TITLE

DESIGN AND IMPLEMENTATION OF COMPUTERIZED

ACCOUNT PAYABLE SYSTEM

(CASE STUDY OF IMT ENUGU)

BY

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APPROVAL PAGE

This is to certify that this work was done by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with registration number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ under a constructive critism as required by the department of computer science, Institute of Management and Technology, IMT Enugu for the award of Ordinary National Diploma (OND).

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External Supervisor Date

DEDICATION

This work is dedicated to the Almighty God for all His Mercy and kindness to me, from whom my help come. I also dedicate it to my sponsors and friends that enable me reach my present height in education.

ACKNOWLEDGEMENT

I wish to express my gratitude to my supervisor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for his support, guidance and encouragement during this project writing. I also want to acknowledge my lecturers Mr. Oliver Ugwu, Mr Aneke and Mr. Ozagu.

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ABSTRACT

The work presents a design of a computerized account payable system for IMT Enugu. A computerized account payable system for IMT Enugu is concerned with the computerization of account payable records appraisal in order to achieve the aims and objectives of the organization.

The computerized account payable system (APS) is a tool that will assist IMT administrators in interpreting the financial outcomes of operational decision-making. It will help administrators to decide whether their staff financial health is better or worse than during previous accounting periods or past budget periods. The APS will also allow administrators to compare their operation with similar operations.

The design was implemented to facilitate the computerized account payable system for Institute of management of technology, IMT Enugu. It will be time conserving and cheap to run.

It is expected that if full consent is given to this, it will enhance the Information of account record for the Institution.

ORGANIZATION OF WORK

This project work is primarily designed to give an insight to Computerized Account payable system.

Chapter one talks about introduction to Computerized Account payable system, study of problem and objectives as well as definition of the scope.

Chapter two comprises the literature review. Chapter three gives the detailed information about the existing (old) system, while chapter four and five deals with the design and implantation of new system.

Chapter six documents the project work, while chapter seven summaries, conclusion and suggestions were made.

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1.0 CHAPTER ONE

INTRODUCTION

Financial accounting is the employment of the firm’s balance sheet and income statement to establish some relationship between one figure and another in order to highlight the strengths and weakness of the concerned business. The balance sheet of a firm is also called the financial position because it shows the position of the business in monetary term at a given point in time while the income statement show how the position depicted by the balance sheet has been attained. The results of financial analysis are normally expressed as financial ratios, which could be broadly classified as liquidity, leverage, activity and profit ratio. The suppliers of the firm’s funds and the investing public are usually interested in these ratios. But the nature of interest expressed on the firm determines the ratios to be emphasized by each concerned parts. This implies that different people emphasize on different ratios and as a result financial analysis means different thing to different people

The Accounts Payable System is a Masterpiece module developed by Computer Associates. The system is designed to facilitate the payment of external vendors as well as the reimbursement of staff for General Claims and Student Refunds. The Accounts Payable system provides the facility to maintain, track and report invoice information for vendors as well as providing users with on-line interrogation features.

Payments made from the Accounts Payable System can either be by cheque or EFT.  A flag on each vendor determines the payment method.

The Accounts Payable Accounting System provides a convenient way for you to process cheque, print checks and maintain a history of your accounts payable. It can be used as a simple check writer or a sophisticated accounting system that allows entry of prepaid, accrual, recurring and pending items with disbursements as checks. It can export files to ACH, check reconciliation and general ledger providing one of the most effective accounts payable systems available today.

This system is used to identify all of the detailed transactions that posted to the Individual Master Files (IMF), Business Master Files (BMF), Individual Retirement Accounts File (IRAF), and Non-Master Files (NMF) during the fiscal year. These detail transactions are broken down into Revenue transactions, Refund transactions, Other Transactions that are part of the fiscal year, and Other Transactions that are not part of the fiscal year. Once these breakouts are done, revenue and refund reversal transactions are matched to the transactions they reverse. Paper and electronic reports are generated and distributed to the Office of the CFO and to GAO. The detailed files provide support for the amounts from the Interim Revenue Accounting Controls System (IRACS). The files are also made available to GAO for sampling and to validate the financial statements.

Background of Study

PRIOR TO THE establishment of the Institute of Management and Technology, Enugu, there were two institutions in Enugu – The College of Technology which offered courses in Engineering and Laboratory Technology, up to the Ordinary Diploma Level and the Institute of Administration which provided short in-service Training Courses for Civil Servants of various grades. The college of Technology was part of the Ministry of Education and was controlled directly by that Ministry. Similarly, the Institute of Administration was controlled by the Ministry of Establishments. Both institutions were staffed by Civil Servants who were posted to the two institutions and could be re-posted to other departments of ministries according to the needs of the service. They were not specially recruited as teachers. Thus, the administration and operation of the institutions closely followed the routine in the Civil Service. Both institutions were separate and located on different sites.

          However, the need for a higher institution of learning to upgrade the training in technology and management education has begun to be felt for some time. The academic program of the College of Technology, Enugu, was no longer adequate for the assessed needs of Nigeria at the threshold of industrial take-off. If the industrialization of the country was to be achieved and maintained at a high standard, the technologists, technicians and processionals needed a better and more functional training. It is clear that successful industrial development depends as much on the technologists as on the management skills and expertise available to the country concerned.

          Management education of the highest quality was, therefore, a corollary of the processional and technological education. Management in this context is used in its broadest sense including both business and personnel administration. The engineer in the Nigeria of today needs training in management for maximum effectiveness. He is no longer to be the narrow professional or technical concerned only with machines and structures. He has to understand fully the relationships and the social setting of his position as an Engineer, he must be able to analyse and assess the economic and social consequences of his decisions; he has to work with people all the time and must therefore be acquainted with basic personnel and labour matters. He needs management tools to do all these. If these tools and attitude can be acquired all through the engineer’s training periods so much the better.

STATEMENT OF PROBLEM

Owing to:

1. The difficulties the institute faces in keeping account payable information/data.
2. Fragile nature of account payable information/data.
3. Error encountered in account payable financial analysis.
4. Mispresentation of account payable financial data.
5. Difficulties the management encountered when searching for a given account payable information.
6. Time wasted in searching for information on packed files.
7. Time wasted in sorting account payable files.

The need arise for the development of Computerized Account payable system for a higher institution.

* 1. PURPOSE OF STUDY

The main purpose of this study is to put to an end the difficulties the management encountered during account payable planning and analysis. This is actualized by designing Computerized Account payable system which is user friendly and interactive. By the time this software is designed and implemented, the difficulties encountered with manual method of keeping account payable information will be eliminated.

* 1. SIGNIFICANCE OF STUDY

With the growth in information technology, the study offers numerous values both to the IMT and to any Institution that deals on Account payable data/information.

Huge of files kept in the offices will no longer be there again because information will be stored on the computer with the help of the Computerized Account payable system.

Because of the easy to use nature of the Computerized Account payable system, any organization can easily buy it to make use of them.

* 1. AIMS AND OBJECTIVES

The aims and objectives of this project are listed below:

* To develop software called Computerized Account payable system that will replace the manual method.
* Prepare and manage University budget
* Maintain Budget policy and procedures
* Provide financial analysis and advice to the various divisions, offices and areas within Institution.
* Provision of management reporting
* Custodian of the Finance and Budget system
* Treasury and commercial investments
* To stop or eliminate the difficulties people face with manual method of planning financial report.
* To eliminate the error involved with the manual method of planning account payable report.
* To save the time wasted when searching or sorting for a given data/information.
* To remove untidy nature of most offices because of huge number of files scattered all over.
* To enhance speedy and reliable information retrieval in crime records.
  1. SCOPE OF STUDY

This project work is narrowed to Account payable system of IMT Enugu. It deals with the development of Computerized Account payable system to help in the storage of financial data/information in the Management office.

It stores all general payable account and individual information.

* 1. LIMITATION OF STUDY

Owing to the scope of this project work as stated above, this project work is limited to a Computerized Account payable system of IMT.

It is important to mention here that time was a major constraint in the course of fact finding. It is also wise to mention here that some information we need to work with was not collected because of the unwillingness of the staff to review such information.

* 1. ASSUMPTION OF STUDY

One of the major assumptions made in this project work is that manual methods of account payable planning and analysis are ineffective, time wasting, prone to error and high level of energy dissipation.

It is also assumed that with the level of development in information technology, there is a serious demand to join this trend of information technology.

It is also assumed that Computerized Account payable system motivate the staffs to work more with easy and enhance their work.

1.9 DEFINITION OF TERMS

Information: This is said to be refined data used for decision making.

Database: This is the collection of related data/information.

Storage: This is the process through which data/information is stored for future use.

Staff: This is a person working in an establishment.

Computer: An electronic device that can accept information/data inform of input, process the data/information inorder to produce output and has the ability to the information for future use.

## DATA: Raw information when data is processed, it becomes information.

HARDWARE: The physical components of a computer like the keyboard, the video display unit (VDU) etc.

MICRO-PROCESSOR: The part of a computer system that performs the major activities like reasoning calculation etc.

## PROGRAM: Series of logically related instructions arranged for the computer to execute or run. It controls the activities of the system (i.e the system program or the application program).

PASSWORD: A word supplied to a computer in order to gain access to the system or a file.

SOFTWARE: The logical components of the system like the program. They are not visible.

INCOME STATEMENT: This is a summary of all transactions, which have taken place during a period, resulting in either a profit or loss figure.