Applications of Computer Technology in Financial Accounting An Analysis of the Tally Accounting Software

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Abstract

Tally is an enterprise resource planning accounting software application that is used by businesses to capture day-to-day business data. The most recent version of Tally is known as Tally ERP 9. The Tally ERP 9 Software is a well-respected financial accounting system as well as an inventory management system using a personal computer. Tally.ERP 9 is one of the greatest accounting softwares available, and it can be combined with a variety of other business programmes, including Sales, Finance, Purchasing, Payroll, and Inventory, amongst others. The tally programme records and saves in detail all of the business transactions that occur under each account. Due to the fact that it uses a double-entry accounting system, Tally ERP 9 is able to detect, prevent, and correct any mistakes that may occur.

Key words: accounting, Tally ERP 9, software etc.

Introduction

The robust accounting software known as Tally is powered by a technology known as the concurrent multi-lingual accelerated technology engine. This programme is meant to make the complicated day-to-day processes that are connected with a company easier to do, and it is very simple to use. Tally offers complete solutions revolving around accounting concepts, inventories, and the reliability of data. Tally also offers a capability that encompasses company on a worldwide scale. The tally programme comes with an intuitive user interface, which contributes to the product's overall ease of use. The inventory management, stock management, invoicing, purchase order management, discounting, and stock valuation technique are just few of the problems that may be solved with the help of the Tally accounting software. In addition, the Tally accounting software has drill down tools, which let the user to monitor each and every aspect of a transaction. It assists in the maintenance of a basic account categorization, general ledger, accounts receivable and payable, and other related tasks, such as bank reconciliation. Tally uses technology that ensures the reliability and safety of the data it collects. All of the

most common kinds of file transfer protocols are supported by the Tally software. This facilitates the linking of files across a number of different office locations. The accounting software known as Tally is able to do both financial analysis and financial management functions. It offers details on the turnover of receivables, cash flow statements, activity consolidation, and even branch accounting. Accounting software that can be easily set up and is easy to use is called Tally. A single connection may accommodate numerous users. It is simple to use in combination with the internet, which makes it easy to publish financial reports for the whole world. The accounting software from Tally is compatible with a wide range of Microsoft programmes and may connect to them without any problems.

Applications of Tally

The software systems offered by Tally are adaptable to any form of organisation, regardless of size. Their user-friendliness is difficult to match. You just need a few clicks to easily monitor both your income and your expenditures. The following are examples of common usage for Tally ERP 9:

- Sales, inventory and purchase management
- Integrated payroll management
- Access and security control
- Statutory compliance
- GST invoicing
- Budgets and scenario management
- Payroll accounting
- Business forecasting
- Variance reporting
- Auto bank reconciliation
- Data backups and data synchronization

With the help of Tally ERP 9, owners of businesses and accountants are able to effortlessly calculate direct and indirect taxes, keep an eye on cash flow, and manage payroll compliance checks. In addition to these capabilities, they are able to evaluate financial data, produce ledger accounts and voucher entries, and do business in numerous currencies. Project management,

email connectivity, point-of-sale (POS) invoicing, and trade excise registers are a few of the other common uses for Tally.

Benefits of Tally Accounting Software

Every proprietor of a commercial enterprise is aware of the need of keeping accurate financial records. By following these procedures, the finances of the organisation will, at all times and at every given moment in time, be in order and accurate. The company should be constantly informed of its various financial conditions.

In the past, the majority of firms still relied on manual practises when it came to keeping their books of account. The introduction of current information technology, on the other hand, has made it possible for accounting software to carry out this responsibility. Tally is an example of one of these all-powerful accounting programmes.

The accounting software offered by Tally gives a solution to any and all challenges that are experienced by genuine organisations. All of the duties necessary for managing an organisation may be handled by a single piece of software. Tally makes it easier to do a variety of accounting tasks, including managing accounts receivable and payable, maintaining records, and reconciling bank accounts.

The Tally accounting software also makes it easier to handle financial matters. The programme facilitates the administration of money across a number of different locations and can deal with a number of different currency transactions, as well as monitor cash flow and interest payment. As a result, the Tally software is adaptable, dependable, secure, user-friendly, and reasonably priced.

Features of Tally

- Since Tally ERP 9 is capable of supporting many languages, the software is sometimes referred to as multi-lingual tally. One language may be used for the management of user accounts, while another may be used for viewing reports.

- You are permitted to establish and manage accounts for a maximum of 99,999 businesses.

- You are able to automate the administration of employee records by using the payroll function.

- Tally features a function called synchronisation, which allows the transactions to be automatically updated even when they are being kept in several places.

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- Produce consolidated financial statements in accordance with the specifications provided by the firm.
- Tally has several extremely significant functions, including the ability to manage single and numerous groups.

Versions of Tally

- As a result of its compatibility for several languages, Tally ERP 9 is sometimes referred to as multi-lingual tally software. Maintaining accounts may be done in one language, while seeing reports can be done in another language.
- You have the ability to establish and manage accounts for up to 99,999 different businesses.
- Through the use of the payroll tool, you are able to automate the maintenance of employee records.
- Because Tally offers a synchronisation capability, the transactions that are being kept track of in many locations and offices may be automatically updated.
- It is necessary to produce consolidated financial statements in accordance with the standards of the firm.
- The ability to manage single groups in addition to managing many groups simultaneously is a very essential feature of tally.

Disadvantages and Limitations

Tally, like anything else, has its limits; the specific restrictions vary on the version you're using. For example, the free edition of Tally ERP 9 does not have all of the same functionality as the paid version of the software. It does not have the capability to automatically reconcile bank accounts, print statements for multiple accounts, synchronise data, or access data remotely.

According to users, Tally makes it difficult to do some activities, such as restoring lost data and making changes to the journal voucher. In addition, there are not many opportunities for modification. In addition, the programme does not let you to operate on numerous ledgers at the same time or view the same transaction screen from various computers at the same time.

It is up to you to choose whether or not Tally is appropriate for the operations of your company. This application provides all that you want and much more, making it an excellent choice for anybody running a non-profit or a small business. However, because to its lack of security

measures and the inability to be customised as needed for the management of complex activities, it is not likely to be the best choice for big companies or international corporations.

Review of literature

(Document, Rules, and Accounts n.d.) studied "Computerized Accounting System" discovered this and Computerized accounting, or simply computer accounting, refers to the process of doing accounting tasks with the assistance of a computer. When trying to maintain tabs on the monetary dealings of a company or customer, it is generally done via the use of specialised accounting software and electronic spreadsheets. The utilisation of today's technology advancements in accounting software is a productive use of such advancements. Not only has it rendered obsolete the conventional, paper-based ways of accounting, but it has also given rise to brand new kinds of accounting apps that may be used in companies. Today, businesses develop comprehensive information and accounting systems that integrate all aspects of their operations, including those of their external suppliers and vendors that are a part of the value chain. The use of manual accounting methods has been largely phased out and replaced by the use of computerised accounting systems (or software) in virtually all businesses and organisations. This has enabled accountants, managers, employees, and stakeholders to gain access to vital accounting information at the click of a button. The accounting process may be automated with the use of computerised accounting systems, which results in increased productivity and decreased expenses. Accounting done on a computer offers a number of benefits over the more conventional method of manual accounting. When compared to its manual equivalent, computerised accounting is often more precise, allows for greater speed and efficiency in its usage, and is less prone to errors.

(Balance n.d.) studied "computer and computerised accounting system" located that, and Accounting that is carried out with the assistance of a computer is what is referred to as computerised accounting. To maintain an accurate record of the monetary dealings of a company or a customer, this method often makes use of specialised accounting software and electronic spreadsheets. The use of computerised accounting is a productive application of the technology improvements that are already available. Not only has technology made the conventional techniques of accounting with paper obsolete, but it has also given rise to new kinds of accounting apps that may be used in businesses. Companies increasingly construct comprehensive accounting information systems that incorporate all aspects of their company,

including the participation of external suppliers and merchants in the supply chain. In almost all companies and organisations, manual accounting has been phased out in favour of computerised accounting systems (or software), which gives accountants, managers, workers, and other stakeholders access to crucial accounting information at the click of a button. Automating the accounting process via the use of computerised technologies not only increases productivity but also reduces associated expenses. Traditional accounting done by hand has a lot of disadvantages compared to computerised accounting. Accounting done on a computer has the potential to be more accurate, is more efficient to operate, and is less prone to errors than accounting done manually.

(Notes n.d.) studied "financial accounting" discovered this, and moreover Accounting that is carried out with the assistance of a computer is referred to as "computerised accounting," and it is exactly what it sounds like. When keeping tabs on the monetary dealings of a company or a customer, it is customarily done via the utilisation of specialised accounting software and electronic spreadsheets. The use of computerised accounting is a productive application of the technology advancements that are now available. Not only has it rendered obsolete the conventional, paper-based approaches to accounting, but it has also given rise to brand new kinds of accounting apps that may be used in companies. Today, businesses develop comprehensive information and accounting systems that integrate all aspects of their operations, including those of their external suppliers and vendors that are involved in the value chain. The use of manual accounting methods has been largely phased out and replaced by the use of computerised accounting systems (or software) in virtually all businesses and organisations. This has enabled accountants, managers, employees, and stakeholders to gain access to crucial accounting information with the simple press of a button. The accounting process may be automated with the use of a computerised accounting system, which results in increased productivity and a reduction in expenses. The use of computerised accounting offers a number of benefits in comparison to the more conventional method of manual accounting. Accounting that is done on a computer has the potential to be more accurate, can be used more quickly, and is less prone to errors than the accounting that is done manually.

(Yan and Dong 2006) studied "overview of computerised accounting system" discovered this and In today's contemporary businesses, the processing of financial transactions takes place on computers. When a company makes use of computers and other forms of information

technology (IT), it is able to have access to information that assists in decision-making in a manner that is rapid, accurate, and timely. This strengthens the company's position in the market and increases its profitability. The user issues commands to the computer hardware through software, and the hardware then processes the data. The computer system works with the data. These are the five foundational components that support the Computerized Accounting System. This chapter examines the CAS idea as well as its components, as well as the benefits and drawbacks associated with using CAS. The following topic is a description of software packages available via CAS. In this chapter, we will also go over the notion of grouping accounts, as well as the several ways of codification that may be used for CAS.

Conclusion

located that, and In today's businesses, the processing of accounting transactions is done via the use of computers. Employing computers and other forms of information technology (IT) allows a company to have access to information in a rapid, accurate, and timely manner, all of which are factors that contribute to decision-making. This increases the company's profitability and strengthens its position as a market leader. The data is processed by the hardware based on commands given by the user via the software, and the computer systems operate with this data. The Computerized Accounting System is built around these five fundamental components. This chapter covers not only the basics of CAS, such as its idea and its components, but also its benefits and drawbacks. After that comes the description of the software packages available on CAS. In this chapter, we will also talk about the notion of grouping accounts, as well as the several ways of codification that may be utilised for CAS.

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