



YOUR LIFELONG KNOWLEDGE PARTNER

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Computer Accounting

Role of Computer in Accounting

- Computer system has made the accounting easy due to its perfection and speed,
- It assures the simplicity with the auto correction system.



Components of Accounting Software (What it does exactly?)

1. Creating the accounting documents,

The computer software have the auto created documents like cash voucher, Invoices etc.

Components of Accounting Software (What it does exactly?)

2. Records the transactions:

The system helps to record the transactions in a perfect way. A specific Unicode is assigned to each account. The grouping and effects are automatically done.

Components of Accounting Software (What it does exactly?)

3. Preparation of Trail Balance and final account

The computer system automatically create the trial balance and the final account. There is no need to take the different steps differently.

Components of Accounting Software (What it does exactly?)

4.Creation of reports:

The system automatically creates the reports like ratio analysis etc which helps the management to take the appropriate decision for the future.

Advantages/ Features of Computerized Accounting.

Advantages/ Features of Computerised Accounting

1. Numerous Transactions:

With the infinite capacity, the system can record numerous transactions without disturbance.

Advantages/ Features of Computerised Accounting

2. High Efficiency :

The efficiency and the speed of the system is very high. It can record and process the multiple transactions at a time.

Advantages/ Features of Computerised Accounting

3. Instant reporting:

The analysis reports are created immediately & thus are available at every point of time.

Advantages/ Features of Computerised Accounting

4. Reduced Paper Work:

There no need to maintain different physical documents like journal book, ledger book etc as everything is created by the system so it saves lot of paper work.

Advantages/ Features of Computerised Accounting

5. Easy to correct the errors:

Basically many of the errors are immediately displayed and if there is any hidden error, it can be found easily with the given tools.

Advantages/ Features of Computerised Accounting

6. Up to date information:

The information is real time. It means the transactions can be recorded n the go and the updated information is available at every minute.

Advantages/ Features of Computerised Accounting

7. Information availability:

The data can be accessed from any corner of the world at the click.

Advantages/ Features of Computerised Accounting

8. Cost Saving:

The hard ware and the softwares are comparatively cost effective. Also it's a one time cost thus much lesser than the manual accounting.



Advantages/ Features of Computerised Accounting

9. Data Security & Audit:

The data in the system is secured and accessible to selected persons only. Also the audit becomes easy with the help of computerised system.

Advantages/ Features of Computerised Accounting

10. Easy to calculate taxes etc.

The system automatically records the taxes like GST once the setting is done in it. Many times the tax adjustments are already done in the system and are updated as and when needed,

Advantages/ Features of Computerised Accounting

11. Back up:

The system also gives the facility of the auto back of the data so that in case of emergency it can restored easily.

Advantages/ Features of Computerised Accounting

12. Reliable Data:

The data available from the system is reliable and accurate.

Advantages/ Features of Computerised Accounting

13. Consistency

The system can record all the transactions with consistency and can maintain the record of many years in the same software.

Advantages/ Features of Computerised Accounting

14. Comparisons:

The data of different years can be compared by the system to make the perfect and in depth analysis.

Advantages/ Features of Computerised Accounting

15. Detail information of each account:

The system can provide the detail information of each account.

- Distinguish between Manual Accounting and computerised accounting

1. Time

Manual

Takes
more time

Computerised

Faster



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2. Quality

Manual

Depends on
human skills

Computerised

Accurate
data

3. Approach

Manual

Monotonous
and given
fatigue

Computerised

No chance of
human
limitations

4. Accuracy

Manual

Little
doubtful

Computerised

Perfect

5. Automation

Manual

Not Possible

Computerised

Easily
possible



6. Decision making

Manual

Needs extra efforts

Computerised

Reports automatically generated

**7.
Management
need**

Manual

Not directly
catered

Computerised

Directly taken
care of

8. Modifications & Updates

Manual

Not so
easy

Computerised

Easily
possible

9. Information Availability

Manual

Not at
every time

Computerised

At every
minute

10. Tools

Manual

Not
available

Computerised

Are In
built

11. Control

Manual

Not so
easy

Computerised

Easily available
through audit



Different Computerised Accounting Packages

There are 2 types of softwares:

1. System Software:

These are just commands which are used to control the operations

2. Application Softwares:

Specially designed softwares like ERP, Tally etc.

Different Computerised Accounting Packages

Generally used and popular softwares:

1. Electronic Spread sheets:

The work sheets having rows and columns and giving the facility to insert formula E.g. Excel sheets

Different Computerised Accounting Packages

Generally used and popular softwares:

2. Data Base:

The software which helps to maintain the stock records, attendance records , sales data, creating bills etc.

Different Computerised Accounting Packages

Generally used and popular softwares:

3.Tally:

The financial accounting software which include the total accounting system like journal, ledger, trail balance, final account, ratio analysis etc.

Features of Tally system



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Features of Tally System:

1. Accounting is done without codes:

Direct recording of transactions is possible,

2. Reports:

It creates the reports automatically which are helpful to the management

3. Complete Package:

Its complete package of journal. Ledger, trial balance, final account etc.

Features of Tally System:

4. Tax/ Interest calculations:

The tax/ interest calculations can be done automatically along with the journal entries.

5. Cost/ Profit Centers:

The cost and the profit of each branch, department can be calculated separately.

6. Multiple Companies and periods:

The accounting of different companies can be done for different periods.



Features of Tally System:

7. Currency :

The recording can be done in any currency

8. Budgeting:

The budgets like sales budget, cash budget can be prepared with it.

9. Secured:

The data can be kept secured with the system

Features of Tally System:

10. Printing etc:

The data can get printed in the needed format in a shorter time span.

11. Import/ Export of data:

Its very easy to import the data from and export it to the other system.

12. Legal features:

The package is designed as per the statutory needs and is updated time to time.



Features of Tally System:

13. Inventory Management:

The system helps to maintain the inventory accurately.

14. Synchronization of the data:

The data of different branches etc. can be easily merged.



Thanks a lot!

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