COMPUTERIZED ACCOUNTING

SYNOPSIS

D KALABAI

LECTURER   IN   COMMERECE

COMPUTERIZED ACCOUNTING

UNIT - I MAINTAINING CHART OF ACCOUNTS IN ERP

Computerized accounting system refers to the system of maintaining accounts using computers. It involves the processing of accounting transactions through the use of hardware and software in order to keep and produce accounting records and reports.

Features of computerized accounting

It is designed to automate and integrate all the business operations such as purchase, sales, finance, inventory and manufacturing. The CAS may be integrated with enhanced Management Information System (MIS), multi-lingual and data organization capabilities to simplify all the business processes of the organization easily and cost-effectively.

ii) Speed

It can perform functions at much higher speed than doing the same manually.

iii) Accuracy

Computers perform functions with high degree of accuracy. If hardware, software and input bypeople are proper, the computerized accounting system can assure of accurate outcome.

iv) Reliability

Computers are used to process large volumes of data and hence, data provided by it are reliable.

v) Versatility

Computer and accounting software have the ability to perform diverse tasks. For example, by simply recording accounting entries through accounting software, one can get trial balance, trading account, profit and loss account, balance sheet and diverse reports.

vi) Transparency

With computerized accounting, the organization will have greater transparency of day-today business operations and access to the vital information.

vii) Scalability

computerized accounting enables processing of any volume of data in tune with the change in the size of the business.

viii) On-line facility

computerized accounting offers online facility to store and process transaction and data so as to retrieve information to generate and view financial reports in any part of the world.

ix) Security

In computerized accounting, only the authorised users are permitted to have access to accounting data. Under manual accounting system, it is very difficult to secure such information as it is open to inspection by any person dealing with the books of accounts.

Components of Computerized Accounting System

Components of Computerized Accounting can be classified into six categories, namely,

i) Hardware ii) Software iii) People iv) Procedure v) Data and vi) Connectivity.

i) Hardware

The physical components of a computer constitute its hardware. Hardware consists of input devices and output devices that make a complete computer system. Examples of input devices are keyboard, optical scanner, mouse, joystick, touch screen and slylus which are used to feed data into the computer. Output devices such as monitor and printer are media to get the output from the computer.

ii) Software

A set of programs that form an interface between the hardware and the user of a computer system are referred to as software. The following are the various types of software:

a) **System software**: A set of programs to control the internal operations such as reading data from input devices, giving results to output devices and ensuring proper functioning of components is called system software. The system software includes the following:

(1) **Operating system**: A set of tools and programs to manage the overall working of a computer using a defined set of hardware components is called an operating system. It is the interface between the user and the computer system. Example: DOS, Windows, UBUNTU, imac, etc.

(2) **Programming software**: Special software to accept data and interpret them in the form of machine/assembly language understandable by a computer. Example: C, PASCAL, COBOL, etc.

(3) **Utility software**: These are designed specifically for managing the computer device and its resources. Example: File manager, Anti-virus software, etc.

b) **Application software**: Programs designed to perform a specific function for a user. An application software can be classified as follows:

(i) General purpose software: This type of application can be used for a variety of tasks and not limited to one particular function. Example: MS-Office.

(ii) Specific purpose software: This software is created to execute one specific task and they are customized to the needs of user. Example: Accounting software, payroll software, etc.

iii) People

The most important element of a computer system is its users. They are also called live-ware of the computer system. The following types of people interact with a computer system.

a) System analysts: People who design the operation and processing of the system.

b) System programmers: People who write codes and programs to implement the working of the system.

c) System operators: People who operate the system and use it for different purposes.

iv) Procedure

Procedure is a step by step series of instructions to perform a specific function and achieve desired output. In a computer system there are three types of procedures.

a) Hardware oriented procedure: It defines the working of a hardware component.

b) Software oriented procedure: It is a set of detailed instructions for using the software.

c) Internal procedure: It maintains the overall working of each part of a computer system bydirecting the flow of information.

v) Data

The facts and figures that are fed into a computer for further processing are called data. Data are raw input until the computer system interprets them using machine language, stores them in memory, classifies them for processing and produces results in conformance with the instructions given to it. Processed and useful data are called information which is used for decision making.

vi) Connectivity

When two or more computers are connected to each other, they can share information and resources such as sharing of files (data/music, etc), sharing of printer, sharing of facilities like the internet. This sharing is possible using wires, cables, satellite, infra-red, bluetooth, microwave transmission, etc.

Advantages of Computerized Accounting

1. Better Quality Work: The accounts prepared with the use of computerized accounting system are usually uniform, neat, accurate, and more legible than a manual job.

2. Lower Operating Costs: Computer is a reliable and time-saving device. The volume of job handled with the help of computerized system results in economy and lower operating costs. The overall operating cost of this system is low in comparison to the traditional system.

3. Improves Efficiency: This system is more efficient in comparison to the traditional system. The computer makes sure speed and accuracy in preparing the records and accounts and thus, increases the efficiency of employees.

4. Facilitates Better Control: From the management point of view, there is greater control possible and more information may be available with the use of the computer in accounting. It ensures efficient performance in accounting records.

5. Greater Accuracy: Computerized accounting make sure accuracy in accounting records and statements. It prevents clerical errors and omissions in records.

6. Relieve Monotony: Computerized accounting reduces the monotony of doing repetitive accounting jobs. Which are tiresome and time-consuming.

7. Facilitates Standardization: Computerised accounting provides standardization of accounting routines and procedures. Therefore, it ensures standardization in the accounting records.

8. Minimizes Mathematical Errors: While doing mathematical work with computers, errors are virtually eliminated unless the data is entered improperly in the system.

9. Legibility : The data displayed on computer monitor is legible. This is because the characters (alphabets, numerals, etc.) are type written using standard fonts. This helps in avoiding errors caused by untidy written figures in a manual accounting system.

10. Efficiency : The computer based accounting systems ensure better use of resources and time. This brings about efficiency in generating decisions, useful informations and reports.

11. Quality Reports : The inbuilt checks and untouchable features of data handling facilitate hygienic and true accounting reports that are highly objective and can be relied upon.

12. speed : Accounting data is processed faster by using a computerized accounting system than

13. efforts. This is because computers require far less time than human beings in performing a task.

Disadvantages of Computerized Accounting:

1. *Reduction of Manpower:*

The introduction of computers in accounting work reduces the number of employees in an organization. Thus, it leads to greater amount of unemployment.

2. *High Cost:*

A small firm cannot install a computer accounting system because of its high installation and maintenance cost. To be more economical there should be large volume of work. If the system is not used to its full capacity, then it would be highly uneconomical.

3. *Require Special Skills:*

Computer system calls for highly specialized operators. The availability of such skilled personnel is very scarce and very costly.

4. *Other Problems:*

Frequent repair and power failure may affect the accounting work very much. Computers are prone to viruses. Often time's people will assume the computer is doing things correctly and problems will go unchecked for long period of time.

5. **Cost of Training**:

The sophisticated computerized accounting packages generally require specialized staff personnel. As a result, a huge training costs are incurred to understand the use of hardware and software on a continuous basis because newer types of hardware and software are acquired to ensure efficient and effective use of computerized accounting systems

6. **Staff Opposition** :

Whenever the accounting system is computerized, there is a significant degree of resistance from the existing accounting staff, partly because of the fear that they shall be made redundant and largely because of the perception that they shall be less important to the organization.

7. **Disruption** :

The accounting processes suffer a significant loss of worktime when an organisation switches over to the computerised accounting system. This is due to changes in the working environment that requires accounting staff to adapt to new systems and procedures

8. **System Failure** :

The danger of the system crashing due to hardware failures and the subsequent loss of work is a serious limitation of computerized accounting system. However, providing for back-up arrangements can obviate this limitation. Software damage and failure may occur due to attacks by viruses. This is of particular relevance to accounting systems that extensively use Internet facility for their online operations. No full-proof solutions are available as of now to tackle the menace of attacks on software by viruses.

Difference Between Manual Accounting and Computerized Accounting

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.
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.

Grouping

In any organization, the main unit of classification is the major head which is further divided into minor heads. Each minor head may have number of sub-heads. After classification of accounts into various groups namely, major, minor and sub-heads and allotting codes to each account these are programmed into the computer system.

LEDGER

Maintaining accounts is a must for all businesses, immaterial of their size. This can be done through ledgers which is a book of financial accounts . Using ledgers in Tally ERP9 means that you can account well, and there are rarely any accounting problems. A Balance Sheet or the Profit & Loss (P&L) Statement can be easily generated using the Tally ledgers option. Also, maintaining Goods and Services Tax (GST) compliance is also easy and less time-consuming in Tally. Read on to learn about creating ledgers in Tally.

Ledgers in Tally:

All ledgers are maintained in the specific group known as ledgers in Tally. The entries from these ledgers groups are then calculated from where they can be put in a balance sheet or profit and loss statement.

In Tally.ERP 9, you have two predefined ledgers such as:

1. The Profit and Loss (P&L) Ledger: This ledger in Tally has the entries that find their way into the profit and loss statement and hence the name. The account ledger is a primary ledger where the balance from the previous year's profit or loss statement is carried over as the opening balance of the ledger. It also consists of the total amount of loss or profit made in the previous financial year. In the case of new companies, this figure is zero. This figure is shown in the liabilities side of the profit and loss account statement in the balance sheet. The ledger entries can be modified but not deleted.

2. The Cash Ledger: This ledger is typically a cash ledger, also called the cash-in-hand ledger, where you enter the opening cash balance starting from the day the books are started to be maintained. The entries in the cash ledger can be deleted or altered as the case may be. In new companies, though the P&L ledger entry is a zero value, the cash-in-hand always means the amount of cash you start the company with.

How to create a ledger in Tally-9 with an example?
The one-on-one guide to creating ledgers in Tally involves the following steps.

- Firstly, go to Gateway of Tally. This can be done by either double-clicking on the Tally icon on the desktop or using the shortcut to create ledger in Tally ALT F3.
- Look under the Accounts Info tab for the Ledgers tab from the drop-down list.
- Under the Ledgers tab, select from the drop-down list the Create tab to create a Single Ledger.
- The screen shown below appears and is called the Ledger Creation screen.

- On the Ledger Creation screen, you must name the ledger with a Name. Note that for this ledger account, duplicate names cannot be used. You cannot just call it a Capital Account. Try using B's or A's Capital Account instead. Name the account using the alias name of the ledger account if it does not accept the Capital Account's name. You can then access the Capital Account ledgers using the alias/original ledger name (i.e. A's or B's Capital Account).
- Select from the List of Groups a group category for these ledgers.

Tally ledger entry:

- **Creating a new group of ledgers**

This process is easy where you can press Alt C to create a new ledger group in Tally. Note that the ledger account and its group classification can be altered as you wish at any time.

Entry in your ledger is created using the Opening Balance. This field denotes the value of the opening profit/loss and is entered as a liability or asset with its value from the opening date of the accounting books. In an existing company, the balances of credits and assets are debited to the account. For example, when you transfer your manual accounts to Tally ERP9 in the middle of a year, say June 1st of 2018, you enter the balances as revenue accounts and specify whether these are credit or debit balances.

- *Altering, Displaying or Deleting Ledgers in Tally:*

The master ledger can be used if you wish to alter, display or delete any information. Note that the closing balance in the master ledger or stock-in-hand under this group cannot be altered or deleted.

- **Alter or Display a ledger in Tally:**

The pathway for this operation is that you go to Gateway of Tally, and under the Accounts Information, you choose Ledgers and then go to the Alter or Display tab.

The single and multiple ledgers can be altered successfully using the above selection pathway. However, do remember that not all fields in a multiple-ledger can be modified or altered.

- **Deleting a ledger in Tally ERP9:**

Note that a ledger with no vouchers can be deleted straight away. If you need to delete a ledger with vouchers, delete all vouchers in the particular ledger and then delete the concerning ledger.

- *Options with buttons in Master Ledger:*

To make it easy and have a ready-reckoner of Master Ledger, print these short-cuts or save this table of buttons for easy operations on Master Ledger.

Button options	Key options	Uses and Description
Groups or G	Press Ctrl + G	Use the Ledger creation screen and click to create a new group of accounts.
Currency or E	Press Ctrl + E	Use the Ledger creation screen and click to create a Currency group.
Cost Category or S	Press Ctrl + S	Use the Ledger creation screen and click to create a Cost Category.
Cost Centre or C	Press Ctrl + C	Use the Ledger creation screen and click to create a Cost Center.
Budget or B	Press Ctrl + B	Use the Ledger creation screen and click to create a Budget.
Voucher Types or V	Press Ctrl + V	Use the Ledger creation screen and click to create a Voucher Type.

Create a Company

1. Go to **Gateway of Tally** > **Alt+F3** > **Create Company** .
2. **Directory** : modify the data path, if required.
3. Enter the following details pertaining to your company:
   - **Primary Mailing and Contact Details** : The correspondence details of your company such as mailing name, address, state, and Pincode, telephone number, email ID, and so on can be entered here.

   Note: **Ladakh** is listed in the **State** field in Release 6.5.5 and later versions.

o Select the country for which you require the statutory features in the field **Country** .

o Base currency symbol is enabled in accordance with the country selected.

- **Books and Financial Year Details**

    o **Financial year begins from:** Tally.ERP 9 considers a financial year to be of twelve months. Any date can be entered here.

    o **Books beginning from:** By default, the date provided in the **Financial year begins from** field is captured here. However, this can be changed if your book beginning date is different.

- **Security Control** : Tally.ERP 9 provides various security options which can be enabled in this section:

    o **TallyVault password** : An enhanced security system that allows encryption of your company data. Encryption involves converting normally accessible Tally information into unrecognizable information, which can only be reconverted by authorised persons.

    o **Use security control** : Security control enables you to initiate a password-protected system to control access to your company data.

Note: The administrator password is case-sensitive, and if forgotten, it cannot be retrieved. Once **Security Control** is enabled in the **Company Alteration** screen, the fields against **Password** and **Repeat password** will display a single star.

    o **Use Tally Audit features** : Tally Audit allows the administrator or an auditor profile user to track changes in accounting information.

    o **Disallow opening in educational mode** : Set this option to **Yes** , if you do not want the company to be opened in the educational mode. In the educational mode, you can record transactions only on the first and last day of a month.

    On accepting the company creation screen, if you have specified Tally Vault password, Tally.ERP 9 prompts you to enter the user name and password.

- **Base Currency Information** : Base Currency Information varies based on the country selected. The various fields under this section include:

    o **Base currency symbol** : The currency symbol of the respective country selected appears in this field.

    o **Formal name** : The name of the currency specified.

    o **Suffix symbol to amount?** : For countries which specify the symbol after the amount (value) – this option can be enabled. **For example** , Yen is specified after the amount (5000 Yen).

    o **Add space between amount and symbol?** : Enable this option if you require space between amount and symbol.

    o **Show amount in millions?** : This is useful for companies, which require reporting the financial statements in millions.

    o **Number of decimal places** : This is set to 2, by default. However, it can be specified up to 4 places.

    o **Word representing amount after decimal** : The name of the decimal portion of amount appears based on the country selected. **For example** , if India is selected as the country and Number of decimal places is entered, then paise appears by default.

o **No. of decimal places for amount in words** : You can specify the number of decimal places for printing the amount in words. This number should be equal to or lesser than the number specified in field **No. of decimal places for amount in words** .

The **Company Creation** screen appears as shown:

4. Press **Enter** to create the company. The **Gateway of Tally** screen appears as shown below:

we can delete the company in tally erp.9 by using the short cut Alt+D

conclusion :-

Tally. ERP 9 contains all the features required for high performance business management. It is considered as simple software which makes accounting easier. A user having no knowledge of accounting can also maintain the books of accounts easily using Tally.

UNIT 11 MAINTAINING STOCK KEEEPING UNITS (SKU)

GODOWN

In Tally.ERP 9, "Godown" refers to a location where you store your stock items. It could be a warehouse, a store, or any other physical location where you store goods. A "Stock Group" is a way to categorize and organize your stock items. Below are the steps to create Godowns and Stock Groups in Tally ERP.9:

Creating Godowns:
1. **Go to Gateway of Tally:** Open Tally ERP.9 and go to the Gateway of Tally.
2. **Select Inventory Info:** From the Gateway of Tally, select "Inventory Info" from the main menu.
3. **Select Godowns:** Under "Inventory Info," select "Godowns."
4. **Create Godown:**
   - Press **Alt + C** to create a new Godown.
   - Enter the Name of the Godown (e.g., Warehouse, Store A, etc.).
   - Set the address, if needed.
   - Configure other details as required.
5. **Save the Godown:**
   - Press **Ctrl + A** to save the Godown details.

Godown Creation

Name   : **Branch 1 Godown**
(alias)   :

Under   : **Primary**

Use for:

Our stock with third party   ? **No**
Third party stock with us   ? **No**

Creating Stock Groups:

1. **Go to Gateway of Tally:** Open Tally ERP.9 and go to the Gateway of Tally.
2. **Select Inventory Info:** From the Gateway of Tally, select "Inventory Info" from the main menu.
3. **Select Stock Groups:** Under "Inventory Info," select "Stock Groups."
4. **Create Stock Group:**
   - Press **Alt + C** to create a new Stock Group.
   - Enter the Name of the Stock Group (e.g., Electronics, Clothing, etc.).
   - Set the required options like whether it's a Primary or Sub-group.
   - You can create multiple levels of Stock Groups if needed.
5. **Save the Stock Group:**
   - Press **Ctrl + A** to save the Stock Group details.

Assigning Godowns to Stock Items:

1. **Go to Gateway of Tally:** Open Tally ERP.9 and go to the Gateway of Tally.
2. **Select Inventory Vouchers:** From the Gateway of Tally, select "Inventory Vouchers" from the main menu.
3. **Create or Alter Stock Item:**
   - Select "Item Invoice" or any relevant voucher type.
   - Press **F12** for configuration and enable the option "Use Tracking Numbers" if you want to track stock with batch or serial numbers.
4. **Enter Stock Item Details:**
   - Enter the stock item details, including its name, quantity, rate, etc.
   - Specify the Stock Group under which the item falls.
5. **Specify Godown:**
   - Specify the Godown where the stock item is stored.
   - You can press **Alt + I** to configure additional details like Batch, if applicable.
6. **Save the Voucher:**
   - Press **Ctrl + A** to save the voucher.

Multi Stock Item Creation   **Tutorial Kart**   Ctrl + M

Under Group   : ▯ All Items   For 1-Apr-2019

S.No.	Name of Item	Under	Category	Units	Opening Qty	Rate	per	Amount
1.	Philips Dvd Player	Music System	Music Player	No's	5 No's	15,000.00	No's	75,000.00
2.	Sony 5.1 Music System	Music System	Music Player	No's	2 No's	20,000.00	No's	40,000.00
3.	Sony 32 Inch Tv	Television	32 Inches Tv	No's	3 No's	25,000.00	No's	75,000.00
4.	LG 32 Inch Tv	Television	32 Inches Tv	No's	4 No's	20,000.00	No's	80,000.00
5.	MI 32 Inch Tv	Television	32 Inches Tv	No's	2 No's	15,000.00	No's	30,000.00
6.	MI 42 Inch Tv	Television	42 Inches Tv	No's	2 No's	20,000.00	No's	40,000.00
7.		www.tutorialkart.com						

Q: Quit | A: Accept | D: Delete | | | | R: Remove Line | U: Restore Line | U: Restore All

Repeat these steps for each stock item, and you'll have organized your inventory using Godowns and Stock Groups in Tally ERP.9.

unit :3 Recording Day to Day Transactions in Erp.9

Definition of Vouchers

A voucher is a written document or electronic record that contains details of a financial transaction. It includes information such as the date, amount, parties involved, and the specific nature of the transaction. Vouchers serve as a legal and audit trail, providing evidence of the exchange of goods, services, or money.

Types of Vouchers in Tally ERP 9

Cash Vouchers

Cash vouchers are used to record cash transactions, such as cash receipts or cash payments.

Bank Vouchers

Bank vouchers are utilized to record transactions related to bank accounts, including deposits, withdrawals, and transfers.

Sales Vouchers

Sales vouchers are used to record sales transactions, capturing details such as the customer, item sold, quantity, rate, and taxes.

Purchase Vouchers

Purchase vouchers are utilized to record purchase transactions, including details of the supplier, items purchased, and relevant taxes.

Receipt Vouchers

Receipt vouchers are used for recording incoming payments, such as customer payments, loan repayments, or capital investments.

Payment Vouchers

Payment vouchers are utilized to record outgoing payments, including expenses, bills, salaries, and utilities.

Journal Vouchers

Journal vouchers are used to record non-cash transactions, such as adjustments, provisions, transfers, and rectifications.

.credit voucher

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 voucher

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.

How do you create, Edit and delete of voucher TYPE?

Create Voucher Type

- ➢ **G**ateway of Tally
- ➢ Inventory info
- ➢ Voucher Type
- ➢ Create
- ➢ Enter Voucher type
- ➢ press Yes to save

Edit Voucher Type

- ➢ **G**ateway of Tally
- ➢ Inventory info
- ➢ Voucher Type
- ➢ Alter
- ➢ Enter Voucher type
- ➢ press Yes to save

Delete Voucher Type

- ➢ **G**ateway of Tally
- ➢ Inventory info
- ➢ Voucher Type

- ➢ Alter
- ➢ Enter Voucher type
- ➢ Press Alt + D
- ➢ press Yes

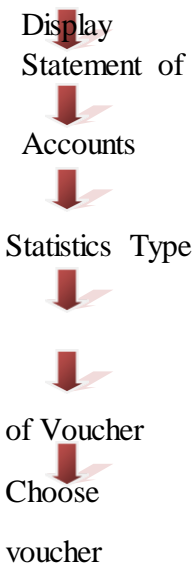**How do you create, Edit and delete of voucher?**

Create Voucher

Gateway of Tally → Accounting Voucher → Enter voucher information → Press Yes

Accounting Voucher Creation   Www.TallyERP9Book.Com   Ctrl + M ☒

Journal	No. 9		1-Jun-2019
			Saturday

Particulars	Debit	Credit
By **Depreciation**	25,000.00	
Cur Bal: 25,000.00 Dr		
To **Furniture & Fixture**		5,000.00
Cur Bal: 5,000.00 Cr		
To **Machinery**		20,000.00
Cur Bal: 3,30,000.00 Dr		
Narration:	25,000.00	25,000.00

Accounting Voucher Creation   ABC Company Limited   Ctrl + M

Payment	No. 1		9-Apr-2010
			Friday

Particulars	Debit	Credit
Dr **Conveyance**	200.00	
Cur Bal: 200.00 Dr		
Dr **Reparis & Maintenace**	500.00	
Cur Bal: 500.00 Dr		
Dr **Staff & Welfare**	300.00	
Cur Bal: 300.00 Dr		
Cr **Cash**		1,000.00
Cur Bal: 4,000.00 Dr		
Narration:	1,000.00	1,000.00

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Delete Voucher

Gateway of Tally

Display
Statement of

Accounts

Statistics Type

of Voucher

Choose

voucher

Alt + D

Yes

UNIT 1V ACCOUNTS RECEVIABLE AND PAYABLE MANGEMENT

Accounts Payable	Accounts Receivable
Accounts Payable is the amount that the company owes to its vendors or creditors.	Accounts Receivable is the amount that customers owe the company
AP is placed under current liabilities on the balance sheet	AR is under the current assets on the balance sheet
AP is the outcome of credit purchases	AR is the outcome of credit sales
AP results in cash outflow	AR results in cash inflow
AP doesn't have any offsets	AR can be offset by an allowance of doubtful accounts
AP has many accounts like trade payables, interest payables, sales tax payables, and others	AR usually involves trade receivables and non-trade receivables accounts
AP are created because of purchasing goods or services on credit.	AR are created because of selling goods or services.
In the case of AP, money has to be paid.	In the case of AR, money has to be collected.

What are Bill Wise Details in Tally?

Bill Wise Details is a feature in Tally that helps businesses track their outstanding payments and receipts by linking them to specific invoices or bills. When a business receives a payment or makes a payment, it can be linked to a specific invoice or bill using this feature. This makes it easier for businesses to track which invoices or bills are pending and which ones have been paid.

How to use Bill Wise Details in Tally?

Using Bill Wise Details in Tally is a simple process. Here's how you can use it:

1. Go to the 'Accounting Vouchers' section in Tally.
2. Create a new payment or receipt voucher.
3. In the voucher, select the 'Bill-wise Details' option.
4. Enter the details of the invoice or bill to that you want to link the payment or receipt. This includes the invoice or bill number, date, amount, and party name.
5. Save the voucher.

Once you have linked the payment or receipt to a specific invoice or bill, Tally will automatically update the bill-wise details report. This report shows a summary of all the outstanding payments and receipts linked to each invoice or bill.

Benefits of using Bill Wise Details in Tally

1. **Better cash flow management:** By tracking outstanding payments and receipts in a systematic manner, businesses can get a better understanding of their cash flow. This helps them plan their finances more effectively and avoid cash flow problems.
2. **Improved accuracy:** Linking payments and receipts to specific invoices or bills ensures that the accounting records are accurate. This reduces the risk of errors and ensures that the financial statements reflect the true financial position of the business.
3. **Easy tracking of outstanding payments and receipts:** Bill Wise Details makes it easy for businesses to track their outstanding payments and receipts. This reduces the time and effort required to manually track payments and ensures that no payments are missed.
4. **Faster dispute resolution:** In case of any disputes related to payments, businesses can easily track the invoice or bill and resolve the dispute faster.

Maintaining Bill-wise Details of all Receivable and Payable of Bills in Tally.ERP9

If you want to maintain Party wise Bill details (sundry debtors / sundry creditors) of all receivable and payable of bills from the party (for example, acceptance of Bill, Payment of Bill, Pending Bill, Overdue Bill, etc.) you can use this option.

Gateway of Tally.ERP > Accounts Info > Ledger > Create

Example : Debtors statement (**ABC Solutions & Co.)** as below :

Date	Bill No.	Bill date	Due Date	Bill Amt.	Paid Amt.	Remarks
1-4-2019	159	1-4-2019	1-5-2019	5,800		Sales
1-5-2019	852	1-5-2019	31-5-2019	7,400		Sales
2-5-2019	582	1-5-2019			7,400	Ch. 123001

Step-1

Activate the features from Gateway of Tally.ERP > Features (F11) > Accounting Features

Step-2

Create you Ledger. Select the (Billwise details) option at the time of Ledger creation
Gateway of Tally.ERP > Accounts Info > Ledger > Create

In case a ledger has already been created, modify it at the entry time with CTRL+ Enter to activate the option.

Step-3

Record the transaction from accounts voucher.

Gateway of Tally.ERP > Accounting Voucher > Sales

Method of adjustment :

- **Advance :** This method is used for payment without any previous due arisen to the party.
- **Against Ref :** Is used for adjustment against any existing dues.

- **New Ref :** Is used for creating any dues.
- **On Account :** For lump sum amount.

Step-4

Record the Receipt Transaction from accounts voucher.

Gateway of Tally.ERP > Accounting Voucher > Receipt (F6)

Accounting Voucher Creation	Www.TallyERP9Book.Com	Ctrl + M
Receipt No. **1**		**2-Sep-2017** Saturday

Account : **AXIS BANK**
    Cur Bal: *59,000.00 Dr*

Particulars	Amount
ABC Solutions & Co.	**59,000.00**
Cur Bal: *0.00 Cr*	
Agst Ref 9 30 Days 59,000.00 Cr (2-Oct-2017)	
Narration:	59,000.00

Bill Wise Details in Tally: Conclusion

Bill Wise Details is a useful feature in Tally that can help businesses manage their finances more efficiently. By linking payments and receipts to specific invoices or bills, businesses can track their outstanding payments and receipts in a systematic manner. This helps them improve their cash flow management, ensure accuracy in accounting records, and resolve disputes faster. Therefore, businesses should consider using this feature in Tally to streamline their accounting processes and improve their financial management.

Management information systems (MIS) is a department within an enterprise responsible for controlling the hardware and software systems that the organization uses to make business-critical decisions. In addition to describing a department within a company, the term "MIS" can also refer to a type of computer software that is used to store, organize and analyze information.

Today, the term MIS is used broadly in a variety of contexts. These include but are not limited to the following:

- Decision support system (DSS) software.

- Resource and people management applications.

- Project management.

- Database retrieval applications.

Advantages and Disadvantages of MIS

Advantages
- It facilitates planning
- In minimizes information overload .
- MIS encourages decentralization.
- It brings co-ordination.
- It makes control easier.

Disadvantages
- Highly sensitive requires constant monitoring.
- Budgeting of MIS extremely difficult.
- Quality of outputs governed by quality of inputs.
- Lack of flexibility to update itself.
- Effectiveness decreases due to frequent changes in top management.

Types of MIS software

The following are the four main types of MIS software:

- **DSS.** A DSS analyzes business data to assist managers with decision making. For example, a DSS could project revenue figures based on new product sales assumptions.

- **Transaction processing system (TPS).** A TPS processes the routine transactions associated with a business. Examples include payroll processing, order processing for an e-commerce business and invoicing.

- **Management support system (MSS).** An MSS stores and organizes data, enabling end users to generate reports and analyze data to address business needs and inform planning. A data warehouse is an example of a MSS.

- **Expert systems.** An expert system provides managers with insights and advice based on artificial intelligence (AI). In an expert system, the AI is trained to simulate the knowledge of a human expert in a particular field.

Management Information System (MIS) Reports

MIS Reports are reports required by the management to assess the performance of the organization and allow for faster decision-making.

You can view the following types of MIS Reports in Tally.ERP 9:

- **Accounting Reports:** To obtain information on the financial position, operational performance and economic activities of the business.
- **Financial Reports:** To determine the financial condition of an organisation as required by shareholders, creditors and government units.
- **Inventory Reports:** To manage the Inventory effectively since the actual status of stock items is obtained.
- **Management Control Reports:** To utilise budgets, cost centre reports, scenario reports etc. for controlling activities.

DIFEERENT TYPES OF REPORTS THAT PREPARE IN TALLY ERP .9

Gateway of Tally

Click **Balance sheet**

Change period (F2)

Click print option

    Enter Yes

Gateway of Tally

Masters

    Accounts Info.
    Inventory Info.

Transactions

    Accounting **V**ouchers
    Inven**T**ory Vouchers

Import

    Imp**O**rt of Data

Reports

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

    Display
    Multi Account Printing

    Quit

Gateway of Tally

⬇

Click **Ratio analysis**

Change period (F2)

Click print option

⬇

Enter Yes

Gateway of Tally
Masters
Accounts Info.
Inventory Info.
Transactions
Accounting **V**ouchers
Inven**T**ory Vouchers
Import
Imp**O**rt of Data
Reports
Balance Sheet
Profit & Loss A/c
Stock Summary
Ratio Analysis
Display
Multi Account Printing
Quit
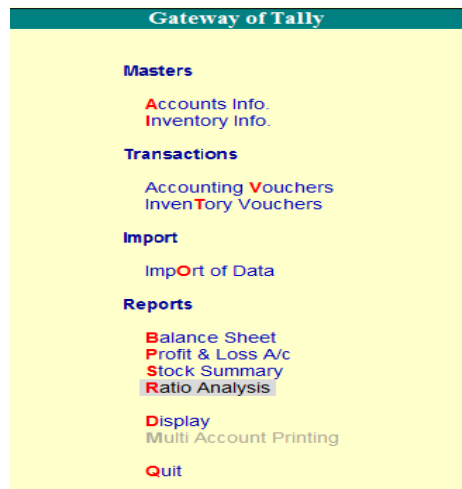
Gateway of Tally

⬇

Click **Profit & Loss Account**

Change period (F2)

Click print option

⬇

Enter Yes

Gateway of Tally
Masters
Accounts Info.
Inventory Info.
Transactions
Accounting Vouchers
InvenTory Vouchers
Import
ImpOrt of Data
Reports
Balance Sheet
Profit & Loss A/c
Stock Summary
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Display
Multi Account Printing
Quit

Gateway of Tally

⬇

Click Display

⬇
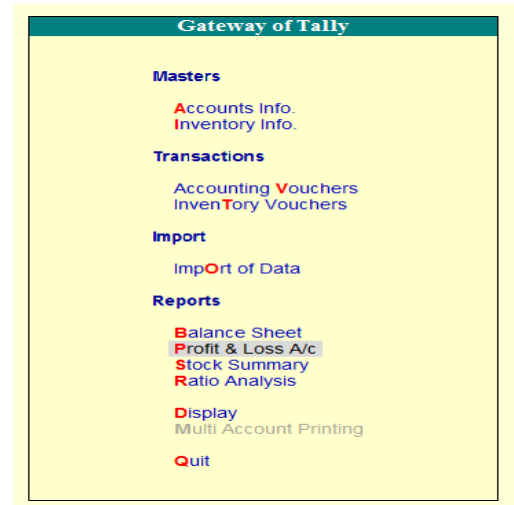
Click Cash/ Fund flow

Click Cash Flow

Enter Yes

Gateway of Tally

Masters

   Accounts Info.
   Inventory Info.

Transactions

   Accounting Vouchers
   InvenTory Vouchers

Import

   ImpOrt of Data

Reports

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

   Display
   Multi Account Printing

   Quit

Gateway of Tally ....

Display Menu

Trial Balance
Day Book

Account Books
Statements of Accounts

Inventory Books
StatEments of Inventory

Cash/Funds Flow

List of Accounts
EXception Reports

Quit

Gateway of Tally ....
Display Menu ....

Cash/Funds Flow

Cash Flow

Funds Flow

Quit

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Gateway of Tally

Click Display

Click Cash/ Fund flow

Click Fund Flow

Enter Yes

Gateway of Tally

Masters

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    Inventory Info.

Transactions

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    InvenTory Vouchers

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    Quit

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Display Menu ....
Cash/Funds Flow

Cash Flow

Funds Flow

Quit

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