



# INSTITUTE OF HUMAN RESOURCES DEVELOPMENT

TC 86/1949(2), NH Bypass Junction, Chackai, Thiruvananthapuram- 24

No. IHRD/335/2023-FIN C2

Dated: 13-04-2023

## CIRCULAR

### **Sub: - IHRD -Tally entries- Guidelines issued-reg.**

The following guidelines are issued for further streamlining tally data of IHRD institutions. The guidelines shall be strictly followed by the Heads of Institutions and staff assigned with the accounts of the institutions concerned.

#### **1. Commencement of new Financial Year's Accounts**

Before moving to the new financial year, it shall be ensured that all entries for the previous year are done properly and permission from head office tally section be obtained. After getting permission, go to "Gateway of Tally" and press "Period" or "Alt+F2". Change the period to 01-04-2023 to 31-03-2024. Then you can start entering data for the new financial year.

#### **2. To include all Institutional bank accounts**

The HOI shall ensure the inclusion of all bank accounts maintained for the institution except NSS & PTA accounts, in the cash book and tally accounts. The institutions which have not added any of the above bank accounts in cashbook/tally, shall take steps to add the bank account(s) with effect from 01.04.2024 onwards. Approval of HO shall be obtained by explaining the details of the bank accounts.

Split up of closing balance of all accounts may be shown in the cash book, every day.

#### **3. In transactions where there is no actual cash flow, 'Cash' account shall not be debited/ credited in the cashbook and tally entries. Bank accounts shall be directly debited/ credited in such cases. Care shall also be taken in minimizing cash transactions.**

#### **4. Accounting of amount received in different bank accounts**

All amounts received in the bank accounts of the institution shall be receipted and accounted. Receipt may be issued as and when the amount is received in the respective bank. **Contra** entries may be posted for transferring the amount from other bank to institutional SB account.



## 5. Posting under the head 'Other Receipts' & 'Other Income'

Care shall be taken while posting entries under the heads 'Other Receipts' and 'Other Income'. "Other Receipts" head is used when a fund is received for a specific purpose, for which there is no specific head. In this case, receipt and expenditure shall be done from the head "Other Receipts" itself. On the other hand, "Other Income" head is used for posting income from other sources not included in any other ledger heads.

## 6. Settlement of Advance

While settling advance, following steps may be followed:-

Case 1 (When advance is fully settled): Journal entry may be posted converting the ledger head "Advance Paid" to the payment ledger head concerned. For example, Rs. 10,000 was received as Advance for conducting Arts & Sports meet and the entire amount was spent for the meet, following journal entry may be posted during settling the advance:

Dr.	Students Amenities Expenses	10000	
Cr.	Advance Paid		10000

Case 2 (When there is refund of advance): When the amount given as advance was not fully utilized, balance amount will be refunded. The refunded amount may be receipted and utilized amount may be adjusted with the advance. For example, Rs. 10,000 was received as Advance for conducting Arts & Sports meet and only Rs. 9500/- was spent for the meet. In this case, Rs. 500/- is to be refunded during settlement and it has to be posted as follows:

### Receipt entry

Dr.	Students Amenities Expenses	9500	
Dr.	Cash	500	
Cr.	Advance Paid		10000

Case 3 (When extra amount is to be paid): When the amount given as advance is not enough for the actual expense, additional amount is to be paid. In such cases, payment entry is to be posted. For example, Rs. 10,000 was received as Advance for conducting Arts & Sports meet and expenditure incurred was Rs. 12,000/-, Rs. 2000/- is to be paid and settlement entry may be posted as follows:

### Payment entry

Dr.	Students Amenities Expenses	12000	
Cr.	Advance Paid		10000
Cr.	Cash		2000



**7. Posting under the head 'Educational Concession/e-Grantz'**

While receiving fund in the e-grantz bank account, the amount may be receipted under the ledger head 'Educational Concession/e-Grantz'. After receiving the proceedings from department concerned, the amount may be posted to respective fee heads or it should be disbursed to students from the same head at the earliest.

**8. Posting under the head 'CPF Loans & Closure' & 'Refund- CPF Temp. Advance'**

'CPF Loans & Closure' is used to post CPF temporary advance/closure received from Trust which is to be disbursed to staff. Receipt and disbursement is to be posted under the same head. 'Refund- CPF Temp. Advance' is used to post refund of temporary advance collected from salary and forwarded to HO. Care should be taken in posting these heads.

**9. The figures in Cash book and Tally accounts shall be same. Any mismatch may be due to wrong entries and the same shall be verified and rectified on daily basis.**

**10. Sending Tally data to HO**

Tally data file of each month shall be emailed to "ihrd.acc@gmail.com" on or before 10<sup>th</sup> of the succeeding month without fail. The monthly data filename shall be in the standard file format (eg. 18xxxJuly18.rar), which is already in existence (Data may be forwarded in .rar/.7z/.zip formats). Reconciliation of tally accounts shall be done before sending the data file. **No hardcopies of statements are to be forwarded.** All correspondences regarding Tally accounts, including clarifications required shall be forwarded to "ihrd.acc@gmail.com" and "cru.ihrd@kerala.gov.in".

**11. Checking of closing balance**

All HOIs are directed to verify whether the closing balance of the institution as per tally data and cash book are same at the end of every month. **Checking of closing balance with institutions cashbook, tally data and bank statements must be done on every end of the month.**

*[To check the closing balance, follow the steps given below:*

*Gateway Tally → Display → Accounts Book → Cash/ Bank Book(s)*

*Select F2 or click **Period** and enter the required period.*



Now select F12 or **Configure** and change the settings as below:

<u>Configuration</u>	
Show Opening Balances	? Yes
Show transactions	? Yes
<i>Nett transactions only</i>	? No
Show Closing Balances	? Yes
Show Percentages	? No
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Sorting Method	: Default
Expand all levels in Detailed Format	? <b>Yes</b>

*i.e., the options **Show Opening Balances, Show transactions & Expand all levels in Detailed Format** to be changed to **YES**. You will get the details all bank accounts in tally including those with '0' closing balance]*

If there is difference in the balance as per cash book and bank statement, reconciliation of that account shall be done and it should be noted in the cashbook.

## 12. Negative Ledger entries

All ledgers having negative balances may be verified thoroughly and rectification measures shall be taken, as far as possible.

[To check negative balances follow the steps: - Gateway of Tally → Display → EXception Reports → Negative Ledgers]

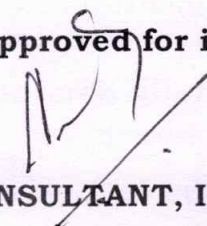
It will display list of ledger heads with possible errors in the entries.

Sd/-  
Director

### Copy to:

1. All Heads of Institutions.
2. Sri. Basil Gomez, System Analyst, Tally Administrator
3. Office copy

Approved for issue

  
FINANCIAL CONSULTANT, IHRD