

Use of Software in Accounting (Tally)

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1. What do you mean by Accounting Software?

Ans: Accounting software is a fundamental application that allows an organization to manage the business financial transactions with the use of a computer. It is a computer software used by professionals to carry out the function of recording, arranging and summarizing the financial data of business.

2. Write down the features of Accounting Software.

Ans: Accounting software is a fundamental application that allows an organization to manage the business financial transactions with the use of a computer.

The features of Accounting Software are as follows:-

i) It leads to quick preparation of accounts and makes available the accounting statements and records on time.

ii) It ensures control over accounting work and records.

3. Explain the importance of Accounting Software.

Ans: Accounting software is a fundamental application that allows an organization to manage the business financial transactions with the use of a business.

The importance of accounting software are as follows:-

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i) Accuracy in accounting:

Accounting software improves accuracy by decreasing or removing human calculation of errors. Manual book keeping techniques necessitate a great deal of mathematical computation. Computer, on the other hand, are essentially immune to such mistakes.

ii) Cost Savings:

Accounting and finance solutions automate fundamental calculations and administrative procedures, allowing you to take control of your revenue framework without having to hire a third party expert.

iii) Increase in Speed:

Accounting software allows business to process their accounts faster than they could if they did it manually. Accounting software also allows business to boost productivity by automating process.

iv) Cost reduction:

Due to the use of accounting software, accounting jobs became faster, economical and easier, which decreases the cost of the organization. Payroll and administration costs in the accounting department can be reduced with accounting software.

v) Accuracy in forecasting:

One of the most significant benefit of accounting software is this without a robust framework, translating the patterns and trends in financial performance would take a long time.

1. Explain the use of accounting Software.

2. Accounting software is a fundamental application that allows an organization to manage the business financial transactions with the use of a computer.

The use of accounting software are as follows:-

i) For financial control:

Accounting software enables business to automatically manage their accounts, even if they are not accounting specialists. They can manage all accounting activities using their computers or mobile devices with a simple knowledge of accounting and training.

ii) For increase in efficiency:

Accounting software handles accounts receivables, payables and the general ledger, as well as creates financial statement and other reports. Accounting calculation are difficult and time-consuming.