



KARPAGAM ACADEMY OF HIGHER EDUCATION
(Deemed to be University)

(Established Under Sec 3 of UGC Act 1956)

Pollachi Main Road, Eachanari Post,

Coimbatore – 641 021

FACULTY OF ARTS, SCIENCE AND HUMANITIES (FASH)

DEPARTMENT OF COMMERCE WITH COMPUTER APPLICATION

II-B.Com (CA)

IV SEMESTER

BATCH : 2017 – 2020

17CCU411

Cost Accounting Practical

3H – 1C

Instruction Hours / week: L: 0 T: 0 P: 3 Marks: Int : 40 Ext : 60 Total: 100

Scope

Computerized Accounting using Tally for the maintenance of materials, stock in the order particular day. Stock maintenance and stock issue procedure using computer is very helpful to students to enhance their knowledge on the part of accounting.

Learning Outcome

- ❖ To provide practical knowledge on accounting practices
- ❖ To know the accounting through Tally
- ❖ In Tally we can learn how to prepare and maintaining the company's stock List of Programs

The following are the list of practical

1. Prepare inventory statements using (calculate inventory using all methods)

FIFO

LIFO

Simple Average Method

Weighted Average Method

2. Prepare bank reconciliation statement

3. Prepare the following ratio analysis

Financial ratio

Operating ratio

Investment ratio

4. Prepare the following

Cash flow statement

Fund flow statement

5. Create stock and stock groups

6. Create stock group and stock items and enter the vouchers

7. Preparation of reports for the following

Profit & loss a/c

Balance sheet

Bank reconciliation Statement

Ledgers

Ratio analysis

8. Backup and restore the company information

Suggested Readings

Reference Books :

1. Shraddha Singh, Navneet Mehra (2010) —Tally ERP Power of Simplicity.
2. Nadhani. 2013. Tally9.2. New Delhi, PBP Publication.
3. Rita Bhargava. 2011. Tally 9.2. New Delhi. Cyber the Publication.

Ex. No: 1

Preparation of Inventory Statements using FIFO, LIFO, Simple Average and Weighted Average

Aim

To Prepare Inventory Statements using FIFO, LIFO, Simple Average and Weighted Average

Algorithm

Step1: Double click the Tally icon in desktop menu or in Startup menu

Step 2: Gate way of Tally menu Appears click Alt+ F3 a new window opens. Select create a new company option

Step 3: Company creation window appears. Enter all details like (Name, mailing name, Address, Pin code, financial year, books beginning from date, etc.) After entering all details click enter and accept the company creation option.

Step4: From Gateway of Tally click Inventory Info → Stock Groups→ Create. Create a new stock group and give items addable option as yes or no. Create Units of measure as Units or Kilograms. Create stock items and enter opening balance in quantity column and accept the stock items.

Step 5: Gateway of Tally →Inventory Vouchers and enter the stock details. After entering the stock purchase and issues accept the inventory vouchers. From gateway of tally click stock transfer option and give Alt+ C a new window displayed. To view the Inventory Statements Click FIFO, LIFO, Average cost, Standard Price.

Step 6: Inventory Statements Displayed

Step 7: End the Process

Output Ex. No.1 FIFO, LIFO, Simple Average, Weighted Average

Particulars	Mathan Kumar 1-Apr-2006 to 31-Mar-2007			Materials Mathan Kumar 1-Apr-2006 to 31-Mar-2007 FIFO			Materials Mathan Kumar 1-Apr-2006 to 31-Mar-2007 LIFO Annual			Materials Mathan Kumar 1-Apr-2006 to 31-Mar-2007 Avg. Cost			Materials Mathan Kumar 1-Apr-2006 to 31-Mar-2007 Std. Price		
	Closing Balance			Closing Balance			Closing Balance			Closing Balance			Closing Balance		
	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
Materials	75 Unit	12.53	940.00												
Material A				75 Unit	13.00	975.00	75 Unit	12.00	900.00	75 Unit	12.53	940.00	75 Unit		
Grand Total	75 Unit		940.00	75 Unit		975.00	75 Unit		900.00	75 Unit		940.00	75 Unit		

Result:

The above Program has been executed successfully.

Ex. No: 2

Prepare Bank Reconciliation Statement

Aim

To Prepare Bank Reconciliation Statement

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Accounts Info →Ledger → Single ledger→ Create ledger

Step 4: Create Single ledgers like (Sbi Bank, IOB Bank, Hdfc Bank etc.)

Step5: Go to Gateway of Tally→ Accounting Vouchers. Press F4 Contra Voucher displayed. Enter all vouchers related to bank(Withdrawal and deposits) and accept the vouchers.

Step 6: Go to gateway of tally → Display → Accounts Book → Bank Books → Press F5 Reconciliation statement displays. Change the transaction dates. Balance as per bank displays.

Step 7: End the Process

Output Ex. No.2 Bank Reconciliation Statement

Tally 9
 (c) Tally Solutions FZ-LLC, 1988-2006 TallyGold - Multi-User S: Set all Dates
 http://www.tallysolutions.com EDUCATIONAL
 P: Print E: Export M: E-Mail O: Upload L: Language K: Keyboard H: Help
Bank Reconciliation Mathan Kumar Ctrl + M X
 Ledger: Hdfc Bank 1-Mar-2007 to 31-Mar-2007
 (Reconciliation)

Date	Particulars	Vch Type	Bank Date	Debit	Credit
31-3-2007	Cash	Contra	31-3-2007	1,00,000.00	
31-3-2007	Cash	Contra	31-3-2007	10,00,000.00	
31-3-2007	Cash	Contra	31-3-2007	5,00,000.00	
31-3-2007	Cash	Contra	31-3-2007	2,00,000.00	
				Balance as per Company Books :	4,00,000.00
				Amounts not reflected in Bank :	
				Balance as per Bank :	4,00,000.00

Calculator ODBC Server Ctrl + N
 F11: Features
 F12: Configure
 Gateway of Tally --> Display Menu --> Account Books --> Cash/B...er Monthly Summary --> Ledger Vouchers --> Bank Reconciliation 9 - Release 1.11 (English) Thu, 6 Dec, 2018 14:25:31

Result:

The above Program has been executed successfully.

Ex. No: 3

Preparation of Financial ratio, Operating Ration and Investment Ratio

Aim

To prepare Financial ratio, Operating Ration and Investment Ratio.

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Accounts Info →Ledger → multiple ledger→ Create ledger

Step 4: Create ledgers (Wages, Rent, Salaries, Purchase, Sales, Discount received, Commission, etc.) and accept the ledger

Step5: Pass the necessary vouchers like Payment, Receipt, Contra, Purchase, Sales related to the Ledgers and accept the vouchers.

Step 6: Go to gateway of tally in generation of reports click Ratio analysis. Financial ratio, Operating Ration and Investment Ratio will be displayed.

Step 7: End the Process

Output Ex. No.3 Financial ratio, Operating Ratio, Investment Ratio

Principal Groups	Mathan Kumar For 1-Apr-2016	Principal Ratios	Mathan Kumar For 1-Apr-2016
Working Capital	29,86,000.00 Dr	Current Ratio	1.99 1
(Current Assets-Current Liabilities)		(Current Assets : Current Liabilities)	
Cash-in-hand	34,61,000.00 Dr	Quick Ratio	1.99 1
Bank Accounts	10,00,000.00 Cr	(Current Assets-Stock-in-hand : Current Liabilities)	
Bank OD A/c		Debt/Equity Ratio	0.00 1
Sundry Debtors	4,75,000.00 Cr	(Loans (Liability) : Capital Account + Nett Profit)	
(due till today)		Gross Profit %	52.50 %
Sundry Creditors	10,00,000.00 Dr	Nett Profit %	48.60 %
(due till today)		Operating Cost %	51.40 %
Sales Accounts	10,00,000.00 Cr	(as percentage of Sales Accounts)	
Purchase Accounts	4,75,000.00 Dr	Recv. Turnover in days	0.00 days
Stock-in-hand		(payment performance of Debtors)	
Nett Profit	4,86,000.00 Cr	Return on Investment %	16.28 %
Wkg. Capital Turnover	0.33	(Nett Profit / Capital Account + Nett Profit)	
(Sales Accounts / Working Capital)		Return on Wkg. Capital %	16.28 %
Inventory Turnover	0.00	(Nett Profit / Working Capital) %	
(Sales Accounts / Closing Stock)			

Result:

The above Program has been executed successfully.

Ex. No: 4

Prepare Cash Flow and Fund Flow Statement

Aim

To Prepare Cash Flow and Fund Flow Statement

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Accounts Info →Ledger → multiple ledger→ Create ledger

Step 4: Create ledgers (Wages, Rent, Salaries, Purchase, Sales, Discount received, Commission, etc.) and accept the ledger

Step5: Pass the necessary vouchers like Payment, Receipt, Contra, Purchase, Sales related to the Ledgers of Emerald & Co and accept the vouchers.

Step 6: Go to Gateway of tally in generation of reports click Display option → Cash/ Fund Flow option→ Net cash flow and net fund flow will be displayed.

Step 7: End the Process

Output Ex. No.4 Cash Flow Statement

Mathan Kumar 1-Mar-2007 to 31-Mar-2007		Mathan Kumar 1-Mar-2007 to 31-Mar-2007	
Inflow		Outflow	
Capital Account	1,00,00,000.00	Direct Expenses	20,000.00
Indirect Incomes	1,40,000.00	Indirect Expenses	2,80,000.00
Total	1,01,40,000.00	Total	3,00,000.00
Net Inflow: 98,40,000.00			

Output Ex. No.4 Fund Flow Statement

Mathan Kumar 1-Mar-2007 to 31-Mar-2007		Mathan Kumar 1-Mar-2007 to 31-Mar-2007	
Sources		Applications	
Capital Account	1,00,00,000.00	Nett Loss	1,65,060.00
Total	1,00,00,000.00	Total	1,65,060.00

Particulars	Opening Balance	Closing Balance	Wkg Cap Increase
Current Assets	6,000.00 Dr	98,40,940.00 Dr	98,34,940.00
Current Liabilities			
Working Capital	6,000.00 Dr	98,40,940.00 Dr	98,34,940.00

Result:

The above Program has been executed successfully.

Ex. No: 5

Create Stock and Stock groups

Aim

To Create Stock and Stock groups

Algorithm

Step 1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Inventory Info → Stock group's → Multiple Stock group → Create Groups (Ex: Computer Accessories, Stationeries, etc.,) and accept the stock group.

Step 4: Create Units of Measurement (Numbers as Nos, Kiogram as Kgs, Litres as Ltr) and accept the Units of Measurement.

Step 5: Go to Gateway of Tally click Inventory Info → Stock group's → Display. Stock groups displayed

Step 7: End the Process

Output Ex. No.5 Stock groups

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 http://www.tallysolutions.com EDUCATIONAL
 P: Print E: Export M: E-Mail Q: Upload L: Language K: Keyboard H: Help
Multi Stock Group Display Mathan Kumar Ctrl + M
 Under Group : All Items

S.No.	Name of Stock Group	Under	Items are Addable (Y/N)
1.	Computer Accessories	Primary	Yes
2.	Hard Disks	Primary	Yes
3.	Keyboards	Primary	Yes
4.	Materials	Primary	Yes
5.	Mobile Phones	Primary	Yes
6.	Monitors	Primary	Yes
7.	Printers	Primary	Yes
8.	Processors	Primary	Yes

Calculator ODBC Server Ctrl + N
 Gateway of Tally --> Inventory Info. --> Stock Groups --> Multi Stock Group Display 9 - Release 1.11 (English) Thu, 6 Dec, 2018 14:36:13

Result:

The above Program has been executed successfully.

Ex. No: 6

Create Stock Group and Stock Items and Enter the Vouchers

Aim

To create Stock Group and Stock Items and Enter the Vouchers

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Inventory Info → Stock group's → Multiple Stock group → Create Groups Celeron, Tally and accept the stock group.

Step 4: Create Units of Measurement (Numbers as Nos) and accept the Units of Measurement.

Step5: Create Stock Items (Hardisk, Keyboards, Monitors, Printers)

.

Step 6: Go to gateway of tally in Reports menu click stock summary option. Created stock summary will be displayed.

Step 7: End the Process

Output Ex. No.6 Stock with Vouchers

Particulars	Mathan Kumar 1-Apr-2006 to 31-Mar-2007 Closing Balance		
	Quantity	Rate	Value
Hard Disks	12 Nos	12,500.00	1,50,000.00
Keyboards	10 Nos	1,200.00	12,000.00
Materials	75 Unit	12.53	940.00
Monitors	12 Nos	8,000.00	96,000.00
Printers	12 Nos	8,900.00	1,06,800.00
Processors	12 Nos	5,600.00	67,200.00
Grand Total			4,32,940.00

Result:

The above Program has been executed successfully.

Ex. No: 7

Preparation of Reports

Aim

To prepare reports for the following Profit & Loss Account, Balance Sheet, Bank Reconciliation Statement, Ledgers, Ratio Analysis.

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Accounts Info →Ledger → multiple ledger→ Create ledger

Step 4: Create ledgers (Wages, Rent, Salaries, Purchase, Sales, Discount received, Commission, etc.) and accept the ledger

Step5: Pass the necessary vouchers like Payment, Receipt, Contra, Purchase, Sales related to the Ledgers and accept the vouchers.

Step 6: Go to gateway of tally in generation of reports click balance sheet option balance sheet of will be displayed for the created vouchers and click profit and loss account option trading and profit and loss account of will be displayed. Click Display option and click accounts book select bank accounts and press F5 reconciliation statement displayed. From Gateway of Tally click accounts info→ ledgers→ multiple→ and click display. Created ledgers will be displayed.

Step 7: End the Process

Output Ex. No.7 Balance Sheet

Liabilities		Assets	
Mathan Kumar as at 1-Apr-2016		Mathan Kumar as at 1-Apr-2016	
Capital Account	25,00,000.00	Current Liabilities	2,50,000.00
Loans (Liability)		Current Assets	19,86,000.00
		Profit & Loss A/c	2,64,000.00
		Opening Balance	
		Current Period	2,64,000.00
Total	25,00,000.00	Total	25,00,000.00

Output Ex. No.7 Bank Reconciliation Statement

Tally 9
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<http://www.tallysolutions.com> EDUCATIONAL
 P: Print E: Export M: E-Mail O: Upload L: Language K: Keyboard H: Help
Bank Reconciliation Mathan Kumar Ctrl + M X
 Ledger: Hdfc Bank 1-Mar-2007 to 31-Mar-2007
 (Reconciliation)

Date	Particulars	Vch Type	Bank Date	Debit	Credit
31-3-2007	Cash	Contra	31-3-2007		1,00,000.00
31-3-2007	Cash	Contra	31-3-2007		10,00,000.00
31-3-2007	Cash	Contra	31-3-2007	5,00,000.00	
31-3-2007	Cash	Contra	31-3-2007	2,00,000.00	
				Balance as per Company Books :	4,00,000.00
				Amounts not reflected in Bank :	
				Balance as per Bank :	4,00,000.00

Calculator ODBC Server Ctrl + N
 F11: Features
 F12: Configure
 Gateway of Tally --> Display Menu --> Account Books --> Cash/B...er Monthly Summary --> Ledger Vouchers --> Bank Reconciliation 9 - Release 1.11 (English) Thu, 6 Dec, 2018 14:25:31

Output Ex. No.7 Ledgers

The screenshot shows the 'Multi Ledger Creation' window in Tally ERP 9. The window title is 'Mathan' and it is set for '1-Apr-2016'. The window contains a table with the following columns: S.No., Name of Ledger, Under, and Opening Balance. The table lists 11 ledgers and their corresponding parent categories. A 'Dr/Cr' column is also present but empty. A 'Accept ?' dialog box is visible in the bottom right corner of the window.

S.No.	Name of Ledger	Under	Opening Balance	Dr/Cr
1.	Buildings	Fixed Assets		
2.	Computer	Fixed Assets		
3.	Machinery	Fixed Assets		
4.	Rent Received	Indirect Incomes		
5.	Rent	Indirect Expenses		
6.	Salaries	Indirect Expenses		
7.	Commssion	Indirect Expenses		
8.	Wages	Direct Expenses		
9.	Kumar Capital	Capital Account		
10.	Sales Return	Sales Accounts		
11.	Purchase Ret	Purchase Accounts		

Accept ?
 Yes or No

Output Ex. No.7 Ratio Analysis

Principal Groups	Mathan Kumar For 1-Apr-2016	Principal Ratios	Mathan Kumar For 1-Apr-2016
Working Capital (Current Assets-Current Liabilities)	29,86,000.00 Dr	Current Ratio (Current Assets : Current Liabilities)	1.99 : 1
Cash-in-hand	34,61,000.00 Dr	Quick Ratio (Current Assets-Stock-in-hand : Current Liabilities)	1.99 : 1
Bank Accounts	10,00,000.00 Cr	Debt/Equity Ratio (Loans (Liability) : Capital Account + Nett Profit)	0.00 : 1
Bank OD A/c		Gross Profit %	52.50 %
Sundry Debtors (due till today)	4,75,000.00 Cr	Nett Profit %	48.60 %
Sundry Creditors (due till today)	10,00,000.00 Dr	Operating Cost % (as percentage of Sales Accounts)	51.40 %
Sales Accounts	10,00,000.00 Cr	Recv. Turnover in days (payment performance of Debtors)	0.00 days
Purchase Accounts	4,75,000.00 Dr	Return on Investment % (Nett Profit / Capital Account + Nett Profit)	16.28 %
Stock-in-hand		Return on Wkg. Capital % (Nett Profit / Working Capital) %	16.28 %
Nett Profit	4,86,000.00 Cr		
Wkg. Capital Turnover (Sales Accounts / Working Capital)	0.33		
Inventory Turnover (Sales Accounts / Closing Stock)	0.00		

Result:

The above Program has been executed successfully.

Ex. No: 8

Backup and Restore company Information

Aim

To create Backup and Restore the company Information.

Algorithm

Step1: Double click the Tally icon in desktop menu

Step 2: Create a New company with all required information in accounts with inventory mode

Step 3: Gate way of Tally menu Appears click Accounts Info →Ledger → multiple ledger→ Create ledger

Step 4: Create ledgers (Wages, Rent, Salaries, Purchase, Sales, Discount received, Commission, etc.) and accept the ledger

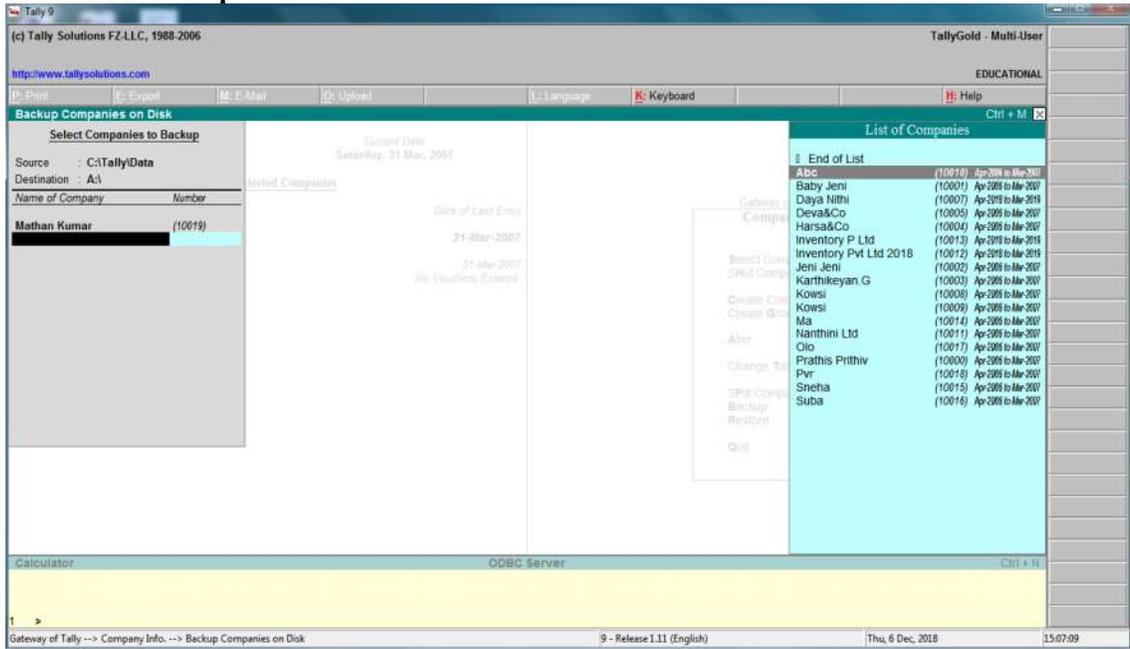
Step5: Pass the necessary vouchers like Payment, Receipt, Contra, Purchase, Sales related to the Ledgers and accept the vouchers.

Step 6: Go to gateway of Tally Press ALT+ F3 Backup option appears. Enter the backup option and select the company and select the source to save the company information. All information of the company is backed up and saved in the source of the computer.

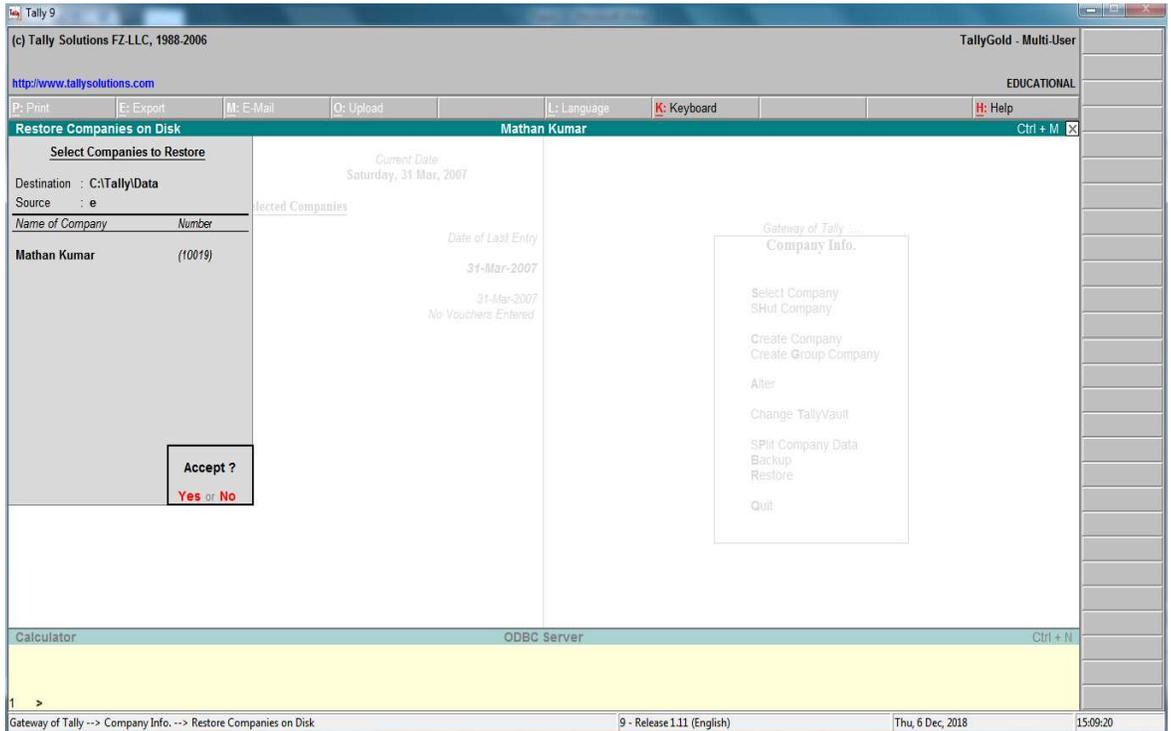
Step 7: Go to gateway of Tally Press ALT+ F3 Restore option appears. Enter the restore option and select the company and select the source to retrieve the company information. All information about the company is stored back to the tally server.

Step 8: End the Process

Output Ex. No.8 Back up



Output Ex. No.8 Restore



Result:

The above Program has been executed successfully.