

## **SOFTWARE SYSTEMS AND TOOLS IN FINANCE AND BOOKKEEPING**

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**Abstract:** Financial function as a rule provides and executes the tasks of getting the monetary funds, maintenance of liquidity and solvency of enterprises and performs the control of rational use of monetary funds. Some of the basic tasks of financial service are financial planning, development and submission of requirements to banks regarding the loans, to take care of loan repayment and payment of interests and to perform financial analysis. In small and medium enterprises financial activity was organized in departments such as: finances, bookkeeping or informatics. In big enterprises financial activity is organized in appropriate sectors and services, particularly: financial and accounting sector, informatics, control, audit. All of this cannot be imagined without information systems and modern softwares.

**Keywords:** information system (IS), finances, software systems.

### **1. INTRODUCTION**

Information system (IS) is a set of activates for information processing, altogether with joined organizational resources, such as human, technical and financial, which provide and distribute the information. Connections between the objects and relations between the system and environment, in case of information system, are realized through information exchange. Each information system consists of database and a set of programmes that provide the approach to data in that database for different classes of users in order for them to perform their daily work tasks. Based on that, information system can be defined as a set of techniques and technologies, methods and procedures for proper planning collection, preparation, transfer, storage and processing of data, based on the application of computers, as well as for distribution and presentation of information for use and for decision making.

Intensive growth of information systems begins with introducing the computers and other equipment in processing so-called business information, which were so far done by the people. Development of information systems as a whole has its basis, its frameworks and its motives, as a basis from which design concepts of information systems development come from, today serve system theory and informatics. Information systems that apply the computers and information technology (IT) in this field are called computer-based information systems (CBIS).

The task of information system is to process the input information into output information, usable for making certain decisions. Feedback has a task to control whether output size is real value, and if in the output we do not obtain real expected value, it comes to the verification and correction of input data (the existence of error is verified in the input or in processing). There is always a possibility of error in input information as well as in processing). Since it is obvious that within the work of information system there is a constant risk of error, for e.g. results of processing are wrong and unusable, we can find ourselves before a very unpleasant dilemma: whether he should trust the data obtained from the computer or not and who was wrong, computer or man? Experience says that the cause of wrong results is mostly in the errors of the man, whether because the wrong data were entered the computer or because the programme is wrong. Errors that usually

occur when entering the data into computer are simply the consequence of superficiality, lack of attention or fatigue of the man and they can easily be eliminated. The second type of errors, i.e. errors in the programme have deeper causes: most frequently that is the complexity of the programme that can be so big that programmer practically cannot control the whole programme anymore. Even when it is obvious that there was an error somewhere in the programme, it is very difficult to determine where it exactly is, and even if it is found and corrected it is very likely that the corrected error will be fatal for the execution of some other part of the programme. Exit from the difficulties that come from programme's complexity consists in that the structure of the programme should be clear, such that the programmer can easily understand it (application of structural programming when developing a programme) and a programme should be composed of modules, which are relatively independent one from another, so that they can be processed separately, independently from the whole (application of modular programming when developing a programme) [1-10].

## **2. CONSTRUCTION, GOALS, WAYS OF MAINTENANCE OF INFORMATION SYSTEMS**

Represents a process in which information flows and procedures that are necessary for development of efficient business process in enterprise are determined, systematized and defined. Generally, this process has several phases [11]:

- Defining IS,
- Setting the goals of IS construction,
- Determination of construction procedures,

IS consists of programmes, data, organization.

Setting the goals of IS construction implies compliance between procedures and needs of IS with the goals of business and includes the following:

- IS should be adjusted to organizational system of enterprise,
- Improve the use of human potentials,
- Obtain good and timely information for decision-making,
- Achieve competitive advantage,
- Shorten production cycle,
- Simplify business processes,
- New IS – renovation of organizational system,
- In the shortest possible period get the invested funds back (IS).

Basic procedures of IS construction are determined in a planned way and their realization includes several phases:

- Making a draft for IS introduction,
- Introduction of standard version,
- Data transfer,
- Basic education,
- Development, finishing.

Draft for IS introduction is actually a design project of IS introduction that should contain the following procedures:

- Defining the way of using the IS,
- Listing the basic processes and responsibilities for data,
- Defining data transfer,
- Defining the adaptation, finishing, connection with other programmes or IS,
- Definition of term plan of IS construction.

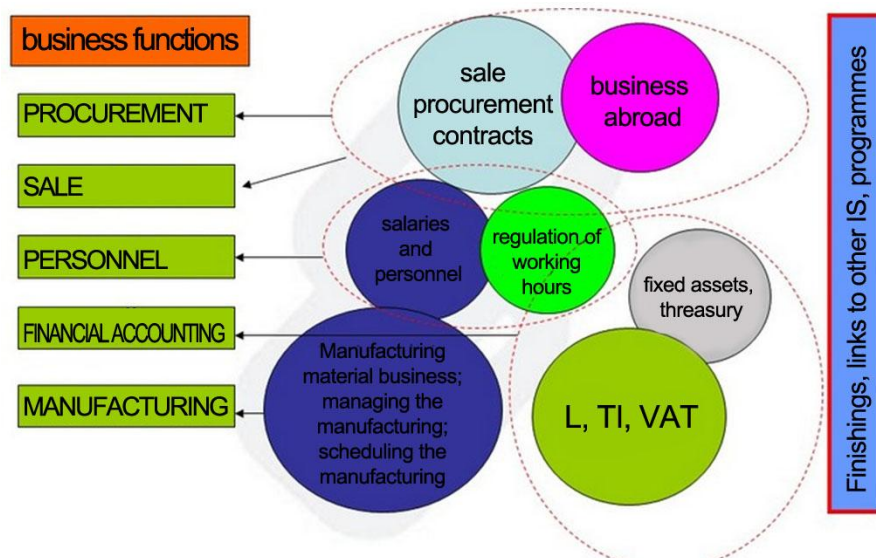
Maintenance of IS is very important because it is necessary to provide continuous functioning of IS and thus the type and scope of maintenance services is agreed upon with the contractor of IS.

Maintenance includes:

- New versions of programme equipment,
- Help for the users,
- Elimination of errors (programme, base),
- Development of legal changes,
- Counselling and other additional tasks.

Help desk (which is also an important form of maintenance implies direct help for the users through information portal that is set by the contractor of IS or informatics services if it is organized within an enterprise).

Information systems scheme is given in figure 1.



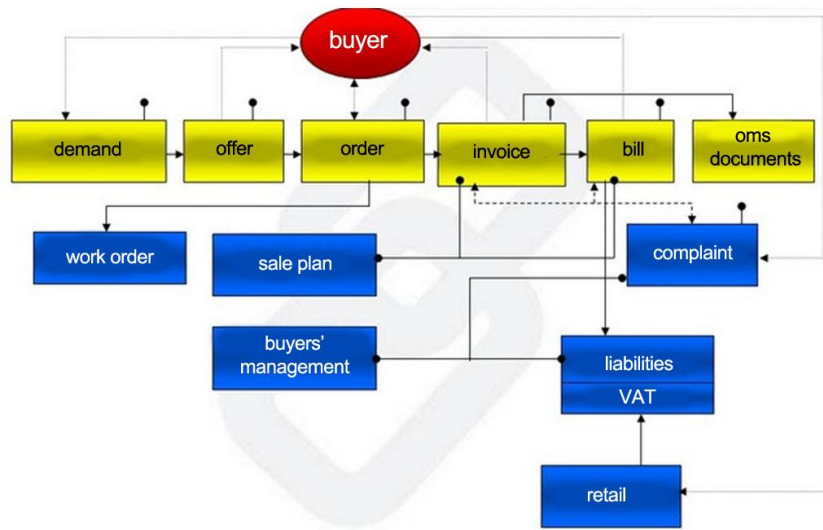
**Figure 1: Scheme IS [11]**

The mere procurement also implies the procedures and documents that influence business changes and that need to be monitored and recorded and that are important for finances and accounting, such as ordering materials, services etc. Procurement has a greater number of sources depending on the system of planning material needs. In trade enterprises as a source of procurement, there are sales documents or reports on sale, based on which procurement orders are formed and after forming procurement orders, they are source documents for other entries. In manufacturing enterprises from previous documents, requirements for procurement can be generated, but manual entering of requirements is possible as well. Having in mind that characteristics of material or article, the procurement will choose the way in which procurement procedure will take place.

Module sale and marketing implies entering the data that are significant for financial operating and accounting (figure 2).

- IS should have wide opportunities in the aspect of forming the price in relation to the partner, currency, type of business, to provide drafting of the price list by classes with fixed and variable part of the price.
- IS should also support the system for the formation of discount-rebate, cash skonto etc, which enable additional commodity, temporal and amount discounts.
- Programme should be also equipped by tools for individual and group calculations of selling price.

- Billing is simple, it is done individually or periodically (collectively).
- Billing periodical services, development of commercial invoices or internal invoices.



**Figure 2:** Sales model [11]

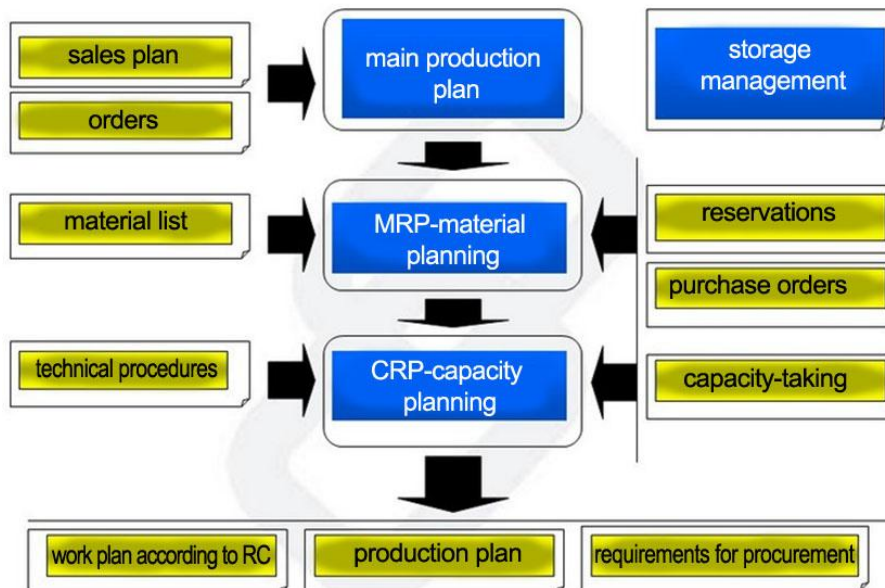
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IS should enable the development of dynamic calculation and pre-calculations. Depending on the type of business, in the production we can launch the following (figure 3):

- Simple or group work orders,
- Overhead work orders, and
- Orders for services done,

IS should perform the monitoring, calculation and analysis of orders.

IS is meant also for the development of strategic, annual, quarter and monthly plans, detailed or overall and enables monitoring and implementation of the same. By detailed planning, the review of availability is enabled, calculation of material needs and needs for other resources, as well as fine (graphical) scheduling, and flexible planning should also be enabled.



**Figure 3:** One manufacturing process of production [11]

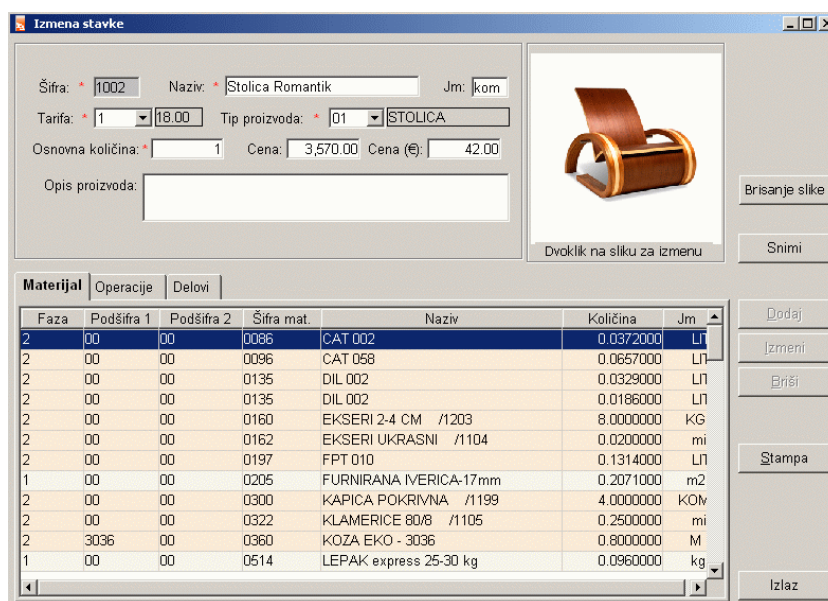
### 3. INFORMATION SYSTEMS IN FINANCE AND BOOKKEEPING

**Dolap – programme for accounting** - Dolap is business accounting programme that enables managing more enterprises or stores that can have several business facilities, Business-accounting programme that contains wholesale, retail, PC cash registers, several business facilities, price calculation, levelling, conveyors, return receipt, invoices, inventory, general ledger, statements, legal accounting system. Programme contains bar-code and names for 45.000 items.

Additional programme **PC cash register** works with fiscal printer Galeb FP550 and directly accesses and exchanges data with accounting database. In this way, it provides commodity recording in a retail facility, as well as managing consumer cards of buyers. Support for scanner, POS keyboard and scales that print bar-code are included. The replication of data with remote sale facilities by using USB disc or other medium is provided.

**Fipo Soft – programmes for accounting**

Programmes for accounting, libraries, billet services. Client-server architecture and Web applications. Development of software by order. **Accounting programme KP** (goods, material, manufacturing, trade,...) meant for small and medium companies, and particularly appropriate for production companies and bookkeeping-accounting agencies (figure 4).



**Figure 4: Bookkeeping programme KP [12]**

**ADACCO programmes for bookkeeping** - Adacco package of business and accounting programmes consists of a few modules. Those are: financial bookkeeping, calculation of salaries and personnel recording, material bookkeeping and manufacturing, wholesale bookkeeping and billing, retail (with or without pc cash resister), catering business, treasury operations, fixed assets, independent craft store, transfer orders, interests.

**LAPPASOFT - EXPRESS** is a complete package of programmes for facilitated bookkeeping and accounting in all types of companies, associations, as well as simultaneous management of several companies in accounting services. Programmes include KIF, KUF, wholesale, retail, POS system, storages, finances, general ledger, buyers, suppliers, calculation of salaries, fixed assets, depreciation, transfer orders printing and many other things...

**SMS software** - SMS software Ltd. is a private company, with headquarters in Belgrade, specialized for development and distribution of business information systems – programmes for bookkeeping. List of programmes: billing the services, calculation of interests, VAT records, cash register, calculation of salaries, fixed assets, sale - retail shops, financial bookkeeping.

**SofTek** – Software package lksWin is ideal tool for bookkeeping of all enterprises. It can be used by big, medium and small enterprises, as well as bookkeeping agencies. It shows the greatest power where bookkeeping is done by smaller number of bookkeepers or only one because moving through one chart of accounts, other registers, review of cards, orders and all other reports is extremely simple and obvious.

**Forms – Programme for filling in and printing the patterns.** HSForm is simple and flexible programme for filling in and printing the patterns. Characteristics and easiness of handling make it simple in the territory of the Republic of Serbia and mandatory tool for each accountant. In the programme, there are all the patterns that you need for your business, whether those are patterns for enterprise, entrepreneurs, budgetary or financial organizations, such as patterns for annual account, payments, calculation of salaries, insurance of employees, tax returns, forms from the Agency for Commercial Register and many others.

**LIDDER 2010 – Business working environment.** One programme in domestic market that includes entire enterprise business, and not only bookkeeping, but also business, i.e. commercia-marketing segment of business...

**ProZAK - Prism** - ProZAK is software package meant for bookkeeping jobs for almost all activities of legal entities of all categories. During the exploitation and distribution of application, programme includes all the fields and all the elements of modern administrative and accounting business.

**Business bookkeeping programme - Blue Soft 04.** Business accounting programme package Blue Soft 04 is used for keeping books, as well as monitoring, i.e. analyzing the business itself. It is meant for small and medium enterprises, bookkeeping agencies, institutes, independent trade and catering shops. Reliable, comprehensive, simple in work, possibility of individual adjustment of programmes to legal changes and protection of data by controlling the approach are only some of the characteristics of this package.

#### **4. CONCLUSION**

There are several financial goals of enterprise and the main is maximization of profit. Shareholders strive to maximize their assets through company's business. In a joint stock company, that goal is achieved by creating the values of shareholders that is expressed by market value of shares, which is a result of 3 main decisions:

1. By Decision on financing, we define the structure of financing the enterprises, i.e. acquiring the funds for covering all enterprise's liabilities from own or someone else's sources. Long-term sources of financing contribute to greater profitability of investments and increase of the value of shares under the condition that they are cheap and that optimal combination of financing is provided.
2. Decision on dividend and retained profit contributes to the increase or reduction of the value of enterprise's shares. Payment of higher dividends increases demand for shares and thus market value of shares also increases. Very often, maximization of earnings per a share are advocated, however if that would be the only goal the enterprise wouldn't pay dividend and we can also ask the question which undertaking is more profitable – 1 million for 5 years or 150 000 every year for the following 5 years. And the answer depends on temporal value of the money for enterprise and investors.

3. Decision on investing in material-finance or other assets affects the structure of assets, risk and safety of investments. When the investments are safe, used and profitable, their implementation leads up to the increase of market value of shares and thus the value of enterprise.

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