SUBJECT CODE -   MCOM I   THEORY –
P16MC24T

PRACTICAL- P16MC24P

CORE COURSE VIII

FUNDAMENTALS OF INFORMATION TECHNOLOGY

Internal Assessment: Theory – 15 Marks; Practical – 10 Marks

University Examinations: Theory- 45 Marks Practical - 30 Marks.

Examination Duration: Theory 2

Hours; Practical 2 Hours

Objective: To enable the students to acquire knowledge in computers,
Information Technology and to develop skills in
Computerized Accounting System both theory and in
practical.

(Theory & Practical)   (Theory 45 Marks)

UNIT I
Introduction to Computers – Classification of Computers –
Generations of Computer – Memory Units – Auxiliary Storage
Devices – Input and Output Devices - Computer Software –
Operating System – Programming Languages.

UNIT II
Fundamentals of Computerized Accounting – Computerized
Accounting Vs Manual Accounting - Procedure for Creating a new
company – Groups Creation - Ledger Creation.

UNIT III
Vouchers creations – Payment voucher – Receipts voucher – Sales

voucher – Purchase voucher – Journal voucher – Contra voucher.

(PRACTICAL – 30 Marks)
UNIT IV
Creation of a new company – Groups Creation – Multiple Groups and Single Groups - Creation of ledgers – Multiple Ledgers and Single Ledgers.

UNIT V
Vouchers creations – Voucher entry – Payment vouchers – Receipt vouchers – Sales vouchers – Purchase vouchers – Journal voucher and Contra vouchers.

UNIT - 1

INTRODUCTION TO COMPUTERS

A **computer** is an electronic device that receives input, stores or processes the input asper user instructions and provides output in desired format. Computers have become an integral part of our lives because they can accomplish easy tasks repeatedly without getting bored and complex ones repeatedly without committing errors. In this tutorial we will discuss in detail about the different parts of computer that enable it to carry out tasks efficiently and correctly. We will also discuss about microprocessors, the brain of computers, which actually do all the assigned tasks.


Input-Process-Output Model

Computer input is called **data** and the output obtained after processing it, based on user's instructions is called **information**. Raw facts and figures which can be processed using arithmetic and logical operations to obtain information are called **data**.

Simplest Workflow of Computer

The processes that can be applied to data are of two types −

- ❖ **Arithmetic operations** − Examples include calculations like addition, subtraction, differentials, square root, etc.

- ❖ **Logical operations** − Examples include comparison operations like greater than, less than equal to , opposite etc…

The corresponding figure for an actual computer looks something like this −
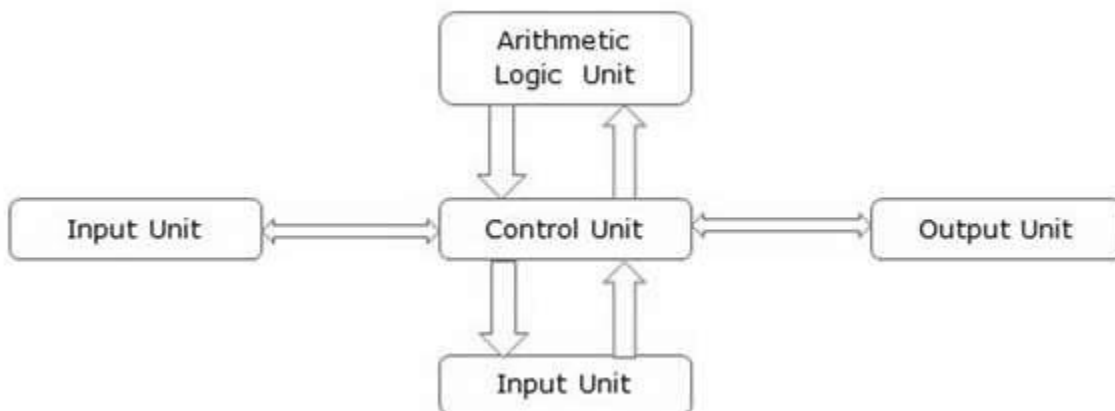
The basic parts of a computer are as follows −

- **Input Unit** − Devices like keyboard and mouse that are used to input data and instructions to the computer are called input unit.

- **Output Unit** − Devices like printer and visual display unit that are used to provide information to the user in desired format are called output unit.

- **Control Unit** − As the name suggests, this unit controls all the functions of the computer. All devices or parts of computer interact through the control unit.

- **Arithmetic Logic Unit** − This is the brain of the computer where all arithmetic operations and logical operations take place.

- **Memory** – All input data, instructions and data interim to the processes are stored in the memory. Memory is of two types – **primary memory** and **secondary memory**. Primary memory resides within the CPU whereas secondary memory is external to it.

Control unit, arithmetic logic unit and memory are together called the **central processing unit** or **CPU**. Computer devices like keyboard, mouse, printer, etc. that we can see and touch are the **hardware** components of a computer. The set of instructions or programs that make the computer function using these hardware parts are called **software**. We cannot see or touch software. Both hardware and software are necessary for working of a computer.

CLASSIFICATION OF COMPUTERS

All modern computers and computing devices use microprocessors whose speeds and storage capacities are skyrocketing day by day. The developmental benchmark for computers is now their size. Computers are now classified on the basis of their use or size –

- Desktop
- Laptop
- Tablet
- Server
- Mainframe
- Supercomputer

Let us look at all these types of computers in detail.

Desktop

Desktop computers are **personal computers (PCs)** designed for use by an individual at a fixed location. IBM was the first computer to introduce and popularize use of desktops. A desktop unit typically has a CPU (Central Processing Unit), monitor, keyboard and mouse. Introduction of desktops popularized use of computers among common people as it was compact and affordable.

Riding on the wave of desktop's popularity many software and hardware devices were developed specially for the home or office user. The foremost design consideration here was user friendliness.

Laptop

Despite its huge popularity, desktops gave way to a more compact and portable personal computer called laptop in 2000s. Laptops are also called **notebook computers** or simply **notebooks**. Laptops run using batteries and connect to networks using Wi-Fi (Wireless Fidelity) chips. They also have chips for energy efficiency so that they can conserve power whenever possible and have a longer life.

Modern laptops have enough processing power and storage capacity to be used for all office work, website designing, software development and even audio/video editing.

Tablet

After laptops computers were further miniaturized to develop machines that have processing power of a desktop but are small enough to be held in one's palm. Tablets have touch sensitive screen of typically 5 to 10 inches where one finger is used to touch icons and invoke applications.

Keyboard is also displayed virtually whenever required and used with touch strokes. Applications that run on tablets are called **apps**. They use operating systems by Microsoft (Windows 8 and later versions) or Google (Android). Apple computers have developed their own tablet called **iPad** which uses a proprietary OS called **iOS**.

Server

Servers are computers with high processing speeds that provide one or more services to other systems on the **network**. They may or may not have screens attached to them. A group of computers or digital devices connected together to share resources is called a **networ** Servers have high processing powers and can handle multiple requests simultaneously. Most commonly found servers on networks include −

- File or storage server
- Game server
- Application server
- Database server
- Mail server
- Print server

Mainframe

Mainframes are computers used by organizations like banks, airlines and railways to handle millions and trillions of online transactions per second. Important features of mainframes are −

- Big in size
- Hundreds times Faster than servers, typically hundred megabytes per second
- Very expensive
- Use proprietary OS provided by the manufacturers
- In-built hardware, software and firmware security features

Supercomputer

Supercomputers are the fastest computers on Earth. They are used for carrying out complex, fast and time intensive calculations for scientific and engineering applications. Supercomputer speed or performance is measured in teraflops, i.e. 1012 floating point operations per second.

Chinese supercomputer **Sunway TaihuLigh** is the world's fastest supercomputer with a rating of 93 petaflops per second, i.e. 93 quadrillion floating point operations per second.

Most common uses of supercomputers include −

- Molecular mapping and research
- Weather forecasting
- Environmental research
- Oil and gas exploration

GENERATIONS OF COMPUTER

Introduction:
A computer is an electronic device that manipulates information or data. It has the ability to store, retrieve, and process data.
Nowadays, a computer can be used to type documents, send email, play games, and browse the Web. It can also be used to edit or create spreadsheets, presentations, and even videos. But the evolution of this complex system started around 1940 with the first Generation of Computer and evolving ever since.
There are five generations of computers.

1. **FIRST GENERATION**

- *Introduction:*
  1. 1946-1959 is the period of first generation computer.
  2. J.P.Eckert and J.W.Mauchy invented the first successful electronic computer called ENIAC, ENIAC stands for "Electronic Numeric Integrated And Calculator".
- *Few Examples are:*
  1. ENIAC
  2. EDVAC
  3. UNIVAC
  4. IBM-701
  5. IBM-650

  …

- *Advantages:*
  1. It made use of vacuum tubes which are the only electronic component available during those days.
  2. These computers could calculate in milliseconds.
- *Disadvantages:*
  1. These were very big in size, weight was about 30 tones.
  2. These computers were based on vacuum tubes.
  3. These computers were very costly.
  4. It could store only a small amount of information due to the presence of magnetic drums.
  5. As the invention of first generation computers involves vacuum tubes, so another disadvantage of these computers was, vacuum tubes require a large cooling system.
  6. Very less work efficiency.
  7. Limited programming capabilities and punch cards were used to take inputs.
  8. Large amount of energy consumption.
  9. Not reliable and constant maintenance is required.

2.SECOND GENERATION

- *Introduction:*
  1. 1959-1965 is the period of second-generation computer.

2. 3.Second generation computers were based on Transistor instead of vacuum tubes.
- *Few Examples are:*
  1. Honeywell 400
  2. IBM 7094
  3. CDC 1604
  4. CDC 3600
  5. UNIVAC 1108

  … many more

- *Advantages:*
  1. Due to the presence of transistors instead of vacuum tubes, the size of electron component decreased. This resulted in reducing the size of a computer as compared to first generation computers.
  2. Less energy and not produce as much heat as the first genration.
  3. Assembly language and punch cards were used for input.
  4. Low cost than first generation computers.
  5. Better speed, calculate data in microseconds.
  6. Better portability as compared to first generation
- *Disadvantages:*
  1. A cooling system was required.
  2. Constant maintenance was required.
  3. Only used for specific purposes.

3.THIRD GENERATION
- *Introduction:*
  1. 1965-1971 is the period of third generation computer.
  2. These computers were based on Integrated circuits.
  3. IC was invented by Robert Noyce and Jack Kilby In 1958-1959.
  4. IC was a single component containing number of transistors.
- *Few Examples are:*
  1. PDP-8
  2. PDP-11
  3. ICL 2900
  4. IBM 360
  5. IBM 370

  … and many more

- *Advantages:*
  1. These computers were cheaper as compared to second-generation computers.
  2. They were fast and reliable.
  3. Use of IC in the computer provides the small size of the computer.
  4. IC not only reduce the size of the computer but it also improves the performance of the computer as compared to previous computers.
  5. This generation of computers has big storage capacity.
  6. Instead of punch cards, mouse and keyboard are used for input.
  7. They used an operating system for better resource management and used the concept of time-sharing and multiple programming.
  8. These computers reduce the computational time from microseconds to nanoseconds.
- *Disadvantages:*
  1. IC chips are difficult to maintain.
  2. The highly sophisticated technology required for the manufacturing of IC chips.
  3. Air conditioning is required.

4.FOURTH GENERATION

- *Introduction:*
  1. 1971-1980 is the period of fourth generation computer.
  2. This technology is based on Microprocessor.
  3. A microprocessor is used in a computer for any logical and arithmetic function to be performed in any program.
  4. Graphics User Interface (GUI) technology was exploited to offer more comfort to users.
- *Few Examples are:*
  1. IBM 4341
  2. DEC 10
  3. STAR 1000
  4. PUP 11
  … and many more

- *Advantages:*
  1. Fastest in computation and size get reduced as compared to the previous generation of computer.

2. Heat generated is negligible.
3. Small in size as compared to previous generation computers.
4. Less maintenance is required.
5. All types of high-level language can be used in this type of computers.

- *Disadvantages:*
    1. The Microprocessor design and fabrication are very complex.
    2. Air conditioning is required in many cases due to the presence of ICs.
    3. Advance technology is required to make the ICs.

5.FIFTH GENERATION

- *Introduction:*
    1. The period of the fifth generation in 1980-onwards.
    2. This generation is based on artificial intelligence.
    3. The aim of the fifth generation is to make a device which could respond to natural language input and are capable of learning and self-organization.
    4. This generation is based on ULSI(Ultra Large Scale Integration) technology resulting in the production of microprocessor chips having ten million electronic component.

- *Few Examples are:*
    1. Desktop
    2. Laptop
    3. NoteBook
    4. UltraBook
    5. Chromebook
    … and many more

- *Advantages:*
    1. It is more reliable and works faster.
    2. It is available in different sizes and unique features.
    3. It provides computers with more user-friendly interfaces with multimedia features.

- *Disadvantages:*
    1. They need very low-level languages.
    2. They may make the human brains dull and doomed.

MEMORY UNIT

Memory unit is the amount of data that can be stored in the storage unit. This storage capacity is expressed in terms of Bytes.

The following table explains the main memory storage units −

S.No.	Unit & Description
1	**Bit (Binary Digit)** A binary digit is logical 0 and 1 representing a passive or an active state of a component in an electric circuit.
2	**Nibble** A group of 4 bits is called nibble.
3	**Byte** A group of 8 bits is called byte. A byte is the smallest unit, which can represent a data item or a character.
4	**Word** A computer word, like a byte, is a group of fixed number of bits processed as a unit, which varies from computer to computer but is fixed for each computer. The length of a computer word is called word-size or word length. It may be as small as 8 bits or may be as long as 96 bits. A computer stores the information in the form of computer words.

The following table lists some higher storage units −

S.No.	Unit & Description
1	**Kilobyte (KB)** 1 KB = 1024 Bytes

| 2	**Megabyte (MB)** 1 MB = 1024 KB
3	**GigaByte (GB)** 1 GB = 1024 MB
4	**TeraByte (TB)** 1 TB = 1024 GB
5	**PetaByte (PB)** 1 PB = 1024 TB

AUXILIARY STORAGE DEVICES

Auxiliary memory (also referred to as *secondary storage*) is the non-volatile memory lowest-cost, highest-capacity, and slowest-access storage in a computer system. It is where programs and data kept for long-term storage or when not in immediate use

Such memories tend to occur in two types-sequential access (data must access in a linear sequence) and direct access (data may access in any sequence). The most common sequential storage device is the hard disk drives, whereas direct-access devices include rotating drums, disks, CD-ROMs, and DVD-ROMs.It used as permanent storage of data in mainframes and supercomputers.

Auxiliary memory may also refer to as auxiliary storage, secondary storage, secondary memory, external storage or external memory. **Auxiliary memory** is not directly accessible by the CPU; instead, it stores noncritical system data like large data files, documents, programs and other back up information that supplied to primary memory from auxiliary memory over a high-bandwidth channel, which will use whenever necessary. Auxiliary memory holds data for future use, and that retains information even the power fails.

INPUT AND OUTPUT DEVICES
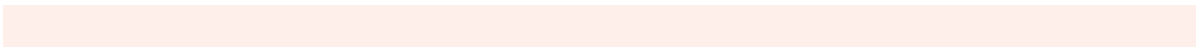
Input and output devices allow the computer system to interact with the outside world by moving data into and out of the system. An input device is used to bring data into the system. Some input devices are:

Keyboard

Mouse

Microphone

Bar code reader

Graphics tablet

An output device is used to send data out of the system. Some output devices are:

Monitor

Printer

Speaker

Input/output devices are usually called I/O devices. They are directly connected to an electronic module inside the systems unit called a device controller. For example, the speakers of a multimedia computer system are directly connected to a device controller called an audio card (such as a Soundblaster), which in turn is connected to the rest of the system.

Sometimes secondary memory devices like the hard disk are called I/O devices (because they move data in and out of main memory.) What counts as an I/O device depends on context. To a user, an I/O device is something outside of the system box. To a programmer, everything outside of the processor and main memory looks like an I/O devices. To an engineer working on the design of a processor, everything outside of the processor is an I/O device

COMPUTER SOFTWARE

Software is a set of programs, which is designed to perform a well-defined function. A program is a sequence of instructions written to solve a particular problem.

There are two types of software −

- System Software

- Application Software

System Software

The system software is a collection of programs designed to operate, control, and extend the processing capabilities of the computer itself. System software is generally prepared by the computer manufacturers. These software products comprise of programs written in low-level languages, which interact with the hardware at a very basic level. System software serves as the interface between the hardware and the end users.

Some examples of system software are Operating System, Compilers, Interpreter, Assemblers, etc.

Here is a list of some of the most prominent features of a system software −

- Close to the system
- Fast in speed
- Difficult to design
- Difficult to understand
- Less interactive
- Smaller in size
- Difficult to manipulate
- Generally written in low-level language

Application Software

Application software products are designed to satisfy a particular need of a particular environment. All software applications prepared in the computer lab can come under the category of Application software.

Application software may consist of a single program, such as Microsoft's notepad for writing and editing a simple text. It may also consist of a collection of programs, often called a software package, which work together to accomplish a task, such as a spreadsheet package.

Examples of Application software are the following −

- Payroll Software

- Student Record Software
- Inventory Management Software
- Income Tax Software
- Railways Reservation Software
- Microsoft Office Suite Software
- Microsoft Word
- Microsoft Excel
- Microsoft PowerPoint

Features of application software are as follows −

- Close to the user
- Easy to design
- More interactive
- Slow in speed
- Generally written in high-level language
- Easy to understand
- Easy to manipulate and use
- Bigger in size and requires large storage space

OPERATING SYSTEM

An operating system (OS) is a collection of software that manages computer hardware resources and provides common services for computer programs. The operating system is a vital component of the system software in a computer system. This tutorial will take you through step by step approach while learning Operating System concepts.

Why to Learn Operating System?

An Operating System (OS) is an interface between a computer user and computer hardware. An operating system is a software which performs all the basic tasks like file management, memory management, process management, handling input and output, and controlling peripheral devices such as disk drives and printers.

Some popular Operating Systems include Linux Operating System, Windows Operating System, VMS, OS/400, AIX, z/OS, etc.

Following are some of important functions of an operating System.

- Memory Management
- Processor Management
- Device Management
- File Management
- Security
- Control over system performance
- Job accounting
- Error detecting aids
- Coordination between other software and users

Applications of Operating System

Following are some of the important activities that an Operating System performs −

- **Security** − By means of password and similar other techniques, it prevents unauthorized access to programs and data.

- **Control over system performance** − Recording delays between request for a service and response from the system.

- **Job accounting** − Keeping track of time and resources used by various jobs and users.

- **Error detecting aids** − Production of dumps, traces, error messages, and other debugging and error detecting aids.

- **Coordination between other softwares and users** − Coordination and assignment of compilers, interpreters, assemblers and other software to the various users of the computer systems.

Audience

This tutorial has been prepared for the computer science graduates to help them understand the basic to advanced concepts related to Operating System.

Prerequisitess

Before you start proceeding with this tutorial, we are making an assumption that you are already aware of basic computer concepts like what is keyboard, mouse, monitor, input, output, primary memory and secondary memory etc. If you are not well aware

of these concepts, then we will suggest to go through our short tutorial on Computer Fundamentals.

PROGRAMMING LANGUAGE

Computer programming language, any of various languages for expressing a set of detailed instructions for a digital computer. Such instructions can be executed directly when they are in the computer manufacturer-specific numerical form known as machine language, after a simple substitution process when expressed in a corresponding assembly language, or after translation from some "higher-level" language. Although there are many computer languages, relatively few are widely used.
Machine and assembly languages are "low-level," requiring a programmer to manage explicitly all of a computer's idiosyncratic features of data storage and operation. In contrast, high-level languages shield a programmer from worrying about such considerations and provide a notation that is more easily written and read by programmers.
Language Types

Machine and assembly languages

A machine language consists of the numeric codes for the operations that a particular computer can execute directly. The codes are strings of 0s and 1s, or binary digits ("bits"), which are frequently converted both from and to hexadecimal (base 16) for human viewing and modification. Machine language instructions typically use some bits to represent operations, such as addition, and some to represent operands, or perhaps the location of the next instruction. Machine language is difficult to read and write, since it does not resemble conventional mathematical notation or human language, and its codes vary from computer to computer.

Assembly language is one level above machine language. It uses short mnemonic codes for instructions and allows the programmer to introduce names for blocks of memory that hold data. One might thus write "add pay, total" instead of "0110101100101000" for an instruction that adds two numbers.

Assembly language is designed to be easily translated into machine language. Although blocks of data may be referred to by name instead of by their machine addresses, assembly language does not provide more sophisticated means of

organizing complex information. Like machine language, assembly language requires detailed knowledge of internal computer architecture. It is useful when such details are important, as in programming a computer to interact with input/output devices (printers, scanners, storage devices, and so forth)

Algorithmic languages

Algorithmic languages are designed to express mathematical or symbolic computations. They can express algebraic operations in notation similar to mathematics and allow the use of subprograms that package commonly used operations for reuse. They were the first high-level languages.

UNIT - II

FUNDAMENTALS OF COMPUTERIZED ACCOUNTING

What Is a Computerized Accounting System?

How is your company doing? Being able to answer that question requires you to know how much money you're making, which in turn requires accurate bookkeeping. Keeping accurate financial records is crucial to the success of any business, so it's important to know your options.

While some firms still do their bookkeeping by hand, most firms generally have too many transactions to sustain a manual accounting system. The more complicated the financial activities of your business are, the more likely it is that you'll need a computerized accounting system to ensure effective financial reporting. **Computerized accounting systems** are software programs that are stored on a company's computer, network server, or remotely accessed via the Internet.

Computerized accounting systems allow you to set up **income and expense accounts**, such as rental or sales income, salaries, advertising expenses, and material costs. They also can be used to manage bank accounts, pay bills, and prepare budgets. Depending upon the program, some accounting systems also allow you to prepare tax documents, handle payroll, and manage project costing.

You can generally customize the software to meet the needs of your business. It's important to make sure that your staff are trained and understand how to use the system correctly so that your company can successfully use your accounting program.

In accounting, the financial transactions are recorded, processed and presented to generate financial statements, that is useful to the readers, in making decisions. Traditionally, accounting is done manually, by a trained accountant, with the use of registers, account books, vouchers etc. But with the emerging technology, nowadays, computerized accounting is in vogue, due to its accuracy, convenience and speed.

Both manual and computerized system is based on the same principles, conventions and concept of accounting. However, they differ only in their mechanism, in the sense that manual accounting uses pen and paper, to record transactions, whereas computerized accounting makes use of computers and internet, to enter transactions electronically.

In this article, you can find the substantial differences between manual and computerized accounting.

Content: Manual Accounting Vs Computerized Accounting

1. Comparison Chart
2. Definition
3. Key Differences
4. Conclusion

Comparison Chart

BASIS FOR COMPARISON	MANUAL ACCOUNTING	COMPUTERIZED ACCOUNTING
Meaning	Manual Accounting is a system of accounting that uses physical registers and account books, for keeping financial records.	Computerized Accounting is an accounting system that uses an accounting software, for recording financial transactions electronically.

BASIS FOR COMPARISON	MANUAL ACCOUNTING	COMPUTERIZED ACCOUNTING
Recording	Recording is possible through book of original entry.	Data content is recorded in customized database.
Calculation	All the calculation is performed manually.	Only data input is required, the calculations are performed by computer system.
Speed	Slow	Comparatively faster.
Adjusting entries	It is made for rectification of errors.	It cannot be made for rectification of errors.
Backup	Not possible	Entries of transactions can be saved and backed up
Trial Balance	Prepared when necessary.	Instant trial balance is provided on daily basis.
Financial Statement	It is prepared at the end of the period, or quarter.	It is provided at the click of button.

Definition of Manual Accounting

Manual Accounting, as the name signifies, is the paper-based accounting system, in which journal and ledger registers, vouchers, account books are used to store, classify and analyse financial transactions of an organization. It is often used by small businessmen, such as sole proprietors, shopkeepers, etc. to maintain the record of the business transactions, due to lower cost.

One of the advantages of the manual accounting system is its easy accessibility. It is also characterised by confidentiality, which makes the sensitive information hacking free. Nevertheless, manual accounts can only be prepared correctly if the accountant possesses good knowledge of bookkeeping and accounting.

Moreover, human error, such as incorrect recording of the transaction, the omission of the transaction, figure transposition and so forth, is likely to occur while the preparation of manual accounts which cannot be ignored.

PROCEDURES FOR CREATING A NEW COMPANY

Section I: Getting Started

1. Click File, New Company

2. Click Next

3. Choose a Sage 50 product; this will determine which features are available in the company (if not using Sage 50—U.S. Edition Accountant Edition, skip to Step 5)

4. Click Next

5. Enter your company information

Note: All of the information on this screen can be changed after the company is created, if necessary

6. Click Next

7. Select a method to create your company:

Use a sample business type that closely matches your company will provide a list of business types with predefined charts of accounts to select from after click Next

Copy settings from an existing Sage 50 Accounting company; if this option is selected, a list of companies that can be copied will be provided after clicking Next

Convert a company from another accounting program creates a blank chart of accounts that will later be built via import or manually

Build your own chart of accounts creates a blank chart of accounts that will later be built manually

Consolidate Existing Sage 50 Accounting companies (Premium and Quantum only) creates a parent company that pulls account balances from subsidiaries for financial statement purposes

8.Click Next

If Use a sample business was selected, Select a business type and click Next

If Copy settings was selected:

Choose a company from the list

Click Next

Select which parts of the company to copy

Note: If you will be importing maintenance records from the copied company, check all options; if wanting to use a different fiscal year structure, uncheck Accounting Periods

Click Next

If Build your own chart of accounts was selected, Define Account Segments if desired (this can be done later; see Related Resources), then click Next

If Consolidate was selected:

Select the company or companies to be consolidated, and click Add, then click next

Note: Subsidiary companies must use the same general ledger account structure, have the same retained earnings account number, and have the same fiscal year structure

If a selected company has security enabled, you will be prompted to enter a User Name and Password for it; after doing so, click next

10. Choose an accounting method:

Accrual: income and expense are recorded when the invoice is created, regardless of when payment occurs

Cash: income and expense are recorded when invoices are paid

Note: if unsure which accounting method is correct for the company, consult an accountant before continuing; the accounting method cannot be changed once the company is created

10.Choose a posting method:

Real Time: transactions post as soon as they are printed or saved (recommended)

Batch: transactions are added to a posting queue when saved or printed, and will not effect the general ledger until manually posted

Smart Posting: transactions are added to a posting queue, which will automatically post when there is a lull in system activity (Quantum only); this is only recommended for companies that will have 10 or more simultaneous users

Note: Posting method can be changed at any time; see Related Resources

11. Choose an accounting period structure, then click next; if copying accounting periods from another company, skip to Step 14

12. Set the fiscal year structure (this cannot be changed once the company is created):

If 12 monthly accounting periods was selected, set the month and year for period 1; periods 2-12 will follow from the selected month (for example, if January 2014 is period 1, February 2014 is period 2, and so on)

If accounting periods that do not match the calendar months was selected:

Set the number of periods per fiscal year (1); there is a minimum of 1 and a maximum of 13

Set the start date of period 1 (2)

Set the date range of each period

13 .Click Next

14 .Click Finish

15 .When the creation process completes, the new company will open

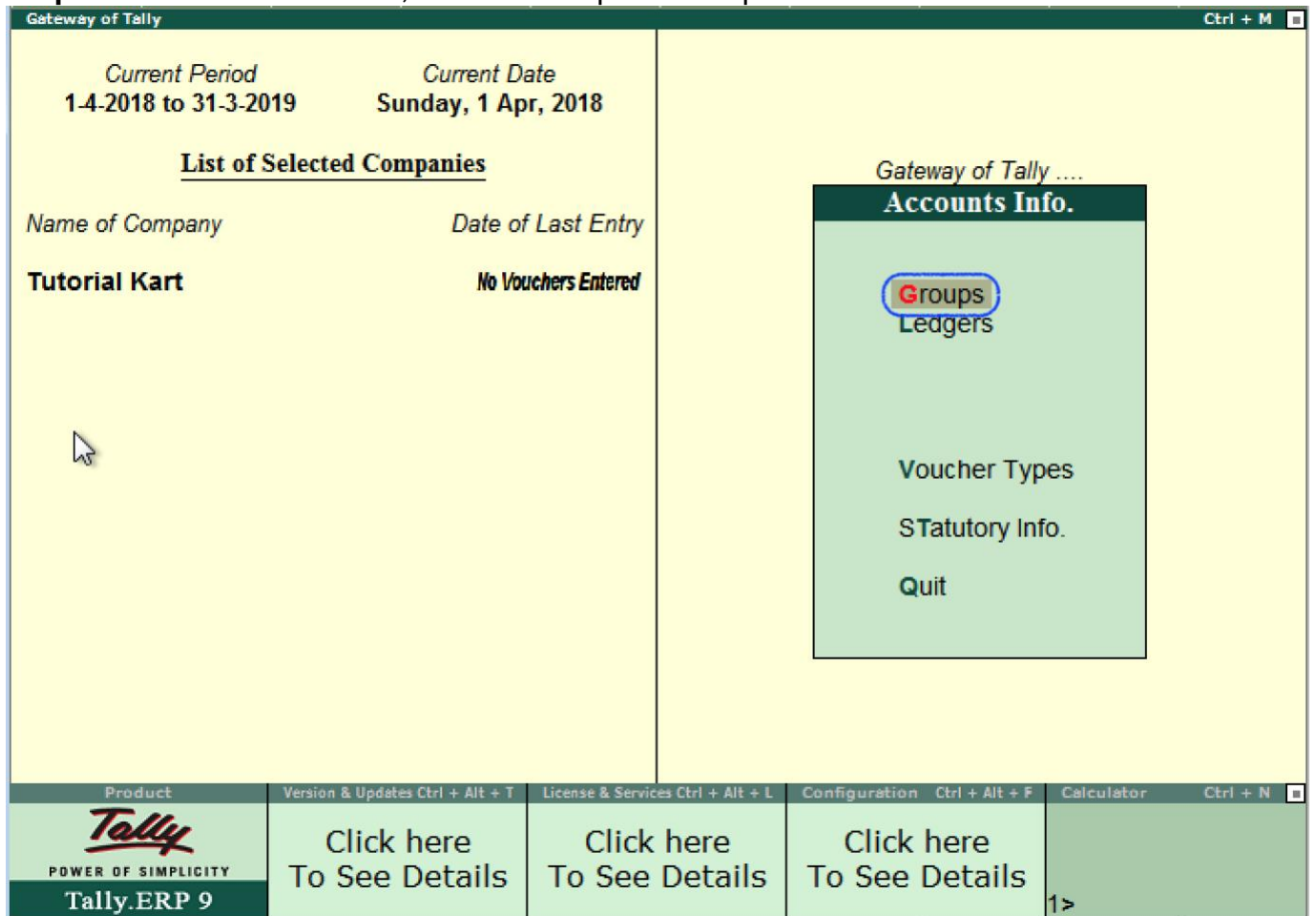## GROUPS CREATION

How to create Group in Tally

Maintain the following Sundry Debtors Ledgers Accounts in Tally.ERP 9
- **Main Groups:** South India Debtors Group and North India Debtors Group under Sundry Debtors
- **Sub-Groups:** Bangalore debtors, Vijayawada debtors and Hyderabad Debtors under South India Debtors
- ABC limited & Tech solutions grouped under North India Debtors.
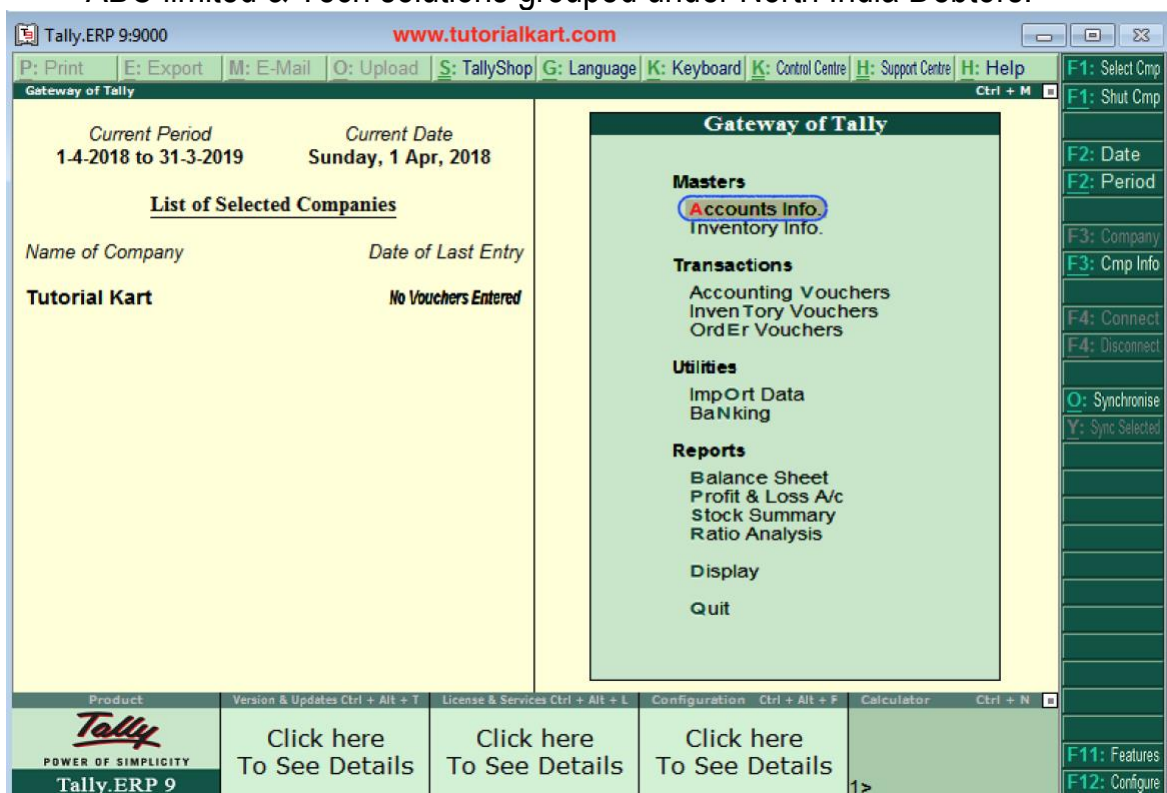
Step 1: Go to Gateway of Tally and click on accounts Info

Step 2: Under Accounts info, choose the option Groups.

Current Period   Current Date
1-4-2018 to 31-3-2019   Sunday, 1 Apr, 2018

List of Selected Companies

Name of Company   Date of Last Entry

Tutorial Kart   *No Vouchers Entered*

Gateway of Tally ....

Accounts Info.

Groups
Ledgers

Voucher Types

STatutory Info.

Quit

Product	Version & Updates Ctrl + Alt + T	License & Services Ctrl + Alt + L	Configuration Ctrl + Alt + F	Calculator	Ctrl + N
Tally POWER OF SIMPLICITY Tally.ERP 9	Click here To See Details	Click here To See Details	Click here To See Details		1>

LEDGER CREATION

In this Tally tutorial, we shall learn how to create single ledger in Tally step by step.
Note: In this lesson, we are going to create ledger Axis Bank Account under Bank Account.
The date that required for ledger depends upon the features opted by us. If the settings of accounting features (F11) of company were "NO" for all options, than the ledger screen provides with minimal information.
Tally.ERP 9 automatically creates two ledger accounts i.e. Cash in Hand and Profit & Loss Account. We can create the ledger accounts as per requirements of an

organization. We cannot create another profit & loss account in tally, and we can create any number of cash accounts with different names (Petty Cash).
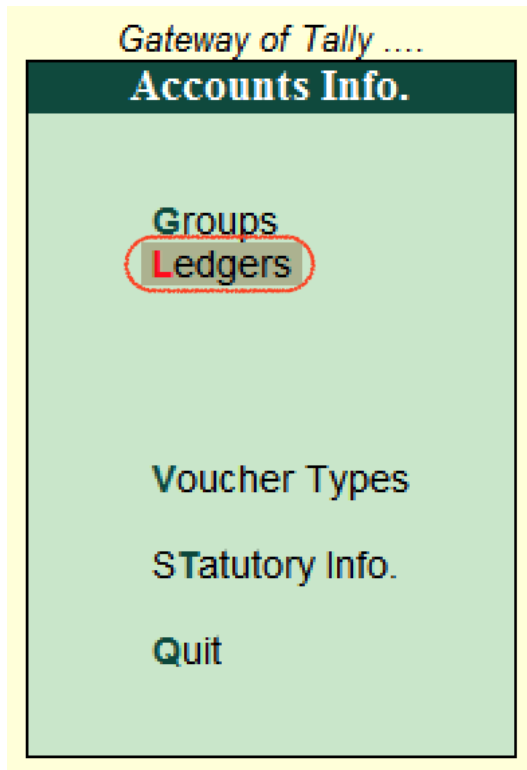
How to create ledger account in Tally ERP 9

Path: Gateway of Tally –> Accounts Info –> Ledgers –> Single Ledger –> Choose Create

**Step 1:** From Gateway of Tally Screen, click on accounts info
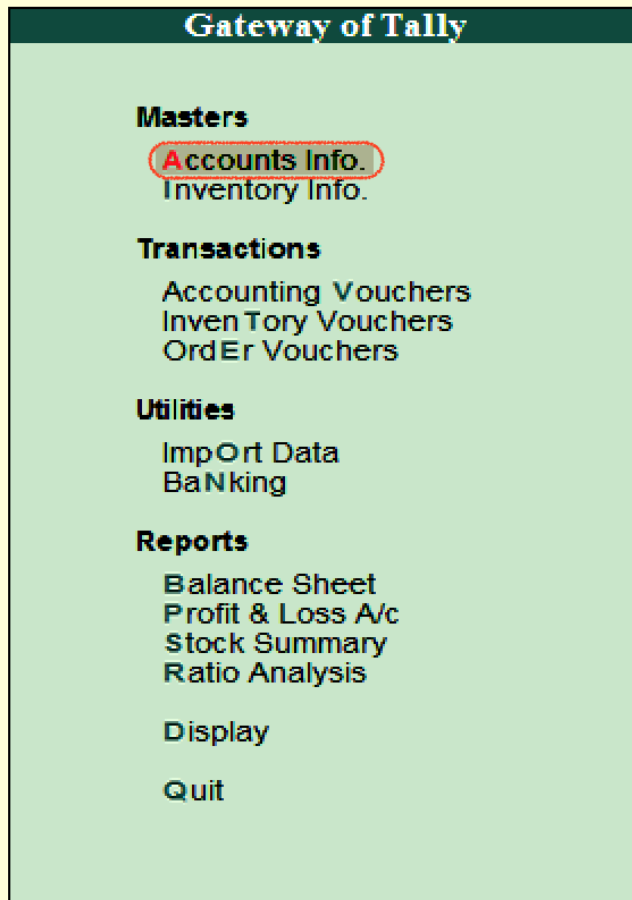
Step 2: In the next screen, choose "Ledger"

Gateway of Tally ....

Accounts Info.

Groups
Ledgers

Voucher Types

STatutory Info.

Quit

Step 3: In the next ledger screen, choose the option **create** under single ledger

Gateway of Tally ....
Accounts Info. ....

Ledgers

Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
DIsplay
AlTer

Quit
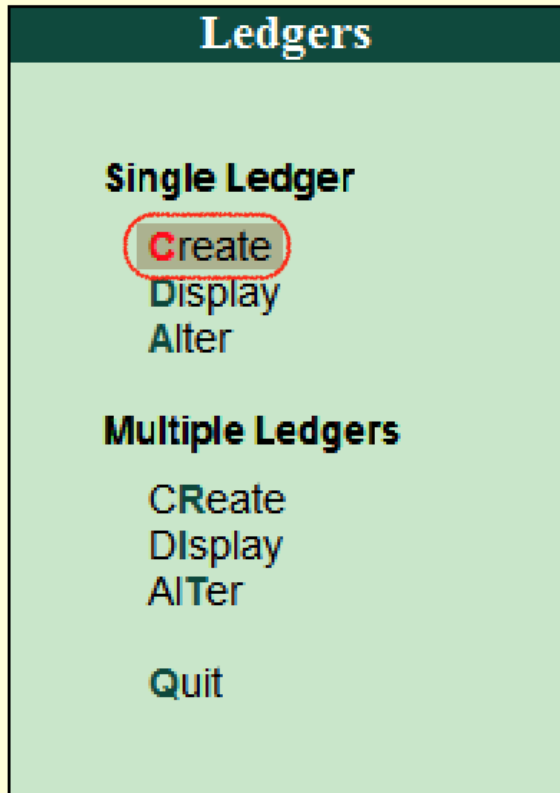
Step 4: On ledger creation screen, update the following details

- **Name:** Enter the name of ledger account, and the name should be unique.
- **Under:** Choose the group name from list of group that pertains to ledger account.

| P: Print | E: Export | M: E-Mail | O: Upload | S: TallyShop | G: Language | K: Keyboard | K: Control Centre | H: Support Centre | H: Help |

Ledger Creation   **Tutorial Kart**   Ctrl + M

Name   : **Axis Bank Account**
(alias)   : **Axis**

Total Opening Balance

2,00,000.00 Dr

Difference
2,00,000.00 Dr

Under   : **Bank OD A/c**
                     (Loans (Liability))

Set OD limit   :
Bank Account Details

A/c holder's name : **Tutorial Kart**
A/c no.   : **90110059798488**
IFS code   : **UTIB0000069**
Bank name   : **Not Applicable**
Branch   : **Vijayawada**
BSR code   :

Bank Configuration

Set cheque books   ? **No**
Set cheque printing configuration? **No**

Mailing Details

Name   : **Axis Bank Account**
Address   :

Country   : **India**
State   : **Andhra Pradesh**   Pincode :

Contact person : **Adarsh Kumar**
Phone no.   :
Mobile no.   :
Fax no.   :
E-mail   :
CC to (if any) :
Website   :

GSTIN/UIN   :

Tax Registration Details

Set/alter service tax details ? **No**

Opening Balance (on 1-Apr-2018) : 2,00,000.00 Dr

Accept ?

Yes or **No**

Quit

| Q: Quit | A: Accept | D: Delete | | | | | | | | | | |

Ctrl + N

After maintaining all the required details, choose Yes option under Accept to save the configured details in Tally.ERP 9.

How to display single ledger in Tally

After creation of single ledger account in Tally, you view the details of ledger by choosing the option display. Refer below steps how to display single ledger

Path: Gateway of Tally –> Accounts Info –> Ledgers –> Single Ledger –> Choose Display

Gateway of Tally

Masters
Accounts Info.
Inventory Info.

Transactions
Accounting Vouchers
InvenTory Vouchers
OrdEr Vouchers

Utilities
ImpOrt Data
BaNking

Reports
Balance Sheet
Profit & Loss A/c
Stock Summary
Ratio Analysis

Display

Quit

Accounts Info.
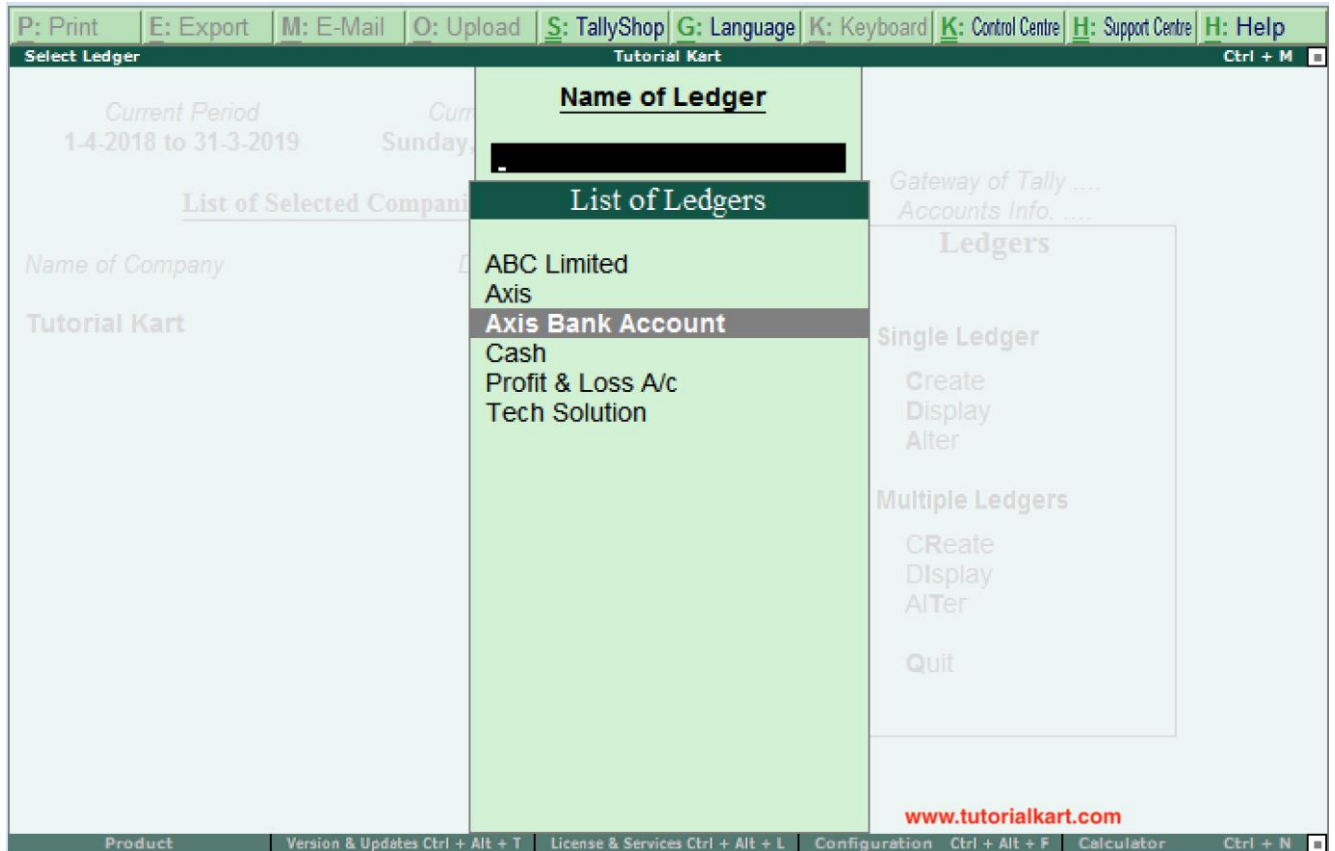
Groups
Ledgers

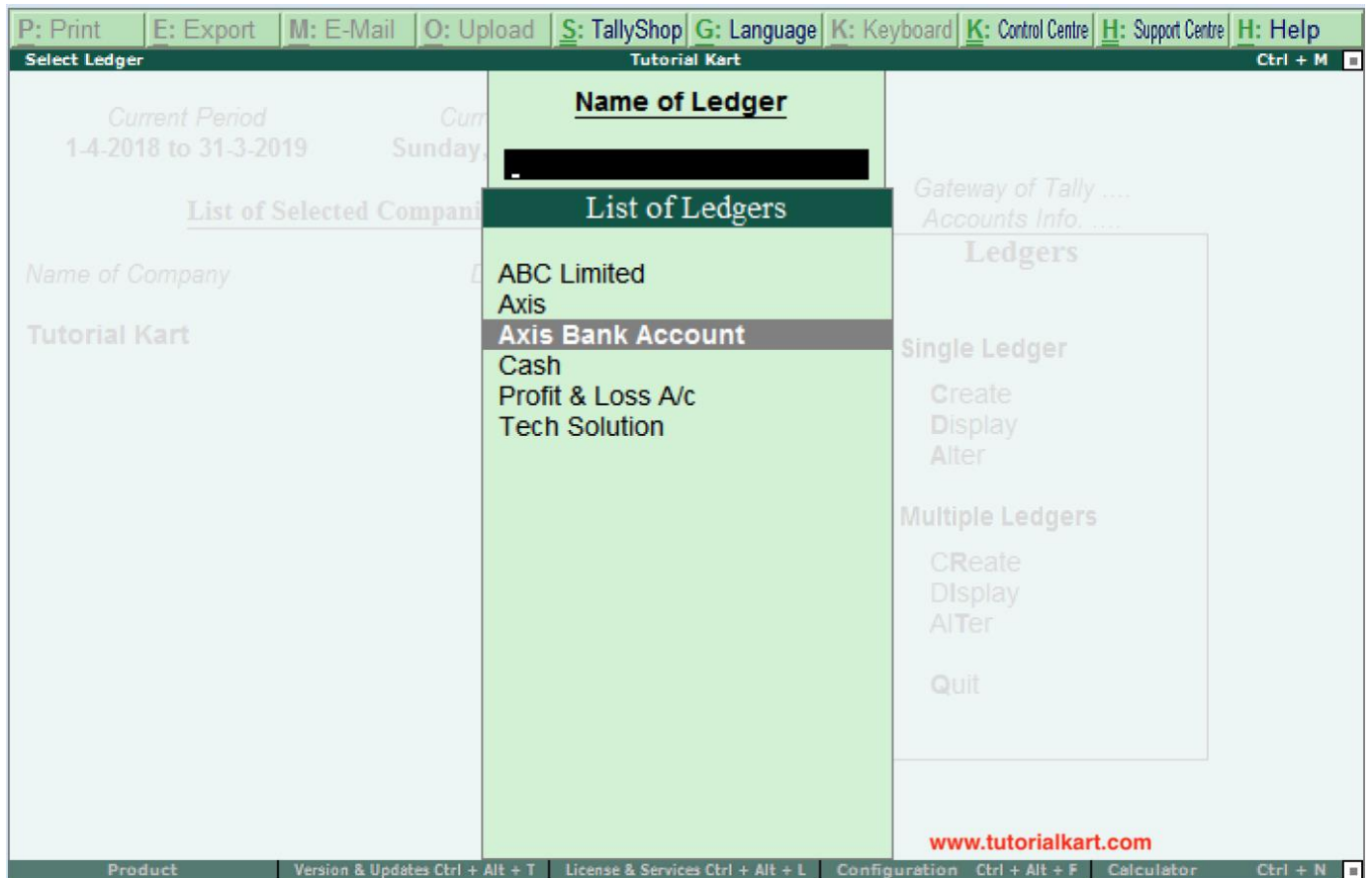Voucher Types

STatutory Info.

Quit

Ledgers

Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
DIsplay
AlTer

Quit

Choose the ledger account from list of ledgers

Select Ledger | Tutorial Kart | Ctrl + M

Current Period | Cur
1-4-2018 to 31-3-2019 | Sunday,

List of Selected Compani

Name of Company

Tutorial Kart

Name of Ledger

_

List of Ledgers

ABC Limited
Axis
Axis Bank Account
Cash
Profit & Loss A/c
Tech Solution

Gateway of Tally ....
Accounts Info. .....

Ledgers

Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
DIsplay
AlTer

Quit

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Product | Version & Updates Ctrl + Alt + T | License & Services Ctrl + Alt + L | Configuration Ctrl + Alt + F | Calculator | Ctrl + N

Now the complete details of ledger account display in the screen as shown below image.

How to Alter Single ledger in Tally

Path: Gateway of Tally –> Accounts Info –> Ledgers –> Single Ledger –> Choose Alter

Gateway of Tally

Masters
  Accounts Info.
  Inventory Info.

Transactions
  Accounting Vouchers
  Inven Tory Vouchers
  OrdEr Vouchers

Utilities
  ImpOrt Data
  BaNking

Reports
  Balance Sheet
  Profit & Loss A/c
  Stock Summary
  Ratio Analysis

  Display

  Quit

Accounts Info.

  Groups
  Ledgers

  Voucher Types

  STatutory Info.

  Quit

Ledgers

Single Ledger

  Create
  Display
  Alter

Multiple Ledgers

  CReate
  DIsplay
  AlTer

  Quit

On select ledger screen, choose the ledger account from the list of ledgers

Select Ledger　　　　　　　　　　　　Tutorial Kart　　　　　　　　　　　　Ctrl + M ▣

Current Period　　　　　Cur
1-4-2018 to 31-3-2019　Sunday,

Name of Ledger

List of Selected Compani　　　　　Gateway of Tally ....
Accounts Info. ....

Ledgers

Name of Company　　　　　D

Tutorial Kart

List of Ledgers

ABC Limited
Axis
Axis Bank Account
Cash
Profit & Loss A/c
Tech Solution

Single Ledger

Create
Display
Alter

Multiple Ledgers

CReate
DIsplay
AlTer

Quit

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Now modify/ alter the required details for ledger account and click on A:Accept to save the changed details in Tally ERP 9.

Continue to read: How to create multiple ledgers in Tally.

UNIT iii

VOUCHER CREATION

Voucher type is the transaction data posting screen in Tally. ERP9, where you can post different types of transactions such as sales, purchases, contra, payment and receipt etc. ... Example: Based on your requirement you can create new **voucher** types easily in Tally like, sales percentage wise sales@18%, 5% and 12%

What is a voucher in accounting?

Voucher means a written statement that serves to confirm or witness for some facts like a **Transaction**. Primarily, it is a document that shows goods purchased or services rendered, authorizing the payment and indicating in the ledger account in which these transactions have to be recorded.

Benefits of Voucher

- Vouchers are useful for maintaining a higher level of control over the payables process.
- Several invoices can be paid at once (reducing the number of checks).
- It can be pre-numbered, which simplifies the audit trail for payables.
- Invoice approval is separated from invoice payment, it makes easier to schedule both to maximize efficiency.
- Payment of the invoices is done by the cashier, who reports to the treasurer.

Types of Vouchers in Accounting

There are four different types of Vouchers in Accounting. They are:

- Debit or Payment voucher
- Credit or Receipt voucher
- Non-cash or Transfer Voucher
- Supporting Voucher
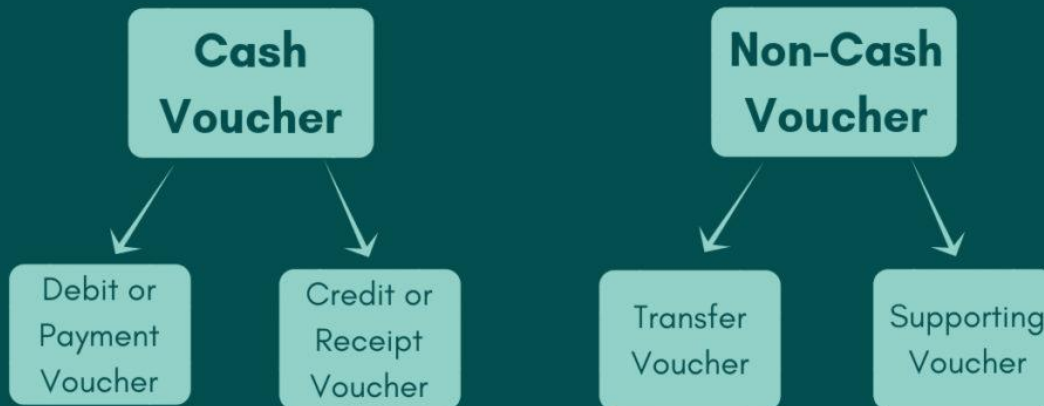
Debit or Payment Voucher

A Payment voucher is used to record a payment of cash or cheque. In this case, the cash/bank will be credited and there will be an outflow of funds.

Credit or Receipt Voucher

A Receipt voucher is used to record cash or bank receipt. Here there is an inflow of funds. Receipt Vouchers are of two types:

- **Cash receipt voucher** – It represents receipt of cash in hand
- **Bank receipt voucher** – It indicates receipt of a cheque or demand draft i.e., money is not received in the form of cash in hand. Instead, the money is credited to the bank account of the assess

NON – CASH VOUCHER

Non-cash vouchers are used for non-cash transactions. They are basically used as documentary evidence. e.g., Goods sold on a credit basis. In these cases, the cash / bank account of the assessee is not affected.

Supporting voucher

Supporting voucher serves as documentary evidence of the transactions happened in the past. For example, you can attach the bill of an expense along with the original voucher just to further support the primary voucher. Petrol Bills attached to the conveyance vouchers is a good example of Supporting Voucher.

This ends the post on different types of vouchers in accounting

A voucher is a document that is used by the accounting department on an organisation or a

business. Vouchers are used for the systematic compilation and collation of data in the

form of invoices, purchase order, certificates, along with other information required to

process the payment.

Different Types of Voucher in Tally with Examples

Vouchers can be majorly divided in two categories, inventory vouchers, and accounting vouchers in [Tally ERP 9](#). Under each category, there are numerous different types vouchers in Tally ERP 9 that the accounting professionals use. Here is an extensive list of some of the accounting voucher in Tally examples:

Accounting Vouchers in Tally Examples

- Sales Voucher
- Purchase Voucher
- Payment Voucher
- Receipt Voucher
- Contra Voucher
- Journal Voucher
- Credit Note Voucher
- Debit Note Voucher

There are numerous types of accounting voucher in Tally ERP 9 which help in executing various important accounting tasks. Here, we have listed the accounting voucher in Tally examples:

- Sales Voucher in Tally

Sales voucher is one of the most used accounting vouchers in Tally. Users can create this voucher in two different formats; as an invoice, or as a voucher. The invoice format enables users to print a copy of invoices for customers. The voucher format can be used to store transactional records electronically and it doesn't need a paper copy for the customer.

- Purchase Voucher in Tally

Like sales vouchers, purchase voucher belongs to the accounting category and is available in both invoice and voucher formats. Editing and modifying receipt entries in Tally are easy, as its voucher format helps accountants to do so quickly. Moreover, Tally also helps in converting a purchase voucher in the invoice format to the voucher format.

- Payment Voucher in Tally

The payment voucher is another accounting voucher in Tally that helps create and print cheques against the order. Once the payment voucher gets passed, the corresponding cheque can be printed by clicking on 'banking' and then on 'cheque printing'.

- Receipt Voucher in Tally

When accountants make a receipt voucher in Tally, all the invoices which have pending payments pop up as a reminder. As soon as the client makes the payment through any mode, the receipt can be updated with the payment method details. In addition, all the details of this receipt can be sent to the customer. Thus, receipt vouchers make payment monitoring easy.

- Contra Voucher in Tally

Contra vouchers are used to withdraw or deposit money in banks with the help of instruments such as cheques/ATM/DD or e-transfer to another account through NEFT/IMPS. With the help of contra vouchers in Tally, accountants can also generate deposit slips for recordkeeping.

Tally also provides exact currency denominations to monitor and print the deposit slip while also depositing the amount.

- Journal Voucher in Tally

Unlike other vouchers, a journal voucher in Tally can come under the roof of both accounting and inventory vouchers. There are multiple uses of a journal voucher in Tally depending on the type of business it is being used for.

It can be found as an optional voucher in Tally to make sales and purchase by accountants. Professionals can also use it for the adjustment or transferring of stock from one warehouse to the other.

- Credit Note Voucher in Tally

Credit note voucher in Tally has to be enabled manually. It is usually enabled by pressing F11 and they manually configuring its features. Credit note can also be passed by checking the original invoice. When a client is selected, Tally shows the transaction invoice history that have been raised.

- Debit Note Voucher in Tally

Debit note voucher is one of the most-used types of voucher in Tally ERP 9, that is used for managing purchase returns. With the help of this, accountants can generate a debit note for invoicing as well as a voucher. Like credit note voucher in Tally, debit note too can easily be configured by pressing F11 and configuring it manually.

❖ …………..