ANNAMALAI UNIVERSITY

FACULTY OF ARTS
DEPARTMENT OF COMMERCE (2019-20)
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19ICOMA26: COMPUTERISED ACCOUNTING SYSTEM
UNIT NOTES FOR REFERENCE

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Unit – I

Spreadsheet and its Business Applications

A spreadsheet is a large sheet having data and information arranged in rows and columns. As you know, Excel is one of the most widely used spreadsheet applications. It is a part of Microsoft Office suite.

M.S. Excel

Microsoft Excel shortly known as MS Excel is one of the most popular windows spreadsheet program because of its power and ease of use to organize date about transactions for a person to examine. It provides a grid of cell for data entry and a range of mathematics, financial and statistical functions to manipulate the data (such as sum, average and maximum values of date in columns or rows). This allows the creation of business spreadsheets for sales, staff or product information with the associated monthly costs, sales, wages and profit etc. Excel may also be used for data collection and simple statistical analysis in research.

EXCEL WORKSHEET

Excel allows you to create worksheets much like paper ledgers that can perform automatic calculations. Each Excel file is a workbook that can hold many worksheets. The worksheet is a grid of columns (designated by letters) and rows (designated by numbers). The letters and numbers of the columns and rows (called labels) are displayed in gray buttons across the top and left side of the worksheet. The intersection of a column and a row is called a cell. Each cell on the spreadsheet has a cell address that is the column letter and the row number. Cells can contain text, numbers, or mathematical formulas.

What can a spreadsheet do?

In spreadsheet manipulates numerical data and text. Using a spreadsheet, one can create budgets, analyze data, produce financial plans, and perform various other simple and complex numerical applications. By having formulas that automatically recalculate, either built by you, the user, or the built-in math functions, you can play with the numbers to see how the result is affected. Using this "what-if?" analysis, you can see what affect changing a data value or calculation can have on your monitoring program. Spreadsheets can also be used for graphing data points, reporting data analyses, and organizing and storing data.

Starting Excel

You are encouraged to start using MS Excel as you read through the following materials to familiarize yourself with the topics and procedures.

1. Click the **Start button** on the Windows taskbar.

a. The Start menu opens

2. Point to **Programs**

a. The Programs menu opens

3. Click **Microsoft Excel**

a. Excel opens a new workbook

Note: an icon for MS Excel may be located either on the desktop or on the Office toolbar.

The Excel Screen
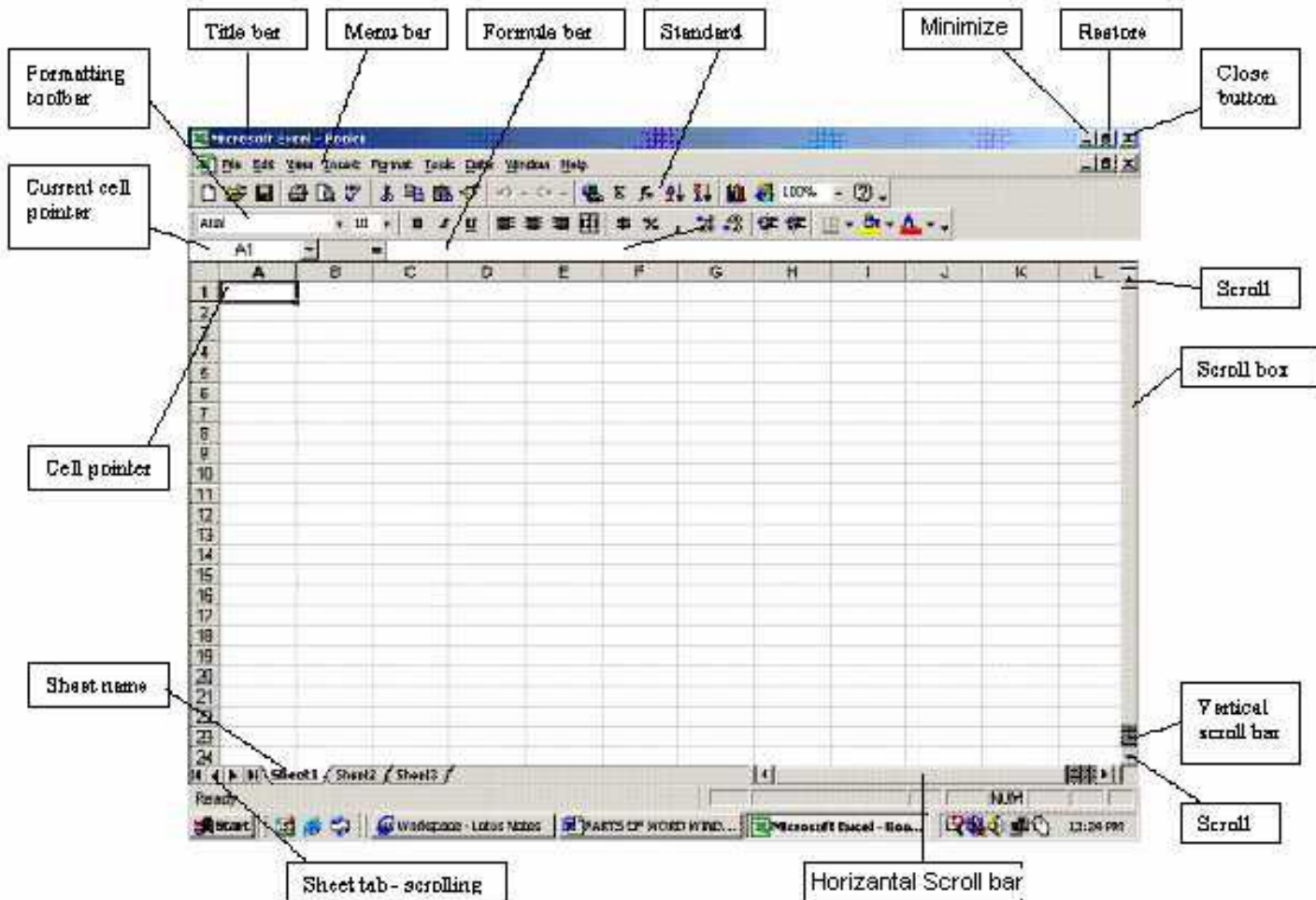
Parts of Excel Window

Parts of Excel Windows

Managing worksheets

Formatting

Different formats such as font, pattern, borders, colours, shading, numbering can be applied to the cells.

1. Select the cells which are to be formatted
2. Choose Cells option in Format menus. Following tabs will appear

    Font - to change font, style, size etc of a cell text.

    Border - to draw a border around a cell

    Pattern - to change the filling colour of a cell

    Alignment - to change horizontal alignment (left, right, centre), vertical

    alignment (Left to right, top to bottom) etc.

    Numbering - to change the number formats such as Date, time, currency, general, percentage etc.

Increasing column width

Move the mouse pointer to the position in the column header. When the black cross appears, hold down the left button and drag the mouse to the right to increase the column width by the required amount.

Decreasing column width

Move the mouse pointer to the column. When the black cross appears, hold down the left button and drag the mouse to the left to reduce the cell width.

Inserting Columns

_ Move to cell and click.

_ Click Insert menu, click Columns. Press Delete button. The column contents will be deleted.

_ Click Undo button to revert to the previous screen.

Inserting a row

_ When you insert a row, it is inserted above the current row, so if

you want to insert a new row above , place the cursor on a cell in row and

_ Click on the Insert menu.

_ Click Entire Rows insert a blank row between two rows.

Deleting row contents

_ Move the mouse pointer to row 2 header and click to select the

row

_ Press Delete to remove the contents of row.

_ Click the Undo button to cancel the delete operation.

Inserting cells

_ Select cells B2 to D4 by moving the mouse pointer to cell B2,

holding down the left mouse button and dragging the mouse

pointer to cell D4, then releasing the left button. The cells should

be highlighted.

Click Insert menu and click Cells.

_ Click OK to shift the cell down.

Entering data is as simple as beginning to type.

1. Click once on the cell you want to use for data entry and begin typing

2. The following keys can be used to update the contents of the cell: *Enter*, *Tab*, or any of the directional arrows

Editing data is simple as well. There are several options for doing this:

1. Highlight the cell, type in a completely new amount (caution: this will overwrite any data already

in the cell)

2. Double-click the cell and a flashing insertion point (cursor) appears in the cell

3. Use the formula bar

4. Highlight the cell to edit and press F2 on your keyboard

Deletion of data can be relatively straightforward. You can:

1. Select a cell or range of cells (click and hold your mouse or use the shift-click method) and press delete

2. Select a cell or range of cells and **Edit** ☐ **Clear** ☐ then choose from **All**, **Contents**, or **Formatting** from the menu bar

3. To actually remove the cells instead of just clearing the data, select a cell or range of cells and **Edit** ☐ **Delete...**; you are given the option of shifting the remaining cells a direction or deleting the entire row or column. Undoing an action can save both time and headache. In the toolbar, you will find two arrows. Using these arrows, you can either undo (arrow pointing left) the last action or series of actions you just completed, or Redo (arrow pointing right) an action such as formatting or deleting; you can even Redo an action that was undone.

Replacing cell data

_ Make the cell B5 active by clicking on it.

_ Type 200 and press Enter. The cell B5 will now contain the value

200 replacing old value (150).

 Deleting cell contents

_ Move to cell C5 and click to select.

_ Press the Delete key.

_ The cell becomes blank.

_ Drop down the Edit menu and click Undo to reinstate the 145.

Excel 97 allows 16 levels of undo. You can use Undo and Redo

buttons also.

Copying data

_ Open the cash spreadsheet.

_ Select the cells D3 to D5

_ Click Edit menu and then click Copy.

_ Select the cells F3 to F5.

_ Click Edit menu and then click Paste.

_ Now the cells D3 to D5 are copied into F3 to F5.

 Moving data

_ Open cash.xls spreadsheet.

_ Select the cells from B3 to B5.

_ Click Edit menu and then click Cut.

_ Select the cells G3 to G5.

_ Click Edit menu and then click Paste.

Printing working sheet

Previewing a printout

_ Open example.xls spreadsheet.

_ Click on the File menu and click on Print Preview.

_ Since the size of the text is very small, you can click on Zoom button, it magnifies the worksheet. Clicking on Zoom second time returns you to the original preview format.

_ Press PgDn to move through your worksheet if it is more than one page long.

_ Before printing make sure that your printer is switched on, is loaded with the appropriate paper, and is on-line.

_ If you are happy with the layout of your document, click on the Print button to obtain a printout. You should see a message on screen telling you that your file is being printer, and on which paper.

Printing landscape

_ To select landscape mode, click on the File menu, Page Setup.

_ Click on the Landscape button.

Printing selected cells

_ Open cash.xls spreadsheet.

_ Click on the row 2 button (or any other row containing data) to highlight the entire row.

_ Click on File, Print Area, Set Print Area. The preview screen should only display the selected cells. (Row 2).

_ If the preview is satisfactory, click the Print button to print out only row 2.

_ Click on File, Print Area, Clear Print Area to reset the Print Area.

Formula & Functions

Functions are typed in a cell in following format=Function name(argument) Argument may be in any one of the following format.

1. Numeric value
2. Cell address
3. Range (Starting cell address : Ending cell address)
4. Range name
5. Cell addresses (Address1, address2, ...)

Functions are classified into several functions such as

1. Math & Trig function
2. Text function
3. Logical function
4. Statistics function
5. Lookup and reference function
6. Date & Time function
7. Financial function
8. Information function
9. Data base function

Statistical functions

Count() - count number of numeric values in a list. Other type data will be included (1 to 30 arguments)

CountA() - count the nonempty cells in a range

Min() - find the minimum value in a range

Max() - find the maximum value in a range

Var() - find variance of the range

Stdev() - find standard deviation of the range

Mode() - find the most common value in a range

Median() - find the median of the range

Financial Functions

1. DDB() - calculate depreciation using double declining method
2. FV() - calculate future value of an investment
3. PMT() - calculate periodic payment value
4. PV() - calculate present value
5. SLN() - calculate depreciation using straight line method
6. SYD() - calculate depreciation using sum of years

Organizing Chart and graphs

Numeric data can be summarised into charts such as line chart, bar chart, pie chart etc. Bar chart and Line chart can be used to show the relationship of multiple data. Pie chart shows the relation of a single data. In excel, data can be easily converted into chart. Chart can be drawn in the same worksheet or in a new work sheet. Following steps are followed to draw a chart

1. Select the data series range
2. Choose Chart option in Insert menu and select On New sheet or On this sheet.
3. If On this sheet is selected, specify the area where the chart is to be drawn
4. Verify the selected series range
5. Choose the type of chart such as pie chart, bar chart etc
6. Give the title of chart, X axis title, Y axis title.
7. If the legend is to be displayed, choose Show legend and choose Finish button

After drawing chart, we can change the type of chart by clicking the type tool in chart toolbar.

Changing Size of the Chart

1. Click the chart
2. Drag the corner walls till the desired size is obtained

Moving Chart

1. Click the chart
2. Drag the chart till the desired location is reached

A**. BAR CHART:**

1. Click chart group from insert tab.
2. Select bar chart and click next.
3. Click data range box.

4. Click data on work sheet to designate data which we want to pallet.

5. Click next and type chart file, x axis file and y axis title select and enter data.

6. Click next data labels tab appears and enter data.

7. Click next and data table tab appears and click show data table.

B. **COLUMN CHART:**

1. Click chart group from insert tab.
2. Select column chart and click next.
3. Make all data click finish.

C. **PIE CHART:**

1. Click chart group from insert tab.
2. Select pie chart and click next.
3. Make all data and click finish.

D. **LINE CHART:**
1. Click chart group from insert tab.
2. Select line chart and click next.
3. Make all data and click finish.

E. **X Y SCATTERED CHART:**

1. Click chart group from insert tab.
2. Select scattered chart and click next.
3. Make all data and click finish

F. **AREA CHART:**

1. Click chart group from insert tab.
2. Select area chart and click next.
3. Make all data and click finish.

Loan A/c Spreadsheet

1. Summary. ...

2. Get the periodic payment for a loan.

3. loan payment as a number.

4. =PMT (rate, nper, pv, [fv], [type])

5. rate - The interest rate for the loan. ...

6. The PMT function can be used to figure out the future payments for a loan, assuming constant payments and a constant interest rate.

How to Calculate a Monthly Loan Payment in Excel (Mortgage, Car Loan, and More)

Excel has a function automatically built into the program that calculates monthly payments for you. All you need to do is enter the specifics of the loan and you can calculate monthly payments for mortgages, car loans, student loans, and more.

Below we walk you through exactly how to calculate your monthly loan payment using Excel. If you would rather, Investing Answers also has a number of calculators that can figure your payments for you.

Calculating Monthly Payments with Excel (All Versions)

To calculate a monthly payment for a loan using Excel, you will use a built-in tool called "PMT, " or the "Payment" function.

The PMT function works the same across all versions of Excel, so the instructions below will work no matter if you are running an old or brand-new edition of the program.

The PMT function requires three data points to calculate a monthly loan payment -- the interest rate, the number of loan payments, and the amount borrowed.

- **RATE** *Required*: Interest rate of the loan
- **NPER** (number of periods) *Required*: The number of loan payments
- **PV** (present value) *Required*: The amount borrowed

There are two other optional data points you can use for your specific calculation, should they be needed:

- **FV** (future value) *Optional*: The final balance after all payments are made (usually $0)
- **TYPE** *Optional*: Use "0" or "1" to specify whether the payment is timed at the beginning or end of the month (assuming the loan payments are made monthly).

To use the PMT function, you will select the cell and type in "=PMT(" without the quotation marks. It will then begin asking you to enter in the following additional data points:
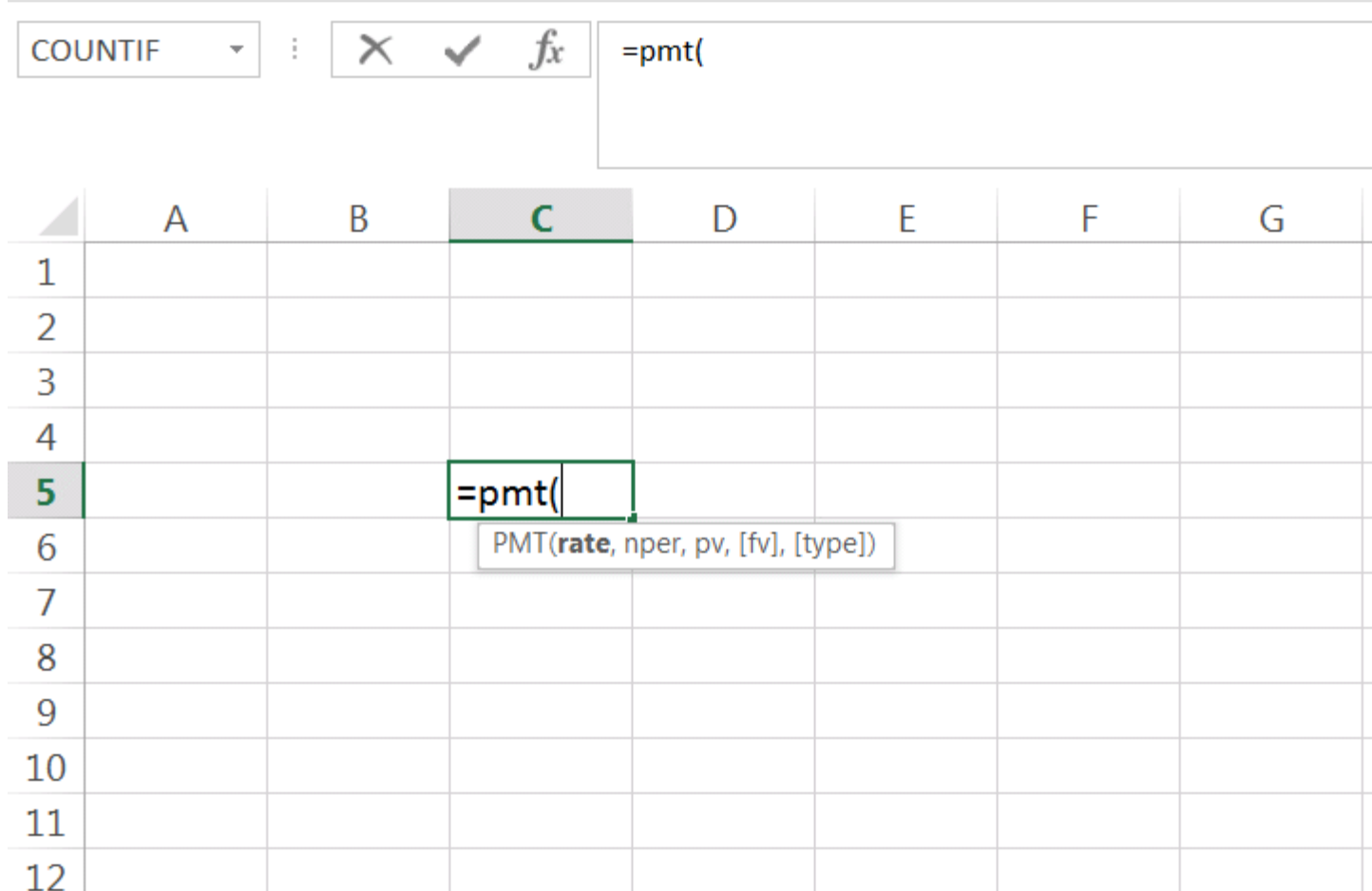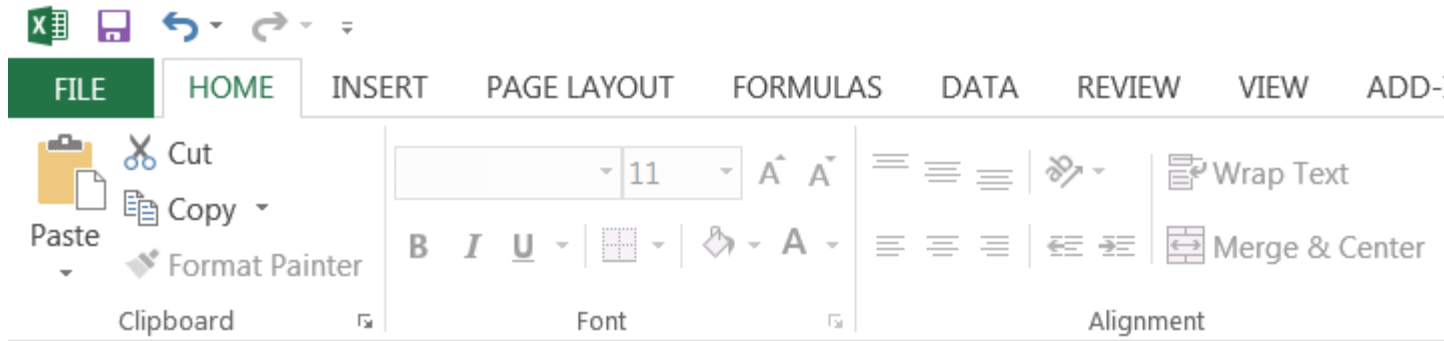
RATE: After typing the open parenthesis, Excel will first ask for the RATE, or interest rate on the loan. Here you will enter the interest rate in percentage terms for each period. So if you want to calculate a monthly mortgage payment using a 5% interest rate, you can enter "5%/12" or "0.05/12". The "/12" divides the annual interest rate into monthly amounts. (Caution: If you just enter "5/12" instead, then Excel will interpret this as a 500% annual rate paid monthly. Entering just "5" will result in a 500% interest rate each month.)

NPER: Once you enter the interest rate, type a comma to move to the next data point, NPER, or number of periods. This is simply how many payments you will make on a loan. For example, a 30-year mortgage paid monthly will have a total of 360 payments, so you can enter "360" or "30*12". If you wanted to calculate a five-year loan that's paid back monthly, you would enter "60" or "5*12" for the number of periods.

PV: For the PV (present value) data point, you will enter the amount borrowed. For example, if you have borrowed $150,000, you will enter "150000" into this section.

FV: Using the FV (Future Value) data point is optional. It usually comes into use if you are calculating a savings goal instead of paying down a loan balance. Since the vast majority of loans are based on paying the loan off completely, this is automatically defaulted to $0 for the PMT function. If you are instead saving money for a goal, then you can enter "0" for the PV and the balance you want after the last payment for the future value.

TYPE: Finally, using the TYPE data point you can specify whether the loan payments occur at the beginning of each period or at the end. The timing of the payment has an impact on the amount of interest accrued during the month.

Note: While you can enter each data point separately, it's usually better to have a cell dedicated to each figure as we do in the examples below. That way you can adjust your data within the cells easily to see how the monthly payment changes.

Example: Calculating a Monthly Mortgage Payment in Excel

Let's say you are shopping for a mortgage and want to know what your monthly payment would be. To calculate, all you need are three data points:

- Interest rate

- Length of loan
- The amount borrowed

We've inserted example data points below. Here, we are calculating the monthly payment for a 30-year mortgage of $250,000 at an interest rate of 5.0%:

	A	B	C	D
1				
2		Home Mortgage Loan		
3		Interest Rate:	5.00%	
4		Length of Loan (Years):	30	
5		Amount Borrowed:	$250,000	
6				
7				
8				
9				
10				

To calculate our payment, we enter this data into the appropriate field in the PMT function. Note that because our mortgage is based on monthly payments, we will divide the interest rate by 12 (to give us the monthly interest rate) and multiply the number of payments by 12 (to give us the total number of payments):

As you can see below, the monthly principal and interest payment for this mortgage comes out to $1,342.05. This is shown in Excel as a negative figure because it represents monthly money being spent. If you wanted to show it as a positive figure, you can enter a negative sign in front of the amount borrowed.

Lease A/c

Monthly Lease Payment

A Lease contract is a written agreement between two parties that identifies the terms of the lease as well as the leased property. The leased property's owner is called the lessor, and the company renting the property is considered the lessee.

The most common Items found in a lease contracts are

1. The name of the lesser and lessee
2. The name and description of the leased property
3. Specific lease payment and times
4. Penalties for late payment
5. Contract duration
6. Ending buyout agreement.

What does it do?

This monthly lease payment calculator works out the monthly payment (Pmt) needed at the end of each month, taking into account the cost of the asset (C), its residual value (R), the lease interest rate (i), the number of payments (n), and the number of advance payments (a) required by the lease agreement.

A lease is a method of financing the use of an asset, and is an agreement between a lessee (who rents the asset), and a lessor (who owns the asset). The lessor is usually a lease company or finance company.

ease Calculator Formula

The calculator uses the monthly lease payments formula based on the present value of an annuity as follows:

$$Pmt = (C + R/(1 + i)^n) \times (i/((a \times i) + (1 - 1/(1 + i)^{(n-a)})))$$

Variables used in the formula

Pmt = Periodic lease payment

i = Lease interest rate

n = Number of lease payments required by the lease agreement

a = Number of payments made in advance

C = Original cost of the asset

R = Residual value of the asset (negative number)

Monthly Lease Payment Calculator Instructions

The Excel monthly lease payment calculator, available for download below, computes the monthly lease payment by entering details relating to the cost and residual value of the asset, the lease interest rate, and the number of payments and advance payments required by the lease agreement. Instructions for using the calculator are as follows.

Monthly Lease Payment Calculator

Input cells

Formula inputs

Asset cost	20,000.00	C
Residual value	-3,000.00	R
Lease interest rate	6.00%	
Lease interest rate per month	0.50%	i
Number of payments	36	n
Number of payments in advance	2	a

Calculation

Monthly lease payment	526.97	Pmt

Formula used

$$Pmt = (C + R/(1 + i)^n) \times (i/((a \times i) + (1 - 1/(1 + i)^{(n-a)})))$$

Step 1

Enter the asset cost (C). This is the amount the lessor (finance company) pays for the asset today, at the start of the lease term.

Step 2

Enter the residual value (R). This is residual or salvage value of the asset at the end of the lease term. The residual value (R) should be entered as a negative number. For example, if the residual value is 3,000 enter -3,000.

Step 3

Enter the interest rate. The interest rate should be the annual interest rate used in the lease agreement. The monthly lease repayment calculator works out the monthly rate (i).

Step 4

Enter the number of payments (n). This is the total number of monthly payments required by the lease. For example, if the lease has a 3 year term, the number of payments (n) will be 3 x 12 = 36 monthly lease payments. The total number of payments includes the advance payments referred to below.

Step 5

Enter the number of payments in advance (a). This is the number of monthly payments required to be paid in advance (today) at the start of the lease agreement. For example, if the total number of payments (n) is 36, and the number of advance payments (a) is 2, a further 34 payments will be made at the end of each month for the following 34 months.

Step 6

The monthly lease payment calculator works out the periodic payment (Pmt) required.

Preparing Payroll Statement in excel sheets

To create a spread sheet or worksheets in ms excel and give your own data from a graph.

HRA is 18% OF BASIC

DA is 15% OF BASIC

TA IS 12% OF BASIC

PF IS 10% OF BASIC

GPF IS 5% OF BASIC

LIC IS 7% OF BASIC

GROSS SALARY =BASIC + HRA + DA+TA

DEDUCTION = PF+GPF+LIC

NET SALARY = GROSS SALARY - DEDUCTION

A. Bar graph
B. Column chart
C. Line chart
D. Area chart

PROCEDURE:

Click sheet two to display corresponding work sheet at the bottom of the work sheet

Type the following data and select data:

1. For HRA put the cell pointer in C2 and press = (equal to) for entering the formula. Choose the B2 cell (Basic salary) and type *(multiplication operator) and type 18% then press enter. Now the 18% HRA from basic is calculated.
2. Then drag that formula for entire records.

3. For DA put the cell pointer in D2 and press = (equal to) for entering the formula. Choose the B2 cell (Basic salary) and type *(multiplication operator) and type 15% then press enter.

4. Now the 15% DA from basic is calculated. Then drag that formula for entire records.

5. Follow the above steps for calculation of TA, PF, GPF, and LIC.

6. For GS(gross salary) put the cell pointer in I2 and choose the =(equal to), then click on B2cell + click on C2+ click on D2+ click on E2 and press enter. Now the gross salary was calculated.

7. Drag the entire cell.

8. Follow the above step for deduction and net salary calculations.

	A	B	C	D	E	F	G	H	I	J	K
1	NAME	BASIC	HRA	DA	TA	PF	GPF	LIC	GROSS SALARY	DEDUCTION	NET SALARY
2	RAVI	25000	3750	3750	3000	2500	1250	1750	35500	5500	30000
3	RAJA	40000	6000	6000	4800	4000	2000	2800	56800	8800	48000
4	KARTHICK	30000	4500	4500	3600	3000	1500	2100	42600	6600	36000
5	KUMAR	15000	2250	2250	1800	1500	750	1050	21300	3300	18000
6	SENTHIL	20000	3000	3000	2400	2000	1000	1400	28400	4400	24000
7											
8			A2*15/100	A2*12/100		A2*5/100			B2+C2+D2+E2		I2-J2
9											

GRAPH

A. BAR CHART:

1. Click chart group from insert tab.
2. Select bar chart and click next.
3. Click data range box.
4. Click data on work sheet to designate data which we want   to pallet.
5. Click next and type chart file, x axis file and y axis title select and enter data.
6. Click next data labels tab appears and enter data.
7. Click next and data table tab appears and click show data table.

B. **COLUMN CHART:**

    1. Click chart group from insert tab.

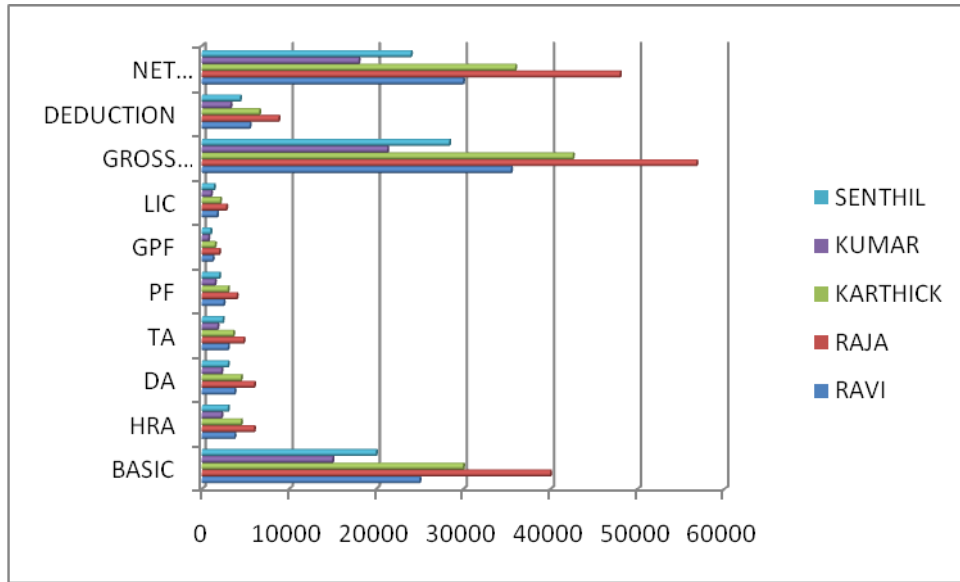   2. Select column chart and click next.

    3. Make all data click finish.

C. **LINE CHART:**

    1. Click chart group from insert tab.

    2. Select line chart and click next.

    3. Make all data and click finish

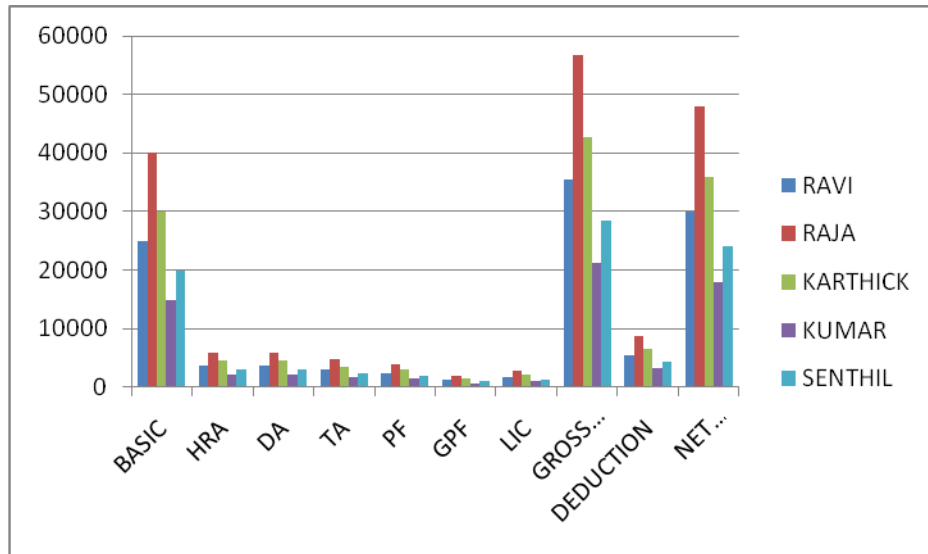D. **AREA CHART:**

    1. Click chart group from insert tab.

    2. Select area chart and click next.

    3. Make all data and click finish.

BAR CHART

COLUMN CHART

Capital Budgeting

Capital budgeting and investment appraisal is the planning powers used to determine whether are organization's long term investments such as new machinery, replacement of machinery, new plants, new products and new research development projects are worth the funding of cash through the firm's capitalization structure.

Calculating the NPV and IRR of a Project Investment

The Capital Budgeting-Project Cash Flow-NPV worksheet in the Capital Budgeting spreadsheet allows you to key in the assumptions and estimates of a project cash flow and will calculate the Net Present Value and Internal Rate of Return of the investment.

Assumptions

This worksheet performs capital budgeting analysis by making three basic assumptions. The assumptions are the Discount Rate to use in the investment project, the company's Tax Rate and the estimated percentage of Net Working Capital over Sales.

	A	B	C	D	E	F
1	Capital Budgeting - Project Cash Flow - NPV					
2				Copyright© 2009, ConnectCode. All rights reserved.		
3	Assumptions					
4		Discount Rate*		16.00%		
5		Tax Rate*		34.00%		
6		Net Working Capital over Sales*		16.00%		

Projected Income

The net income of the project is calculated by using the following formula:

Net income = Earnings before Interest & Taxes (EBIT) - Taxes

where

EBIT = Net Sales - Total Variable Costs - Total Fixed Costs - Depreciation

	A	B	C	D	E	F	G	H	I
7	Projected Income								Year
8				0	1	2	3	4	5
9		Price per Unit*			$100.00	$100.00	$100.00	$100.00	$100.00
10		Unit Sales*			2,000.00	3,000.00	4,000.00	5,000.00	6,000.00
11		Net Sales			$200,000.00	$300,000.00	$400,000.00	$500,000.00	$600,000.00
12		Variable costs							
13			Material Cost per Unit*		$10.00	$10.00	$10.00	$10.00	$10.00
14			Selling Expenses per Unit*		$10.00	$10.00	$10.00	$10.00	$10.00
15			Others (per Unit)*		$10.00	$10.00	$10.00	$10.00	$10.00
16			Total Costs per Unit		$30.00	$30.00	$30.00	$30.00	$30.00
17			Total Variable Costs		$60,000.00	$90,000.00	$120,000.00	$150,000.00	$180,000.00
18		Fixed Costs							
19			Lease payments*		$5,000.00	$5,000.00	$5,000.00	$5,000.00	$5,000.00
20			Administration*		$5,000.00	$5,000.00	$5,000.00	$5,000.00	$5,000.00
21			Others*		$5,000.00	$5,000.00	$5,000.00	$5,000.00	$5,000.00
22			Total Fixed Costs		$15,000.00	$15,000.00	$15,000.00	$15,000.00	$15,000.00
23		Depreciation*			$100,000.00	$100,000.00	$100,000.00	$100,000.00	$100,000.00
24		Earnings before Interest & Taxes (EBIT)			$25,000.00	$95,000.00	$165,000.00	$235,000.00	$305,000.00
25		Taxes			$8,500.00	$32,300.00	$56,100.00	$79,900.00	$103,700.00
26		Net income			$16,500.00	$62,700.00	$108,900.00	$155,100.00	$201,300.00

Projected Cash Flows

This section is where the estimated cash flows are calculated. The Operating cash flow is defined as follows:

Operating cash flow = EBIT + Depreaciation + Taxes

	A	B	C	D	E	F	G	H	I
27	Projected Cash Flows								Year
28			0	1	2	3	4	5
29		Earnings before Interest & Taxes (EBIT)		$25,000.00	$95,000.00	$165,000.00	$235,000.00	$305,000.00
30		Depreciation		$100,000.00	$100,000.00	$100,000.00	$100,000.00	$100,000.00
31		Taxes		$8,500.00	$32,300.00	$56,100.00	$79,900.00	$103,700.00
32		Operating cash flow		$116,500.00	$162,700.00	$208,900.00	$255,100.00	$301,300.00
33	Net Working Capital								Year
34			0	1	2	3	4	5
35		Net Working Capital*	$20,000.00	$32,000.00	$48,000.00	$64,000.00	$80,000.00	$96,000.00
36		NWC Recovery at end*		$0.00	$0.00	$0.00	$0.00	$0.00
37		Net Working Capital cash flow	($20,000.00)	($12,000.00)	($16,000.00)	($16,000.00)	($16,000.00)	($16,000.00)
38	Investment (Capital Spending)								Year
39			0	1	2	3	4	5
40		Initial Investment*	($1,000,000.00)	$0.00	$0.00	$0.00	$0.00	$0.00
41		Salvage value*		$0.00	$0.00	$0.00	$0.00	$0.00
42		Aftertax salvage value		$0.00	$0.00	$0.00	$0.00	$0.00
43		Net Capital Spending	($1,000,000.00)	$0.00	$0.00	$0.00	$0.00	$0.00
44	Projected Total Cash Flows								Year
45			0	1	2	3	4	5
46		Operating cash flow		$116,500.00	$162,700.00	$208,900.00	$255,100.00	$301,300.00
47		Net Working Capital cash flow	($20,000.00)	($12,000.00)	($16,000.00)	($16,000.00)	($16,000.00)	($16,000.00)
48		Net Capital Spending	($1,000,000.00)	$0.00	$0.00	$0.00	$0.00	$0.00
49		Total project cash flow	($1,020,000.00)	$104,500.00	$146,700.00	$192,900.00	$239,100.00	$285,300.00
50		Cumulative cash flow	($1,020,000.00)	($915,500.00)	($768,800.00)	($575,900.00)	($336,800.00)	($51,500.00)
51		Discounted cash flow	($1,020,000.00)	$90,086.21	$109,022.00	$123,582.87	$132,052.80	$135,835.04
52								
53	Net Present Value		$141,068.59					
54	Internal Rate of Return		18.84%					

Net Working Capital

The Net Working Capital at Year 0 can be entered directly into the spreadsheet. From Year 1 onwards, it is calculated as as function over Net Sales as follows:

Net Working Capital = Net Working Capital over Sales * Net Sales

Net Working Capital cash flow is calculated as follows:

Net Working Capital cash flow = -(Current Year Net Working Capital - Previous Year Net Working Capital) + NWC Recovery at end

Investment (Capital Spending)

The project investment and salvage value are taken into account in this section.

Aftertax salvage value is calculated as follows:

Aftertax salvage value = Salvage value * (1 - Tax Rate)

Net Capital Spending is calculated as follows:

Net Capital Spending = Initial Investment + Aftertax salvage value

Project Total Cash Flow

The Discounted cash flow uses the Time Value of Money to discount the Total project cash flow with the assumed Discount Rate. Total project cash flow is calculated as follows:

Total project cash flow = Operating cash flow + Net Working Capital cash flow + Net Capital Spending

Net Present Value and Internal Rate of Return

Net Present Value is calculated using Excel's NPV function on the Total project cash flow. Internal Rate of Return is calculated using Excel's IRR function on the Total project cash flow.

Depreciation Account

Definition: The monetary value of an asset decreases over time due to use, wear and tear or obsolescence. This decrease is measured as depreciation.

Description: Depreciation, i.e. a decrease in an asset's value, may be caused by a number of other factors as well such as unfavorable market conditions, etc. Machinery, equipment, currency are some examples of assets that are likely to depreciate over a specific period of time. Opposite of depreciation is appreciation which is increase in the value of an asset over a period of time.

Accounting estimates the decrease in value using the information regarding the useful life of the asset. This is useful for estimation of property value for

taxation purposes like property tax etc. For such assets like real estate, market and economic conditions are likely to be crucial such as in cases of economic downturn.

Excel offers five different **depreciation functions**. We consider an asset with an initial cost of $10,000, a salvage value (residual value) of $1000 and a useful life of 10 periods (years). Below you can find the results of all five functions.

	A	B	C	D	E	F	G
1							
2	Cost	$ 10,000					
3	Salvage	$ 1,000					
4	Life	10					
5							
6	Depreciation Value						
7							
8	Period	SLN	SYD	DB	DDB	VDB	
9	1	$900.00	$1,636.36	$2,060.00	$2,000.00	$2,000.00	
10	2	$900.00	$1,472.73	$1,635.64	$1,600.00	$1,600.00	
11	3	$900.00	$1,309.09	$1,298.70	$1,280.00	$1,280.00	
12	4	$900.00	$1,145.45	$1,031.17	$1,024.00	$1,024.00	
13	5	$900.00	$981.82	$818.75	$819.20	$819.20	
14	6	$900.00	$818.18	$650.08	$655.36	$655.36	
15	7	$900.00	$654.55	$516.17	$524.29	$524.29	
16	8	$900.00	$490.91	$409.84	$419.43	$419.43	
17	9	$900.00	$327.27	$325.41	$335.54	$338.86	
18	10	$900.00	$163.64	$258.38	$268.44	$338.86	
19							
20	Asset Value						
21							
22	Period	SLN	SYD	DB	DDB	VDB	
23	0	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	
24	1	$9,100.00	$8,363.64	$7,940.00	$8,000.00	$8,000.00	
25	2	$8,200.00	$6,890.91	$6,304.36	$6,400.00	$6,400.00	
26	3	$7,300.00	$5,581.82	$5,005.66	$5,120.00	$5,120.00	
27	4	$6,400.00	$4,436.36	$3,974.50	$4,096.00	$4,096.00	
28	5	$5,500.00	$3,454.55	$3,155.75	$3,276.80	$3,276.80	
29	6	$4,600.00	$2,636.36	$2,505.67	$2,621.44	$2,621.44	
30	7	$3,700.00	$1,981.82	$1,989.50	$2,097.15	$2,097.15	
31	8	$2,800.00	$1,490.91	$1,579.66	$1,677.72	$1,677.72	
32	9	$1,900.00	$1,163.64	$1,254.25	$1,342.18	$1,338.86	
33	10	$1,000.00	$1,000.00	$995.88	$1,073.74	$1,000.00	
34							

Most assets lose more value in the beginning of their useful life. The SYD, DB, DDB and VDB functions have this property.
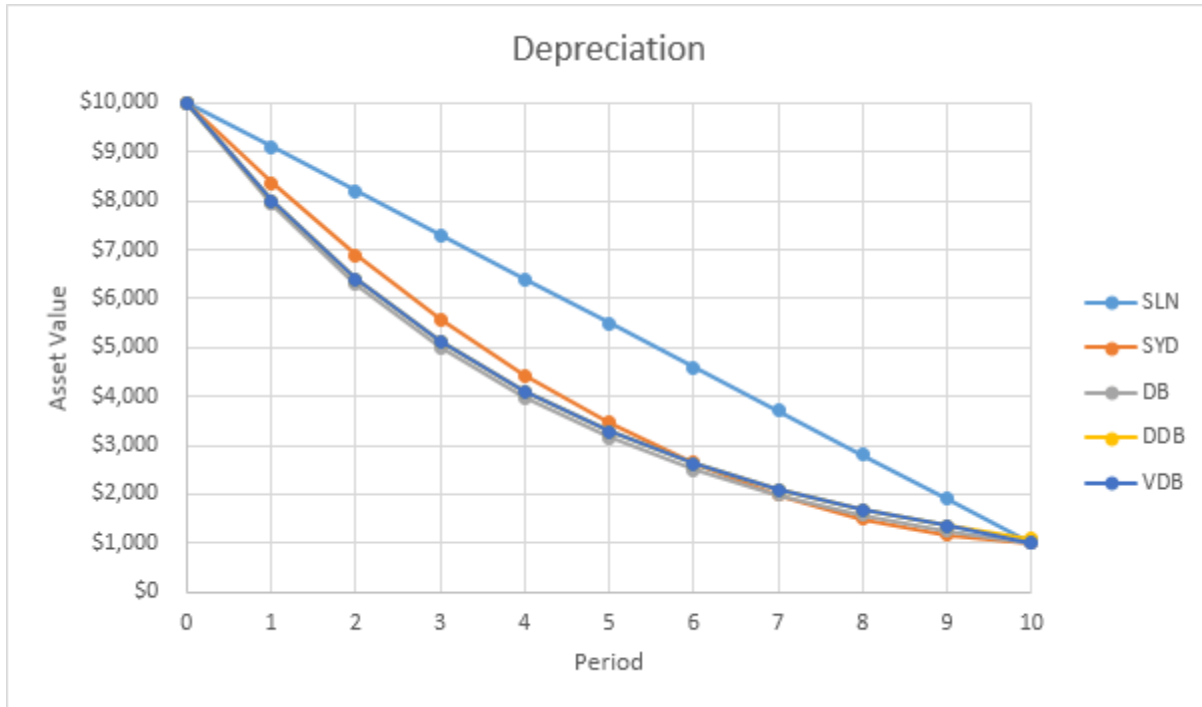
Depreciation

SLN

The SLN (Straight Line) function is easy. Each year the **depreciation value** is the same.

| B9 | | | × | ✓ | f_x | =SLN(Cost,Salvage,Life) | | |

◢	A	B	C	D	E	F	G
1							
2	Cost	$ 10,000					
3	Salvage	$ 1,000					
4	Life	10					
5							
6	Depreciation Value						
7							
8	Period	SLN	SYD	DB	DDB	VDB	
9	1	$900.00	$1,636.36	$2,060.00	$2,000.00	$2,000.00	
10	2	$900.00	$1,472.73	$1,635.64	$1,600.00	$1,600.00	

The SLN function performs the following calculation. Deprecation Value = (10,000 - 1,000) / 10 = 900.00. If we subtract this value 10 times, the asset depreciates from 10,000 to 1000 in 10 years (see first picture, bottom half).

=SLN(COST,SALVAGE,LIFE) => Straight line function,

=SYD(cost,salvage,life,A9) => sum of years' digits

= DB(cost,salvage,life,A9) => Declining Balance

=DDB(cost,salvage,life,A9) => Double Declining Balance

=VDB(cost,salvage,life,A9) = Variable Declining Balance

Frequency distribution and its statistical parameters :
Correlation Regression

(1) Mean

(2) Standard deviation

(3) Variance

(4) Correlation

(5) Histogram

(6) Regression

(7) Sampling

PROCEDURE:

1. Select insert function command.
2. Click the desired function in the name to see the function arguments and description of the functions.
3. Double click the desired function command, to display the function and its arguments in the formula.
4. As we create the formula, the formula pallet will assist us. Then it returns the result.

A) MEAN:

Mean's the average of all the given data.

Syntax: **Average (Num 1, Num 2 ...)**

E.g. If A1 ... A5 is named scores and contains the number 10, 7,9,27 and 27 then

Average (A1:A5) =11

B) STANDARD DEVIATION:

Standard deviation is a measure how widely values are dispersed from average value.

Syntax: STDEV (num 1, num 2…)

STDEV assumes that its arguments are a sample of population. If your data represents the entire population then comp STDEV using STDEV in the following formula.

E.g. The sample values (1345, 1301, 1368, 1322, and 1310) are stored (A2: E3)

STDEV (A2:E3) =27.25

C) VARIANCE:

Estimates variance based on a sample

Syntax: VAR (Num 1, Num 2)

VAR Assumes that its argument are a sample of population VAR uses the following formula.

E.g. Input values: 1345, 1301,1368,1322,1310, are stored in A2: E3

VAR (A2:E3) =742.7

D) CORRELATION:

Returns the correlation co efficient of the array 1 and array 2. Cell ranges use the correlation co efficient to determine the relationship between the proper lines.

Syntax: CORREL (Array 1, Array 2)

Array 1 is the first cell range of values.= {2,4,5,6,}

Array 2 is the second cell range of values. { 9,7,12,17 }

= CORREL(A1:A4,B1:B4) equals 0.751671

E) REGRESSION:

Trend lines are used to graphically display trends the data and to analyze problems of prediction. Such analysis is also called regression analysis. Using regression analysis are can extend bend in a chart beyond the actual data to predict future values.

F) SAMPLING:

The process of selecting a sample from a population is called samplings. There are 2 types

1. Periodic sampling   2. Random sampling.

G) HISTOGRAM

The Histogram analysis tool calculates individual and cumulative frequencies for a cell range of data and data bins. This tool generates data for the number of occurrences of a value in a data set.

1. Enter your data in to the worksheet.

2. On the **Data** tab, click **Data Analysis** in the **Analysis** group.

3. In the **Data Analysis** dialog box, click **Histogram**, and then click **OK**.
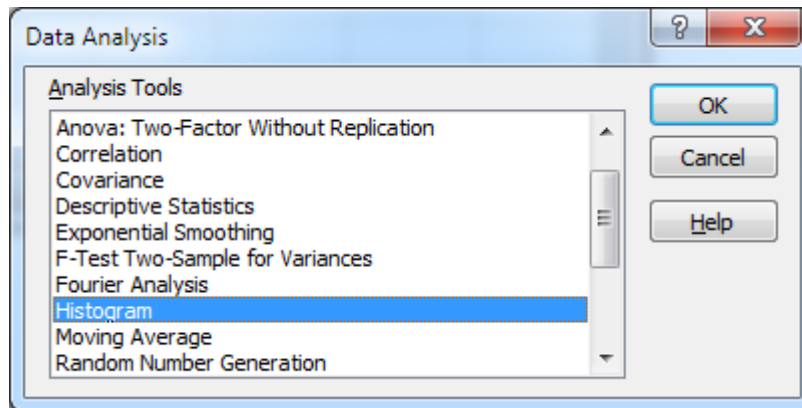
4. In the **Input Range** box, type the input range.
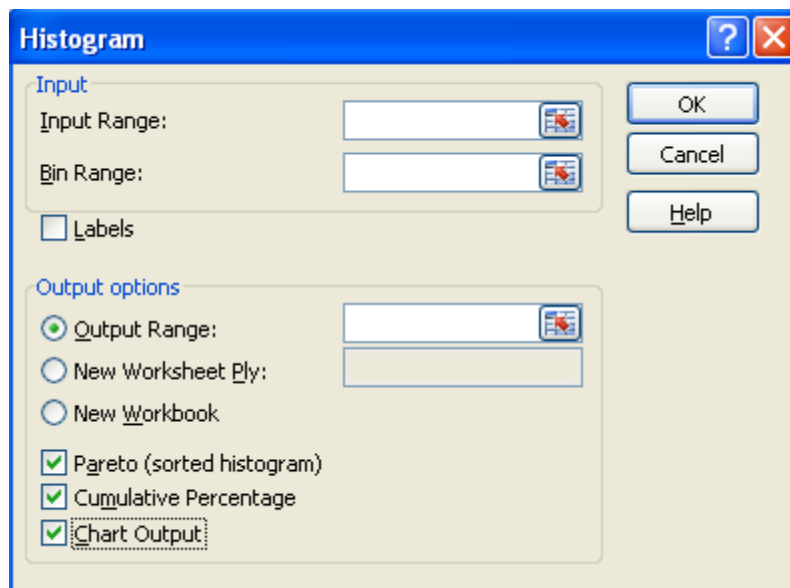
5. In the **Bin Range** box, type the bin range.

6. Under **Output Options**, click **Output Range** and give the output cell range, select the **Pareto** (sorted histogram), **Cumulative percentage**, **Chart Output** check box, and then click **OK.**

INPUT RANGE	BIN RANGE
3	10
11	20
12	30
19	40
22	50
23	
24	
25	
27	
29	
35	
36	
37	
45	
49	

Bin	Frequency	umulative %	Bin	Frequency	umulative %
10	1	6.67%	30	6	40.00%
20	3	26.67%	20	3	60.00%
30	6	66.67%	40	3	80.00%
40	3	86.67%	50	2	93.33%
50	2	100.00%	10	1	100.00%
More	0	100.00%	More	0	100.00%
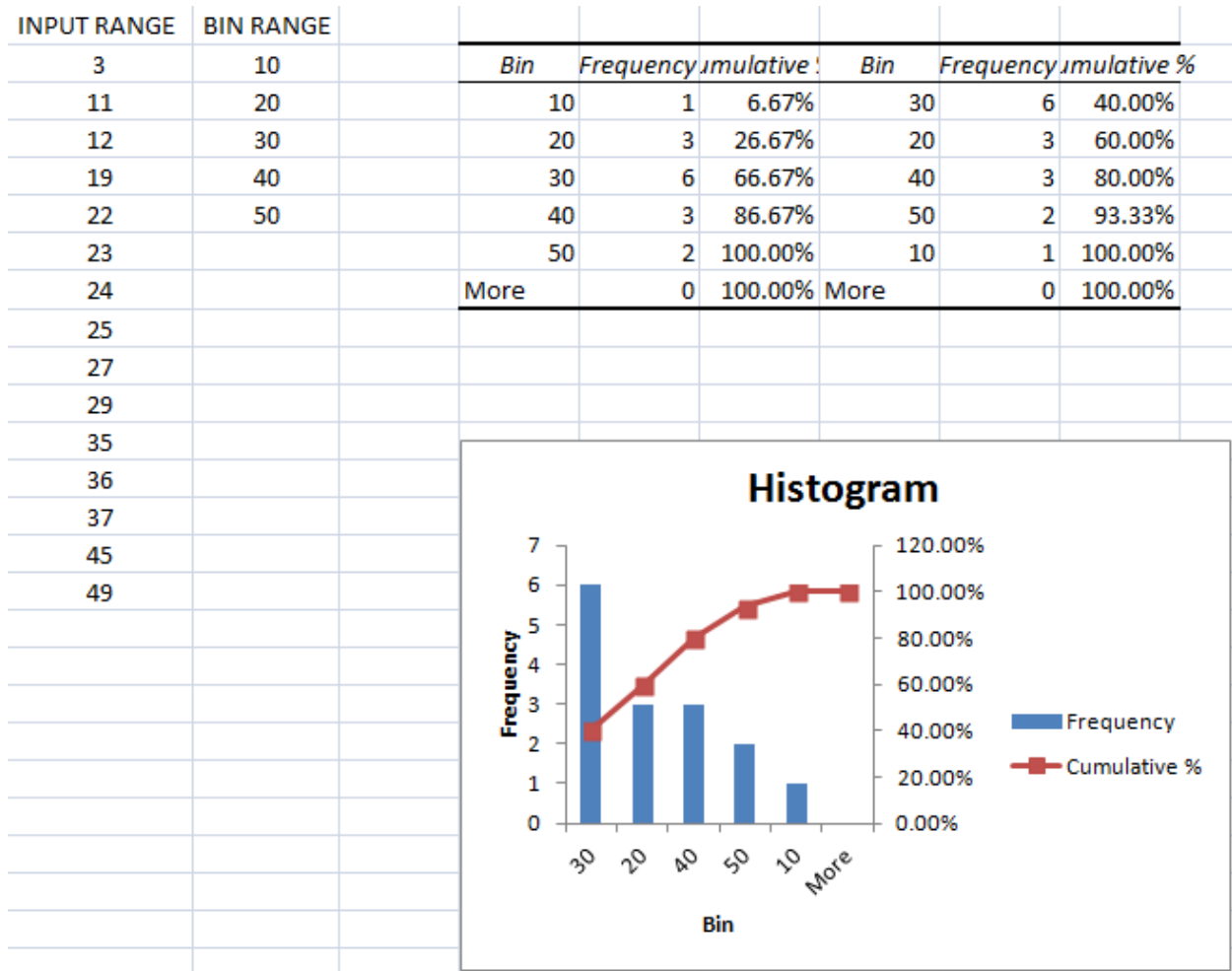
Unit –II

Preparing Presentations

MS-PowerPoint

Power point is presentation software program. Power point uses a graphical approach to presentation in the form of slide shows that accompany the oral delivery of the topic.

This program is widely used in business and classrooms and in an effective tool when used for training purposes.

Powerpoint Facility

1. Powerpoint is one of the sumplest computer programe to learn
2. It is easy and good program used world wide for presentations
3. It is easey to customize presentations with company logo.
4. Many more templates are also available, the user can utilize the templates.
5. In addition to an on screen slide show
6. Power point has printing option.
7. Powerpoint is one of the sumplest computer programe to learn
8. It is easy and good program used world wide for presentations
9. It is easey to customize presentations with company logo.
10. Many more templates are also available, the user can utilize the templates.
11. In addition to an on screen slide show
12. Power point has printing option.

Presentation

A presentation in a collection of data and information that is to be delivered to a specific audience.

A power point presentation is a collection of electronic slides that can have text, picture, tables, sound and video. This collection can run automatically or can be controlled by a presenter.

Function of power point

It is commonly used in a variety of ways by business, education, and government employees to provide a computerized, "Slide-show" for enhance the presentation. Power point might be employed to direct attention to an outline of the presentation or display graphs and pictures or to focus the audience on key points.

Features of Microsoft power point:

1. Start with a bulid in layout
2. Use slide master view to update design consistently
3. Use some one else's presentation as a starting point
4. Rearrange slides for effectiveness
5. Follow the guides
6. Set slide sizes
7. Resize multiple objects
8. Clean up tables quickly
9. Learn to use smart art
10. Try a theme variance

Start with a built in Layout

There are really two directions you can go when you are building out a new slide in MS power point

1. Design the slide from scratch, dropping in individual place holder boxes one after another, adding them one by one until you have got a slide

2. Try out a built-in layout that includes all of the content boxes that you need from the beginning.
   a. It's really a no-brainer to start your slide design with a pre-built layout.
   b. It is a time saver and it also imporves the look of the presentation because all boxes and contains are aligned neatly.
3. Use slide master view to update design consistently. Not only save time, but also ensure that slides are consistent.

   It's huge advantage if the logo is in the same spot on each slide. For example, slide masters control the design for multiple slides at the same time, when you adjust a slide master, each slide that uses that master will have the same changes.

   Example : Go to the view tab and choose slide master. Now, add something that you want to appear on each slide (like a logo or footer text) to the master.

   When you return to normal view, wewill see the changes on each slide that used the same master.

Components of MS-Power Point

1. **User interface –** The most visible element of power point is its user interface the screen dialog boxes, buttons, panes and other parts of the application window.
2. **Slides :** The slide is the power point element on which you insert test, graphics, audio, video and animations
3. **Content:** Power point contest type include static text and graphics audio, video and animation created inside power point itself.
4. **Formatting :** Formatting with which we decorate the content on slides. Such as Bold – Align Text- Design.
5. **Presentation play box :** Create a self running presentation

   Slide layout types
   1. Title slide
   2. Title and content
   3. Section header
   4. Two Content

5. Comparision
6. Title only
7. Blank
8. Conten with caption
9. Picture with caption

Template

A template is a file that serves as a starting point for a new document. When you open a template, it is pre-formatted in some way. For example, you might use template in Microsoft Word that is formatted as a business letter. The template would likely have a space for your name and address in the upper left corner, an area for the recipient's address a little below that on the left site, an area for the message body below that, and a spot for your signature at the bottom.

When you save a file created with a template, you are usually prompted to save a copy of the file, so that you don't save over the template. Templates can either come with a program or be created by the user. Most major programs support templates, so if you find yourself creating similar documents over and over again, it might be a good idea to save one of them as a template. Then you won't have to format your documents each time you want to make a new one. Just open the template and start from there.

Animation

Computer animation is a general term for a kind of visual digital display technology that simulates moving objects on-screen. Modern forms of computer animation evolved from more primitive computer graphics over the last few decades, as huge advances in computer technology led to much more sophisticated imaging methods. Modern computer animation can achieve dazzling results with three-dimensional figures acting against a three-dimensional background. As a result, it has largely revolutionized the film industry by reducing the costs associated with setting up physical film sets, hiring extras and gathering props. Now, many of these physical assets can be simulated using computer animation.

The simplest and earliest forms of computer animation simply moved objects around on a screen in what's called two-dimensional computer graphics

animation. These kinds of technology are still common, for example, in animated GIF files. Early old computer systems could achieve these kinds of animation, which gradually developed into more sophisticated forms where pre-drawn images were juxtaposed on moving backgrounds to simulate an elaborate animation reel.

Today's computer animation, also called computer-generated imagery (CGI) animation, uses three-dimensional methods involving digitally produced pieces placed onto a conceptual "skeleton" or other framework. CGI may refer to static or animated content, whereas computer animation specifically refers to displays of objects in motion.

Transitions

When referring to video or a slide a **transition** is an effect that happens between each photo, slide, or video clip. For example, a fade transition can be used to fade in or out of each picture in a slide show.

Changing the transitions in Microsoft PowerPoint

The transitions can be adjusted in Microsoft PowerPoint by clicking on the Transitions tab. Once in the Transitions section, you'll see each of the available Transition and can click the down arrows to scroll through and view all

available Transitions. Clicking on any of the transitions give you an overview of the transition. Clicking on **Effect Options** allows you to change the direction or other options of the effect. **Sounds** allow you to have a sound on each transition. **Duration** allows you to increase or decrease the duration or time of the effect.

Examples of different types of transitions

There are dozens of types of transitions that can be used in most programs. Below is an alphabetical listing of different types of transitions and what type of animation or effect they give your show. Keep in mind that not all of the below transitions will be available in every program that supports transitions.

- **Blinds** - Horizontally or vertically flip over bars like slats in blinds to reveal next scene.

- **Box** - Show overview of current scene and rotate it as if it were inside a box to show next scene.

- **Checkerboard** - Flip over checkerboard tiles to reveal next scene.

- **Clock** - Reveal next scene in a clockwise or counterclockwise reveal.

- **Conveyor** - Move current scene off screen while bringing in next scene like a conveyor belt.

- **Cover** - Reveal an overview and then flip the next scene on top of the previous.

- **Cube** - Show overview of current scene and rotate it as if it was an edge of a cube to next side to show next scene.

- **Cut** - Quick cut to next scene.

- **Dissolve** - Dissolve previous scene to reveal next scene.

- **Doors** - Split the current scene and open it as if it were a door to reveal next scene.

- **Fade** - Fade (dissolve) in our out.

- **Ferris Wheel** - Rotate out current scene followed by next scene in a circular motion like a Ferris wheel.

- **Flash** - Camera flash effect to display next scene.

- **Flip** - Show overview of current scene and flip it around to show next scene on its back.

- **Fly through** - Fly through the current scene to show next scene behind current scene, like zoom effect without removing background.

- **Gallery** - Show overview of current slide and move to next scene as if you were looking at art in a gallery.

- **Glitter** - Dissolve and reveal next slide in an octagon glitter effect.

Unit III
Introduction to Accounting Package Tally

Financial accounting Packages- Introduction

Financial accounting is the process of preparing financial statements that companies' use to show their financial performance and position to people outside the company, Including investors, creditors, suppliers, and customers. Financial accounting package generates the following financial statements:

1. Income statement (sometimes referred to as earnings statement" or "profit and loss [P&L] statement")
2. Statement of comprehensive income
3. Balance sheet (sometimes referred to as "statement of financial position")
4. Statement of cash flows (sometimes referred to as "cash flow statement")
5. Statement of stockholders' equity

Income Statement

The main components of the income statement are revenues, expenses, gains, and losses. Revenues include such things as sales, service revenues, and interest revenue. Expenses include the cost of goods sold, operating expenses (such as salaries, rent, utilities, advertising), and non operating expenses (such as interest expense).

Statement of comprehensive income

The statement of comprehensive income covers the same period of time as the income statement, and consists of two major sections:

- *Net income* (taken from the income statement)
- *Other comprehensive income* (adjustments involving foreign currency translation, hedging, and postretirement benefits)

The sum of these two amounts is known as *comprehensive income.*

Balance Sheet

The balance sheet is organized into three parts: (1) assets, (2) liabilities, and (3) stockholders' equity at a specified date (typically, this date is the last day of an accounting period).

The first section of the balance sheet reports the company's *assets* and includes such things as cash, accounts receivable, inventory, prepaid insurance, buildings, and equipment. The next section reports the company's *liabilities*; these are obligations that are due at the date of the balance sheet and often include the word "payable" in their title (Notes Payable, Accounts Payable, Wages Payable, and Interest Payable). The final section is *stockholders' equity*, defined as the difference between the amount of assets and the amount of liabilities.

Statement of Cash Flows

The statement of cash flows explains the change in a company's cash (and cash equivalents) during the time interval indicated in the heading of the statement. The change is divided into three parts: (1) operating activities, (2) investing activities, and (3) financing activities.

The *operating activities* section explains how a company's cash (and cash equivalents) have changed due to operations. *Investing activities* refer to amounts spent or received in transactions involving long-term assets. The *financing activities* section reports such things as cash received through the issuance of long-term debt, the issuance of stock, or money spent to retire long-term liabilities.

Statement of Stockholders' Equity

The statement of stockholders' (or shareholders') equity lists the changes in stockholders' equity for the same period as the income statement and the cash flow statement. The changes will include items such as net income, other comprehensive income, dividends, the repurchase of common stock, and the exercise of stock options.

Financial Reporting

Financial reporting is a broader concept than financial statements. In addition to the financial statements, financial reporting includes the company's annual report to stockholders, its annual report to the Securities and Exchange Commission (Form 10-K), its proxy statement, and other financial information reported by the company.

Computerized accounting software is used for evaluating the profitability and financial performance of different organizations. Manual accounting has become redundant nowadays, as they are prone to human error. Thus, businesses of all sizes rely on the best accounting software in India to make the complex accounting task more manageable and error-free.

Features of Computerized Accounting Software

A robust accounting software solution is capable of taking your business to new heights of success.

- **Invoicing:** This is the basic module of all accounting software that automates the process of collections so that you never forget to send out an invoice. An invoicing system stores all customer data and also generates accurate invoices for clients on time, besides reminding them about outstanding bills.
- **Reporting**: Software for computerized accounting features a broad array of reporting options such as balance sheet, income statement highlighting your profit and loss, cash flow statement, payroll summary, and so on.
- **Banking**: Computerized accounting software keeps track of your banking accounts and also imports data from your bank into the system. Its automatic payment module prints checks, and schedules bank payments

and direct deposits, thus, automating your bank payment processes.

- **Budgeting and Forecasting**: A good tool calculates and depicts your financial performance for the current and upcoming fiscal year. It generates balance sheet summaries to portray how well your business is performing at the moment so that you can set up realistic sales targets.

- **Inventory Management**: An efficient billing software solution also manages your stock; this helps you keep tabs on the availability of your products so that you can quickly deal with delivery issues.

- **Payroll:** Some software also comes with sophisticated payroll modules for managing all aspects of payroll. This module enables you to generate employee payments and process their checks on time. It also simplifies the process of managing variable pay schedules along with bonuses, commissions, profit-sharing, etc.

- **Fund Accounting:** Accounting system designed for NGOs and public agencies come with fund accounting module for grant management, tracking donations, and managing GASB regulations.

- **Ability to Collaborate:** Computerized billing systems enable you to authorize contractual accountants to access your financial data. You can easily synchronize your data with your bank account and import your financial reports in seconds.

- **Multi-functionality:** If you are operating your business globally, you might know how difficult it is to manage finances across multiple currencies. However, with the right invoicing solution, you can make the process of accumulating data from multiple business locations much easier. An efficient billing software solution is also capable of recording and delineating financial dealings in multiple currencies.

Advantages of Computerized Accounting System

Computerized Accounting Software streamlines accounting tasks and offers several benefits to its users. It not only automates your accounting tasks but also helps you chalk out a results-driven investment strategy. Here are the top of using such a solution:

- **Mobility:** Being cloud-based, automated billing software allows you to access your financial accounts from anywhere. Apart from supporting web browsers, advanced billing applications come with a mobile interface to enable you to manage daily accounting tasks such as expense tracking, attaching receipts, viewing invoice information, or sending bills directly from your iOS and Android devices. It also helps you stay connected with your clients and accounts team on the go.

- **Speed:** Computerized Account Software is known for its swiftness. Once you input data into a connected module, it processes and stores the information instantaneously.

- **Cost-effective:** Hiring an in-house accountant can be quite expensive for small business owners. Once you decide to deploy a computerized billing system, you can use the program after undergoing a customer training program to derive the maximum benefit from the software. What's more, you need to pay only for purchasing and installing the software and an occasional software upgrade.

- **Saves Time:** Compared to the time-consuming manual process of accounting, computerized accounting system saves your time, and boosts your productivity. The software is capable of performing accounting functions faster than manual accounting. It centralizes the financial aspects of your business and enables you to deal with different accounting tasks within one unified accounting platform.

- **Reliability:** Computerized billing solution generates financial statements and reports with precision and consistency. Thus, you can completely rely on it.

- **Reduces Human Errors:** Computerized accounting system reduces errors, and eliminates the need for manually checking your accounts each time you input new data. Minimization of inaccuracies also makes this software more dependable.

- **Offers Real-Time Data:** The software can be synchronized with your online banking account. As a result, you always receive real-time information on paid invoices as well as your business expenditures.

- **Lightning-fast Decision Making:** Since computerized accounting solutions provide real-time financial information, it helps you make smarter financial decisions at lightning speed.

- **Security:** Computerized billing software comes with sophisticated security mechanisms to protect sensitive financial data. It keeps your financial data, passwords, and other information safe and confidential.

- **Helps You Allocate Resources the Right Way:** It is one of the key advantages of using this platform. It is important to comprehend the pattern of your financial performance to run your company advantageously. Computerized accounting system acts as your financial advisor, and gives you a clear overview of your financial activities, thus, helping you determine where to invest more, and where to cut costs.

- **Simplifies Tax Compliance:** Automated accounting software system gives you a quick overview of the amount of taxes that your company has paid till date. It also computes the amount of tax that you or your clients need to pay on each invoice.

Introduction to Tally

Tally is powerful accounting software. It is easy to use software and is designed to simply complex day to day activities associated in an enterprise. Tally provides comprehensive solution around accounting principles, inventory and data integrity. Tally also has feature encompassing global business. Tally software comes with easy to use interface thus making it operationally simple.

Tally accounting software provides a solution around inventory management, stock management, invoicing, purchase order management, discounting, stock valuation methodology, etc.

Tally accounting software also comes with drill down options, which can track every detail of transaction. It helps in maintaining simple classification of accounts, general ledger, accounts receivable and payable, bank reconciliation, etc.

The technology employed by tally makes data reliable and secure. Tally software supports all the major types of file transfer protocols. This helps in connecting files across multiple office locations.

Tally accounting software is capable of undertaking financial analysis and financial management. It provides information around receivables turnover, cash flow statement, activity consolidation and even branch accounting.

Tally accounting software is easy to set up and simple to use. A single connection can support multiple users. It can be easily used in conjunction with the Internet making possible to publish global financial reports.

Features of Tally

A leading accounting package: The first version of Tally was released in 1988 and, through continuous development, is now recognised as one of the leading accounting packages across the world, with over a quarter million customers.

No accounting codes: Unlike other computerised accounting packages which require numeric codes,o Tally pioneered the 'no accounting codes' concept. Tally users have the freedom to allocate meaningful names in plain English to their data items in the system.

Complete business solution: Tally provides a comprehensive solution to the accounting ando inventory needs of a business. The package comprises financial accounting, book-keeping and inventory accounting. It also has various tools to extract, interpret and present data.

Integrated/Non-integrated accounting and inventory: With Tally, the user is able to choose too maintain accounts only. If accounting with inventory is opted for, the user can choose whether it should be integrated or not. Flexible and easy to use: Tally is very flexible. It mimics the human thought process, which meanso that Tally can adapt itself to any business need. Tally users need not change the way their business is run to adapt themselves to the package.

Speed: Tally provides the capability to generate instant and accurate reports, which assist theo management to take timely and correct decisions for the overall productivity and growth of the company.

Power: Tally allows the user to maintain multiple companies and with unlimited levels of classificationo & grouping capabilities. It also allows drill down facility from report level to transaction level.

Flexibility: Tally provides flexibility to generate instant reports for any given period (month/year) oro at any point of time besides providing the facility to toggle between Accounting & Inventory reports of the same company or between companies.

Concurrent multilingual capability: Tally offers you the exclusive capability of maintaining your accounts in any Indian language, viewing them in another language and printing them in yet another Indian language

Real time processing: Immediate posting & updation of books of accounts as soon as the transactions are entered, thereby facilitating instant statements & Reports. It also faciliates a real-time multi-user environment.

Versatility: Tally.ERP9 is suitable for a range of organisations, from small grocery stores to large corporationso with international locations and operations.

Multi-platform availability: Tally is available on multiple versions of windows. It runs on a single PCo or on a network. On a network, it supports access via any combination of platforms.

Online Help: The Tally Online Help (Alt+H) provides instant assistance on basic and advanced features or any other relevant topics of Tally.

BOOKKEEPING :

'Bookkeeping' is one of the functions of financial accounting. Bookkeeping entails maintaining proper records and books for recording complete details of transactions made during the course of business. Business transactions can be classified into several major activities/groups e.g. sales, purchases, assets, etc. Separate books for recording transactions pertaining to these activities are maintained, registering in them the details of respective transaction. This exercise is called Bookkeeping.

Accounting

Transactions involve 'accounts'. Each transaction has to be done through an 'account'. There are total three types of accounts:

i.   Personal Account or Individual account: This group of accounts includes all accounts of individuals and organisations like a firm, a corporate entity, a society, etc.

ii.   Assets Account: This group of accounts covers all types of assets. Assets mean all those investments made in tangible or intangible form

of assets, which have utility value or use value. Moreover, these assets can also be disinvested and converted into cash. I

iii. Income-Expenditure Account: This group of accounts encompasses all accounts, which represent revenue income and revenue expenditure of the business.

Creation of a Company in Tally.ERP 9:

The first step towards working with Tally.ERP 9 is to create a 'company'. A 'company' in Tally.ERP 9 is a central repository where you can maintain all the financial records of your business, and from where you can extract the required financial reports and statements. The procedure to create a company is explained below. To facilitate easier understanding, we have illustrated the creation of a company named Vridhi Traders:

1.2.1 Go to Gateway of Tally > Company Info. > Create Company The Company Creation screen appears as per Figure:

The fields in the company creation screen and the information to be filled in each of them are explained below. To navigate between the fields, use the Enter/Tab/Arrow Keys, or Mouse clicks.

Directory: The path to the location of Tally.ERP 9 data is displayed here. By default, the path provided whileo installing Tally.ERP 9 will be displayed. However, you can press backspace and specify the location in which you want the data to be stored.

Name: Provide a name for the company that is being created. In this example, we are creating a companyo named Vridhi Traders.

Primary Mailing details: The mailing name and address details are picked from here for any report sucho as balance sheet and statements of accounts.

Mailing Name: The name provided for the company in the name field is automatically displayed here.v However, you can change it as per requirements. The name specified here will be used for mailing purposes. In this example, Vridhi Traders is retained.

Fill in the company's address.

Country: Select the country in which the company is located. This will allow users to choose the statutoryv capabilities available for that country. In this example, the country selected is India.

Fill in the relevant numbers in the Telephone No. and Mobile No. fields.

E-Mail: Fill in the company's official e-mail ID here. This will be used while e-mailing reports andv statements from Tally.ERP 9.

Books and Financial Year Details:

Financial Year from: This refers to the twelve-month accounting period of the company. For Vridhiv Traders, the financial year begins on 1-7-2016.

Books beginning from: The date provided in the aforesaid field will be automatically displayed here. Inv the example, the date is retained. However, if you have started with maintaining your books of accounts with Tally.ERP 9 mid-year, the required date can be set accordingly. Tally will not allow you to

record the transactions for dates preceding the date entered in the books beginning from field.

Security Control: TallyVault Password (if any): Once you enter a password here, you will need it to open your companyv each time. The name of a company that is locked using TallyVault will be hidden with the asterisk '*' symbol. You need to provide the TallyVault password to open and access the company. Repeat Password: Here, enter the password entered in the TallyVault field, as a confirmation.v Use Security Control?: Setting this option to Yes will allow you to define the access rights for each userv who will access your company.

Base Currency Symbol: The base currency symbol will be filled as per the country selected.

Formal Name: The currency's formal name will be filled here. In this example, it is INR (Indian Rupees)

Suffix Symbol to Amount: For some countries, the currency symbol is specified after the amount. Thisv option can be enabled for such countries, so that the currency symbol may be printed after the amount. However, Vridhi Traders is an Indian company and hence this option is set to No.

Add Space between Amount and Symbol: Tally.ERP 9 will provide a single space between thev amount and the currency symbol, if this option is set to Yes. For e.g.: KSh 5,000. Notice the space between symbol and the amount.

Show amounts in Millions: If the company's financial statements need to have their values expressedv in terms of millions, set this option to Yes. Getting Started with Tally.ERP 9

Number of Decimal Places: By default, the number of decimal places for the base currency is set tov 2. However, you can have up to 4 decimal places. The Indian currency has 2 decimal places whereas certain other countries require 3 decimal places and so on.

Word representing amount after decimal: The symbol for amounts expressed in decimals will be setv by default. For India, it is Paise. Decimal Places for

printing amounts in Words: You can specify the number of decimal places forv printing the amount in words. This number should be equal to or lesser than the number specified in number of decimal Places field. For example, if the currency has up to 3 decimal places, the value to be printed in words can be restricted to 2 decimal places.

The Completed Company Creation screen appears as per Figure 1.2

Figure 1.2 Company Creation screen of Vridhi Traders

The message Accept? Yes or No will be displayed.

Press Y or Enter to save the details.

Notice that Indus Enterprises is highlighted. This indicates that it is the currently selected company from the list of open companies. You can click on the name of another company to make it as the currently open company.

Select a Company:

By 'selecting' a company, you are essentially opening the company it in Tally.ERP 9.

1. Go to Gateway of Tally > F3: Company Info. (Alt+F3)

2. Click Select Company, or press S. Tally.ERP 9 displays the Select Company screen, with a List of Companies that are available in the location specified. You can also press F1 to get to the Select Company screen.

Shut a Company:

By 'shutting' a company, you are essentially closing a company.

Go to Gateway of Tally > F3: Company Info. (Alt+F3)

1. Click Shut Company. Tally.ERP 9 displays the Close Company screen, with the List of Companies that are open. You can also use Alt+F1 from the Gateway of Tally to get to this screen.

Alter Company Details:

By 'altering' a company, you are modifying the details which you have provided in the Company Creation screen.

Go to Gateway of Tally > F3: Company Info. (Alt+F3)

1. Click Alter or press A. Tally.ERP 9 displays the Select Item screen, with a List of Companies that are available in the location specified. Select the company which you need to alter and press Enter to view the Company Alteration screen. Alter the company details as required and accept the screen.

Account Group Creation In Tally.ERP 9,

There are 28 predefined groups, this mean that it is not necessary to create the Account Group in Tally.ERP 9. However, considering the different requirement of an organisation and its nature, Tally.ERP 9 has also provided flexibility to create the account group, if need be.

Group creation is similar to ledger creation in Tally.ERP 9. As with ledgers, there are two ways of creating groups:

I.   Single Group Creation: Involves creation of a single group at a time

II.   Multiple Group Creation: Involves creation of multiple groups at a time

Single Group Creation The group to be created, and the primary group under which it has to be classified, is specified in the table below:

Group to be created	Classification
Debtors – North	Sundry Debtors

To create the group,

1.   Go to Gateway of Tally > Accounts Info. > Groups > Create (Single Group)

2. Enter Name as Debtors - North

3. Against the field Under select Sundry Debtors from the List of Groups The Group Creation Screen appears as per Figure 1.10
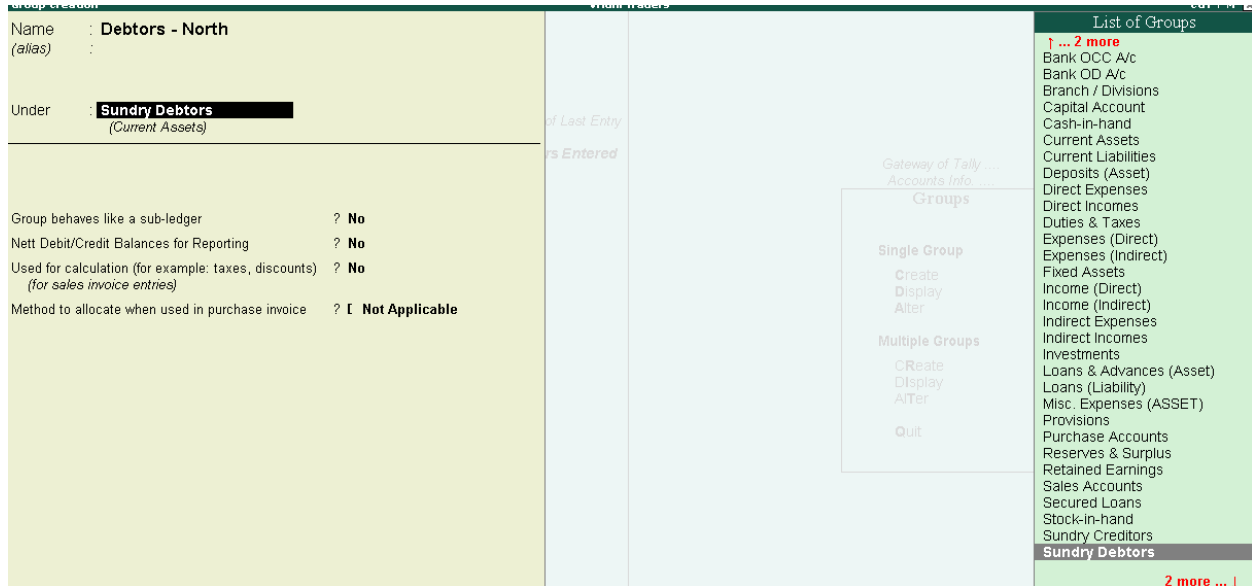
Group Creation — North Debtors Note: To create a Multi Group in Tally.ERP 9, go to Gateway of Tally >. Accounts Info > Groups > Under Multiple Groups > Select create.

Ledger Creation:

In Tally.ERP 9, we can create the ledgers in two ways given below:

I.   Single Ledger Creation: Here we can create one ledger at a time.

II.   Multiple Ledger Creation: Here we can create different ledgers at one go and also ledgers which belong to particular group.

I. **Single Ledger Creation:**   Creation of Proprietor's Capital Account ledger from single ledger creation screen.

1. Go to Gateway of Tally > Accounts Info. > Ledgers > Create (Single Ledger Creation)

2. Enter Name as Proprietor's Capital Account

3. Select Capital Account from the List of Groups The Ledger Creation Screen appears as per Figure   Figure Ledger Creation screen — Proprietor's Capital Account

4. Press Y or Enter to accept the screen

Tally.ERP 9 displays the total debit and credit opening balances in the right upper corner of screen while the ledgers are being created in the ledger creation screen. This is to avoid differences in the opening balance.

III.   **Multiple Ledger Creation**:

Now let us create the following ledgers using the Multi Ledger Creation option:

To create Multiple Ledgers at once, follow the below given steps:

1. Go to Gateway of Tally > Accounts Info > Ledgers > Multiple ledgers > Create

2. From Under Group field select All Items If you select Purchase Account in the 'Under Group' field, then the ledger will be created under Purchase Account Head.

3. Under Name of Ledger enter the name as Kaltronic Ltd Learning Tally.ERP 9

4. Select as Sundry Creditors from the List of Groups

5. Press Enter and move to next line as there is no opening balance

6. Similarly, select the other ledgers as shown in figure 1.9:

S.No.	Name of Ledger	Under	Opening Balance Dr/Cr
1.	Kaltronic Ltd	Sundry Creditors	
2.	Local Sales	Sales Accounts	
3.	Local Purchases	Purchase Accounts	
4.	SBI Bank	Bank Accounts	35,000.00 Dr
5.	Conveyance	Indirect Expenses	
6.	Bank Interest	Indirect Incomes	

Multi Ledger Creation Screen

7   Press Enter or Y to Accept Figure 1.9

Now that we have learnt how to create ledgers under Tally.ERP 9's default pre-defined groups, let us move on to understand how to make alterations to ledgers that are already created.

Altering and Displaying Ledgers

Now, go to Gateway of Tally >Accounts Info>Ledgers > Select Display under single ledger, you will see that the List of Ledgers.

You can also Alter ledgers from Accounts Info. > Ledgers > Alter (Multiple Ledgers). Deleting Ledgers

You can delete a ledger, by pressing Alt+D in the Ledger Alteration screen. Maintaining Chart of Accounts inTally.ERP 9 You will not be able to delete a ledger, once the financial transactions (vouchers) have been entered (excluding the Opening Balance). If there is a need to delete a ledger with any financial transactions, all the transactions must be deleted first by pressing Alt+D. 1.4.1.4 Group Creation In Tally.ERP 9, there are 28 predefined groups, this mean that it is not necessary to create the A

You will not be able to delete a ledger, once the financial transactions (vouchers) have been entered (excluding the Opening Balance). If there is a need to delete a ledger with any financial transactions, all the transactions must be deleted first by pressing Alt+D.

The 'Features' in Tally.ERP 9

The 'Features' in Tally.ERP 9 are a set of capabilities, provided as options, that enable you to maintain financial records as per your business needs. The company features menu can be found by clicking F11: Features on the vertical button bar. The effect of these options will be reflected only in the company for which they are enabled.

Features The Company Features section in Tally.ERP 9 is divided into the following major categories:

1. Accounting Features
2. Inventory Features
3. Statutory & Taxation TSS Features
4. Add-On Features

Accounting Features :

The Accounting Features consists of configurations/functionalities, which generally affect accounting transactions and reports. The Accounting features section is further divided into six sub-sections, namely:

1. General
2. Outstanding
3. Management
4. Cost/Profit
5. Centres Management
6. Invoicing
7. Budgets and Scenario Management
8. Banking Features

Inventory Features: The Inventory features comprise of configurations/functionalities pertaining to inventory transactions and reports. The Inventory features section is further divided into seven sub-sections, namely: Learning Tally.ERP 9

General

- Storage & Classification Order Processing
- Invoicing
- Purchase Management
- Sales Management
- other Feature

Statutory & Taxation Features:

The Statutory & Taxation features comprise of configurations/functionalities pertaining to statutory compliances available in Tally.ERP 9. The Statutory features are country specific and strictly depend upon the country selected in the Company Creation screen.

TSS Features :

The Tally Software Services (TSS) screen comprises information about Connection, Remote Access and SMS Access details of a company. The TSS

Features will be available only when Use Security Control is set to Yes in Company creation screen.

Go to Gateway of Tally > F11: Company Features > TSS Features or click F4: TSS

Add-On Features

Customers, to meet their accounting requirements, may purchase customised solutions from Tally Partners. Depending on the customer requirement, the solution provider formulates the solution. In some cases, a solution may require the introduction of a new feature in Tally.ERP 9 to support the functionality. F6: Add-On Features is a place holder for the features provided in the Add-ons/Local TDLs loaded. Go to Gateway of Tally > F11: Company Features > F6: Add-On Features

Data Management and Security Features:

The data management and security features comprises of configurations/functionalities pertaining to: Taking backup of a company

- Restoring the backup of a company
- Splitting a company
- Exporting and importing data using Tally.ERP 9
- E-Mailing
- Data Security

Payroll Features Tally.ERP

Tally.ERP 9 integrates payroll features with accounting features, and simplifies payroll processing. Tally.ERP 9 enables users to set up and implement salary structures, ranging from simple to complex, as per the organisation's requirements. Users can also align and automate payroll processes and integrate the same with other accounting applications. Tally.ERP 9 also supports payslip printing, recording of attendance, leave, and overtime. Users can also generate gratuity and expat reports.

Configurations In Tally.ERP 9,

F12: Configurations are provided for Accounting, Inventory & printing options and are user definable as per the business' requirements. The F12: Configurations are applicable to all the companies residing in the Tally.ERP 9 data Directory. The F12: Configuration options vary depending upon the context, i.e., if you press F12: Configure from voucher entry screen, the respective F12: Configurations screen is displayed.

Go to Gateway of Tally > F12: Configure.

UNIT IV

Vouchers

Vouchers - Introduction

In accounting terms, a voucher is a document containing the details of a financial transaction. For example, a purchase invoice, a sales receipt, a petty cash docket, a bank interest statement, and so on. For every such transaction made, a voucher is used to enter the details into the ledgers to update the financial position of the company.

Type of Vouchers

Tally.ERP 9 is pre-programmed with a variety of accounting vouchers, each designed to perform a different job. The standard accounting vouchers are:

1. Contra Voucher
2. Payment Voucher
3. Receipt Voucher
4. Journal Voucher
5. Sales Voucher/Invoice
6. Credit Note Voucher
7. Purchase Voucher
8.Debit Note Voucher

Contra Voucher

This **Voucher** is used for fund transfers between Cash and Bank accounts only. Like Fund transfer from one Bank / Cash account to another Bank / Cash account, Cash Deposit / Withdrawals into/from Bank.

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 assessee.

Journal Voucher

A **journal voucher** is a document on which is stored the essential information about an accounting transaction.

Sales Voucher/Invoice

Introduction Sales Voucher. **Sales Voucher** is used to record the **Sales** transactions of the company. You can pass an entry using the **Voucher** mode or the **Invoice** mode where the calculations can be automated and the transactions can be fed into the system easily

Credit Note Voucher

Credit Note are used for giving **credit** to the party, for example, when a buyer returns the goods (SALE RETURN) or allows himself **Credit** due to rate difference or Discount or Due to some adjustment.

Purchase Vouchers

Purchase Vouchers is used when you have to **purchase** some goods from any party and you get an invoice against cash or credit **purchase** from the party. … While preparing the **purchase voucher**, the **purchase** or goods account is debited and supplier's account is credited with the value of **purchase** amount.

Debit note voucher

Debit Note is a document/**voucher** given by a party to other party stating that such other party's account is **debited** in the books of sender. For example: A trader "ABC" purchases goods from "XYZ". After receiving the material, ABC founds that the goods contain some defective goods of value of Rs. 10,000.

Non-cash or Transfer 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 assesses 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.

Feature of voucher

1. The identification number of the supplier.
2. The amount to be paid.
3. The date on which payment should be made.
4. The accounts to be charged to record the liability.
5. Any applicable early payment discount terms.
6. An approval signature or stamp.

What is Bill wise Accounting?

If we make an entry to a ledger that needs bill wise details, we have to give the details of the bill at the voucher entry itself. Where we can see the details of

bills, specific credit periods and get the correct outstanding result [balance] of each ledger.

But when there are a lot of entries it becomes difficult to match a payment to an invoice. It is so that the details of creditors and debtors are maintained at the invoice level and called as Bill-Wise Accounting system.

Where do we find Bill wise Accounting feature ?

We find this feature of Bill wise Accounting in Tally.ERP 9 under the Accounting feature head (F11

- **Route to Access**:

To enable the accounting features Go to Gateway of Tally > F11: Features > F1: Accounts.

We can now activate Bill wise accounting feature under the heading outstanding management features.

- **Bill wise Accounting:**

Enable this option to display the option Maintain balances bill by bill in all ledgers created under sundry debtors and creditors. Where we enter the details of sales and purchases with the bill wise option activated, Tally.ERP 9 prompts us to identify the invoice with an appropriate reference number.

Types of Bill wise details in Tally.ERP 9

There are four types of bill wise detail.

New Reference	This is used at the time of passing sales and purchase entries which will later serve for Against reference entries to be passed under Sundry debtors and

	creditors ledger.
Against Reference	This reference is used when we pass receipt entries or payment entries against the references created at the time of passing of original entries such as sales and purchase.
Advance	This reference is used when any amount is received in advance for any services rendered or for any outward supplies of goods is made or when any amount is paid in advance for purchases to be made at the future date. In other words, this type of bill wise detail is maintained where the nature of service or nature of product or terms of business demands advance receipts/ advance payments to be made and to track these when the business gets materialized at the time of raising of bill or invoice, these entries would serve as reference.
On Account	An interest receipt entry, interest payment entries uses these types of references. But apart from these, this type of reference is also used when we are unsure of as of against which bill the sum has been settled by the debtor. So, all those types of entries are kept under this reference till the time it gets cleared as to which Invoice the sum relates to.

Benefits of maintaining Bill wise details in Tally.ERP 9

- To easily maintain/generate outstanding reports of Receivables and Payables
- To maintain & track Accounts Receivable and Accounts Payable based on every bill
- The primary benefit of this capability is the speed and ease which is enabled by Tally.ERP 9
- Helps in generating Age wise analysis report for receivables and payables

How to activate Bill wise Accounting in Tally.ERP 9?

It just takes few steps to activate this feature in Tally.ERP 9

Step 1:	To set Maintain Bill wise Details to Yes in F11 : Accounting Features window
Step 2 :	To create a Party (Ledger A/c) under Sundry Debtors / Sundry Creditors group
Step 3 :	To set maintain balances bill by bill to Yes for the parties during ledger creation
Step 4 :	From Gateway of Tally > Accounting Vouchers > Sales (F8) or Purchase (F9) accordingly and enter the transaction by specifying a Bill reference No. along with due dates for the amount to be received or paid in the Bill Allocations for screen (we can also break up the amount into multiple reference numbers with different due dates)

To generate various types of Bill wise summary report in Tally.ERP 9

Generally to view Receivables / Payables Reports, we have to proceed to Gateway of Tally > Display > Statement of Accounts > Outstandings > Receivables (to view due to the company). This report displays bill by bill outstanding for all the parties with the pending amount along with the due date.

Report Type	Description
Individual party wise – Bill wise outstanding	• Select Ledger in the Outstandings menu • We will now get a report displaying bill-by-bill details of all outstandings for the concerned party along with the total outstanding amount
Group Outstanding report – Bill wise outstanding	To View Group Outstanding Report, select Group in the Outstandings menu and then select the specific group or sub group
Ageing analysis report – Bill wise outstanding	• We can also view Ageing Analysis of Outstandings, by defining various ranges of periods and view outstanding across the specified time slabs • Such as 0 to 30 days, 30 to 45 days and 45 to 75 days and so on • To View Ageing Analysis Report , go to Gateway of Tally > Display > Outstandings > Receivables or Payables • Select F6 (Age wise) • Specify Ageing Methods and the Periods

Bill wise accounting for Non – Trading accounts

Maintaining details of every bill for trading accounts is possible in Tally.ERP 9 using Bill wise Details. The same powerful and convenient feature is available for tracking and managing non- trading accounts like Loans, Advances and Installment Payments etc. as well.

Using this feature, business owners can easily track bills for expenses, any installments to be paid or loan amounts to be received. 'Bill wise Details' hence can be used to track the details of any already made or due payments and also to generate payables or receivables reports with minimum effort.

Internet computations

Import/Export of data: Any transaction can be exported and imported to other software after suitably altering the current structures to accept the Tally.ERP 9 data structure. Data can also be imported to Tally. ERP 9 by writing a TDL program. The data which is to be exported from Tally.ERP 9 can be in XML, HTML or ASCII format.

Data Synchronization: Synchronization is the process of exchanging Tally.ERP 9 data between two or more locations. This process enables a branch office to send its data to the head office, over the Internet or a private network.

Graphical analysis of data: Tally.ERP 9 provides graphical analysis of data which helps the user to perform deeper analysis. The user can generate graphical analysis reports such as Sales register, Purchase register, Ledgers, Funds flow, Cash flow, Stock Item registers and so on. This helps the management to quickly judge performance and be better prepared for difficult times.

ODBC (Open Database Connectivity) compliance: It allows other programs to use data from Tally.ERP Thus, any program such as MS-Excel or Oracle, which is ODBC compliant, can use data from Tally.ERP 9. Data connectivity is dynamic, which means that any update in Tally.ERP 9 is reflected in real time in other ODBC compliant software. The user can also extract data from Tally.ERP 9 and design his/her own report formats in other ODBC compliant software.

Protocol support: Tally.ERP 9 provides protocol support for HTTP, HTTPS, FTP, SMTP, ODBC and raw sockets with data interchange formats such as XML, HTML with XML islands, SOAP and related formats. Protocol refers to a

mecha- nism by which information (data) can be put into or taken from Tally.ERP 9. Formats refer to the standard for informa- tion to be generated from Tally.ERP 9 or from other applications which can exchange data with Tally.ERP 9.

Direct web browser access: While working on Tally.ERP 9, the user can directly log on to the Tally website, provided he/she has access to the Internet. The website lists details of all the facilities offered by Tally. ERP 9. The user can also download the latest release of Tally.ERP 9 as and when it is available. The Tally website also offers Tally Chat, by which a user can communicate with a Tally representative and get required information.

Ability to preview and publish reports and documents on the Internet: Companies which want to publish reports and price lists on their website can do so directly from Tally.ERP 9.

E-mail Facility: Tally.ERP 9 facilitates the mailing of any Tally.ERP 9 report or document.

Multilingual capability: Tally is the world's first accounting and inventory software with multilingual capability.

Currently, Tally.ERP 9's multilingual capability extends to 12 languages which include nine Indian languages (Hindi, Gujarati, Punjabi, Tamil, Telugu, Marathi, Kannada, Malayalam and Bengali), Arabic, Bahasa Melayu and Bahasa Indonesia. Tally.ERP 9 enables you to enter data in one language and have it transliterated into different languages. You can generate invoices, purchase orders or delivery notes in the language of your choice after entering data for the same in any of the nine specified languages. Also, the phonetic keyboard allows you to spell the term phonetically based on how it sounds and Tally.ERP 9 displays the data in the language selected after transliteration.

Point of Sale (POS): POS is an acronym for Point of Sale. Point of Sale can be a retail outlet, a check out counter in a shop, or any other location where a sales transaction takes place. It is a computerised cash register which adds up the sales totals, calculates the balance to be returned to buyer and automatically adjusts the inventory level to reflect the quantity sold. The equipment required

for POS to work effectively are cash registers, card readers, barcode scanners and so on.

DISPLAY ACCOUNT BOOKS AND STATEMENTS

Books of account

Books of account record the transaction details as entered. Although items are posted too many different ledgers, Tally brings all the transactions of a particular category together into a book of account for viewing and printing.

For example, Cash Book records all the transactions affecting cash and the Sales Book records all sales transactions.

Statement of Accounts

These pertain to cost centres and outstanding analysis. The Statements of Account are derived from individual transactions but are not statutory requirements.

Financial Statements

Financial Statements though derived from individual transaction tend to show summary totals, ratios and statistics, analyzing a company's financial data in a wide variety of ways. Financial statements include Balance Sheet, Profit & Loss A/c, and Cash Flow Analysis and form part of the statutory requirements in most countries.

1. All books are displayed as a monthly summary with opening and closing balances.

1. Select a month and press Enter to display all transactions for the month. The opening and closing balances as well as the total of all transactions are displayed.
1. Select a transaction to bring up the voucher. The voucher displays either in alteration mode or simply displays depending on your access rights.

Let us see some typical examples of how to display the books of account and financial statements. You will then be able to experiment with other statements for yourself

VIEWING CASH/BANK BOOKS

To view the Cash/Bank Summary

1. Go to Gateway of Tally > Display > Account Books > Cash/Bank Book (s)
1. If you have more than one bank account, select one bank account. Press Enter to display the Ledger Monthly Summary.

1.   Select F12: Configuration and activate the option Show with Graph to Yes.

1. Highlight a month, press Enter and the Ledger Vouchers screen displays.

1. All the vouchers for the selected month are listed. Press Esc to return to the Ledger Monthly Summary screen.
1. Select F12: Value to bring up the Value to Calculate in Report screen.

   a)   Select Voucher Type from the Particulars menu.

   b)   In the Particulars menu, select Narration.

   c)   In the Range of Info. Menu select equal to.

   d)   Type Contra in the next field and press Enter.

   e)   In the Condition menu select End of List and press Enter twice.
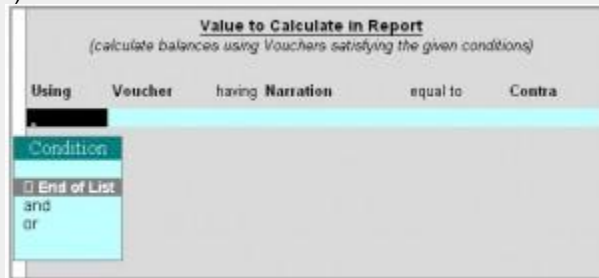
1. In the display of the Ledger Monthly Summary the figure are now reduced as they show only Contra vouchers. To check this, position th highlight bar over the July figures and press Enter to display the details.
1. Press Esc until you return to the Gateway of Tally menu.

DISPLAY BALANCE SHEET

The Balance Sheet is a report on the status of the financial affairs of a company at a given date. To view Balance Sheet:

Go to Gateway of Tally > Balance Sheet

Press F12: Configuration and set the required parameters to display the Balance Sheet accounting to yore preferences.

Note: Balance Sheet gets updated instantly with every transaction voucher that is entered and saved.

HORIZONTAL FORM OF BALANCE SHEET

The Balance Sheet screen is displayed in the Horizontal form. See it in a Vertical form by activating Show Vertical

Balance Sheet to Yes in F12: Configuration

Extract information form the Balance sheet using options available in the Button Bar.

1. Select F1: – Detailed/Condensed to explode the summarized information.
1. Change the date of the Balance Sheet using F2: Period.
1. Add up new columns and
1. Display a Balance Sheet for a different date to compare with current one
1. Display the Balance Sheet in a different currency
1. Display Budget figures and analyse the variances or

1. See the effect of different Stock Valuations on the Balance Sheet

INTERGRATE ACCOUNTS WITH INVENTORY

Effect on Balance Sheet and Profit & Loss Account

Integrate Accounts with Inventory in F11: Features has a significant effect on the Balance Sheet and Profit & Loss Account.

- If Accounts with Inventory is set to Yes in F11: Features, it has stock/inventory balance figures are updated from the inventory records, which in turn enables you to drill down to the Stock Registers from the Balance Sheet.

- If the option Accounts with Inventory is set to No in F11: Features, the inventory books figures are ignored and closing stock balances are entered manually.

Note: Stock records often contain compensating errors caused by wrong allocation to items. This feature of Tally enables the finalization of financial books without waiting for reconciliation of stock that might take time.

DISPLAY PROFIT & LOSS ACCOUNT

The Profit and Loss Account shows the operational results over a given period. It lists out the Incomes and Expenditures based on the Primary Groups of Tally and the Profit & Loss Account in Tally is updated instantly with every transaction voucher that is entered and saved.

To view the Profit & Loss Account

Go to Gateway of Tally > Profit & Loss Account

Note: The Profit & Loss Account is displayed according to the configuration set up for it in F12: Configure.

HORIZONTAL FORM OF PROFIT & LOSS ACCOUNT

The sample screen shown is in horizontal form which is the default display. You can also set it up to display in vertical form.

Using options in the Button Bar

1. Select F1: Detailed/Condensed to display more information or condense.
1. Change the date of the Profit & Loss Account using F2: Period.
1. Add new columns to
1. Display a Profit & Loss Account for a diffe3rnet period to compare with the current one
1. display the Profit & Loss Account in a different currency
1. Display a column with Budget figures and analyse variances
1. See the effect of different Stock Valuations on the Profit/Loss account.

1. Select and compare Profit & Loss of different companies.

INCOME/EXEPENSE STMT INSTEAD OF P&L?

Account statements for Non-Trading Organizations

For Non-Trading accounts (e.g. Accounts of Charitable Organizations), the Trading and Profit & Loss Statement are inappropriate.

In such cases, you may use Income & Expenditure Account by setting Income/Expense Stmt instead of P&L to Yes in F11: Features.

The Income & Expenditure Statement displays as shown.

DISPLAY TRIAL BALANCE

 Trial Balance is a report of all account balance for the company sorted by groups, i.e., it is displayed in a grouped form, comprising main groups and their closing balances. You can see that the debit and credit balance match.

In Tally, the matching of the Trial Balance is a foregone conclusion since all voucher entries are in Debit – Credit format and must balance at the entry point

To view the Trial Balance

Go to Gateway of Tally > Display > Trial Balance

Note: As per accounting principles, the Trial Balance does not list Closing

Stock.

- Select F1: Detailed to break down the grouped information or simply drill down a Group of further detail.

The screen appears as shown

- Select F5: Led-wise to list all ledgers and their closing balances.

The screen appears as shown

- Select New Column to bring up the closing balances for another date

The screen appears as shown

DAY BOOK

To view Day Book

Go to Gateway of Tally > Display> Daybook

The Day Book lists all transactions made over a particular day and by default displays the last voucher entry date of a regular voucher. It could also be set up to list all the transactions made over a period.

Press F2: Period on the button bar or press the keys Alt+F2.

All the transactions include all financial vouchers, reversing and memorandum journals as well as inventory vouchers.

Consider an example:

Day Book for current date

Day Book for a period

You can also filter the list so as to display the transactions of a particular voucher type using F4: Chg Vch button from the button bar.

The screen appears as shown:

Stock Categories

Stock Category **offers a parallel classification of stock items. Like stock Groups, classification is done based on similarity in behaviour.**

For example,

Stock Item	Sub Group	Main Group	Sub-Category	Main Category
Brand A - 19" 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

The advantage of Categorizing items is that you can classify the stock items (based on functionality) together – across different stock groups which enables you to obtain reports on alternatives or substitutes for a stock item.

For enabling **Stock Category** option in the **Inventory Info** menu, press **F11** > **Inventory Features** > Set **Yes** for **Maintain stock categories** .

On this page

Create a single Stock Categories

Create Multiple Stock Categories

Display a single Stock Category

Display multi Stock Category

Alter a single Stock Category

Alter Multiple Stock Categories

Create a single Stock Categories

This option allows parallel classification of stock items. Like Stock Groups, Stock Categories are also classified based on some similar behaviour. This enables you to obtain reports for alternatives or substitutes of a stock item.

1. Go to **Gateway of Tally > Inventory Info. > Stock Categories > Create** (under Single Stock Category). The **Stock Category Creation** screen is displayed as shown below:

2. Enter the **Name** of the Stock Category.

3. Specify whether it is a primary category or a sub-category of another category in the
   field **Under.** Select **Primary** from the list, if you do not have a parent group. Use **Alt +C** to create a
   parent if you do not have the required category in the list.

4. Press Enter to save.

Button options for single stock category creation screen

Buttons	Short Cut Keys	Description and Use
G: Groups	Ctrl+G	Allows you to Create a Stock Group.
I: Items	Ctrl+I	Allows you to Create a Stock Item.
U: Units	Ctrl+U	Allows you to Create a Unit of Measure.
O: Godown	Ctrl+O	Allows you to Create a Godown
V: Vch Types	Ctrl+V	Allows you to Create a Voucher Types

Note: Few buttons appear only if you enabled the feature in **F11: Features** .

Create Multiple Stock Categories

Tally.ERP 9 allows you to create Stock Categories using single or multiple options.

1. Go to **Gateway of Tally** > **Inventory Info.** > **Stock Categories** > **Create (under Multiple Stock
   Category).** The **Multiple Stock Category Creation** screen is displayed as shown below:

2. The field **Under Category** will display the **List of Categories** . You can select a category for which a
   multiple sub-category can be created.

3. If you select **All Items** in **List of categories** , selection of parent category **Under** column is possible during creation of sub-category.

4. If you select specific category in **List of Categories** , that category will get populated automatically whenever creation of sub-category and cursor skips **Under** column.

5. Specify the name of the **Stock Category** .

6. If you have select **All Items** in **Under Category** , you must specify a parent category in this column.

Button options for Multi Stock Category screen

Buttons	Short Cut Keys	Description and Use
F4: Parent	F4	Allows you to change the parent for all Categories.
G: Groups	Ctrl+G	Allows you to Create a Multi Stock Group.
I: Items	Ctrl+I	Allows you to Create a Multi Stock Item.
O: Godown	Ctrl+O	Allows you to Create a Multi Godown

Display a single Stock Category

You can display the existing Stock Category in Single mode and multiple mode, since it is only display

Tally.ERP 9 does not allow you to alter any information in display mode.

1. Go to Gateway of Tally > Inventory Info. > Stock Categories > Display (under Single Stock Category).

2. Select the Category for which you want to view the display details from the List of Categories . The Stock Category Display screen shows the details entered in Stock Category Master.

Stock Category Display

Name : **CRT**

Under : **Monitor**

## Button options in single stock Category Display mode

Buttons	Short Cut Keys	Description and Use
G: Group	Ctrl+G	Allows you to Display a Stock Group.

I: Item	Ctrl+I	Allows you to Display a Stock Item.
U: Units	Ctrl+U	Allows you to Display a Unit of Measure.
O: Godown	Ctrl+O	Allows you to Display a Godown.
V: Vch Types	Ctrl+V	Allows you to Display a Voucher Types

Note: Few buttons appear only if you enabled the feature in **F11: Features** .

Display Multiple Stock Categories

1. Go to **Gateway of Tally** > **Inventory Info.** > **Stock Categories** > **Display** (under **Multiple Stock Categories**).

2. Select the **Stock Category** from the **List of Categories** .
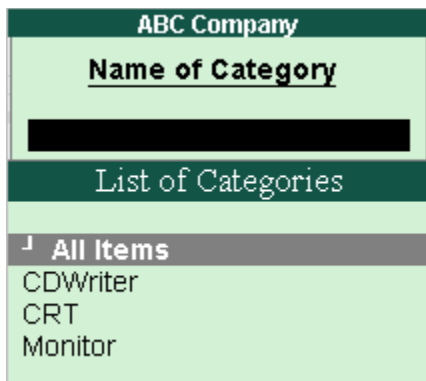
If you select **All Items** from the **List of Groups** , all the categories and sub categories are displayed.

If you select Monitor from the List of Categories , all the sub categories related to Monitor will be displayed.

Button options in multi stock group Display mode

Buttons	Short Cut Keys	Description and Use
F4: Parent	Ctrl+F4	Allows you to Display a Stock Group.
G: Groups	Ctrl+G	Allows you to Display a Stock Item.
I: Items	Ctrl+I	Allows you to Display a Unit of Measure.
O: Godown	Ctrl+O	Allows you to Display a Godown.

Preparation of Final Accounts

The **preparation** of a **final accounting** is the last stage of the **accounting** cycle. It determines the financial position of the business. Under this, it is compulsory to make a trading **account**, the profit and loss **account**, and balance sheet.

Usually, a final account includes the following components −

- Trading Account
- Manufacturing Account
- Profit and Loss Account
- Balance Sheet

a. Trading accounts

represents the Gross Profit/Gross Loss of the concern out of sale and purchase for the particular accounting period.

b. Manufacturing Account

Manufacturing account prepared in a case where goods are manufactured by the firm itself. Manufacturing accounts represent cost of production. Cost of

production then transferred to Trading account where other traded goods also treated in a same manner as Trading account.

c. Profit and Loss Account

Profit & Loss account represents the Gross profit as transferred from Trading Account on the credit side of it along with any other income received by the firm like interest, Commission, etc.

Debit side of profit and loss account is a summary of all the indirect expenses as incurred by the firm during that particular accounting year. For example, Administrative Expenses, Personal Expenses, Financial Expenses, Selling, and Distribution Expenses, Depreciation, Bad Debts, Interest, Discount, etc. Balancing figure of profit and loss accounts represents the true and net profit as earned at the end of the accounting period and transferred to the Balance Sheet.

d. Balance Sheet

A balance sheet reflects the financial position of a business for the specific period of time. The balance sheet is prepared by tabulating the assets (fixed assets + current assets) and the liabilities (long term liability + current liability) on a specific date.

Preparation of Ratio

Ratio analysis is a quantitative method of gaining insight into a company's liquidity, operational efficiency, and profitability by comparing information contained in its financial statements.

Examples of Ratio Analysis Categories

Most investors are familiar with a few key ratios, particularly the ones that are relatively easy to calculate and interpret. Some of these ratios include the current ratio, return on equity (ROE), the debt-equity (D/E) ratio, the dividend

payout ratio, and the price/earnings (P/E) ratio. While there are numerous financial ratios, they can be categorized into six main groups based on the type of analysis they provide.

1. Liquidity Ratios

Liquidity ratios measure a company's ability to pay off its short-term debts as they come due using the company's current or quick assets. Liquidity ratios include the current ratio, quick ratio, and working capital ratio.

2. Solvency Ratios

Also called financial leverage ratios, solvency ratios compare a company's debt levels with its assets, equity, and earnings to evaluate whether a company can stay afloat in the long-term by paying its long-term debt and interest on the debt. Examples of solvency ratios include debt-equity ratio, debt-assets ratio, and interest coverage ratio.

3. Profitability Ratios

These ratios show how well a company can generate profits from its operations. Profit margin, return on assets, return on equity, return on capital employed, and gross margin ratio are all examples of profitability ratios.

4. Efficiency Ratios

Also called activity ratios, efficiency ratios evaluate how well a company uses its assets and liabilities to generate sales and maximize profits. Key efficiency ratios are the asset turnover ratio, inventory turnover, and days' sales in inventory.

5. Coverage Ratios

These ratios measure a company's ability to make the interest payments and other obligations associated with its debts. The times interest earned ratio and the debt-service coverage ratio are both examples of coverage ratios.

6. Market Prospect Ratios

These are the most commonly used ratios in fundamental analysis and include dividend yield, P/E ratio, earnings per share, and dividend payout ratio. Investors use these ratios to determine what they may receive in earnings from their investments and to predict what the trend of a stock will be in the future.

GST application

Enabling GST features in Tally

1. Go to Gateway of Tally > F11: Features > F3: Statutory & Taxation
2. In the screen you will find following options :
3. Enable goods and service tax (GST): Yes
   1. Set/alter GST Details: Yes.

- This will display another screen where you can set GST details of the company such as the state in which company is registered, registration type, GSTIN number etc.
- Press Y or Enter to accept and save.

How to Activate GST in Tally | Enable GST in Tally.ERP 9

How to activate GST in Tally ERP 9

To use GST (Goods and Services Tax) features in Tally, it is mandatory to enable or activate GST in Tally. After activation of GST feature in Tally.ERP 9, all the GST related features are available for all general ledgers, stock items and transactions in Tally.

Refer below step by step procedure to activate GST in Tally.

Step 1: From Gateway of Tally, click on **F11: Features** or press function key **F11**.
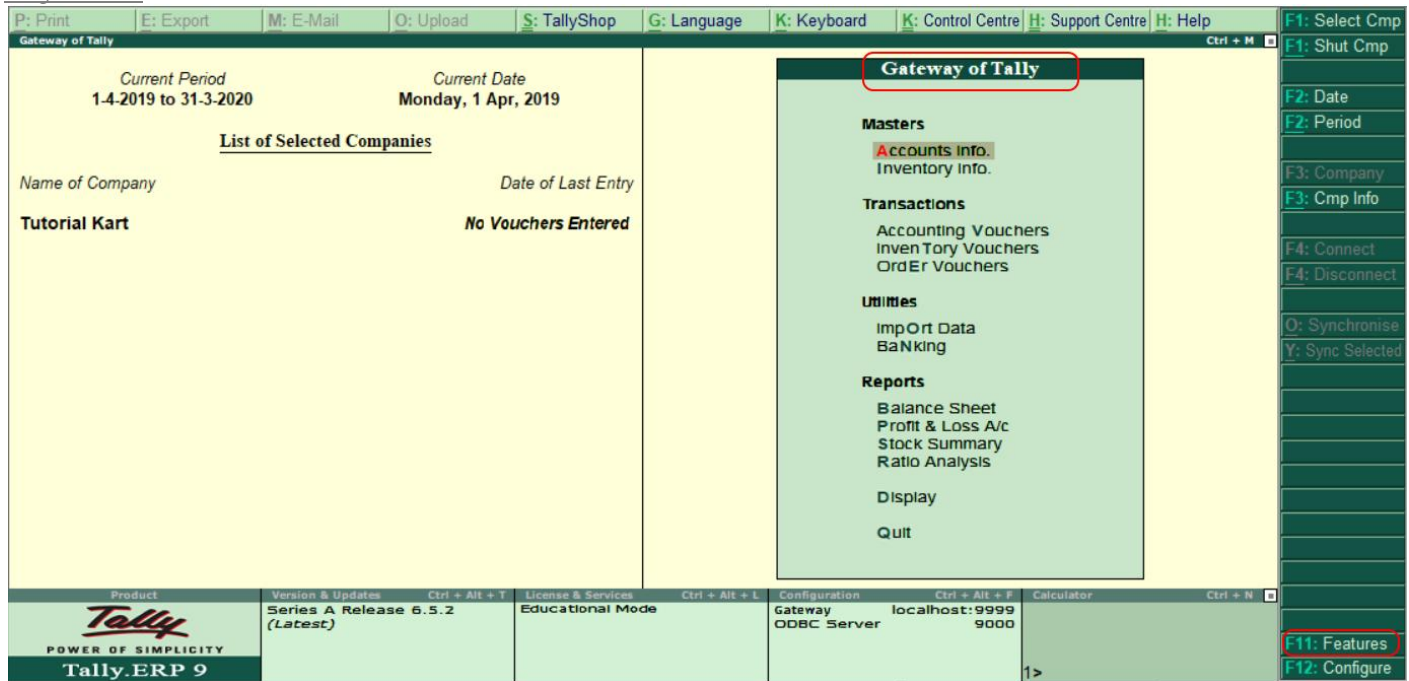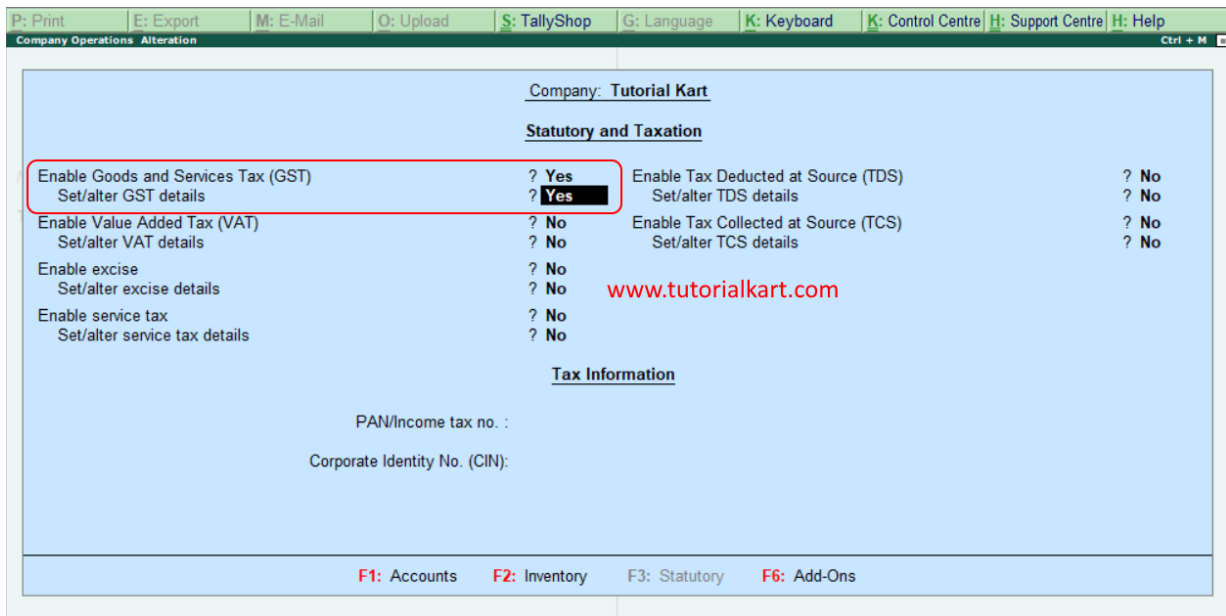

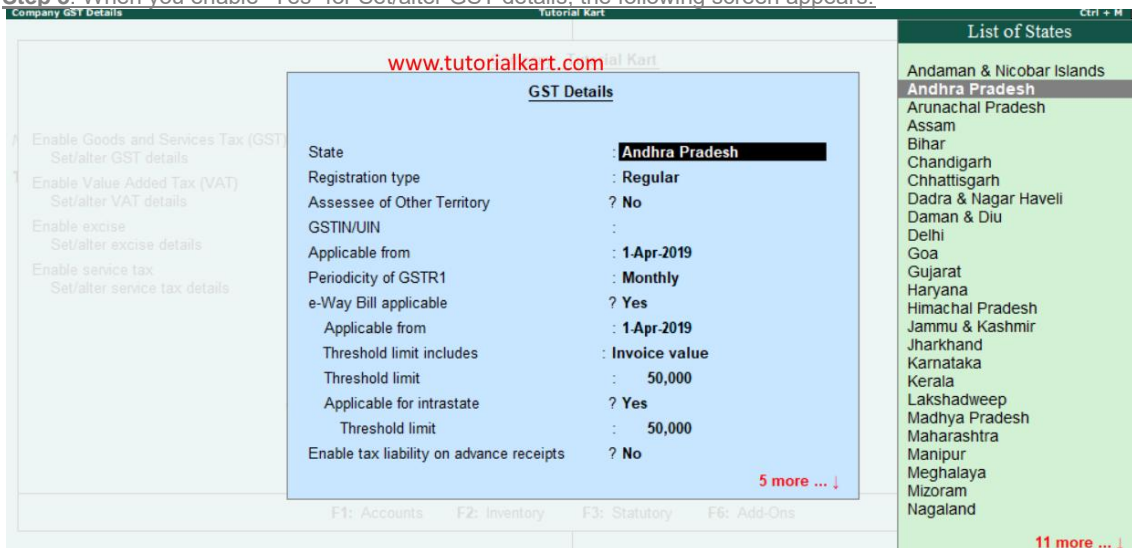Step 2: Under company features options, choose **Statutory & Taxation** or press function key **F3**.
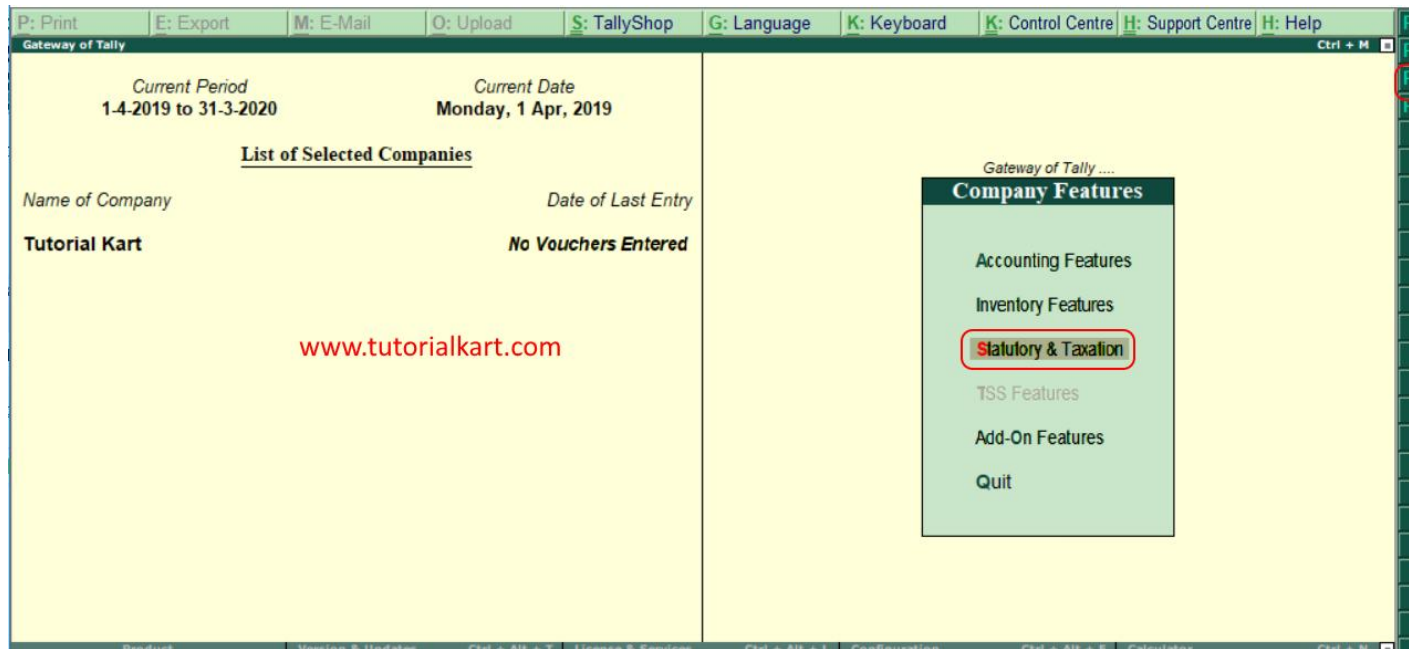
Step 3: In next screen company operation alteration, enter the following details.
  ▪ Enable Goods and Services Tax (GST: Yes
  ▪ Set/alter GST details: Yes

Step 3: When you enable "Yes" for Set/alter GST details, the following screen appears.

Step 4: Now you need to update all the required details of GST.
- **State**: It automatically displays state name based on the state you have updated in company.
- **Registration Type**: Choose GST registration type as "Composition" or "Regular.
- **GSTIN/UIN**: Update the Goods and Services Tax India (GSTIN) number, this GSTIN can be printed on invoices.
- **Applicable from**: Enter the date that GST will be applicable from for transactions.
- **Periodicity of GST**: Enter the periodicity of GST as Monthly or Quarterly as per requirements of company.
- **e-Way bill applicable**: Choose this option as "Yes"
  - Applicable from: Enter the date that e-way bill to be applicable from

- Threshold limit includes: It can be based on invoice value / taxable and exempt goods value / taxable goods value
- Threshold limit: Enter the amount value of threshold limit allowed
- Applicable for intrastate: Choose option as "Yes", if it is applicable to your state
- Threshold limit: Enter threshold limit for intraste
- **Enable tax liability on advance receipts**: Choose "Yes" to activate tax liability on advance receipts
- **Set/alter GST rate details**: Choose Yes to set or alter GST rate details at company level.
- **Enable GST classifications**: Choose Yes to activate GST classifications.

After entering all the required details for activation of GST in Tally, choose "Yes" to accept the data and save the details in Tally.

Configuring For Printing

The printing configuration available in Tally.ERP 9 helps you customise your reports. You can enable or disable options in the **General Printing Configuration** screen, as required. The configurations set here are applicable to all reports and vouchers in Tally.ERP 9.

To view the general printing configuration screen

1. Go to **Gateway of Tally** > click **F12: Configure** > **Printing** > **General** . The **General Printing Configuration** screen appears as shown below:

2. Enable the option **Print date and time of report?** to print the date and time in the reports.

3. Enable the option **Print date and time of voucher printing?** to print the date and time in the vouchers.

4. Enable the option **Print country, state and Pincode with address?** , if required.

5. Disable the option **Stop printing vertical lines and borders?** to print vertical lines and borders in the reports and vouchers.

6. Enter the required margin space in the print report in the field **Page margin on top (in inches)** .

7. Enable the option **Print using Greyscale on Black & White printers?** , if required.

8. Enable the option **Split long names into multiple lines?** for better readability.

9. Enable the option **Split long amounts/numbers into multiple lines?** for better readability.

10. Enable the option **Print party name and address from left margin in invoice?** , if required.

11. Press **Ctrl+A** to save the configuration.

Maintenance tells about Back up – Restoring

Introduction

Data on the computer is vulnerable to different types of threats and any data lost will be disastrous for the organisation. Hence, there is a need to store data at a different location by taking a backup.

Backup

Tally.ERP 9 helps users to take back up of one or more companies in a single directory. Let us understand the backup feature of Tally.ERP 9 using the example of Vridhi Traders.

To take a single or multiple company data backup,

1. **Go to** Gateway of Tally > Company Info. > Backup

2. Enter **Source and Destination** of the **backup**

3. Press **Enter** and the **List of Companies** available for **backup will appear.** Select the required companies for which data backup needs to be created

4. **Once** the **required companies** are **selected**, select **End of List** and **accept** the **screen.** The backup file is

5. **TBK900.001** is **stored in the D drive**. The same file can be restored as and when required.

Note

Select All items from the list of companies, if you want to take a backup of all the companies at one shot

Restoring Data from a Backup File

The Restore functionality allows you to restore the data backup taken earlier. Remember the following points before restoring data backup.

1. Do not restore old or irrelevant data.

2. Do not restore data from a damaged media.

3. Do not restore data in the same folder as the existing data, since it may overwrite the existing data.

1. **For restoring data from a backup file, follow the steps given below:**

created with the name TBK900.001, as shown in the following Figure 1.18

1. Go to Gateway of Tally > Company Info. > Restore, you will get the following

2. **Destination field:** Enter the folder path where data backup needs to be restored.

3. **Source field:** Enter the folder path where data backup file or auto backup files for multiple companies are stored. The path specified can be on the same storage device/external storage device or a storage device on the network.

4. **Select** the **required companies** from the **list of companies** and **then restore**

5. Select **End of List** to **complete** the selection and accept the screen

Rewrite Corrupted Tally Data

Tally is the most widely used accounting software in India, and data corruption is a common problem mainly caused due to power failure, unexpected system shutdown, virus attacks, media corruption, OS corruption, or hard drive crashes. Since Accounting data is very important for its users, we provide the steps to recover such corrupted data. Usually when Tally data gets corrupted you are shown an error message similar to this:

"Exiting Tally,

File Damaged

File: 'C:/Tally/Data/0001/Tr08236.500'

Size;- 43126

Possition; 42780

Char;-128 (Done 128)"

or

Existing Tally

Internal Error contact Tally Solutions

File '"iocl\tally 9.0 \data \10002\Tmessage . TSF

Size =0

Char 517 (done 0)

If you receive an error similar to above then there are very strong chances of recovering your data loosing only last few transaction entries. For recovery from such situations Tally provides an easy company rewriting option, which checks data files for valid entries and recreates the company profile with all the valid data it can recover. To use simply follow the instructions below, it is always better to make a backup of your Tally data folder before attempting any recovery process:

Step 1:

Start Tally and go to Company Selection Screen.

Step 2:

Now use Ctrl + Alt + R key combination to launch the Company Rewrite utility.

Step 3:

Select the corrupt company profile (usually the one you were working last) and press Enter to start the rewrite process.

Creating Users and Passwords

You can create users, assign security levels, restrict/allow remote access and local TDLs for the users created.

To create the user and assign a password execute the following steps:

1. Go to **Gateway of Tally > F3: Company Info > Security Control**

2. Select Users and Passwords

   The **List of Users for Company** screen appears as shown below:

3. Select the required **Security Level** from the **Security List** .

4. Enter the user's name in the **Username** field.

5. Enter the password in **Password (if any)** field.

6. By default **Allow Remote Access** and **Allow Local TDL** is set to **No** and skipped for users not classified under Tally.NET User and Tally.NET Auditor

List of Users for Company

Name: **National Traders Pvt. Ltd.**

Security Level	Username	Password (if any)	Allow Remote Access	Allow Local TDL Files	Allow SMS Access
Data Entry	**Ganesh**	******	Yes	No	No

Accept ?

Yes or No

7. Accept to create the user.

Bank Reconciliation

Bank Reconciliation Statement is an explanation of the difference between bank balance as per cash book and bank balance as per Passbook (Bank statement). Sometimes, the bank balance as per cash book and pass book do not tally with each other, then we can know the difference between them by preparing the bank reconciliation statement.

The process of checking the differences between a bank column of the cash book and the bank statement or passbook is called Bank reconciliation process in accounting terms. The person preparing BRS Statement has to check all the transaction recorded in the cash book with transactions recorded in passbook by the bank.

How to activate auto bank reconciliation in Tally.ERP 9?

Starting Point : Gateway of Tally

Destination   : Banking Configuration

Step 1	Open the bank ledger (in case the Bank ledger is not opened) by creating a bank ledger or use the option "alter the ledger" (if bank ledger is already created in Tally)
Step 2	Under banking configuration, set 'Yes' to use this feature of

	Auto bank reconciliation in Tally. ERP 9
Step 3	Select the relevant bank from the 'List of Banks'
Step 4	After selecting the bank from the list of banks, In the next dialogue box, Set ' Yes' to 'Activate Auto Reconciliation'
Step 5	Accept the change by selecting "Yes" in the next screen

Using auto bank reconciliation in Tally.ERP 9

After enabling the Auto Bank Reconciliation option, now one can go ahead and reconcile the bank statement with the company's books following these directions :

Step 1	Go to 'Gateway of Tally > Banking > Bank Reconciliation'
Step 2	Select the required bank which has to be reconciled from the 'List of Bank'
Step 3	On the 'Bank Reconciliation' screen, press 'B: Bank Statement' or 'Alt + B'
Step 4	Specify the 'Directory', where you have saved the downloaded bank statement
Step 5	In case you need to change the 'File Type', you can press 'Backspace' to select the appropriate 'File Type' for the bank statement to be imported
Step 6	Once you've selected the required 'File Type', select the required bank statement file from the 'List of Files', and reconciliation will happen automatically. Once the reconciliation happens, a 'Success!!' notification will be displayed with details like 'Total Entries in Bank Statement', number of entries reconciled and 'Additional Bank Entries'
Step 7	Now press any key and the Bank Reconciliation Statement with Imported bank statement details will appear. Now the screen will show the reconciled list of entries from the bank statement under 'Amounts not reflected in Company Books'
Step 8	Begin the reconciliation process for entries under Amounts not reflected in company books by verifying with the Bank Statements obtained from the bank or the Bank book maintained by you.