

Preparation of Financial Statement Using Tally

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Introduction:

Tally is one of the most used accounting software in India specifically for small and medium sized businesses due to its user-friendly interface and cost effectiveness. Its is continuously improvising the set up and utility in terms of its practical application in the field of business and enterprises.

Establishment of company:

In 2012, Flyhind Travels began with modest beginnings. It has now emerged as a major force in the travel and tourism sector. Flyhind Travels, with its unwavering dedication to achieving business excellence, has carved out a place for itself in the market and is well renowned for its exceptional service quality, business ethics, and honesty.

In order to improve and enrich the travel and tourism sector with excellent service and to give consumers a hassle-free experience, a team of highly skilled and experienced individuals from the sector came together to launch Flyhind Travels. Customer satisfaction is our top priority at Flyhind Travels, and we go above and beyond

to fulfil the demands of our valued clients, who offer us a competitive edge over our rivals. However, we refer to this as the best because we are aware that there is no standard above the best, and this knowledge inspires us to work even harder to achieve greatness.

Position in industry:

The Flyhind tours and travels is now one of the leading travel agencies in Kerala. Their main headquarters is in Calicut which is the most happening place in Kerala also they have 10 more branches across Kerala which is located Kannur, Kochin, Perinthalmanna, Valanchery, Kotakkal, Malapuram, Kondotty, Pattikkad, Cherpulassery. Also, they have three franchises in Kerala located in Edavannappara, Iritty, Matannur.

Types of services/products given/produced

They provide travel and tourism-related services to the general public on behalf of accommodation or travel suppliers to offer different kinds of travelling packages for each destination. Main services like:

- Airline Reservation: airline reservation is a legal contract
- Hotel booking: They have connections with top rated hotel across global
- Documentation (visa, passport): They will take care of all your documentations and passport renewals and visa process.
- Hujj & Umra service: They will take care entire Hujj & Umra service for every individuals including hotel booking and food accommodations etc.
- Tour packages: They'll start by looking up some of India's well-known vacation locations and booking their bookings right away. Beach lovers can visit Havelock in the Andaman Islands or Goa and spend a peaceful vacation in the state's southern region, soaking up the sun, indulging in delectable seafood, and visiting the beaches and local markets.
- Weekend getaway packages
- With a Flyhind Travels weekend vacation, you may renew your passion for travel amid expansive landscapes, long scenic drives, undulating topography, and gorgeous sunsets. Whether we reside in Delhi, Mumbai, Pune, Hyderabad, Bangalore, Chennai, or Kolkata, there are numerous weekend getaway alternatives

available to us. For your trip, we can choose a selection of places with activities that suit your interests.

Mission statement and aim of the company

Their Strategy & Aim

Developing a superior strategy for overcoming your competitive problems You need a travel and tourism company that can create a customised strategy to satisfy your needs without any obstacles. Flyhind Travels is skilled at creating quality strategies in the travel and tourism industry that fit your needs and budget.

Their Approach

Success depends on staying ahead of the changing curve: In order to go to the next level of commercial excellence and client satisfaction, Flyhind Travels always anticipates changes in the industry and the needs of its esteemed clients.

Their Vision

without compromising quality, business ethics, or integrity, to become one of the best service providers in the travel and tourist sector, and to go above and beyond for the benefit of the clients

Literature Review:

Policy of the company and organizational structure of the company

- In accordance with all copyright laws, any Work Product qualifies as a work(s) made for hire.
- In accordance with the Privacy Policy and other Company rules and procedures, and refraining from using any such data except in connection with and to the extent necessary for the purposes for which it was supplied to you.
- You will refrain from engaging in any activity or business that might put the Company's operations in direct or indirect competition during the term of your internship or during the duration of these Terms of Internship, whether alone or in

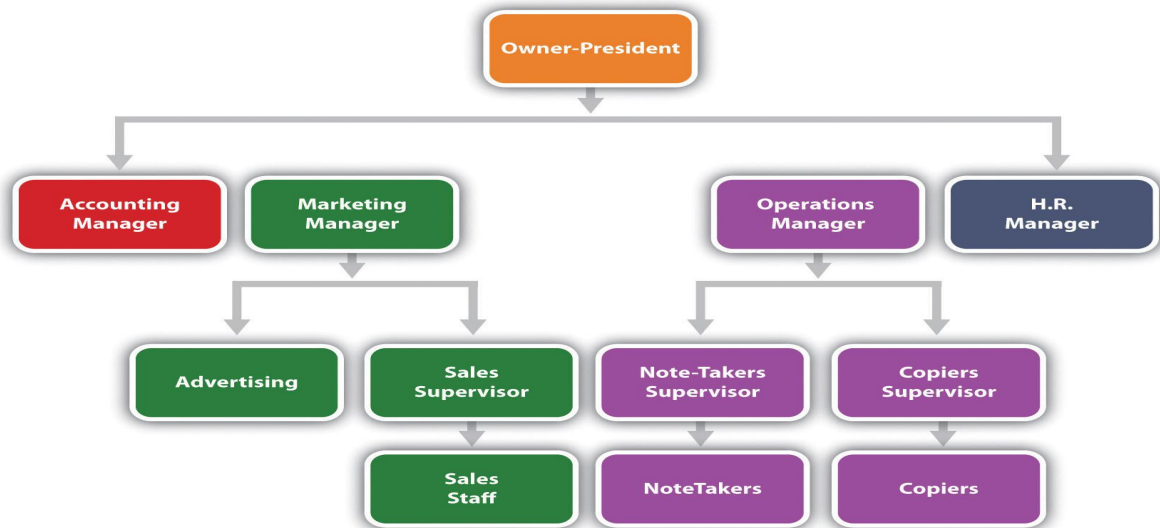
concert with or as a manager, agent, consultant, or intern of any person, firm, or company.

- If your performance throughout the internship continues to be excellent, you may be eligible to earn a letter of recommendation at the management's discretion. Normally, either the business or you may end this relationship by giving a notice of 30 days without giving a reason. However, in instances of unruly behaviour, the corporation may immediately revoke this agreement.
- You are expected to act in a professional and respectful manner when interacting with your mentor, team members, coworkers, clients, and customers
- This will be a voluntary internship.
- This will be a work from home internship.
- You will receive certificate of conclusion of internship at the end of your internship period.
- As per the management's discretion you stand an occasion to receive a letter of recommendation if
- your performance throughout the internship stays commendable.
- You stand a case to receive a Pre-Placement Offer subject to your overall presentation and management's discretion.
- Any Company property in your possession, custody, or control, such as a laptop computer, software, mobile phone, identity card, access card, and other devices,
- All Intimate Information and Work Product, including any documents, information, and other credentials relating to the business and affairs of the Company or third parties that you have access to due to your residency with the Company, of whatever description or in whatever form, tangible or incorporeal, in your possession, custody, or control, along with copies, notes, or precises of such documents.

Department and function of each department

1. Operational department: who takes care of functional things of office issuing tickets and visa processing.
2. Customer Relationship department: Here all the queries and issues face by customer are taken care of.
3. Finance department: who handles bank accounts, preparation of financial statement, taking care of loan and dues.
4. Sales and marketing department: sales and marketing manager should look into the process of sales and marketing of any business organisation.

Organizational chart of the company



Key personnel

Shameem Kakkat: Managing Director and founder of Flyhind tours & travels.

Pratheesh Menon: Chief Executive Officer

TALLY ERP 9

The optimal combination of functionality, regulation, and internal customizability can be found in Tally ERP 9, a GST software and business management explanation.

How to use Tally ERP 9?

Tally is little more than digital accounting. We write accounting entries as debit and credit to preserve accounts in manual books. We construct entries in Tally in the same manner. So, Tally, how should we proceed? One may imagine the entire situation as the installation of any machinery in a company.

- **First Step: Installation.** In the event that we are unsure if we want to utilise it yet, we can obtain a 30-day trial edition. Only Windows can run Tally 9. Tally is also available in educational mode, which enables you to practise using the programme without needing to buy a licence. In this mode, some features are restricted.
- **Process 2: Navigation:** Everything in Tally has a keyboard shortcut, even though we can click whatever option we choose. As we said, the shortcut is typically the key displayed next to each option.
- **Create a company in Tally as step three** (after getting a feel for the machine, we set the programme to work) To utilise Tally, we must first create a company in the software. Even if we don't use tally for business purposes, we still need to follow these steps to establish a company:

Operations How to use Tally ERP 9 in Detail

Creating Ledgers

Understandably, ledgers are used to record all of the transactions for a certain account. Every account that is used for business must have its own diary. Tally comes with the "Cash" and "Profit and Loss Account" ledgers by default. As many additional ledgers as necessary can be created.

Sales Management in Tally ERP 9

Tally ERP 9 makes it easier for you to track sales, manage returns and refusals, and manage your sales successfully and competently. You might receive the items first, then issue the invoice, and then place the orders; however, it is possible to track sales throughout the sales process.

Accurate sales data can help your business decisions, improving operational effectiveness. You can utilise Tally ERP 9 for anything from creating invoices to keeping track of your entire revenue.:

- Invoicing
- Order processing
- Managing prices
- Viewing invoice-wise profitability
- Maintaining sales registers
- Managing credit notes

Purchase Management in Tally. 9

You may effectively manage your purchases using Tally ERP 9 by making purchase records, expense reports, and modifications to buy records as required.

Using Tally ERP 9, you can:

- Maintain purchase invoicing
- Process purchase orders
- Reorder stock levels
- Track item-wise and batch-wise purchase details
- Track additional cost of purchase and debit notes
- Maintain purchase registers

E-mail and Upload

Information sharing between computers is the most common aspect in any organisation. Such transactions establish the mailing of data or the publication of a document or report on the internet or intranet. All of this is feasible with the use of Tally's e-capabilities feature. ERP 9.

Payroll in Tally ERP 9

In every organisation, information exchange across computers is a common occurrence. These transactions establish the mailing of information or the online or intranet publication

of a document or report. With the help of Tally's e-capabilities function, all of this is possible. ERP 9.

User-defined classifications and groupings for comprehensive reporting on elements like personnel, employee groups, pay components, or departments; support for custom Pay Heads using Pays and Assumptions; and complete account blending for streamlined payroll processing and accounting.

- Requirements that are adaptable and can be set by the user for simple or complicated calculations.
- Unlimited Payroll Masters grouping.
- Support for production units that can be set by the user, like appearance, production, or time-based payment units.
- Payroll processing times that can be adjusted.
- Comprehensive reports for employee-wise costing and costing by cost center.
- predefined procedures for processing salaries, employer statutory donations, and employee statutory deductions in a timely manner.
- Handling instalments involving the e-instalments ability in Count. ERP 9.
- An auto-fill feature to speed up the payroll, attendance, and employer contribution processes.
- Accurate calculation and inference of statutory payments like Gratuity, Professional Tax, Income Tax, ESI, EPF, and NPS.
- Create the required statutory forms and challans for Income Tax, EPF, and ESI.
- The capability to make any modifications by drilling down to the voucher level.
- Calculate previous period's arrears.
- Track advance subtleties of workers.

Types of reports we can Generate from tally?

Balance Sheet in Tally. ERP 9

- A complete picture of a company's financial status is provided by the balance sheet. The balance sheet for Tally. The assets and liabilities of a firm are shown by ERP 9. Business owners can access the Balance Sheet from the Gateway of Tally screen. The balance sheet in Tally can be configured using the F12 structure. Schedule VI Balance Sheet is another function of ERP 9. Tally. The Balance Sheet is capable of showing any date. A wide range of valuation types, including FIFO, LIFO, average cost, average price, and many others are offered
- The Profit & Loss report from Tally. ERP 9 shows a company's net profit or loss over a certain period of time. For the report in ERP 9, a feature called F12 conformation can be configured. A business owner may choose to see the Schedule VI Profit & Loss account or P&L statement in vertical style depending on their needs.
- Tally Cash Flow/Fund Flow Report. ERP 9 the Tally Cash Flow report. To aid in gaining insight into cash influx and outflow throughout an accounting period, ERP 9 has been made available. Business owners can easily comprehend the cash flow status for a certain period and make decisions with the aid of this report. The Fund Flow report in Tally is similar. On a monthly basis, ERP 9 offers information on the sources of money and the condition of their net flow.
- Tally ratio analysis report. ERP 9 In Tally, a potent report for financial analysis is the Ratio Analysis report. ERP 9. The report's numerous ratios provide a comprehensive understanding of a company's financial situation.
- Outstanding Tally Report In Tally, a business owner can view receivables by ledger and by bill. He can view ageing analysis in ERP 9 that can be used based on bill due dates or due dates for payments. A company can connect with parties or manage finances to make payments in accordance with the amount of time that has elapsed (ageing). The user may view and comprehend the details of bills for which payment is still outstanding thanks to the billwise ageing details.

Inventory Reports in Tally. ERP 9

Stock Summary Report in Tally .ERP 9

It displays the current state of the stocks held by different godowns. By taking into account purchase and sales orders that have not yet been fulfilled, the user can determine the net stock position.

Stock Ageing Analysis Report in Tally ERP 9

Businesses can better understand their slow-moving versus fast-moving commodities with the help of this report in Tally ERP 9. This Tally report aids business owners in making decisions on the purchase of stocks or whether to sell them based on their age. According to business needs, Tally ERP 9 has the freedom to set several time frames, such as 0–30 days, 31–60 days, and so forth. Owners of businesses can view stock valuations from within this report as well.

Disadvantage of Tally ERP 9

Not User-Friendly: Tally is not a software that is user-friendly. It does not make it easier for you to utilise. Even though the software is straightforward, not everyone can use it right away without some training in accounting. Because of this, it is unable to instruct users in a straightforward manner on how to use it when they are unfamiliar with accounting.

It is challenging for the user to view multiple items in Tally at once because only one ledger may be opened at a time.

No Useful Upgrades: Although new versions of Tally have been released, the improvements are minimal. The difference between Tally 4.5 and Tally 9 ERP is rarely discernible. One of the greatest limitations of this software is that if you have an older version of Tally, you cannot upgrade it with new capabilities included in the most recent version. You are limited to using a single type of tally because the creators don't care to see if the older versions of Tally are still in use. It is a fantastic start that they have now made it possible to jump from 7.2 to 9.

is not the best option for multi-branch: If you have several branches, Tally costs simply too much to operate. You'll need to spend money on the servers and LAN that come with Tally.net. The sync is not real-time furthermore. If the accountant is not present in any of the branches to manually sync, it needs to be done, and the data is not updated.

Not adaptable: There is no button for the default configuration. If, after the configuration settings are complete, you wish to adjust the setting. You must start over, delete all the ledgers, and proceed from scratch. It is not feasible to make modifications to a journal voucher once it has been generated. Once the level of an item has been set in Tally ERP's inventory, it cannot be changed after a reorder. It is hence exceedingly stiff and challenging to use.

USE OF RATIO ANALYSIS

Ratio analysis serves the objective of analysing the firm's financial performance in terms of risk, profitability, solvency, and efficiency. Comparing the trends of two or more businesses over time is useful.

1 – Financial Statement Analysis

2 -Aids in Understanding the Company's Profitability

3 – Analysis of the Operational Efficiency of the Corporation

4 – Liquidity of the Firms

5 – Aids in Identifying the Business Risks of the Firm

6 – aids in determining the company's financial risks

7 – For the firm's planning and future forecasting, analysts and managers can identify a trend and use it. Important decisions involving external stakeholders, such as investors, can also be made using this information. They can determine whether or not they ought to fund a project.

8 - To compare the firms' operational effectiveness

USE OF TALLY:

Organizations are shifting toward simpler and easier methods in the modern environment. Organizations find Tally's accounting solutions to be more comfier and successful when Tally is supplying them with them. Tally's many ingrained purposes and applications provide a way to resolve management and accounting snags.

Accounting simplicity: This is one of Tally's most well-liked and frequently utilised features. There are six various methods that businesses can use Tally's accounting feature: credit, debit, contra, reverse journal, payments, receipts, sales,

Banking is now easier thanks to a new function that has been added to the most recent Tally versions, including ERP 9. The user can make deposit slips, print checks, keep a chequebook, and get payment advise with the use of the banking feature. Additionally, it offers the consumer a solution for a laborious task like bank reconciliation. It has primarily been used to match up bank statements and account books.

Ratio analysis is simple to use because it aids in the ratio calculation that shows the ratio of various clients. The user can use it to analyse a certain business's earnings and make decisions about the next steps. The key characteristics of the shown ratios include the fast ratio, debt/inquiry ratio, inventory turnover, and current ratio.

Inventory management is simple: If a business engages in production, a well-maintained inventory aids in minimising loss and wastage. The user can categorise the inventories in further detail with regard to groupings, units, tariffs, stock items, and go-downs.

Tax calculation and billing are made simple by the use of the Tally programme, which also assists with handling VAT, income tax, excise tax, customs, and service tax.

Import/ Export of Data in Tally ERP 9:

Import

The main purpose of Import is to read and make use of the data produced by same application or another application.

Export

Data is exported from a software so that it can be used by another application for data sharing. Export also helps in representing the data in various formats as per the user's requirement.

The procedure to Export or Import the data in Tall. ERP 9 is as follows:

Step 1. Ensure that the F11: Features of both the companies are same. If not make the required changes to have similar F11: Features in both companies.

Step 2. Load the company whose data you would like to export and follow the steps given below to export the data.

Description of work experience

Fuhad Shahabin had worked as accountant assistant under accountant. His everyday tasks revolve around recording transaction that occurs each day and arranging all these in a particular order. uploading all these transaction to the Tally ERP 9 and Microsoft Excel.

Layout of the office

The company is located in business park in Calicut where every highly reputed business firm runs.it gives really professional feels of working experience and systems are provided by themselves.

Job Description

- Keeping track of accounts, issue invoices, and process vendor payments
- Respond to all internal and external queries within 24 hours related to finances
- Handle incoming payments and follow-ups for timely payments
- Approve day-to-day payments and manage cash flow
- Troubleshoot any grievance coming in from the clients, vendors, or other stakeholders and find effective solutions related to finances
- Aid with audits and reviews and analysing financial data
- Manage payroll, taxation, Invoicing, vendor registration, monthly balance sheet, bookkeeping, suspense clearance, PF/ESIC management, petty cash management, and ledger reconciliation

Conclusion:

Tally ERP is one of the most powerful tool to do the process of accounting in the area of small and medium sized businesses. It not only provides solution for accounting but also gives way to process payrolls, import and export the data and also check out the GST requirements of the business.

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