**VALLUVAR COLLEGE OF SCIENCE AND MANAGEMENT**

**PG AND RESEARCH DEPARTMENT OF COMMERCE**

**SUBJECT NAME: COMPUTERISED ACCOUNTING**

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**CLASS: III B .COM CA**

**COMPUTERISED ACCOUNTING**

**1. What is computerized accounting system?**

 Computerised accounting system refers to the system of maintaining accounts using computers. It involves it process of accounting transaction through the use of hardware and software in order to keep and produce accounting records and report.

 Computerised accounting system takes accounting transaction as inputs that are persuade through accounting software to generate there ports.

**2.** **What are the features of computerized accounting?**

* Simple and integrated
* Speed
* Accuracy
* Reliability
* Versatility
* Transparency
* Scalability
* Online facility
* Security

**3. What are the components of computerised accounting system?**

**Hardware**

 Physical components of computer is called as hardware

 **Software:**

Software is classified in two types

1. System software
2. Application software

**4. What is hardware?**

 Physical components of computer is called as hardware

 **E.g. mouse, keyboard.**

**5. What is software?**

 A set of programme that form and interface between the hardware and the use of computer.

 System software

 Application software

**6. What is operating system?**

 An operating system (OS) is system software that manages computer hardware, software resources, and provides common services for computer programs.

**7. What is programming software?**

 Programming software is software which helps the programmer in developing other software. Compilers, assemblers, debuggers, interpreters etc. are examples of programming software. Integrated development environments are combinations of all these software.

**8. What is utility software?**

 Utility software is software designed to help to analyse, configure, optimize or maintain a computer. It is used to support the computer infrastructure- in contrast to application software which is aimed at direct performing tasks that benefit ordinary users. However utilities often form part of the application systems.

**9. What is application software?**

 Programme designed to perform a specific function for a user.

**10. Write a short note on people.**

 The most important element of a computer system is on is users. The following types of people interact with computer system.

 1. System analysis

 2. System programme

 3. System operators

**11. What is procedure?**

 Procedure is a step-by step series of instruction to perform as perform as specific function and achieve desire output.

 **12. What is data?**

 The fax and figures that are fixed into a computer for future processing are called data.

**13. What is connectivity?**

 When two are more computer are connected to each other ,they cash are information and resources such as sharing of file sharing of printed sharing facilities like internet.

**14. What are the advantages of computerized accounting?**

* Fastest processing
* Accurate information
* Reliability
* Easy availability of information
* Up to-date-information
* Efficiency
* Storage and retrievals
* Work as a motivator to employees
* Automated document production
* MIS report

**15. What are the limitations of computerized accounting?**

Health dangers

 Un-anticipation errors not known

Time consuming

 System failure

 Disruption of work

 Fear of unemployment

 Cost of training

 Heavy cost of installation

**16. What is accounting system?**

 The main function of CAs is to perform the accounting activities in an organisation and generate as per the requirement of the users. To obtain the desired result optimally need based software or package are to be installed in the organisation. Depending upon the suitability of business requirement there are three types.

* Readymade software
* Customized software
* Tailormadesoftware

**17. What is readymade software?**

 These packages are standardised or readymade package which can be used by the business enterprises immediately on procurement. These packages are used by small and conventional business enterprises.

**18. What is customized software?**

 Many a time it’s not possible. That ready to use package suit the requirement of the business enterprises. In such circumstance custom is package may help the business senterprisesfor fulfilling their requirement.

**19. What is tailor made software?**

 Large enterprise hour their own many of functioning for effective management system varied and specific information is frequently required by many user which may not be needed in case of small, medium sale enterprises.

**20. What is the application of computerized accounting system?**

* To keep accounting record of big company is possible
* Separate payroll accounting is possible
* Automation of all financial accounting
* Graphic presentation of accounting results
* Updated fast
* Best inventory control

**21. Explain the fundamental of computerized accounting?**

 **Simple and integrated:**

 It helps all business by automating and integrating all the business activity. Such activity may be sale, finance, purchase, inventory and manufacturing etc. it also facilitates the arrangement of accurate and up-to-date business information in are daily usable form.

 **Accuracy and speed:**

 Computerised accounting has customized templates for users which allow fast and accurate data entry. Thus after recording the transaction it generates the e information and report automatically.

 **Scalability:**

 It has the facility to record the transaction which the changing volume of business.

 **Instant reporting:**

It can generate a quality report in real time because of high speed and accuracy.

 **Security:**

 Secured data compared to the traditional accounting system.

 **Quick decision making:**

 This system generates real-time comprehensive MIS reports and ensures access to complete and critical information instantly.

 **Reliability:**

 It generates the report with consistency and accuracy. Minimization of errors makes the system more reliable.

**22. State the difference between computerized accounting and manual accounting?**

|  |  |  |  |
| --- | --- | --- | --- |
| **SNO** | **BASIC** | **MANNUAL ACCOUNTING** | **COMPUTERIZES ACCOUNTING** |
| **1** | **Recording of transaction** | Transaction are recorded manually | Transaction are using recorded on system |
| **2** | **Storages** | Transaction are stored in volume of books | Transaction are recorded in well designed software or database |
| **3** | **Preparation of ledger A/C trail balance and financial statement** | Ledger A/C ,trail balance and financial statement are prepare manually | Once journal entries are passed or subsidiary book are enter data are processed automatically and ledger/C trail balance and balance sheet are automatically prepared. |
| **4** | **Preparation of report** | Analyze is of financial statement and preparation of report are should be down manually | Financial statement analysed is such as ratio analysis, fund cash flow statement is automatically down. |
| **5** | **Time involved** | It takes lots of time is everything from journalising to report generation manually. | It save time is taken only for passing journal entries report generation is down with in second. |
| **6** | **Cost involve the cost is high in manual accounting** | Cost involve the cost is high in manual A/C in several book of A/C. | The cost is loss compare to manual A/C as all the records are kept in soft copy. |
| **7** | **Retrieval are data** | It becomes difficult and time consuming to retrieval data as several book have to be down through. | Retrieval of data is easier as the record is kept in soft copy in database. |
| **8** | **Accuracy** | Certain clerical errors such as arithmetical errors in caring forward exchanging of caring happen. | It input given his correct the output will also be correct. |
| **9** | **Communication of report** | Communication of report takes time is difficult as it has to the users of information. | It’s easier and lesser time the report in softcopy and online facility an available. It can be communicated to the user very e easily at any time. |

**23. Discuss the architecture and customization of tally. Architecture;**

 **The Application layer**

 All the user interactions take place at the application or the tally layer .It is through this interface that the user gets access to all the product functionalities.

 **Tally definition language**

 Tally definition language provides capabilities for rapid development rendering data management and integration. user interface is built using TDL.

 **TDL interpreter**

 TDL work in an interpreter environment. An action performed by a user will trigger a particular segment of code to get executed. The interpreter examines each line and executes them.

 **Platform layer**

 The capabilities which TDL offers are due to the capabilities provided by the platform layer. which interact with the OS and the file system.

 **Customization**

 Customization of tally is one of the many smart ways to meet the modern demands market. Customization would not only add to the default features that one gets with the tally but an including at these features will also help in catering to a wider public.

**24. What is tally?**

 Tally is a window based software .It offer a complete accounting package is users.

**25. What are the features of tally?**

* Easy to use for the beginners
* Creation modification and deletion of ledger and group are very simple
* Modification can be down when ever needed
* Automatic posing in the relevant account
* Let out useful with printing option is available
* Trail balance profit and loss account balance sheet cash & fund flow statement are available in an organised manner
* Password facilities is available for securities purpose
* Backup and restart facilities is
* Summarise and detailed screen view is available alt+F2
* Simple menu for all operation
* Flexible classification of accounting
* Multiple currencies are possible
* It is available for both single user and multiple users
* Maintain unlimited account of the company

**26. Explain the varies tally screen and menus?**

 There three main area in tally screen and menus

* Work area
* Calculation area
* Button area

**Menus**

 **Gateway of tally**

 To manage A/Information

 To manage voucher

 To view profit & lass statement B/S& ratio analysis

 To display the trail balance

 To exceed from tally

 **Accounting information**

 It is the submenu of gateway of tally menu. It is used to manage account group an ledger.

**Company information**

 It is a submenu of gateway of tally this menu used for following purpose Groups

 To create new company

 Select a company from a list of company

 To close the active company

**Groups**

 It is the submenu of account info menu it is used to create display and alter group using either the single or multiple ledger.

**Ledger**

 It is the submenu of gateway of tally accounting info menu. It is used to create display and alter group using either the single or multiple ledger option.

**Display**

 It is the submenu of gateway of tally this menu is used to display the trail balance statement of account balance cash & fund flow statement

27. **Explain the step to create a new company in tally**

 **Select create a company Enter the**

 **Details**

* Company name
* Mailing name
* Address
* Income tax number
* Inter state sales tax number
* Currency simple
* Maintained accounts only
* Financial year
* Good being come
* Use security control
* Base currency information
* Accept yes
* The company was created

**28. What are group? How can you create, edit and delete them.**

**Group**

**Liabilities and capital**

 Capital Reserve

 Surplus

 **Non-current liabilities**

 Long term browning other long

 Term liabilities

 **Current liabilities**

 Sundry creditors

 Bills payable Bank overdraft

**Asset;**

 **Fixed asset**

 Plant and machinery Building

 And land

 **Intangible asset**

 Good will

 Copy right/pattern write Current asset

 Bills receivable

 Stock/cash/debtors

 **Revenue or income**

 Commission /rent received

 **Expenses P/L A/C**

 Salary/wages

**Create a group;**

* Select account info from gateway of tally
* Select group from the account information menu
* Choose create group at a time otherwise choose create under single group
* Select create from single group enter the name of the group alias of the name and choose basic account group
* Conform the entry by pressing ‘yes’ for the message accept YES OR NO

**Edit the group**

* Select account info from gateway of tally
* Select group from the account information menu
* Select alter under single group choose alter under multiple group while alter in more then one group
* Select the group that is to be alter then press ENTER key
* Do the change in the group name alias name or basic group name
* Conform the entries pressing enter key YES OR NO

**Deleting group**

* Select the group that to be alter from the list of group
* Select alter under Single group
* Select the group that to be alter from the list of group
* Press Alt+ D
* Conform by pressing yes for the message delete YES OR NO

**29. What is the ledger? How can you create, edit and delete them.**

 A ledger is the principal book or computer file for recording and totalling economic Transaction measured in term of a monetary unit of account by account type with debit and credit in separate columns and a beginning monetary balance and ending monetary balance for each account.

**Creation of ledger**

* Select ledger from account info menu
* Select alter under multiple ledger
* Select the ledger that to be alter from the list of ledger creating more than one ledger at a time otherwise under choose multiple ledger
* Select create from multiple ledger enter the name of ledger alias of name and choose basic account ledger.
* Conform entre by the pressing y the message accept YES ARE NO

**Edit ledger**

* Select account info menu from gateway of tally
* Select ledger
* Select alter under multiple ledger choose alter or under single ledger
* while alter in more than one ledger
* Select the ledger that is to be alter then press enter key
* Do the change in the group name alter name or basic group name
* Conform the enter press enter YES OR NO

**Delete ledger**

* Select group from account info menu
* Select alter under single or multiple ledgers
* Select the ledger that to be alter from the list of group
* Press Alt+ D key
* Conform by pressing YES ORNO

**30. What are vouchers? Explain the various types of ledger.**

 Voucher is the primarily online document for recording transaction.

Transaction recorded and analysis are grandly facilitate by having specific format

Different types of transaction.

**Types of voucher**

**Contra voucher (F4)**

 It is used for fund transfer the voucher used for fund transfer between cash and bank account only.

**Payment voucher (F5)**

 This voucher is used to enter all right type of payment by cash are bank. This payment can be toward expanses and purchase.

**Receipt voucher (F6)**

 The receipt voucher is used to enter are type of receipt in the form of cash or bank transaction.

**Purchase voucher (F9)**

 This voucher used when purchase is made for credit

**Sales voucher (F8)**

 This voucher used to when sale of are made for credit

 **Journal voucher (F7)**

 It is an adjustment voucher all amount to be adjusted between two account to be passed cash or bank account.

**Debit note voucher (ctrl +F9)**

 Debit note is enter when use make purchase return .If the activate the option

Use debit /cash credit note for company feature under accounting or inventory features we

Can set the option

**Credit note voucher (ctrl +F6)**

Credit note is enter when w make sales return .If the activate the option use

Credit debit note for company features under accounting or inventory feature we can set the

Option.

**31. How to edit and delete voucher**.

**Edit the voucher**

* We are permitted to edit any previously saved voucher from the voucher screen
* Itself. To do this you must know the date of the voucher entry.
* Now press pg Up key from the keyboard. For the first time conformation asked to quit
* the current screen.
* Date or amount change to press Y Delete voucher
* Open tally program
* Select your company under gateway of tally
* Select display accounting books voucher is credit note journal reregister
* press Alt + D and conform delete the voucher in press Y or enter

**32. What are inventories?**

* Raw material
* Work-in-process
* Finished goods
* Transit inventory
* Buffer inventory
* Cycle inventory
* Decoupling inventory
* Anticipation inventory

**33. What are stock categories? How can you crate it?**

 Stock item refers to goods that a company manufacture so trades. It is the primary inventory

Or material inventory in which the company deals with on a day-to-day basis.

* Key concept
* Calculating stock value
* Stock item types
* Stock movement

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **stock item** | **Sub group** | **Main group** | **Sub category** | **Main category** |
| Brand A19 LED TV | Brand A | Grade one | LED TV | Television |
| Brand A 17 smart TV | Brand A | Grade one | SMART TV | Television |
| Brand B 19 LED TV  | Brand B | Grade two | LED TV | Television |
| Brand B 17 smart TV | Brand B | Grade two | SMART TV | Television |
| Brand C17 smart TV | Brand B | Grade two | Smart TV | Television |

**34. How do you edit and delete stock?**

 **Edit;**

 Gateway of tally>inventory info>stock categories>alter

Select the category you want to edit make necessary change required and save

 **Delete;**

 Gateway of tally> inventory info>stock category>alter. Select the stock

 Category you want to delete

 Press Al t+ Dor click on delete button on the bottom of the screen. Accept

conformation for deletion.

**35. Explain the use of stock in voucher entry.**

 Stock journal voucher is used to transfer our stock from one god own to another

Go down. To open stock journalvoucherpressAlt+F7.

**To maintain**;

 Create a company and activate god own as well as we have in previous topic

god own.

**Path for create god own**

 Gateway of tally>inventory info>god own >create (single)

**To create stock group**

 Gateway of tally>inventory info>stock group>create

**To create stock item**

 Gateway of tally>inventory info>stock item>create

**Path for ledger creation**

 Gateway of tally>account info>ledger>create

**Path for voucher creation**

 Gateway of tally>inventory voucher>pressF9 (purchase voucher)

**36. What is the stock order? Explain.**

* A stock order simply means the ordering of new stock to refill the inventory

Replenish shelves or when a large order has been made etc. the warehouse will be

Contacted and the delivery will be made.

* Supermarkets are at the forefront of stock order technology in that the whole

Process is completely computerised. As product go through and are scanned at the checkouts the inventory is depilated from an electronic database. When an item reaches a certain low lever a new order is automatically made and will be delivered during the next day cycle. This keeps shelves full and prevent over or under ordering.

* Stock order is also alter mused in investing circles ,to simply refer to the ordering

Of stock .It is a word that has grown with the internet and the many online stock

Brokers. It is the collective word for term like market order.

**37. What are cost category and cost centre? Explain**

**Cost centre;**

 Cost centre are the units where you can classify the amount into different

ledger.

Options; YES for the allocation of amount into different ledger.

* Department of an organisation
* Products of company Cost

**Category;**

 Cost categories have been introduced or organization requiring allocation of

Resources to parallel sets of cost centre.

**38. What is budget control? Explain**.

 Budgetary control is the process by which budget are prepared for the future period

And are compared with the actual performance for finding out variances if any. The

Comparison of budgeted figures with actual figures will help the management to find out

Variances and take corrective action without any delay.

**39. Explain the procedure to view the various types of reports.**

**Formal and informal reports**

 Formal report are carefully structured they stress objectivity and organization contain

Much detail and are written in a style that tends to eliminate such elements as personal

Pronouns. Informal reports are usually short massage with natural casual use of language.

 This is a confusing classification. A one page memorandum is obviously short and a

Twentypagereportisclearlylong.Butwhereisthe dividing line? We are in mind that as are port

Becomes longer it takes on more characteristics of formal report.

**Information or analytical report**

 Informational report carries objective information from one area of an organisation to

Another. Analytical report present attempts to solve problems.

**Proposal report**

 The proposal is a variation of problems solving report. A proposal is a document

Prepared to describe how one organisation can meet the needs of another. Most

Governmental agencies advertise their needs by issuing requests for proposal or REP.

**Vertical or lateral reports**

 This classification refers to the direction a report travels .Report t that more upward or

Downward the hierarchy are referred to a verticals report such reports contribute to management

Control. Lateral report on the other handassisti coordinationi the organisation. report

Travelling between units or the same organisational level is lateral.

**Internal or external report**

 Internal report travel within the organisation. External report such as annual report of

Companies are prepared for distribution outside the organization.

**Periodic reports**

 Periodic reports are issued on regularly scheduled dates. They are generally upward

Directed and serve management control.

**Functional report**

 This classification includes accounting reports marketing reports financialreportanda

Variety of other report that take the resignation from the ultimate use of the report.

**40. How-to views the trail balance report in tally?**

* Open tally programme
* Select your company
* Select display under gateway of tally
* Select trail balance
* Press enter key
* After you select trail balance a screen will appear

**41. How to view the profit and loss account report in tally?**

* Open tally programme
* Select your company
* Select profit and loss account under gateway of tally
* Press enter key
* After you select profit& loss account screen will appear

**42. How to view the balance sheet report in tally?**

* Open tally programme
* Select your company
* Select balance sheet under gateway of tally
* Press enter key
* After you select balance sheet screen will appear

**43. How to view the day book report in tally?**

* Open tally programme
* Select your company
* Select display under gateway of tally
* Select accounting book>ledger presenter will appear list of ledger and display
* the day book.

**44. How to edit and delete a company in tally?**

**Delete a company**

* Lode the company you want to delete
* FromthegatewayoftallypressAlt+F3shortcutkeyof click on Alt+F3 company info
* In the company info menu select alte menu now you are in company alteration screen
* Now press Alt +D
* First confirmation message delete will be asked by tally
* Click on yes or presenter
* Second confirmation message will be asked are you sure
* Repeat the previous action click on Yes
* The company will have delete

 **Edit a company**

* Go to gateway of tally>Alt+ F3>company info>Alter Select the company which you
* Need to alter from the list of companies and presenter to view the company alteration
* Screen. Alter the company details as required and accept the screen.

**45. What is MS excel? Explain**

 Microsoft excel is a software program produced by Microsoft that allows users to

Organize format and calculate data with formulas using a spreadsheet system. This software is

Part of the Microsoft office suite and is compatible with other application in the office suite.

**46. Explain the method of building work sheet?**

**Required steps**

* Select the type of display for the new worksheet
* Select the data that belong on the worksheet select

**Display type**

 New worksheet, click next

**Selecting the data**

 This dialog box list the data in the business area that you can to build the new

Worksheet. To include data on the new worksheet you move it from the available column to

The select column.

**Arranging the layout**

 In the step you move the items on the worksheet to display them in the proper column

Row and page axes. It is the same basic process as on the worksheet itself that is drag the

Item to new position on the worksheet.

**Selecting condition for the data**

 Condition defined for the item added to the selected list appears in the next dialog box. You

Can select the conditions as per the new worksheet create anew.

**Sorting the data in a new worksheet**

 This step only applies to tables. If you are creating a new worksheet as a crosstab the

Sorting dialog box does not appear.

**Selecting calculation of the data**

 Calculation defined for the items added to the selected list appear in the final dialog box. You

Can select the calculation as part of the new worksheet.

**Editing a worksheet**

 The dialog for editing a worksheet offer the same selection and features that you use to

Create a worksheet.

**47. What are the way entering data in worksheet?**

**Type directly into a cell**

 Type directly into a cell and add your data .You know a cell is activate as it is highlighted with a darker border.

**Use the formula bar**

 This is located under the ribbon. Type your data directly into the formula bar and

Press enter. You can navigate around the worksheet by typing the cell number directly into

the name box

**Make the most of auto complete**

 Excel will try to help you speed up your data entry by guessing what you are typing based

On what in your worksheet, if the auto correct option is right for you just press enter.

**Copy and paste**

 You may have cells that you can copy and paste data within the same worksheet-it can

save you time formatting a sheet or you can copy data to another worksheet.

**Let auto fill**

 Do the work auto fill options can complete series of data. Whether it is text or number.

This saves lost of data entry when setting up worksheet.

**48. Explain the various option for editing and formatting worksheet?**

**Editing worksheet**

* Add items to worksheet
* Remove item from worksheet
* Change the colour of row and columns
* Change the background colour or title of worksheet
* Change the format of text and numbers
* Change the column width on table worksheet

**Formatting worksheet**

* Change the text colour of worksheet values
* Modify the number of decimal places displayed
* Change the background colour of headings and tools

**49. What are chart? How are they created?**

 A chart is a graphical representation of data in which the data is represented by

Symbols such as

* Bar chart
* Line chart
* Pie chart

**Create chart**

 Select the data for which you want to create a chart

 Click INSERT>recommended chart

 On the recommended chart tab scroll through the list of charts that excel

 Recommended for you data and click any chart to see how your data will look

 When you find the chart you like click it OK

**50. Analyse the uses of statistical and financial function of excel.**

 The excelfinancialfunction have beeen madeavailabletoexecutea varietyoffinancial

Calculation including calculation of yield investment valuation interest rates internal rate of

Return asset depreciation and payment.

 Statistical function applies a mathematical process to a group of cells in a worksheet. The

Sum function is used to add the values contained in a range of cell. Functions are more efficient

than formulas when you are applying a mathematical process to a group of cell.

**51. What is list? How can create it?**

 A list is any information displayed or organized in a logical or liner formation. Below is an

Numeric a list often used to show a series of step that need to be performed to accomplish.

* Select the cell that you want to contain the list
* on the ribbon click DATA> data validation
* in the dialog set allow to list
* Click in source type the text or number

**52. Write the steps to short data in MS- excel**

* Select arrange of tabular data such as multiple row or columns or single column. The

Range can include the first row of heading that identify each column

* Select a single cell in the column you want to sort
* On the data tab in the short& filter group click to perform an ascending

Sort.

 Click to perform a descending sort

**53. Explain the features of filtering a data in MS- excel**

**Selection**

 Good filter make it obvious to user what has been selected.

That might seem like an obvious necessity but consider what happens when you filter in an excel

list. The filter section even if it is a single item immediately hidden from view.

**Impact**

 The best filter in mechanisms also give instant feedback about the impact of your

filter. This can be as simple as a subtle indicate that the filter are being applied

**Context**

 Filters should provide information around the item being selected.

Take the simple font sectors in office application.

 Click shirts Bret victors brilliant-shirt design interface. nit he offers an elegant

Filter implementation where all the selection show images of what you are about to select

Elastic lists are one of the most innovation approaches to filtering.

**Persistence**

 Given the importance off ilter to most information application. It’s surprising how

Often the interface makes them hard to find .Filtering should not be a one shot deal the

Functionality should always be accessible

**Short- cuts**

 Finally should make it easy to apply common selection or complex sets.

**54. What is the use of automatic subtotal?**

 Inserting automatic subtotals is a quick way to summarize data in a list. To

Use automatic subtotals be organized into a list and shorted by the column for which

You want to display subtotal.

**55. How can you open, close and save a work sheet?**

* Start the process
* Start>all programme>MS-office excel 2003-2007
* The work sheet will displayed
* Close the upper left corner of the worksheet
* Right click the worksheet name tab
* Click select move or copy
* Click on the selected sheets to book drop- down menu
* Click ok you new workbook open with your moved worksheet
* Click file> save in your new workbook.

**56. What is spreadsheet?**

 A spreadsheet is a computer application for organization analysis and storage of data in

Tabularform.Spread sheet were developed as computerized analogy of paper accounting

Worksheet. The program operates on data entered in cell of a table.

**57. What is the application of spreadsheet?**

* List
* Budgeting
* Organization
* Decision making& planning
* Progress monitoring