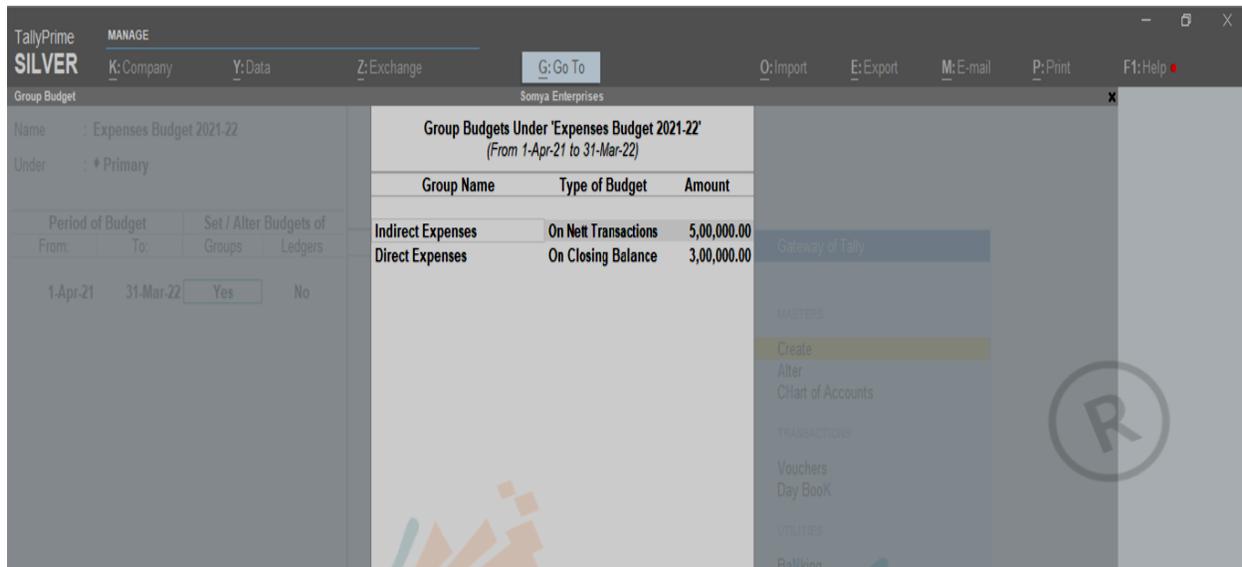
Chart of Accounts

TRANSACTIONS

Vouchers

Day Book

3. Set the option **Groups** to **Yes** to view the **Group Budget** screen.
4. Select the required **Group Name**.
5. Select the **Type of Budget**.
 - Select **On Nett Transactions** to monitor the transaction amounts and not the balances. Nett is net of debits and credits for the specified period. The **On Nett Transactions** budgets specified for a period automatically get apportioned over the period. This means, for **On Nett transactions** budgets, the debit amount for the specified period (after reducing the credits for the same period) is considered without taking into account opening and closing balances. For example, to compare transactions against budgets, especially revenue income and expenses, you can select **On Nett Transactions**.
 - Select **On Closing Balance** to monitor the balances of the accounts and the not the transactions. This means, each month will have the same budget value, except that the actual **Opening Balance** is also taken into account. Budgets **on closing balances** can be set for bank ledgers, sundry debtor's ledger balances, and so on. For example, to compare the closing balances in final statements, especially Balance Sheet items like assets and liabilities, select **On Closing Balance**.
6. Enter the **Amount**.



7. Press **Enter**.
8. Press **Ctrl+A** to save.

2.2 View Budget Variance

You can view the Budget Variance report from Trial Balance, Group Summary and Monthly Summary. Budget Variance is active only when the option Maintain budgets and controls is enabled in the Accounting Features, and at least one budget is created.

1. **Alt+G** (Go To) > type or select Trial Balance. Alternatively, **Gateway of Tally > Display More Reports > Trial Balance**.

Note: To view **Budget Variance** from the **Group Summary**, press **Alt G** (Go To) > type or select **Group Summary** > press **Enter** and select the required group.

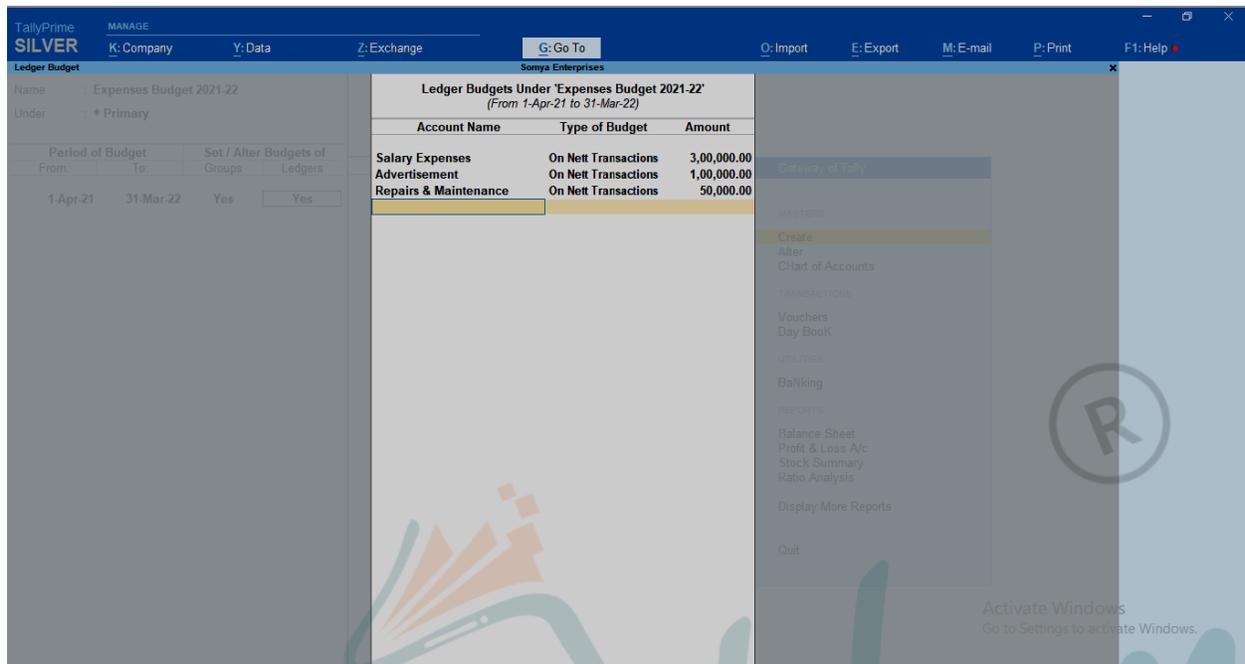
2. Press **Alt+C** (New Column) > select the budget in the **Type of value to show** field > set **Show variance** to **Yes**.

Create Budgets for Ledgers and Cost Centre

3.1 Creation of budget for Ledgers

You can create budgets in TallyPrime for specific ledger accounts.

1. **Gateway of Tally > Create > Budgets >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Create Master > Budgets >** and press **Enter**.
2. Enter a **Name** for the budget.
3. Set the option **Ledgers** to **Yes** to view the **Ledger Budget** screen.
4. Select the required **Ledger Name**.
5. Select the **Type of Budget**.
 - Select **On Nett Transactions** to monitor the transaction amounts and not the balances. Nett is net of debits and credits for the specified period. The **On Nett Transactions** budgets specified for a period automatically get apportioned over the period. This means, for **On Nett transactions** budgets, the debit amount for the specified period (after reducing the credits for the same period) is considered without taking into account opening and closing balances. For example, to compare transactions against budgets, especially revenue income and expenses, you can select **On Nett Transactions**.
 - Select **On Closing Balance** to monitor the balances of the accounts and not the transactions. This means, each month will have the same budget value, except that the actual **Opening Balance** is also taken into account. Budgets **On Closing Balance** can be set for bank ledgers, sundry debtor's ledger balances, and so on. For example, to compare the closing balances in final statements, especially Balance Sheet items like assets and liabilities, select **On Closing Balance**.
6. Enter the **Amount**.



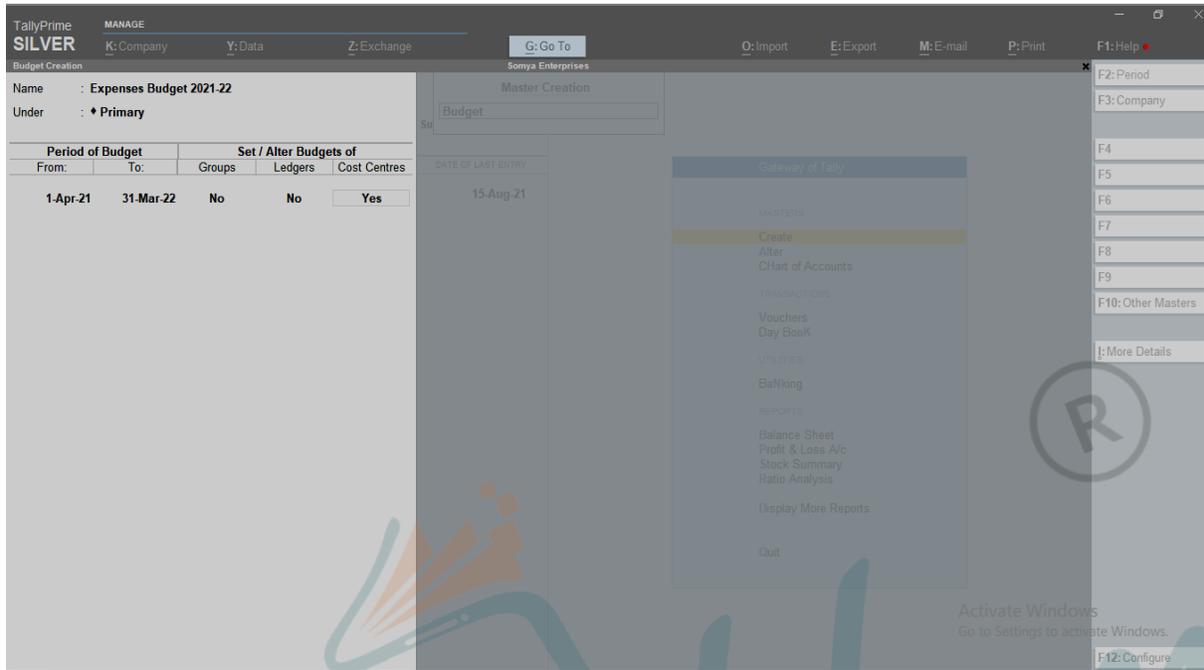
Ledger Budgets Under 'Expenses Budget 2021-22' (From 1-Apr-21 to 31-Mar-22)		
Account Name	Type of Budget	Amount
Salary Expenses	On Nett Transactions	3,00,000.00
Advertisement	On Nett Transactions	1,00,000.00
Repairs & Maintenance	On Nett Transactions	50,000.00

7. Press **Enter**.
8. Press **Ctrl+A** to save.

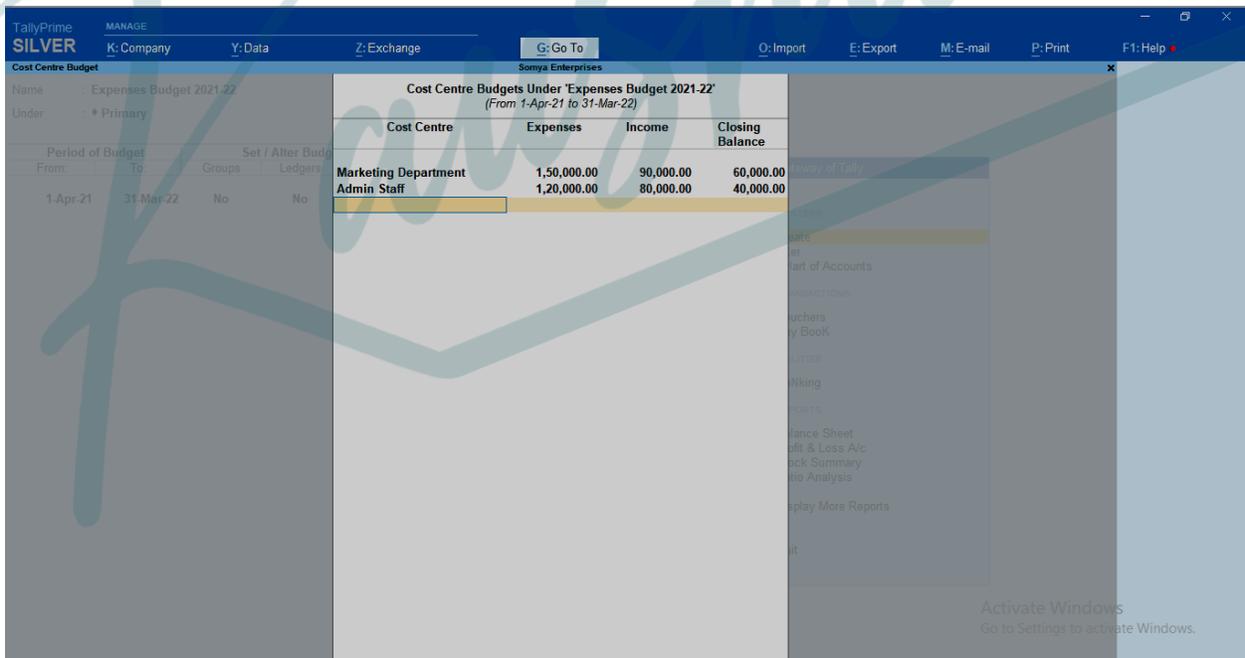
3.2 Create Budgets for Cost Centres

If cost centres are enabled for the company, you can create budgets for cost centres.

1. **Gateway of Tally > Create > Budgets >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Create Master > Budgets >** and press **Enter**.
2. Press **F11 (Features) >** set **Enable Cost Centres to Yes**.
If you do not see this option, set **Show more features to Yes**.
3. Enter a **Name** for the budget.
4. Set the option **Cost Centres to Yes** to view the **Cost Centre Budget** screen.



5. Enter the budgeted amount of **Expenses** for the cost centre.
6. Enter a budgeted amount of **Income** for the cost centre.
7. Enter the **Closing Balance**.

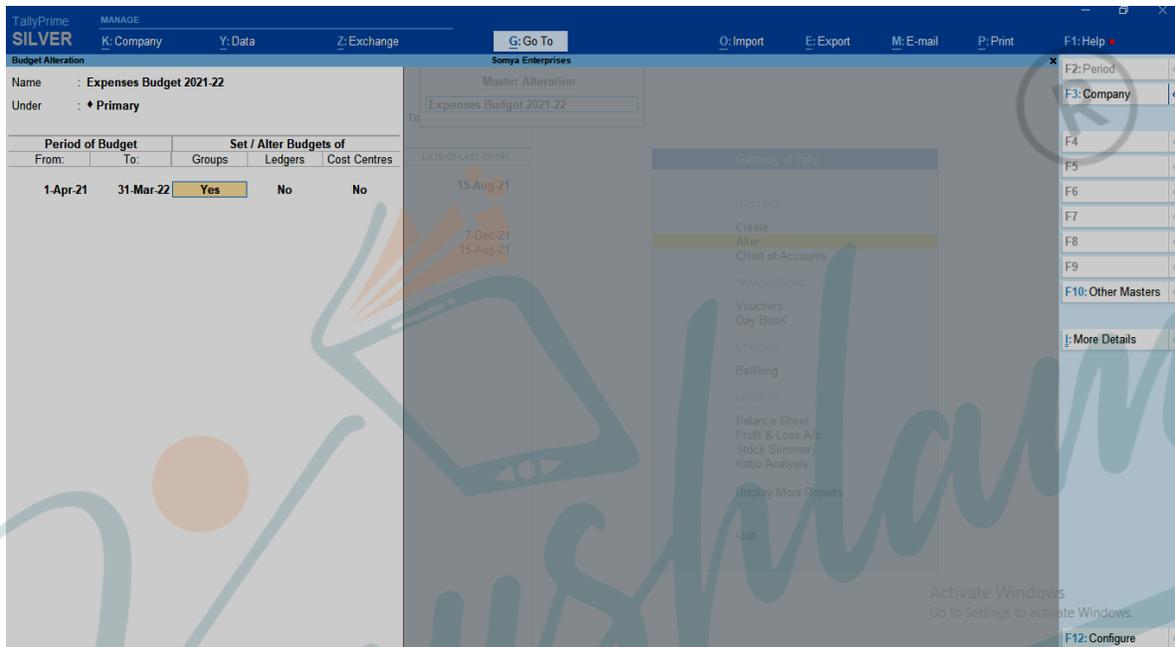


8. Press **Enter**.
9. Press **Ctrl+A** to save.

3.3 Alter a Budget

You can alter a budget to enable it for groups, ledgers or cost centres.

1. **Gateway of Tally > Alter > Budgets >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Create Master > Budgets >** and press **Enter**.
2. Modify the **Name** and **Period of Budget**, as needed.
3. Set the option **Set/Alter Budgets** to **Yes**, for **Groups, Ledgers, or Cost Centres** and make the required changes.



After making all the changes, press **Ctrl+A** to save.

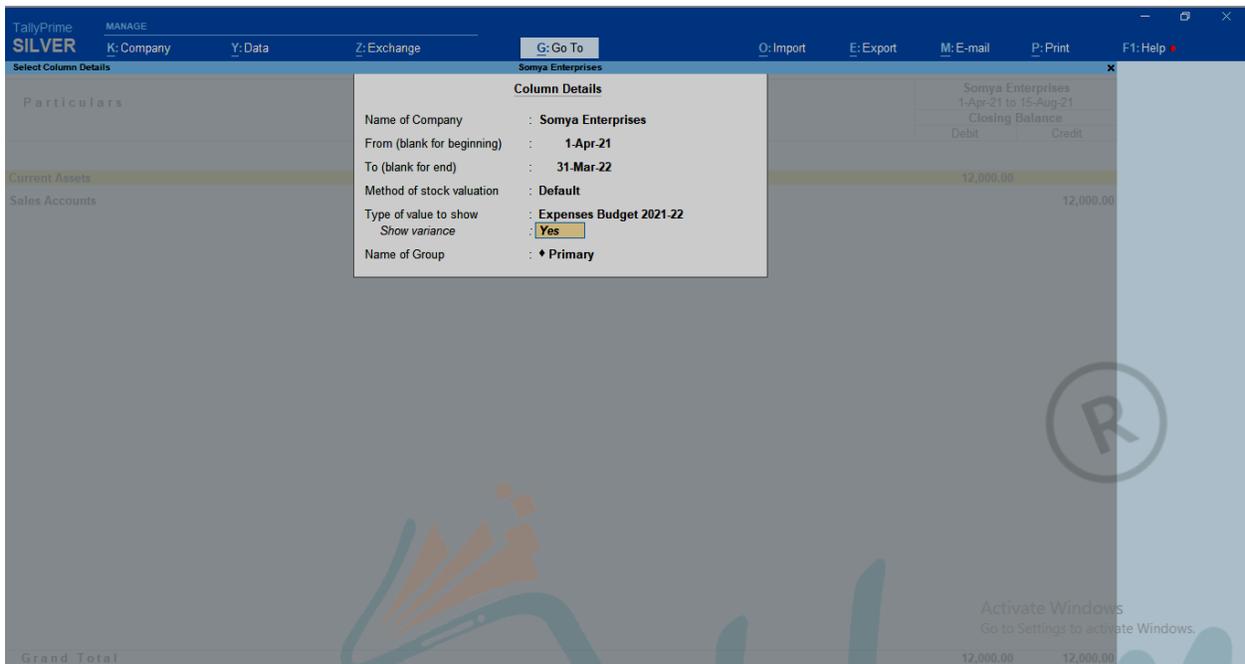
3.4 View Budget Variance

You can view the Budget Variance report from Trial Balance, Group Summary and Monthly Summary. Budget Variance is active only when the option Maintain budgets and controls is enabled in the Accounting Features, and at least one budget is created.

1. **Alt+G (Go To) >** type or select Trial Balance.
Alternatively, **Gateway of Tally > Display More Reports > Trial Balance**.

Note: To view **Budget Variance** from the **Group Summary**, press **Alt G (Go To) >** type or select **Group Summary >** press **Enter** and select the required group.

2. Press **Alt+C (New Column) >** select the budget in the **Type of value to show** field > set **Show variance** to **Yes**.



Particulars	Budgeted	Actual
Current Assets		12,800.00
Sales Accounts		12,000.00
Grand Total		12,000.00

3. A separate column appears for the selected budget, along with the actual column. If the **Budget Variance** shows negative value, it means that the actual expenditure has exceeded the budgeted value.

3.5 Delete a Budget

1. **Gateway of Tally > Alter > Budgets >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Alter Master > Budgets >** and press **Enter**.
2. Select the required budget.
3. Press **Alt+D >** press **Enter** to delete.

Introduction to Scenario Management

4.1 Scenarios in TallyPrime

Scenario management in TallyPrime is a management tool that can be used for projecting the accounts and inventory related information. You can create scenarios in TallyPrime wherein you can select and include only certain types of vouchers without affecting the source data. It is useful in generating provisional reports, where entries are not actually made in your books. It is also useful in forecasting the expenses by including the provisional vouchers in your reports.

The vouchers that are used for Scenario Management in TallyPrime are:

- Optional Vouchers
- Memorandum Vouchers
- Reversing Journals

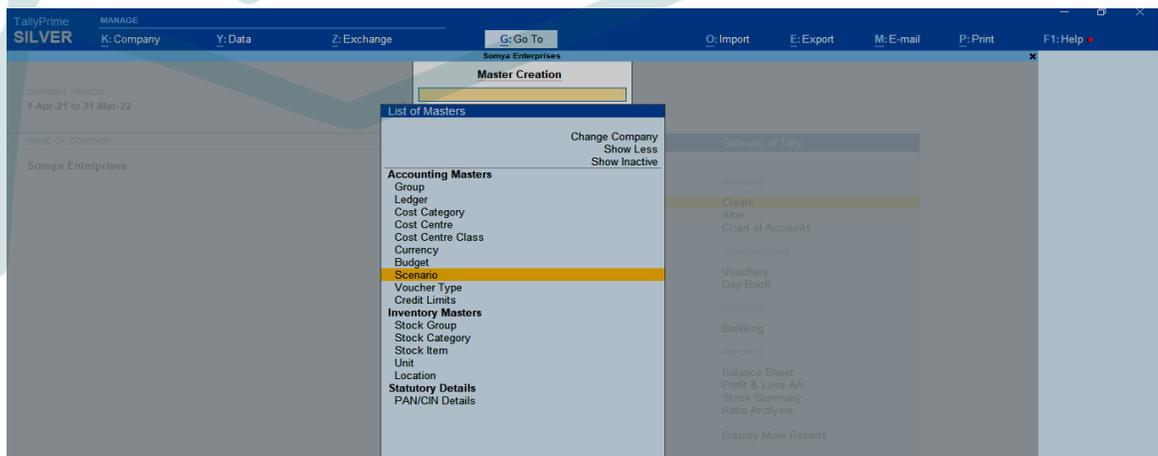
You can create a number of scenarios in TallyPrime by including and/or excluding one or more types of vouchers.

4.2 Create a Scenario

By creating a scenario in TallyPrime, you will choose to use certain voucher types and/or exclude certain voucher types to arrive at realistic forecasting. Multiple scenarios can be created enabling the business to make informed decisions. You will use reversing journals to record transactions that are automatically reversed after a specified date.

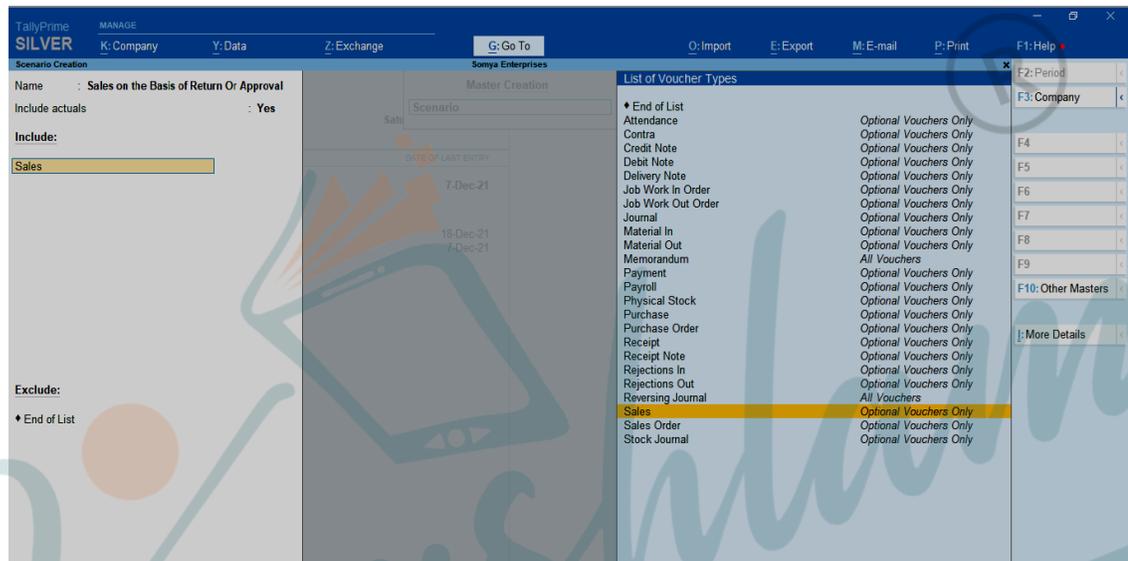
1. **Gateway of Tally > Create > Scenario >** and press **Enter**.

Alternatively, press **Alt+G (Go To) > Create Master > Scenario >** and press **Enter**.



2. Enter a scenario **Name**.

3. Enable the option **Include actuals**.
4. Set **Exclude forex gain/loss calculations** to **Yes**, if you do not want the **Unadjusted Forex Gain/Loss** to reflect in the scenario. This option appears only when you have maintained more than one currency.
5. Set **Exclude inventory tracking calculations** to **Yes**, if you do not want the Sales/Purchase Bills Pending details to reflect in the scenario. This option appears only when one of these inventory vouchers are activated – delivery note, receipt note, rejection in or rejection out vouchers.



6. Select the vouchers to **Include**. These vouchers will reflect in the scenario.
7. Select the vouchers to **Exclude**. These vouchers will not reflect in the scenario.
8. Press **Enter** to save the scenario.

4.3 Alter a Scenario

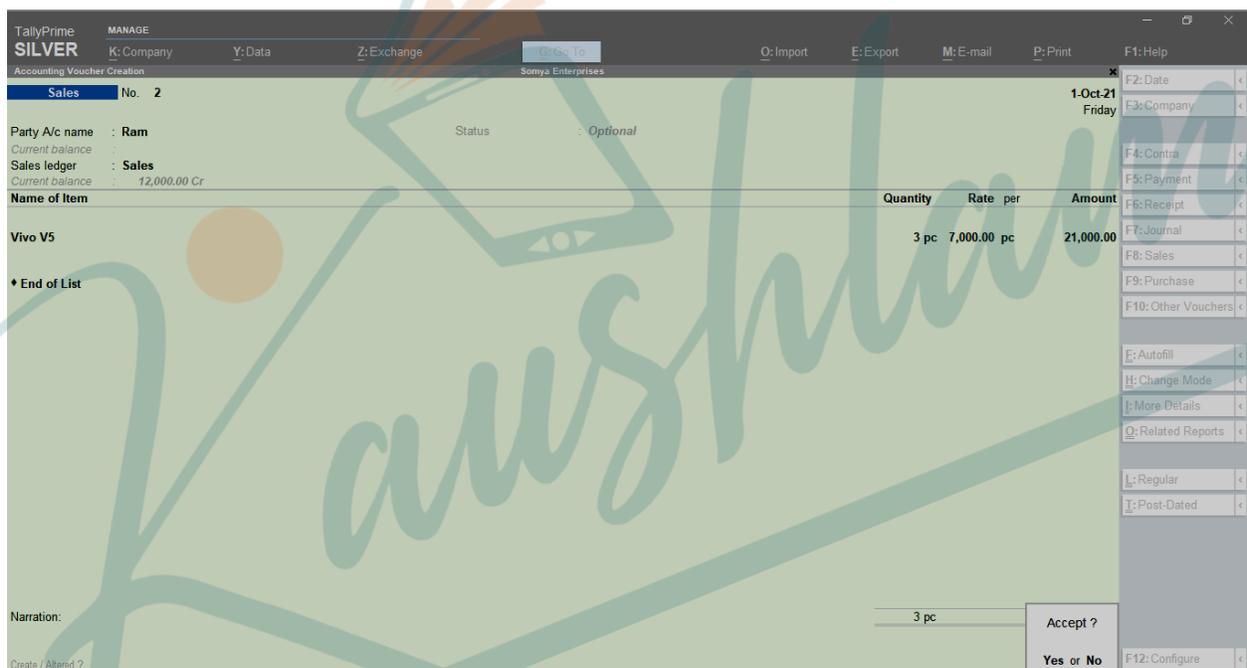
You can also alter scenarios in TallyPrime. When you don't want a voucher type to reflect in the scenario anymore, you can modify the existing scenario and remove the voucher type from the Include list.

1. **Gateway of Tally > Alter > Scenario >** and press **Enter**.
Alternatively, press **Alt+G (Go To) > Alter Master > Scenario >** and press **Enter**.
2. Select the scenario to alter from the **List of Scenarios**.
3. Modify the details as required.
4. Press **Enter** to save.

4.4 Use Optional Vouchers in Scenarios

Optional vouchers are non-accounting vouchers, i.e, the entries made using it will not affect your books of accounts. You can alter and convert an optional voucher into a regular voucher when you decide to bring the entry into your books. However, if you wish to include these entries temporarily, you can do so by creating Scenarios in TallyPrime.

1. **Gateway of Tally > Vouchers > F8 (Sales) > press Ctrl+L (Optional).**
Alternatively, press **Alt+G (Go To) > Create Voucher > F8 (Sales) > press Ctrl+L (Optional).**
2. Select the Party Account
3. Select the sales ledger and Item.
4. Enter **Narration**, if required.



The screenshot shows the TallyPrime Accounting Voucher Creation window. The window title is 'TallyPrime Accounting Voucher Creation'. The main window has a green header with 'Sales' and 'No. 2'. The date is '1-Oct-21 Friday'. The Party A/c name is 'Ram' and the Status is 'Optional'. The Sales ledger is 'Sales' with a current balance of '12,000.00 Cr'. The Name of Item is 'Vivo V5' with a quantity of '3 pc', a rate per of '7,000.00 pc', and an amount of '21,000.00'. The Narration field contains '3 pc'. The window also shows a 'Create / Altered?' status at the bottom left and an 'Accept ? Yes or No' dialog box at the bottom right. A vertical menu on the right side of the window lists various function keys (F1-F12) and their corresponding actions.

5. Press Enter to save.

4.5 Use Scenarios in Reports

You can use scenarios in statements (not registers) to compare the actuals with the provisional details.

1. Press **Alt+G (Go To) > Balance Sheet.**
Alternatively, **Gateway of Tally > Balance Sheet.**
2. Press **Alt+C (New Column).**



3. Select the required scenario. The **Balance Sheet** displays the selected scenario in a separate column.

TallyPrime SILVER		MANAGE		K: Company		Y: Data		Z: Exchange		G: Go To		O: Import		E: Export		M: E-mail		P: Print		F1: Help	
Balance Sheet																					
Somya Enterprises																					
		Somya Enterprises Actuals				Somya Enterprises Sales on the Basis of Return Or Approval Variance															
		as at 7-Dec-21				as at 1-Oct-21															
Liabilities :																					
Capital Account																					
Loans (Liability)																					
Current Liabilities																					
Branch / Divisions																					
Suspense A/c																					
Profit & Loss A/c																					
Opening Balance																					
Current Period																					
Total																					
Assets :																					
Fixed Assets																					
Investments																					
Current Assets																					
Misc. Expenses (ASSET)																					
Total																					

TallyPrime SILVER		MANAGE		K: Company		Y: Data		Z: Exchange		G: Go To		O: Import		E: Export		M: E-mail		P: Print		F1: Help	
Profit & Loss A/c																					
Somya Enterprises																					
		Somya Enterprises Actuals				Somya Enterprises Sales on the Basis of Return Or Approval Variance															
		1-Apr-21 to 7-Dec-21				For 1-Oct-21															
Particulars																					
Trading Account:																					
Sales Accounts																					
Cost of Sales :																					
Opening Stock																					
Add. Purchase Accounts																					
Less: Closing Stock																					
Gross Profit :																					
Income Statement:																					
Indirect Expenses																					
Nett Profit :																					

Creation of Scenarios for Reversing Journal and Reporting

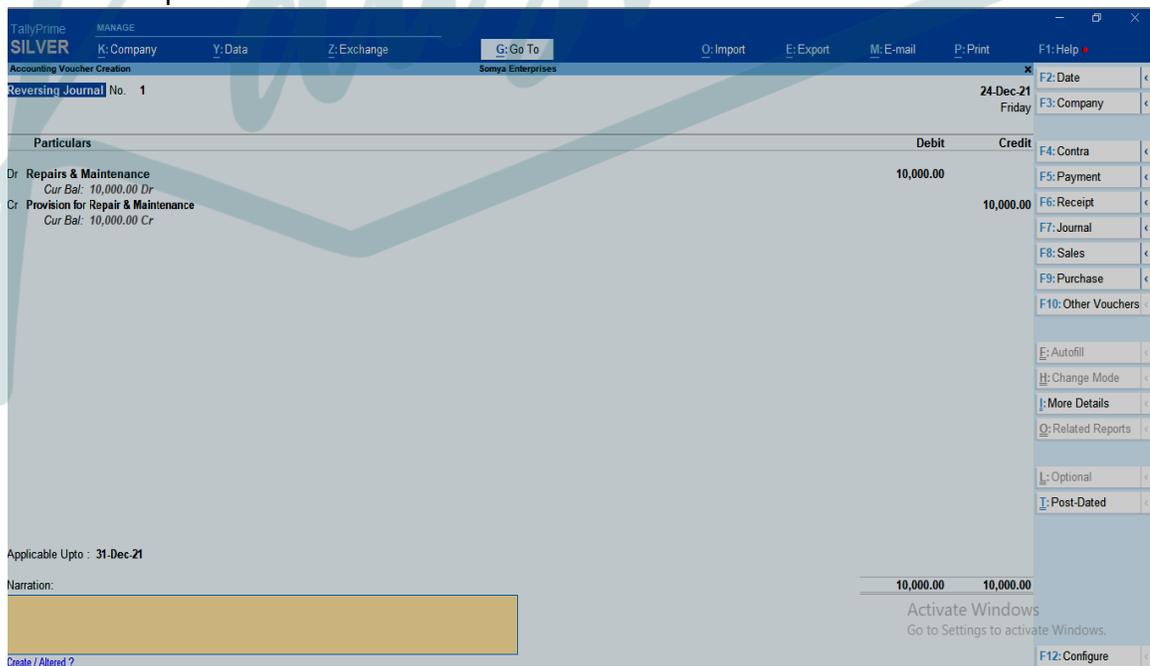
5.1 Reversing Journals

Reversing Journals are those vouchers which do not impact your books of accounts.

Similar to the optional voucher. Has an “up to” date. To check the impact on account for certain expenses until the actual voucher is passed. The impact of a Reversing Journal can be seen by creating scenarios.

You can record a transaction using **Reversing Journal** as Follows-

1. **Gateway of Tally > Vouchers > press F10 (Other vouchers) > type or select Reversing Journals.**
Alternatively, **Alt+G (Go to) > Create Voucher > press F10 (Other vouchers) > type or select Reversing Journal.**
In case the voucher is inactive, you will be prompted to activate the Reversing Journal voucher type. Select **Yes** or press **Y** to proceed.
2. If you want to change the voucher date, press **F2 (Date).**
3. Pass the Entry in the voucher for which you want to show the effect in scenario report
4. In the **Applicable Upto** field specify the date.
This is the date up to which the Reversing Journal is available for inclusion in a scenario report.



The screenshot shows the TallyPrime Accounting Voucher Creation window for a Reversing Journal. The window title is "TallyPrime SILVER" and it includes a menu bar with options like K: Company, Y: Data, Z: Exchange, G: Go To, O: Import, E: Export, M: E-mail, P: Print, and F1: Help. The voucher is titled "Reversing Journal No. 1" and is dated "24-Dec-21 Friday". The voucher type is "F10: Other Vouchers".

Particulars	Debit	Credit
Dr Repairs & Maintenance Cur Bal: 10,000.00 Dr	10,000.00	
Cr Provision for Repair & Maintenance Cur Bal: 10,000.00 Cr		10,000.00
	10,000.00	10,000.00

Applicable Upto : 31-Dec-21

Narration:

At the bottom right, there is a message: "Activate Windows Go to Settings to activate Windows." and a button labeled "F12: Configure".

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

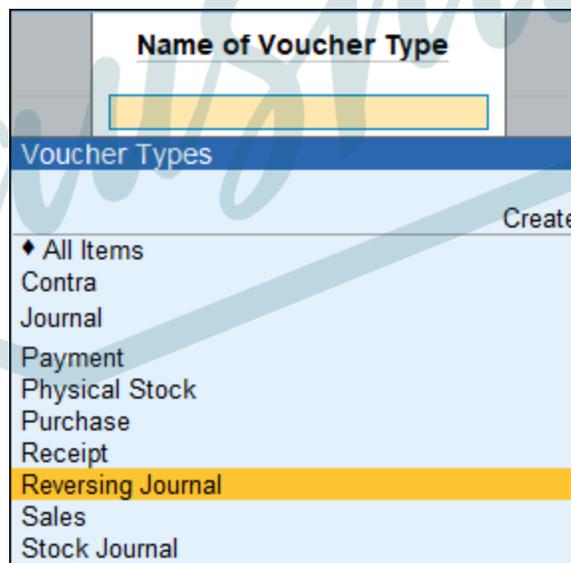
5.1.1 Applicable up to

This is the date up to which the Reversing Journal is available for inclusion in a scenario report. The Reversing Journal can be created as of a particular date and made Applicable up to a different date.

5.2 Reversing Journals in Day Book

To view entered Reversing Journals vouchers, you can go to Day Book. Day Book is a report to view transactions recorded in the Day.

1. **Gateway of Tally > Day Book.**
Alternatively, **Alt+G**(Go To) > type or select **Day Book**> and press **Enter**.
2. If you want to change the date, press **F2** (Period).
You can see Reversing Journals vouchers along with all other vouchers recorded in the day here.
3. If you want to see only particular voucher types press **F4** (Voucher Type) and select **Reversing Journals** voucher type to view.



4. **Ctrl+B** (Basis of Values): You can configure the values in your report for that instance, based on different business needs.
In **Day Book**, you can display the **Forex transactions only**. Press **Ctrl+B** (Basis of

Values) > set **Show Forex transactions only** as **Yes**. Press **Esc** to view the default values.

5. **Ctrl+H** (Change View): You can display the details of a report in different views with additional details or for a specific period. You can also view other reports related to the current report.
To view the **Post-Dated Bank Transactions** for Day Book, press **Ctrl+H** (Change View) > type or select **Post-Dated Bank Transactions** > press **Enter**. Press **Esc** to view the default report.
6. **Ctrl+J** (Exception Reports): You can view the exceptions related to the data displayed in the current report by pressing **Ctrl+J** (Exception Reports), without closing the report.
To view the **Post-Dated Voucher** for Day Book, press **Ctrl+J** (Exception Reports) > type or select **Post-Dated Voucher** > and press **Enter**. Press **Esc** to view the default report.

5.3 Exception Reports for Reversing Journal

All vouchers are maintained in a Reversing Journal Register. These are not posted to any books of accounts and cannot be included in regular reports. You can view or alter Reversing Journals from the register.

1. **Gateway of Tally > Display More Reports > Exception Reports > Reversing Journal Register.**
Alternatively, **Alt+G** (Go To) > type or select **Reversing Journal Register** > and press **Enter**.
2. Select a month to view the **Voucher Register** report.

5.4 Creation of Scenarios for Reversing Journal

Reversing Journals are special journals that are automatically reversed after a specified date. They exist only till that date and are effective only when they are included in reports. These are used in interim reporting in the course of the financial year where accruals are to be reported. These accruals are usually short term and are cleared in the subsequent period. However, to get a proper perspective, decision makers require the reports with full impact of all aspects and transactions.

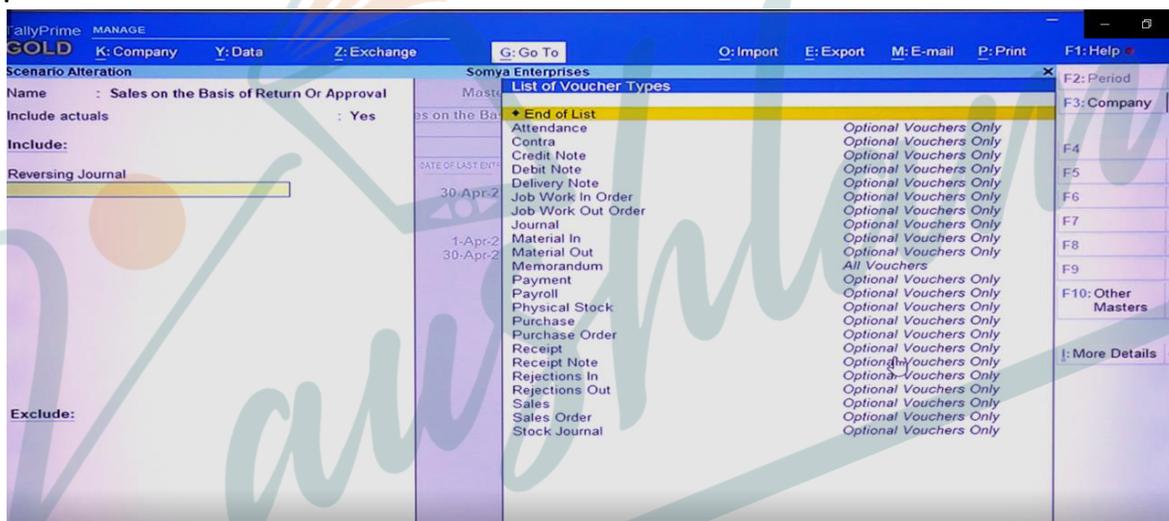
In this section:

- Create a Scenario
- Use Reversing Journal Vouchers in Scenarios

- Use Scenarios in Reports

5.5 Create a Scenario

1. **Gateway of Tally > Create > type or select Scenario.**
Alternatively, **Alt+G** (Go To) > **Create Master > type or select Scenario > and press Enter.**
2. Enter a suitable scenario Name.
3. Enable the option **Include actuals.**
4. Set **Exclude Forex Gains/Losses Calculations** to **Yes** if you do not want the Unadjusted Forex Gain/Loss element to reflect in the scenario.
5. Set **Exclude Inventory Tracking Calculations** to **Yes** if you do not want the Sales/Purchase Bills Pending element to reflect in the scenario.



6. Select the vouchers to **Include**. These vouchers will affect the scenario created.
7. Select the vouchers to **Exclude**. These vouchers will not affect the scenario created.
8. Accept the screen. As always, you can press **Ctrl+A** to save.

5.6 Use Reversing Journal Voucher in Scenarios

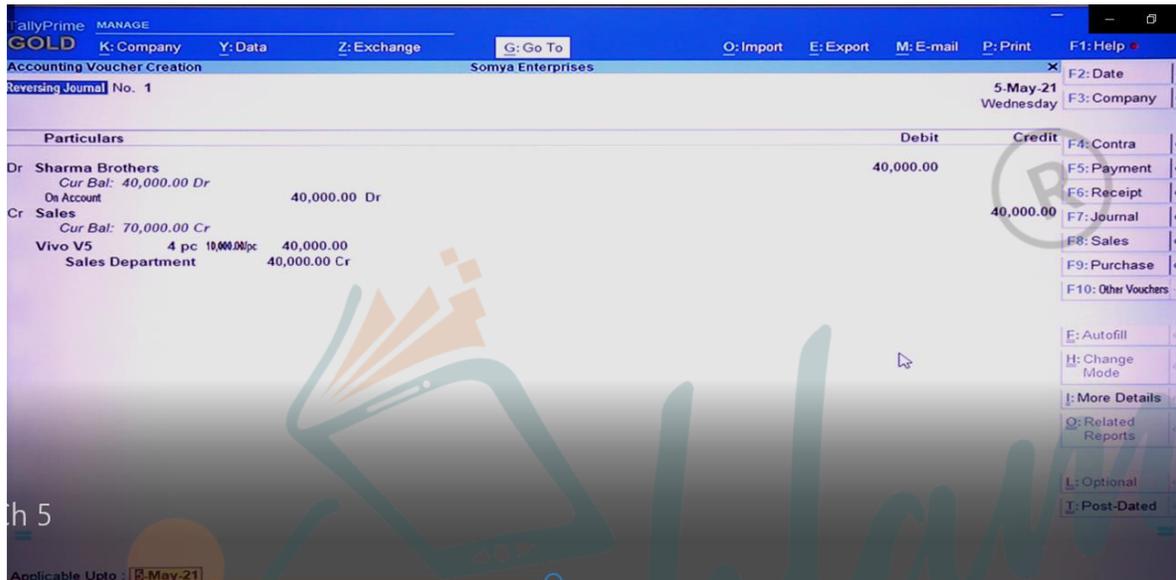
Recording transactions in TallyPrime follow a simple pattern. You can record a transaction with the following steps.

1. **Gateway of Tally > Vouchers > press F10 (Other vouchers) > type or select Reversing Journal.**
Alternatively, **Alt+G** (Go to) > **Create Voucher > press F10 (Other vouchers) >**

type or select **Reversing Journal**.

In case the voucher is inactive, you will be prompted to activate the Reversing Journal voucher type. Select **Yes** or press **Y** to proceed.

- If you want to change the voucher date, press **F2** (Date).
2. Pass the necessary Entry to Record the transaction.



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

5.7 Use Scenarios in Reports

You can use scenarios in statements (not registers) to compare the actuals with the provisional details by using the **Alt+C** (New Column) button.

1. **Gateway of Tally > Profit & Loss Account OR Balance sheet.**
Alternatively, **Alt+G** (Go to) > type or select **Profit & Loss Account OR Balance sheet** > and press **Enter**.
2. Press **Alt+C** (New Column).
3. Select the scenario required. The Balance Sheet with the scenario appears as shown below:



TallyPrime MANAGE
GOLD K: Company Y: Data Z: Exchange G: Go To O: Import E: Export M: E-mail P: Print F1: Help

Profit & Loss A/c Somya Enterprises

Particulars	Somya Enterprises Actuals 1-Apr-21 to 30-Apr-21	Somya Enterprises Sales on the Basis of Return Or Approval 1-Apr-21 to 30-Apr-21
Trading Account:		
Sales Accounts	30,000.00	70,000.00
Cost of Sales :	27,000.00	63,000.00
Opening Stock		
Add: Purchase Accounts	90,000.00	90,000.00
Less: Closing Stock	63,000.00	27,000.00
Gross Profit :	3,000.00	7,000.00
Income Statement:		
Indirect Expenses	49,500.00	49,500.00
Nett Profit :	(-)46,500.00	(-)42,500.00

F2: Period
 F3: Company
 F4
 F5
 F6
 F7
 F8: Valuation
 F9
 F10
 B: Basis of Values
 H: Change View
 J: Exception Reports
 L: Save View
 C: New Column
 A: Alter Column
 D: Delete Column

