Mechi Multiple Campus

(Tribhuvan University)

Bhadrapur, Jhapa

Lab Report of Financial Accounting (CAAC-152)

Faculty of Humanities and Social Science (FOHSS)

Tribhuvan University

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<u>Certificate from the Supervisor</u>

This is to certify that the Lab Report entitled "Financial Accounting" is an academic work done by "Anusha Khatiwada" submitted in the partial fulfillment of the requirement for the degree of Bachelor of Computer Application at Faculty of Humanities and Social Science, Tribhuvan University under my guidance and supervision. To the best of knowledge, the work performed by her in the Lab Report is her own creation.

Signature of the supervisor:

Name: Kedarnath Mishra

Designation: Lecturer

Date:

ACKNOWLEDGEMENT

First of all I would like to express my thankfulness to sir "Kedarnath Mishra", and whole faculty of humanities and social science who has provided me this opportunity. I am really grateful to Sir Kedarnath Mishra for this kind of support in my project. We are making these report as it is compulsory required by Mechi Multiple Campus. It is compulsory report that should be submitted to the college in order to get practical marks. For this report Financial Accounting teacher has motivated us. We are also guided by him to score good marks in practical. He has suggested how to make the report. He was the main source for us to make the report ready. In these report, we the student of BCA were engaged and I would like to express my deep thankful particularly to all of them. We are doing this report to be very helpful for coming days.

Thank You.

Contents

Introduction to Tally Software

Tally is one of the most popular accounting software used in Nepal, India and other countries for managing financial tasks in businesses, from small to large enterprises. It is known for its user-friendly interface and powerful features that help in accounting, inventory management, payroll, and taxation.

Key Features of Tally:

1. <u>Accounting</u>: Tally allows users to maintain accounts and perform tasks such as journal entries, ledgers, balance sheets, and trial balances.
2. <u>Inventory Management</u>: It helps in tracking stock, managing multiple warehouses, and generating inventory reports.
3. <u>Billing and Invoicing</u>: Tally simplifies the generation of invoices, recording purchases and sales, and handling receipts and payments.
4. <u>GST Compliance</u>: Tally supports Goods and Services Tax (GST) compliance, enabling users to create and file GST returns.
5. <u>Payroll Management</u>: Tally helps manage employee salaries, deductions, and payroll reports efficiently.
6. <u>Banking</u>: It offers features for handling banking transactions, including bank reconciliation and managing checks.
7. <u>Multi-currency Support</u>: Businesses that deal with multiple currencies can manage transactions in different currencies with ease.
8. <u>Security</u>: Tally provides user-level security to protect financial data and restrict unauthorized access.

Versions of Tally:

The most commonly used version of Tally is **Tally ERP 9**, though newer versions like **Tally Prime** offer more features, a modern user interface, and improved functionality for business management.

Tally is widely adopted by businesses for its ability to streamline accounting processes and enhance financial management.

Company Creation

To create a company in Tally ERP 9:

1. Open Tally ERP 9 and go to Create Company.

```
Company Info.

Select Company

Login as Remote User

Create Company

Backup
Restore


Quit
```
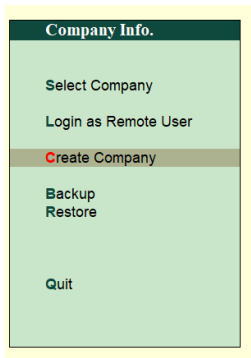
2. Enter company details like name, address, country, and contact info.

3. Set the Financial Year start date and books' beginning date.

4. Choose whether to maintain Accounts only or Accounts with Inventory.

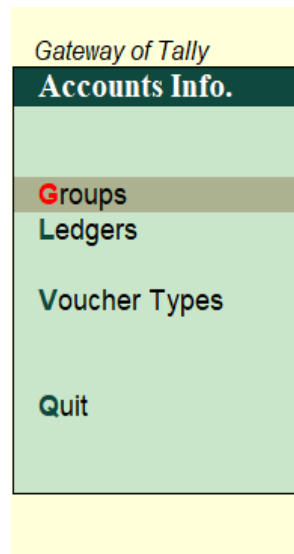5. Review and save the company by pressing Enter and confirming with Y.

Your company is now ready for accounting and inventory management in Tally ERP 9.

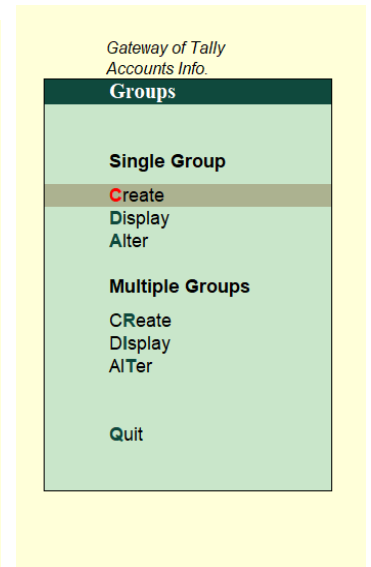# Creating single and multiple group in tally

i.
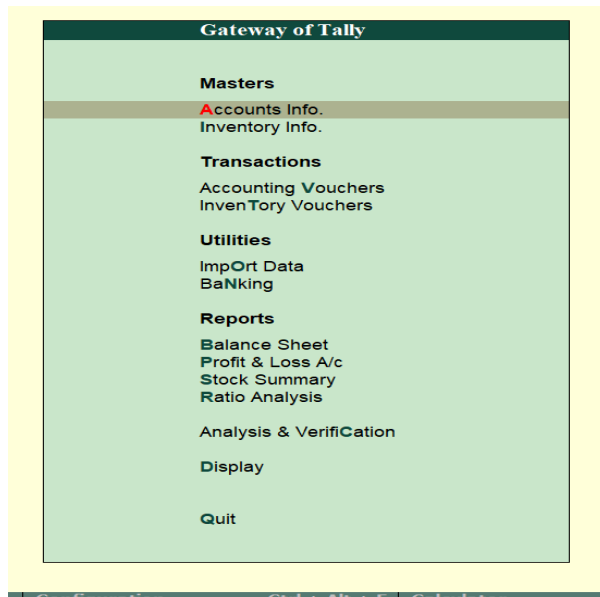
ii.

Iii.

1. Create a Single Group

Step 1: Open Tally ERP 9.
Step 2: Go to Gateway of Tally > Accounts Info > Groups > Create (under Single Group).
Step 3: Enter the Group Name (e.g., "Sundry Debtors").
Step 4: Select the appropriate Group Under (e.g., "Current Assets" or other relevant groups).
Step 5: Set N or Y for additional configurations like Net Debit/Credit Balance and others.
Step 6: Press Enter and Y to accept and save the group.

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2. **Create Multiple Groups**

Step 1: Open Tally ERP 9.

Step 2: Go to Gateway of Tally > Accounts Info > Groups > Create (under Multiple Groups).

Step 3: Choose the parent group under which you want to create the new groups (e.g., Primary Group).

Step 4: Enter the names of multiple groups (e.g., "Sundry Creditors", "Loans").

Step 5: For each group, select the relevant Under Group.

Step 6: After entering all groups, press Enter and confirm with Y to save.

By using these steps, you can create either a single or multiple groups to organize your accounts effectively.

Creating single and multiple ledgers in tally
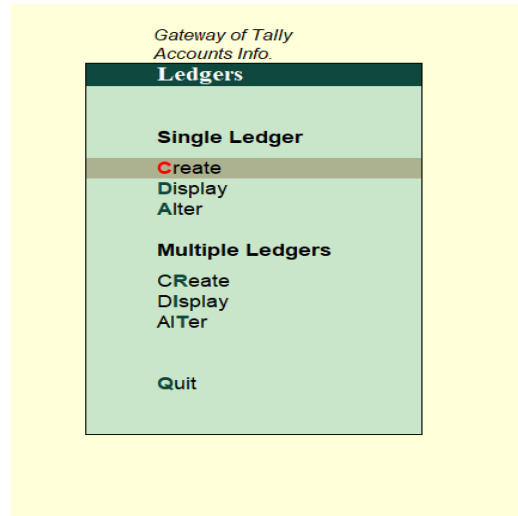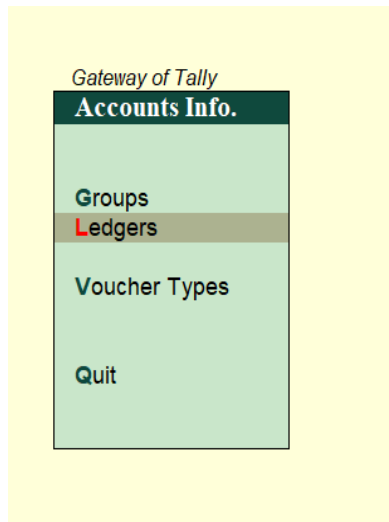
1. Create a Single Ledger

Step 1: Open Tally ERP 9.
Step 2: Go to Gateway of Tally > Accounts Info > Ledgers > Create (under Single Ledger).
Step 3: Enter the Ledger Name (e.g., "Cash Account").
Step 4: Select the appropriate Group (e.g., "Cash-in-hand" for a cash account, or "Sundry Debtors" for customer accounts).
Step 5: Fill in optional details like Opening Balance (if applicable).
Step 6: Press Enter and accept the ledger by pressing **Y** to save.

2. Create Multiple Ledgers

Step 1: Open Tally ERP 9.
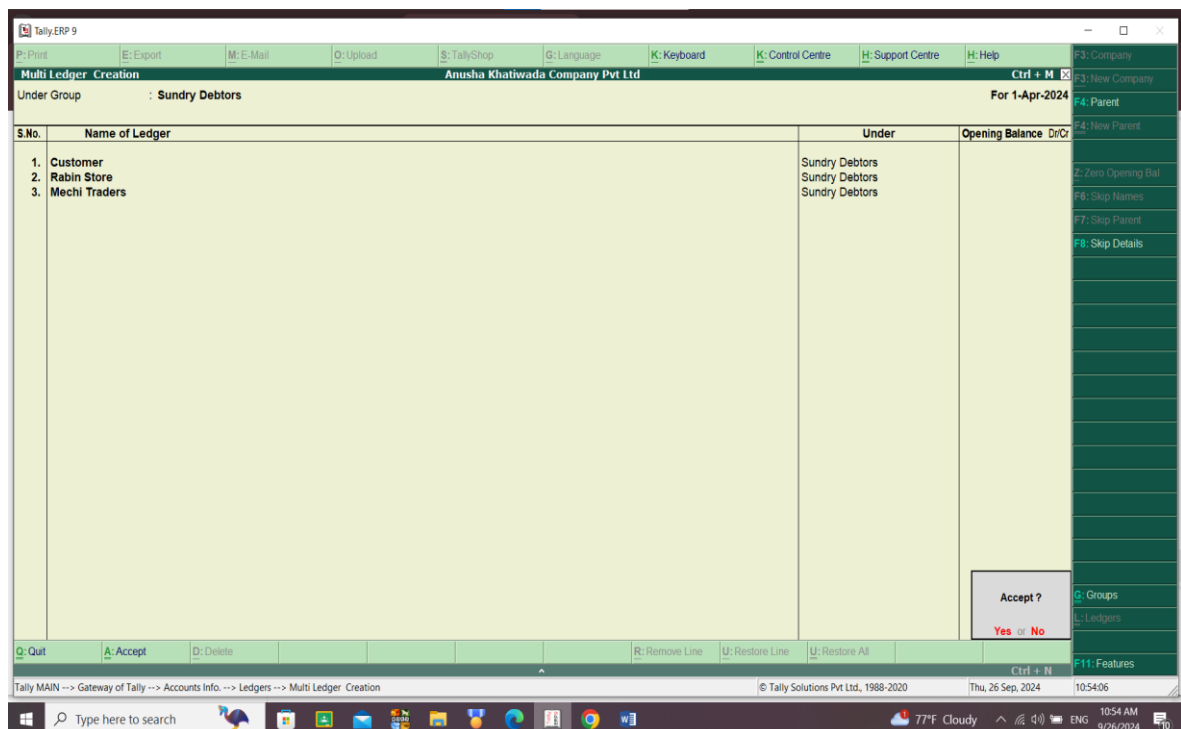
Step 2: Go to Gateway of Tally > Accounts Info > Ledgers > Create (under Multiple Ledgers).

Step 3: Choose the parent group (e.g., All Items or a specific group like "Sundry Debtors").

Step 4: Enter the Ledger Names and assign each to the relevant Groups (e.g., "Debtor 1" under Sundry Debtors).

Step 5: Add details like Opening Balance if needed.

Step 6: After entering all ledgers, press Enter and confirm with Y to save.

These steps will help you create either a single ledger or multiple ledgers quickly in Tally ERP 9.

Voucher

A voucher in Tally ERP 9 is a document used to record financial transactions. In Tally, vouchers are used to track sales, purchases, payments, receipts, and other financial transactions. These vouchers are classified based on the type of transaction being recorded.

1. Contra Voucher (F4) - Cash/Bank Transfers

Step 1: Go to Gateway of Tally > Accounting Vouchers.

Step 2: Press F4 or select Contra.

Step 3: Choose the relevant bank or cash account.

Step 4: Enter the amount and other details (e.g., cash deposit, withdrawal, or transfer).

Step 5: Press Enter and confirm with Y to save the entry.

2. Payment Voucher (F5) - Record Payments

Step 1: Go to Accounting Vouchers.

Step 2: Press F5 or select Payment.

Step 3: Choose the Bank or Cash account from which the payment is made.

Step 4: Enter the Amount, choose the party ledger (e.g., supplier), and any necessary narration.

Step 5: Press Enter and accept with Y.

3. Receipt Voucher (F6) - Record Receipts

Step 1: Go to Accounting Vouchers.

Step 2: Press F6 or select Receipt.

Step 3: Select the Cash/Bank account where the money is received.

Step 4: Enter the amount received, and select the party ledger (e.g., customer).

Step 5: Press Enter and confirm with Y.

4. **Sales Voucher (F8) -** Record Sales

Step 1: Go to Accounting Vouchers.

Step 2: Press F8 or select Sales.

Step 3: Choose the Sales Account.

Step 4: Select the customer ledger and enter the details like Quantity, Rate, and Amount.

Step 5: Press Enter and confirm with Y to save the sales entry.

5. **Purchase Voucher (F9) -** Record Purchases

Step 1: Go to Accounting Vouchers.

Step 2: Press F9 or select Purchase.

Step 3: Choose the Purchase Account.

Step 4: Enter the supplier ledger, along with details such as Quantity, Rate, and Amount.

Step 5: Press Enter and confirm with Y to save the entry.

6. **Journal Voucher (F7) -** Adjustments

Step 1: Go to Accounting Vouchers.

Step 2: Press F7 or select Journal.

Step 3: Choose the Ledger for adjustment (e.g., depreciation, provisions).

Step 4: Enter the amount and any narration if needed.

Step 5: Press Enter and confirm with Y.

7. **Credit Note (Ctrl + F8)** - Returns from Customers

Step 1: Go to Accounting Vouchers.

Step 2: Press Ctrl + F8 or select Credit Note.

Step 3: Select the Sales Return Account.

Step 4: Enter the customer and the details of the return.

Step 5: Press Enter and accept with Y.

8. Debit Note (Ctrl + F9) - Returns to Suppliers

Step 1: Go to Accounting Vouchers.

Step 2: Press Ctrl + F9 or select Debit Note.

Step 3: Choose the Purchase Return Account.

Step 4: Enter the supplier ledger and return details.

Step 5: Press Enter and confirm with Y.

9. Memo Voucher (Ctrl + F10) - Provisional Entries

Step 1: Go to Accounting Vouchers.

Step 2: Press Ctrl + F10 or select Memo.

Step 3: Enter the details like Account and Amount for a provisional transaction.

Step 4: Press Enter to save.

General Steps for All Voucher Entries:

1. Access Accounting Vouchers: Navigate to Gateway of Tally > Accounting Vouchers.
2. Select the Voucher Type: Use shortcut keys (e.g., F4 for Contra, F5 for Payment).
3. Fill in Details: Choose the correct ledger, enter amounts, and provide additional details like narration if needed.
4. Save the Entry: Press Enter and confirm by pressing Y.

These steps will help you record various types of financial transactions in Tally ERP 9 using voucher entries.

Some examples for the entry of accounting vouchers are given below:
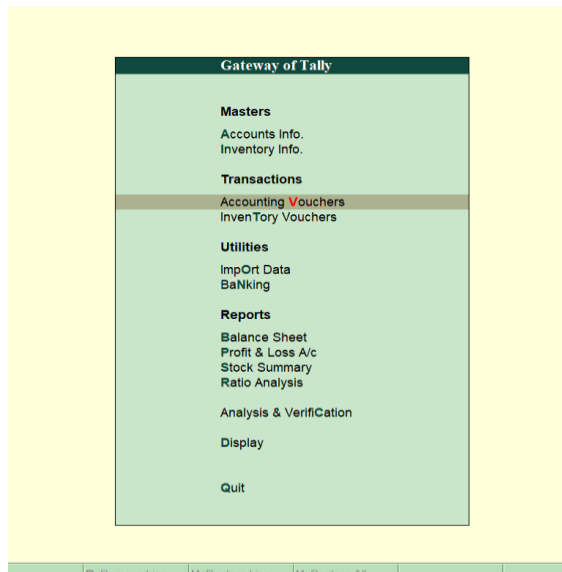
Gateway of Tally

Masters

Accounts Info.
Inventory Info.

Transactions

Accounting Vouchers
InvenTory Vouchers

Utilities

ImpOrt Data
BaNking

Reports

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

Analysis & VerifiCation

Display

Quit

Accounting Voucher Creation — Anusha Khatiwada Company Pvt Ltd

Receipt No. 1 — 1-Apr-2024 Monday

Account : Prime Bank
Cur Bal: 28,000.00 Dr

Particulars	Amount
Ram A/c	14,000.00
Cur Bal: 14,000.00 Cr	
On Account 14,000.00 Cr	
Bank A/c	14,000.00
Cur Bal: 1,000.00 Dr	

Narration:
Being receipt from ram

Accept ?
Yes or No

Accounting Voucher Creation — Anusha Khatiwada Company Pvt Ltd

Payment No. 1 — 1-Apr-2024 Monday

Account : Cash
Cur Bal: 30,000.00 Cr

Particulars	Amount
Wages A/c	15,000.00
Cur Bal: 15,000.00 Dr	
Bank A/c	15,000.00
Cur Bal: 15,000.00 Dr	

Narration:
being wages paid through cheque

Accept ?
Yes or No

Creating stock groups in tally
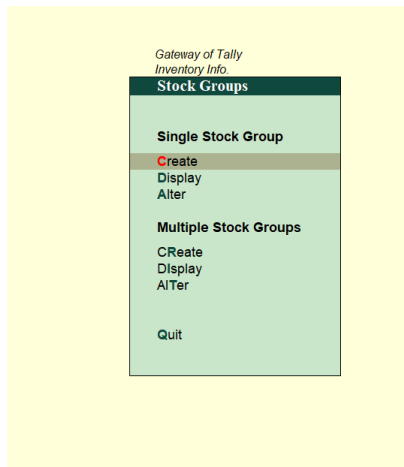
1. . Create Single Stock Group
1. Open Tally ERP 9.
2. Go to Gateway of Tally > Inventory Info > Stock Groups > Create (under Single Stock Group).
3. Enter:
   a. Name (e.g., "Electronics").
   b. Under (choose parent group, e.g., "Primary").
   c. Can Quantities be added: Set to Yes or No.
4. Press Enter and Y to save.

2. Create Multiple Stock Groups

1. Go to Gateway of Tally > Inventory Info > Stock Groups > Create (under Multiple Stock Groups).
2. Select Under Group (e.g., "Primary" or another existing group).
3. Enter:
   o Multiple Stock Group Names (e.g., "Mobile Phones", "Laptops").
4. Press Enter and Y to save.

Creating Units of measure

1. Open Tally ERP 9.

2. Go to Gateway of Tally > Inventory Info > Units of Measure > Create.

3. Enter:

   o Symbol (e.g., "Pcs" for pieces, "Kg" for kilograms).

   o Formal Name (e.g., "Pieces", "Kilograms").

   o Number of Decimal Places (e.g., 0 for whole units, 2 for fractional units like liters).

4. Press Enter and Y to save.

This will create a new unit of measure for stock items in Tally.

Creating Stock Item in Tally
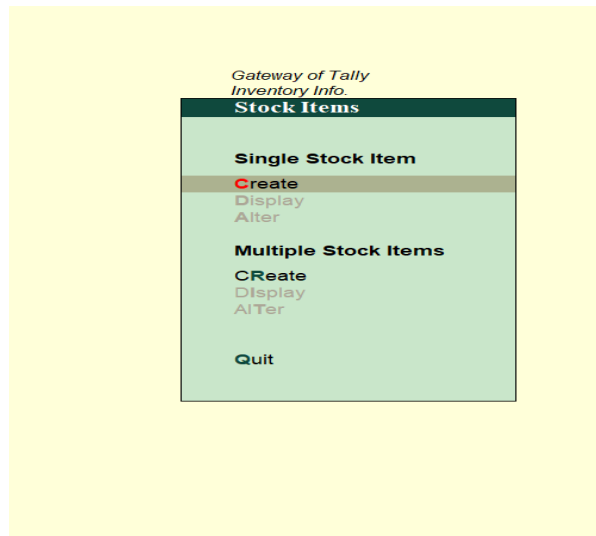
1. Open Tally ERP 9.
2. Go to Gateway of Tally > Inventory Info > Stock Items > Create.
3. Enter:
   - Name (e.g., "iPhone 14").
   - Under: Select the Stock Group (e.g., "Mobile Phones").
   - Units of Measure (e.g., "Pcs" for pieces).
   - Opening Balance (optional): Enter the quantity and value if you have existing stock.
4. Press Enter and Y to save.

By following these steps, you can create stock items easily in Tally ERP 9.

Some shortcut keys for Tally erp 9.0

Here are some of the shortcut keys for Tally ERP 9.0

Navigation and General

Alt + **F1**: close Company

Alt + **F3**: Select or alter company

Alt + **F2**: Change period

Esc: Back or cancel the current screen

Ctrl + **A**: Accept the screen or save

Ctrl + **C**: Copy text

Ctrl + **V**: Paste text

Vouchers

F4: Contra Voucher

F5: Payment Voucher

F6: Receipt Voucher

F7: Journal Voucher

F8: Sales Voucher

F9: Purchase Voucher

Ctrl + **F8**: Credit Note Voucher

Ctrl + **F9**: Debit Note Voucher

Alt + **F8**: Delivery Note Voucher

Alt + **F9**: Receipt Note Voucher

Alt + **F7**: Stock Journal Voucher

Reports

F12: Configure report options

Alt + **F1**: View detailed report

Alt + **F5**: View columnar report

Ctrl + **Enter**: Alter master from report

Inventory

Alt + **C**: Create a new ledger or item on the fly

Ctrl + **I**: Open inventory allocation

Alt + **E**: Export report

Important Application Features in Tally ERP 9

1. **Create**:

   - Allows the creation of Ledgers, Groups, Stock Items, and Vouchers.
   - Example: Gateway of Tally > Accounts Info > Ledgers > Create to create a new ledger.

2. **Alter**:

   - Modify or edit existing entries like ledgers, stock items, or vouchers.
   - Example: Gateway of Tally > Accounts Info > Ledgers > Alter to edit an existing ledger.

3. **Display**:

   - View or review existing data without editing.
   - Example: Gateway of Tally > Display > Daybook to view all transactions for a specific day.

4. **Delete**:

   - Remove any created entries like ledgers or vouchers.
   - Example: In the Alter screen, press Alt + D to delete a selected item or voucher.

5. **Voucher Entry**:

   - Record business transactions using various types of vouchers (e.g., Payment, Receipt, Sales).
   - Example: Gateway of Tally > Accounting Vouchers > F5 (Payment) to enter a payment voucher.

6. **Display More Reports**:

   - Access a variety of reports such as Trial Balance, Profit & Loss, and Stock Summary.

- Example: Gateway of Tally > Display > Profit & Loss A/c to display profit and loss statement.

7. **Reports Configuration**:

   - Customize report layouts and views (filter by periods, columns, etc.).
   - Example: F12 in any report screen to configure the report layout (e.g., displaying or hiding particular columns).

8. **Inventory Features**:

   - Manage stock items, stock groups, and units of measure.
   - Example: Inventory Info > Stock Items > Create to create a new stock item.

9. **Bank Reconciliation**:

   - Match and reconcile bank entries with bank statements.
   - Example: Gateway of Tally > Banking > Bank Reconciliation to reconcile bank transactions.

10. **Export**:

    - Export reports or data to Excel, PDF, or other formats.
    - Example: Alt + E in any report to export the data.

These features allow for efficient management of accounting, inventory, and business data in Tally ERP 9.

Conclusion

In conclusion, this report on **Tally ERP 9** has provided valuable insights into financial accounting and its practical applications in a business environment. Through the use of Tally, we have explored essential accounting functions such as creating ledgers, managing vouchers, generating financial reports, and maintaining inventory. The integration of features like GST, budget management, and payroll further highlights Tally ERP 9's capability to simplify complex financial tasks.

This report has not only enhanced our understanding of theoretical accounting concepts but has also given us hands-on experience in managing real-world financial data. As we advance in our academic journey, the skills acquired from this project will be instrumental in future endeavors within the field of financial accounting and business management.

Thank you to our faculty members and our respect sir Kedarnath Mishra for their guidance, support, and encouragement throughout this journey. Your insights and feedback have been instrumental in shaping our understanding and execution of this report, making it a truly enriching learning experience.