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RELATIVE STRENGTH OF COMPUTER APPLICATION PROCEDURES OVER THE ACCOUNTING PROCEDURES IN A BANKING ORGANISATION

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BY

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CERTIFICATION

This is to certify that this Project, "Relative Strength of Computer application procedures over the accounting procedures in a banking organisation" was carried out by ZUBAIRU MUHAMMED of Department of Mathematics/Statistics/Computer Science, School of Science and Science Education, Federal University of Technology, Minna.

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D E D I C A T I O N

It is solely dedicated to my father,

ZUBAIRU ONISACHI, AUDU,

for all he has done for me.

ACKNOWLEDGEMENT

With gratitude to Almighty God and those who contributed invaluably to the success of this project work and my academic career at Large.

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My profound gratitude to my brother Nasiru for his untiring support. My father who doestn't know the four wall of a classroom gave me all the cooperation expected of a good father to bring his child up academically. May he live long to reap what he had sown.

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My regards to the Lectures and my welwishers.

A B S T R A C T

This project work is carried out to determine how much assistance computers give to accounts department of an organisation, other departments and its relative strength over manual accounting work.

The automation of an organisations operations including the accounts is the latest fashion and is not only beautifying the environment with computer terminals, air conditioning system and rugging of the floor but is also helping to import the working condition. Automation makes the job so easy and fast.

Chapter one gives brief history of computers, when it was invented. The person who concieved the idea of electronic calculating machine, and the stages it has passed through to its present stage of development.

Chapter two discussed the major accounting works using computers, these include spreadsheet and audit trial. Chapter three looks at the computer department of an organisation and the use of computer in accounting and the accouhts department view about computers in accounting work.

Chapter four contains the conclusion and the recommendations.

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CHAPTER IV

CHAPTER I

1.0   INTRODUCTION

A computer is an electrical device which works faster than
the ordinary human brain. Although a computer has no brain
of its own to reason like a human being, but has built-in
memories that enable it perform complex mathematical problems
as fast as possible, even faster than the human brain. A
computer is define as: A device that computers, especially
an electronic machine that performs high speed mathematical
or logical operations, ot that assembles, stores correlates,
or otherwise processes and prints information derived from
coded data in accordance with a predetermined source
peogramme.

There are three major types of computers, namely the
Digital computer, the Analog computer and the Hybrid computer
and there are computer languages such as BASIC, FORTRAN,
COBOL, ALGOL, PL1 and so on. The compiler translates source
programme from a high-level language, (BASIC, FORTRAN, COBOL,
ALGOL ETC) into a machine language module or object programme.

Accounting is an information system more precisely, it
is the measurement methodology and communication system
designed to produce selected quantitative data (usually in
monetary terms) about an entity engaged in economic activity.
Alternatively, accounting has been described as the art of
classifying, recording and reporting significant financial
events to facilitate effective economic activity. The
accounting entity (the focus of attention) may be a profit

seeking business enterprise, a governmental unit, a charitable institution or any other organisation for which financial data will be useful in determining the proper conduct of its economic affairs.

There are two major functions of accounting.

(1) To provide summarised reports of the financial position and progress of the firm to a variety of groups who are not part of management including those who furnish capital.

(2) To furnish detailed data that will facilitate the effective control and planning of operations by management.

To fulfil the first function, a statement of financial position (balance sheet,) a statement of operations (income statement or profit and loss statement), and a statement of fund flows (source and application of funds) are usually furnished. These statements are designed to indicate the current status and changes during the period of the entity's resources and of the relative position of the various stockholders, creditors, employees, and the government in its regulatory and taxing role. The second function includes all the appurtenances of cost accounting that are useful in the efficient administration of an entity's resources.

1.1   BRIEF HISTORY OF COMPUTER

The origin of computing aids can be traced to china where merchants first made use of the ABACUS, while the history of modern day computers is traced to France where Blaise pascal

in 1642 invented the first machine for doing the four fundamental operations of arithmetic in money to six digits or figures and was later improved upon by leibnits in 1671 and recommended for use in the large volume of astronomical calculations required at that time. The first Analoque computer were derived from kelvin's Tidal Analyser in 1876, for predicting tides. The first digital computer was built by charles Babbage in 1833. The punch cards system was invented by a French textile engineer.- J.R. Jacquard (1752 - 1834) of lyons to control wearing looms.

The electronic computers for both scientific and commercial work were introduced in the early 1950s. The world's first stored program computer electronic Delay storage Automatic calculator (EDSAC) was built at combridge University. The first commercial stored program computer was universal Automatic computer (UNIVAC) and was used by the American Bureau of census in 1951. 1943 saw the need for computing artillary firing charts and ENIAC (Electronic Numerical Integrator and Calculator) was born. Since the first office computer LEO (J. Lyons & Co. electronic office) was introduced in 1953, machines have increased in size, speed, reliability, compatibility and now cover a wide range of applications without any change in the fundamental principles.

1.2   BRIEF HISTORY OF ACCOUNTING

From the very earliest times, the lerying and collection of taxes by government has called for record keeping and reports. Governmental reporting requirements have served since antiquity to reinforce business needs for accounting system and controls. Clay tablets used by Babylonian businessmen to record their sales and money lending some four thousand years ago still in existence. Egyptian papyri describing tax collection before 1000 B.C are on exhibit in museums. The Greeks and Romans had well developed record-keeping systems especially for government affairs. Emperor Augustus is said to have instituted a governmental budget in 5.AA.D. later inspectors from the central government in Rome were sent out to examine the accounts of provincial governors.

During the middle ages, accounting, in company with most other elements of learning and trade, languished. With a barter economy, the financial transaction that are the lifeblood of accounting tended to disappear. Only the church and strong monarchs retained and occasionally pushed forward the earlier systems of record keeping and control. Conspicuous developments during the medieval era included the annual inventory of property instituted by Charlemagne in the year 800 and the pipe rolls of various English rulers, which recorded the taxes and other obligations due to the monarch. The pipe roll of Henry I in 1131 may be the most complete of these records.

The revival of Italian commerce in the thirteenth and
fourteenth centuries created a need for records to help
merchants control their dealings with customers and employees,
to indicate the relative interests of creditor and owners, and
to apportion profits among partners.

The system of double entry book-keeping was known to
have been used by merchants of venice when venice was the
most important trading centre in Europe and the first known
exposition on double entry book-keeping was contained in a
book 'Summa de Arithmetica' published by Revd father Luca
Pacioli a well know teacher of mathematics in 1494. It was
the first know general instruction for double entry book-
keeping.

Manuscripts on book-keeping existed before 1494, but
Luca Pacioli claimed in his book that the methods used in
venice were better know and superior to all others.

In 1543 another book on double entry book-keeping titled
"Ympyn's Nieuwe instructic" was published in Antwerp which
had by then succeeded venice as the most important trading
centre in Europe. The book was an exposition of the new
system of accounts. A French version was published in the same
year. It was not until 1547 that the English version was
published titled "A notable and Excellente woorke". The first
book in German to fellow pacioli's was published in Nurembery
in 1549. The earliest book in spanish was published in
Barcelona in 1565.

It was not until 1683 that the first book on book-keeping was printed in Edinburgh although copies of earlier books published in Antwerp were earlier known to be in use there.

The general introduction of double entry book-keeping among merchants in England was made by Richard Grafton, who later became treasurer of christ's hospital london, and the first ledgers written on double entry principles in England were written by James Peele, clerk to christ's hospital London.

1.3   COMPUTER PARTS.

A computer system consists of several different units each perform special functions. These units include:

INPUT UNIT:- This 'reads' the information to be stored in the machine and converts it into an electrical form which can later be used in arithmetical calculations, e.g. cardreader.

MEMORY UNIT:- Data (information) can be permanently stored here, usually in the form of recordings on magnetic material. It contains the vast mass of data a computer can deal with. These data could be in form of numeric, alphanumeric and logical.

REGISTERS:- These are small stored. They hold the data to be worked on in a calculation and give it up as instructed. Data can be transferred from one register to another.

ARITHMETIC/LOGIC UNIT:- The actual operational unit where the calculations are performed and where the logical processes of selecting, sorting and comparing of information take place.

CONTROL UNIT:- All the computer functions are coordinated by
    this unit, which interprets and carries out the instructions
    contained in a program.

OUTPUT UNIT:- This presents the results of a computer operation,
    in printed form as on a pay slip, or on magnetic tape,
    disc, drum or card or even on a visual display unit (VDU).

    The main store, the arithmetic/logic unit, and the control
unit together with a group of registers, form what is called
the central processing unit (CPU). surrounding the central
processing unit (CPU) we have the input and output units
together with additional storage (secondary storage) which are
known as the peripheral devices. The functional parts of a
computer can be represented as shown below;

1.4.   ACCOUNTING PARTS
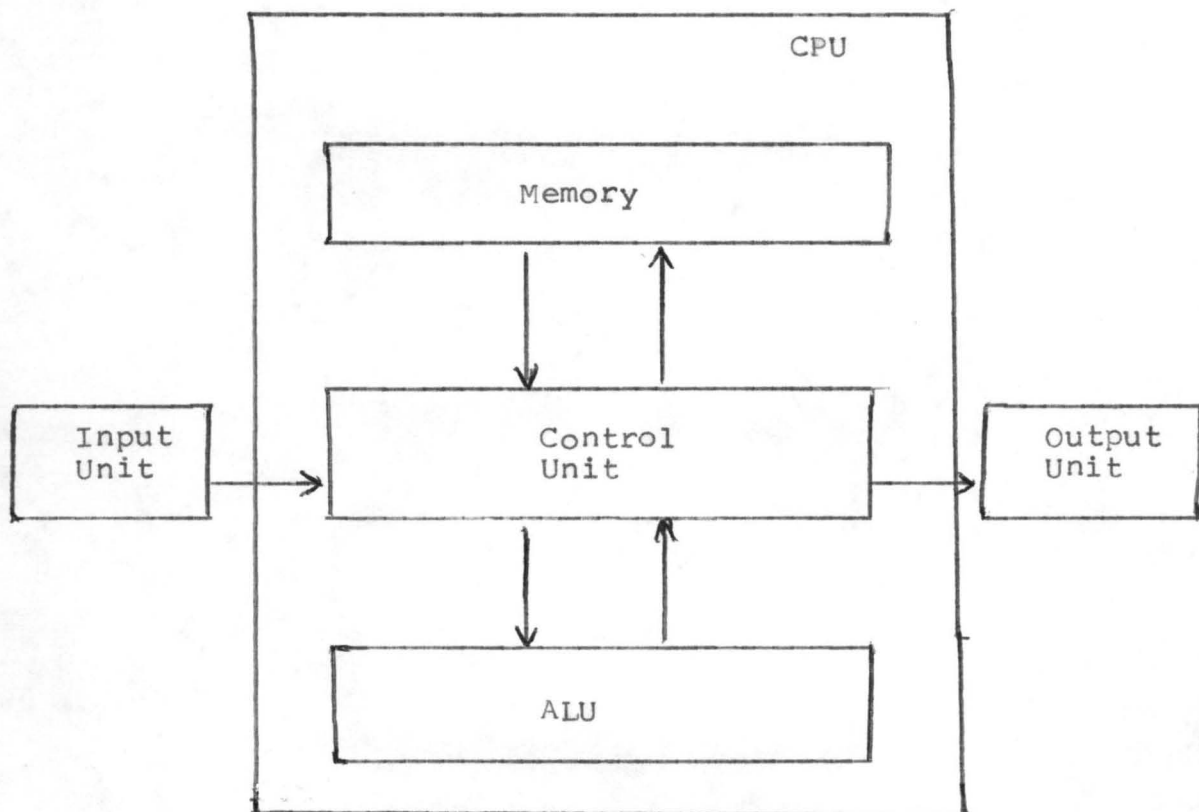
THE JOURNAL:-   Is the day-by-day book in which the two aspects of a transactions are recorded in chronological order.

Invoices, vouchers and other media may be posted directly to the ledger without prior posting to the subsidiary books commonly referred to as books of prime entry or books of original entry, that is, books of account where monetary transaction are first recorded or the journals.

A journal entry shows both the names of the accounts to be debited and credited. Entries in the debit column are posted to the debit side of the ledger: Similarly, entries in the credit column are posted into the credit side of the ledger.

THE CASH BOOK:=   Is a daily record of receipts and payments of money. When money is received, it is recorded on the debit side of the cash book and when money is paid, it is recorded on the credit side of the cash book. The debit side is usually on the left hand side and the credit side on the right hand side. The balance of the cash book at any time is the difference between the totals of the debit and credit sides.

THE LADGER:-   is a book containing a number of accounts. There are various types of ledgers. These are classified according to types of accounts.

Personal Accounts= These accounts deal with the personal aspect of a transaction. The ledger for these accounts are termed personal ledgers. personal ledger are subdivided into:

(a) Sales ledger or debtor ledger, containing the accounts

of debtors.

(b) Purchases or creditor ledger, containing the accounts
of creditors.

impersonal accounts - Those containing other accounts.
The ledgers for these accounts are termed impersonal
ledgers. Impersonal ledgers are sub-divided into:

(a) General ledger, containing such impersonal accounts as
fixed assets and such personal accounts as capital and
loans.

(b) Nominal ladger containing such impersonal accounts as
rents, rates, insurance and other expenses.

CHAPTER II

2.0   LITERATURE REVIEW

Book-keeping is the science of recording transaction
involving money or money's worth in a regular and systematic
manner in such a way that the books of accounts will show a
true and fair state of the financial worth of a business Book-
keeping has been described as a science, because it is scientific
in its methods. Book-keeping enables records to be kept
whilst accountancy is the art of presentation of the book-
keeping records. Book-keeping is generally regarded as a
science whilst Accountancy is generally regarded as an art.

Computer science as the name implies is also a science or
rather a scientific way of recording data and information.
The memory storage of computer makes it more complex and
viable means of data storage. The representation of data
in a computer system is by designing a good program chart to
accommodate what you want, carry out your desired processes
and output correct and accurate solution.

Historically, accounting systems focused almost entirely
on money transactions. Other information like sales quantity,
quality of item, demand frequency and marketing strategy were
collected, but it was gained independently by various departments
of business such as marketing and manufacturing - that needed it,
and the data were kept separate from the accounting system.
Today's businesses generally recorgnise the importance of
integrated information systems that encompass all internal
data, some even plug in data obtained from outside sources,

such as government, industry and trade associations.

In view of the recent development the integration of these departments could only be achieved with computer and its intergrated software packages. Thus it also solve the problem of manual work of accounts and its complicated arithmetics. The rate of errors was reduced to the bearest minimum since the computer cannot commit error by itself as it is in-human, unless there is a human error with regard to the feeding-in of the input where the logic of Garbage in Garbage out (GIGO) will emanate.

Professor Thierauf, klekamp and Geeding in their famous book fitiled "management principles and practices" have this to say.

Any manager who has grown up in the computer environment and is worthy of the title of manager will know how to deal with computers and computer professionals. A quick guide is whether the manager knows how to write a computer program. Today, any adult is illterate if he does not know how to programme a computer.

Thus, from the above analysis, it become necessary for the accountant to know how to operate the computer and be able to write computer $progr_amms$. Where an accountant is able to familiarize himself with the computer, most of the complicated accounting jobs could be programmed into the computer for easier, quicker and accurate output.

Again, they have this to say:

Learning from experience is generally at random. There is no guarantee that an individual learns from experience. What is learned from experience is generally circumscribed by the limits of experience. Changed conditions may mean that the past is not a good indicator of the future. A man who has nothing but background is a theorist. A man who has nothing but practical experience is a business mechanic. A professionally trained executive is one in whom there is an effective integration of these two general types of experiences, combined with adequate intelligence regarding the types of problems with which he must deal.

Thus it is advisable for accountants without previous knowledge of computer programming to take a course on computer programming in order to combine their accounting experience with their knowledge in computer operations to make the computer always be under their absolute control.

2.1   SPREADSHEET

Accountants and others have been using paper spreadsheet in otherwords, large sheets of paper ruled into rows and colums to give a rectangular array of cells. Each cell can contain a number representing, say the sales in a given area in a particular month certain cells are special and contain totals, for instance those along the righthand side might be the totals by months, those along the bottom totals by area, with a grand total in the bottom righthand corner.

Working on paper, you enter the various sales figures in the appropriate places. When they are all entered, you can calculate the various row and column toals of course, if any of the figures changes, then you will have to change the totals for both the row and the column in which that cell is located.

The electronic spreadsheet similarly has rows, columns and cells, in which you can put sales figures, or indeed any other information. The spreadsheet as a whole is much bigger than could be shown on the personal computer (PC) screen. At any time you only see a portion of it. To help you know where you are, each cell is given an address to reference it by, each column has a letter and each row has a number, so that cell C5, for instance, is in the third column from the left, and the fifth row from the top.

Spreadsheets are often used on an ad-hoc basis when you have number of figures that you want to manipulate. But another useful approach is to set up a standard matrix of cells, with headings and calculations related to your own requirements.

For instance, you might have standard column headings for each of the company's branch offices, and standard positions for inserting the current interest rate, and so on. Such a matrix then comprises a model of some aspect of the organisations business, and you can use it again and again, entering figures as they arise each month, but obtaining totals and percentages that are comparable with the month before.

The advantage of electronic spreadsheet over the paper version is simple, as soon as you enter a value in a cell, or alter the value that was there previously, the row and column total are automatically recalculated for you. Infact, the spreadsheet is much more flecible and powerful than this example would suggest. The totals do not to be in any particular place, and as well as totals you can have percentages, averages, and indeed anything that can be calculated by arithmetic based on the contents of the cells elsewhere in the spread-sheet. For each cell, you enter a number, or alphabetic characters to be used as label, or a formula. A formula can reference other cells by their row and column address For instance, in cell C6 you might want to have the result of adding the contents of cell A2 to the contents of cell B4 If you put 132 in cell A2, 1001 in cell B4, and the formula 'A2 + B4' in cell C6, what you will see on the screen in cell C6 will not be the formula, but its result, in this case 1133.

As well as simple arithmetics, spreadsheets generally have predefined functions such as sum, count and so on. For

example, to get column total we might enter the formula @t sum (d4..d8), which will calculate the total of all values in cell D4 to D8 inclusive.

The features of spreadsheet, the size in terms of the number of columns and rows varies greatly between packages. The early systems were typically capable of holding 16000 cells, eight characters wide. These systems were run on computers with 32k to 64k of memory, with floppy disk storage with 256k memory being normal, and much larger memories available, and hard discs with 10 - 40 magabytes of memory, a much larger spreadsheet size, frequently of a million or more cells is possible.

Protecting a range of cells is to avoid unlawful change of data entered. This is sometimes also called locking or holding, and it prevents the contents of a cell or area of cells being overwritten by a new data. Titles and cells containing formulas are often automatically locked by users once they are satisfied that their contents are accurate. The cells become read-only unless they are unlocked.

Graphic display facilities which are available on some packages permit the display (and printing) of the spread-sheet graphically. The more advanced graphics such as pie graphs, bar graph, xy graphs and line graphs, displayed on a number of columns, may be available on some spreadsheet packages.

Some of the versions of spreadsheet are as follow: Lotus 1 - 2 - 3, Multiplan, symphony, visicalc, quattro and supercalc.

2.2 AUDIT TRIAL

All Accountants believe that the process of accountability is not complete without an 'audit'. Thus it can be argued that auditing is a logical appendage of the process of accountability in businesses.

Equipped with very large data storage capabilities tallied with very fast and **accurate** data access and analysis capabilities, couple with powerful and flexible reporting and presentation facilities, rolling on its communications networks, the computer is redefining the era of file heaps and file cabinets that used to be in the offices.

In an attempt to deal with the problem the convertional auditor has capitalised on the notion that computers are 'accurate' and so he has tended to assure himself that at best once the checks and balance that preceeded data entry are ensured, the reports coming from the computer is as good as an audited since the computer cannot make mistakes. Therefore he concentrates on what goes in and sometimes pays minimal attention to what comes out of the computer system, not bothering about what goes on inside the computer thus auditing around the computer.

Because of the fast speed and consistency of data processing by the computer, errors in the system are sometimes repeated many times in a very short time. Some of these errors can be prevented or trapped if proper controls are programmed into the software during its development.

The volume of data generated with the computer in some cases is overwhelming, making it extremely difficult for the auditor to try to subjedt even a 'reasonable' proportion of the data to proper audit tests, because of the time required to accomplish a resonable test in record and the meticulousness in doing it right.

As more data capture devices are being introduced to the information system environment, less source and summary documents (like vouchers and nominal ledgers) are generated, making conventional audit trials difficult . In fact in some cases transactions are recorded directly into the computer system via point-of-sale (pos) machines enabling a match towards a new global computing concept-paper-less processing sociaty. This no doubt forces the attention of the auditor to the electronic files for audit evidence and control implications. Sometimes there are shifts from the digital test we are commonly used to as in the case of image systems where the data talked about are mainly graphics.

But amidst the seeming confussion also, the computer itself helps generate summaries that are relevant to audit, so the auditor does not need to look too far beyond the computer to establish his evidence.

The implication is that changes affecting the nature and availability of audit evidence are occuring so fast that the conventional auditing techniques and processes are inadequate

of computers, with their immense capacity for handling
information gives managers a far broader view, and now the
management of large and complex enterprises can have the same
comprehensive view of their operations as the managers of very
small business.

PUBLIC SERVICES:- Much of the administrative and accounting
works carried out by local and federal government are assisted
by computers.

In designing homes, hospitals and offices the computer's
ability to quickly evaluate the merits of alternative plans is
most valuable. Road builders use computers, not only to
determine the optimum route for a new road but to process the
calculations involved in construction and to monitor the
progress of work and expenditure throughout the projects. Gas,
electricity and water supplies now use computers to help them
plan their distribution networks.

PROBLEM SOLVING:- Business and industry also use computers
extensively in conjuction with mathematical techniques to solve
a great number of diverse problems. These include the
calculation of layouts for items to be cut from steel or cloth
with minimum wastage, the design of camera lenses, determining
the best areas to site warehouses and factories, preparing tapes
or other media for the control of automatic machine tools,
preparing drawings of complex chemical pipeline systems, and
calculating an economiccal and nutritions mix for cattle feeds.

CHAPTER III

3.0   METHOD OF DATA COLLECTION

There are several methods of data collection, The
methods are as follow:-

Interview method

Questionaire method

Observation method

Redord review method

Participation method

Telephone method

INTERVIEW:- Is use to collect information from individuals
or group. The respondents generally are the current users of
the existing system or potential user of the propose system
The interview technique is the best source of qualitative
information such as opinions, policies and the actual
description of process.

QUESTIONAIRE:- is an intsrument use to collect information
in written form about various aspect of an investigation from
a large number of persons. This technique can yield a good
result and return from the respendent as a result of the
anonymity of the respondent.

OBSERVATION:- allow one to obtain first hand information
about how activitieas are carried out. This method is most
useful when there is a need to actually observe how documents
are handled, how peocesses are carried out and whether or not
specified steps are actually followed.

Record review:- The records that analst normally review include policy mannual, rules and regulation and standard procedures and other relevant documents.

Participation :- This also allow you to obtain first hand information about how activities are carried out. You are not there only as an observer but also participate in the activities.

Telephone:- This method is mostly useful for those that have telephone line either in office or residence. The respondent answer the call on phone. You can call as many times as possible to get the respondent on line and to answer your questions.

Interview method was chosen to enable me have contact with the respondent or the users of the system and also be able to see the system in particular, how it operate and the type of system.

These departments of the organisation were interviewed, computer, account and the management. The interview was designed to collect data from these departments of the organisation on how computerisation ease the job of employee, employer and the management.

The response are recorded in written form.

The following organisations were contacted, Union Bank of Nigeria PLC and Afribank of Nigeria PLC,. All these organisations are partially computerised.

The choice of the organisation is based on their reputation nation wide, and their level of computerisation.

3.1   COMPUTER DEPARTMENT

Union Bank of Nigeria PLC, Bida branch, a banking organisation was computerised in 1993.

The system is designed to cater for all banking transactions the system in use is personel computer (PC) while the software is called the 'Banker 80, that is, Banking in the eighties. There are two terminals in the banking hall, one terminal for accountant and one to the manager.

The account department has being phased out. The computerisation has taken over all the mannual accounting proceedings. The midmonth return of area office report is produced by the computer after the midmonth balances. The copies of the print out are sent to the area office. The monthly return are also produced at the end of each month and sent to the area office.

The same applies to the quarterly return, and any other type of return before the end of the year returns.

The followings are automatically produced on daily basis:-

(a) Update journal: for calling-over and referencing purposes.

(b) Loan and overdrawn acoounts for management decision.

(c) Balance sheet: for accounting purposes.

(d) Non post exceptions:- showing all the computer rejected
     entries.

The computer applications in discussion has covered the following transactions;

(a) Current account (including loans)

(b) General ledger /impersonal

(c)   Automation of standing order/apply of loans and overdraft
      when the date fall due).

(d)   Savings operations

(e)   Short and fixed term deposits/

      All of the above have enough facilities to operate them.
The much manual job now is the daily attending to customers.
95% of the remaining job after attending to customer is
being done by the computer. There is no word processing
software. The management still decided to be making do with
IBM electronic typewriters.

      The changes in the working environment is the electronic
system and the reduction in paperwork. This also allow quick
access to customer's account and to get the balances promptly.

      The advantages are categorised into three group viz:

(a)   Staff:- The staff will be relieved of the normal monthly
      and midmonthly ledger balacing. The daily recording of
      overdraft (O/D) book and monthly calculation will be
      taken over by the system.
      Tye (staff) will also be relieved of commission on Turnover
          (COT) calculation. It also save time.

(b)   To the bank: The books of the bank will be well kept.
      Much of paperwork are not required any longer.

(c)   It reduces waiting time and long quene of customers.

      OPERATIONS AT AFRIBANK PLC: The interview 1 had with them
produced the same answer like that of union bank PLC, producing
 the record would be a duplication of work. What, 1 had from
union bank also applied to their operations using computers.

3.2   ACCOUNT DEPARTMENT

From the banks, the manual accounting work has been taken over with the infroduction of computer systems. The account department now feed the computer department with data for processing.

The department now deal with other minor transactions, like mail transfer (MT), bankdraft and some other related transactions.

3.3   THE MANAGEMENT

The interview with the managers of the banks also revealed these:-

(1) It is a complete innovation in banking industry.

(2) Advancement in technology

(3) The accounting system are completely designed to the taste of banking system.

(4) You append to open account for a new customer.

(5) The necessary details are updated.

Some of the numerious benefits inherent in computerisation of the system are:

(1) Balances all ledgers daily.

(2) Computes the branch balance sheet automatically on daily basis.

(3) Prepares the overdraft (O/D) baaks daily.

(4) Calculates interest on loans and (O/D) accounts and applies the accrued interest amount automatically on the first working day of the following month.

(5) Calculates and applies commission on turnover (COT) automatically in accordance with specified rates.

(6) Makes referencing of chaques easier.

(7) Prepares the monthly statistics and central bank of Nigeria (CBN) statutory returns.

(8) Produces ledger/statement promptly and accurately.

(9) Minimises overtime considerably

(10) Increases the profit of the branch as the cost of over-time is minimised and prompt calculation of (COT).

(11) Attend to our customers promptly.

3.4   ANALYSIS

The choice of organisation to interview is with biasness to financial institutions. This is to study how their computerisation tends to enhance their performances more than the manual accounting procedures.

Collection and storage of pertinent data is vital to all business organisations if they are to survive and grow. The gathering of data for conversion to information can be a tedious, time consuming, and sometimes an overwhelming task. Data processing can be employed by an organisation to help simplify data collection and storage. By utilising data processing a business can also decrease cost and increase accuracy of data collection and storage. Many types of data

collection and data storage media are available.

The media available for data processing vary in terms of cost, advantages, and disadvantages. As technology progresses, additional types of data processing media become available. To determine the type of data processing system needed by an organisation, the goals and information needs of the organisation must be analysed. Information needs can be met for areas such as information for internal managerial reports, that is, forecasting, or external stockholders reports that is balance sheet.

From the project so far we have seen the scientific uses and commercial uses of computers, although the project is more concerned with the commerdial use, especially in accounting.

In banking industriestthat accounting prodedure is a daily routine, has emphasised the big advancement in working condition of the industry with the introduction of computer. From both computer department and management desk we have heard the numerous advantages wherent from the computerisation The design of computer system, come along with the accounting software like, spreadsheet in:

Lotus 1 - 2 - 3

Multiplan

Symphony

Quattro

The Banker 80' that is purposely designed for banking industries, has complete banking operation facilities. It

facilitates the preparation of the monthly statistics and CBN statutory return, calculates and applies COT automatically, calculates interest on loans and overdraft and many others.

All the three major books of accounting; the journal, cash book and the ledger, that form the accounting parts are incorporated into the banker 80 software.

The security is provided by the password of the computer department staff against lickage of information.

CHAPTER FIV

4.0   CONCLUSION

The project was designed to see the need for computerisation in financial organisations.

Business today is conducted in an age of economic crisis and highly complex technology imposing on business management the need to implement sophisticated business system which accord with present day needs. It is therefore very necessary that effective and useful information should be available to an organisation for effective decision making.

Computers has been able to combine all the parts of accounting, that is, the journal, cash book and the ledger in its software packages.

With this development in computer, the ICAN journal in its editorial column has this to say, we are now living in the age of information, an environment which requires today's accountant, auditor or manager to be versed in the use of computer if he does not want to be become obsolete.

The computer's ability to presents information in graphic is another great thing, that is, computer does not only calculate but can also represent the calculations in graphical form computer can successfully audit an organisation's account through its audit trial facility.

4.1   RECOMMENDATION

In view of all the above information obtained from the survey, 1 strongly recommend the use of computers in banking industries. It is effective and efficient.

All the staff should be given adequate computer taining to enable them work with the computer effectively.

The bank is also advised to introduce magnetic ink character recognition cheque for more security purposes.

The cashier should be provided with a terminal at the counter.

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