

Computerised Accounting

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PAY ROLL

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ENABLING PAY ROLL MODULE

- Gateway of Tally->F11->Accounting Features-> Enable the option
 1. Maintain payroll
 2. Maintain more than ONE payroll/cost category(if needed)
- Gateway of Tally->F12->select pay roll configuration -> Enable the option which are necessary

Gets displayed

- Pay roll information-in gate way of tally
- Pay roll vouchers-in gate way of tally
- Pay roll reports in display menu

Tally Pay Roll facilitates

- Maintaining records of employees
- Maintaining daily attendance of employees
- Automatic calculation of wages/salary
- Deductions and contributions
- Generation of gratuity reports

Pay roll applications in Tally

- Can maintain different category of employees
- Predefined pay head types to facilitate computation
- Option for simple or detailed pay slip
- Use of pre defined calculation type to help computation of salary automatically
- Automatic calculation of salary on attendance or production of employee
- Pay roll reports

Pay roll Menu

- Gate way of Tally->pay roll information -
>payroll menu
- 1. Pay Head
- 2. Employee Group
- 3. Employees
- 4. Salary details
- 5. Units (work)
- 6. Attendance/production type
- 7. Voucher types(3 predefined)

Pay Head Creation-I

- As usual, it has create, display, alter and quit as we have seen in ledger creation
- The components of salary are treated as pay heads
- Basic wage,
- Allowances, DA, CCA, HRA
- Deductions-PF ESI, PT,
- Contributions by employer to PF, ESI, and gratuity and retirement benefits

Pay Head Types

- Earnings for employees, e.g (Basic Pay, DA)
- Deductions from employees (PT, IT)
- Employee's statutory deductions (ESI, PF)
- Employer's statutory deductions (e.g pension, retirement benefits-ESI, PF)
- Gratuity e.g
- Loans and advances (e.g marriage loans, vehicles loan)
- Reimbursement to employees (e.g conveyance, medical expenses, LTA)

Parent account group to be allocated

- Earnings for employees-Direct or Indirect
- Deductions from employees – (Current Liabilities/Current assets)
- Employee's statutory deductions- (Current Liabilities
- Employer's statutory deductions -Direct or Indirect
- Gratuity (Current Liabilities)
- Loans and advances (Loans and advances-Asset)
- Reimbursement to employees Direct or Indirect

Appears in Payslip

- Set yes or No
- If yes, the name will appear in pay slip and pay reports
- If No it will appear only in pay reports

Use for Gratuity

- Use for gratuity
- Set yes if they are taken into account for calculation of gratuity, BP, DA

Calculation Type

- Flat Rate- when the pay head is fixed amount for a period-say Rs. 600 per month, 1000 is deducted per month etc
- On attendance- pay head is calculated on the basis of attendance data, days, months, hrs
- On production-no of units
- As computed value- formula, using current sub total, current earning or deduction total. E.g. 30% of basic salary
- As user defined value- manually enter the value at the time of processing the salary, when pay heads have variable values and not related to any attendance or production

Employee Group-II

- Gate way of Tally->pay roll information
->payroll menu->employee groups->
create
- Different group, directors, managers,
officers, various department

Employees-III

- Gate way of Tally->pay roll information
->payroll menu->employees-create
- Employee names are created
- Add additional information about employees
- It stands as a record of an employee

Salary Details-IV

- Used to define pay head to each employee by group or individually- pay structure of an employee or group
- In addition to that, the value of each pay head, type, calculation method and on which that has been calculated and the same also can be defined /changed (user defined) for different period. (Two options- copy from parent value –start afresh)
- Only if employee, or employee group has been already created

Units-V

- This is equal to the unit of measurement created for the stock item. As salaries are paid even on the basis of working hours and production units, this field used to create such units details
- Simple-compound

Attendance/production type-VI

- Vital for the payment of salary or wage remuneration to the employees.
- Wage benefits are paid either on production or attendance
- Record attendance details or record data of production by each employee like number of days or leave with pay casual leave days, loss of pay and number of units produced

Voucher type-VII

- Used to record the payroll related transactions
- Helps to modify the settings of any available voucher types
- Defining voucher classes
- Changing of voucher numbering from automatic to manual etc.

Voucher Type-VIII

- By default there are three vouchers, payroll, attendance, payment types
- The values of pay heads are entered in pay roll vouchers
- Create new vouchers

Recording payroll vouchers

- Create the ledger ICICI bank under bank account group and set the bank number as 600100200300 and branch name as “Anna Nagar”

Salary payment by flat rate (manual calculations)

- On 1/5/2009 salary paid to the management staff Mr. Raman and Mohan for the period from 1/4/2008/30/4/2008

Pay slip-I

- Name:Jerome
- Director/under management
- D. O.J 5/4/2008
- E.No. 1008
- Designation: Senior Director
- Function: appointment and leave
- Location: Head office
- Bank account no. 4030010
- Basic pay: 60000
- Dearness allowance: 12% of basic pay and DA
- City compensatory allowance: 10%
- Directors remuneration Rs. 2000
- Profession tax, 100, 200, 400, 500
- ESI Contribution Rs. 5% of basic salary+DA by both employer and employee
- PF contribution 8% of basic pay+DA by both employer and employee
- overtime 10 hors
- Medical leave 5 days
- Loss of pay 2 days
- TDS on salary at 20% of current total

Predefined pay roll vouchrs

- Pay roll
- Attendance
- Payment

Pay head and Parent account group to be allocated

- Deductions from employee: CL
- Earnings for employees: direct & indirect expenses
- Employees statutory cont: current liabilities
- Employer's statutory cont: indirect expenses
- Gratuity : current liabilities
- Loans and advances: loans and advances
- Reimbursement to employees: direct/indirect expenses

Salary Details

- Used to define a pay structure to an employee or employee group
- Salary details configuration on button panel
- In pay head field, two options are displayed “copy from the parent value and start afresh.
- When the salary details are given for employee group, the above two options has significance.