

TALKING BUSINESS

One of the simplest ways of approaching business systems design is to consider the cash flowing into and out of the business. Suppliers of software who aim their products at small businesses like to take this approach. It enables them to offer a complete applications solution in one, all-embracing program.

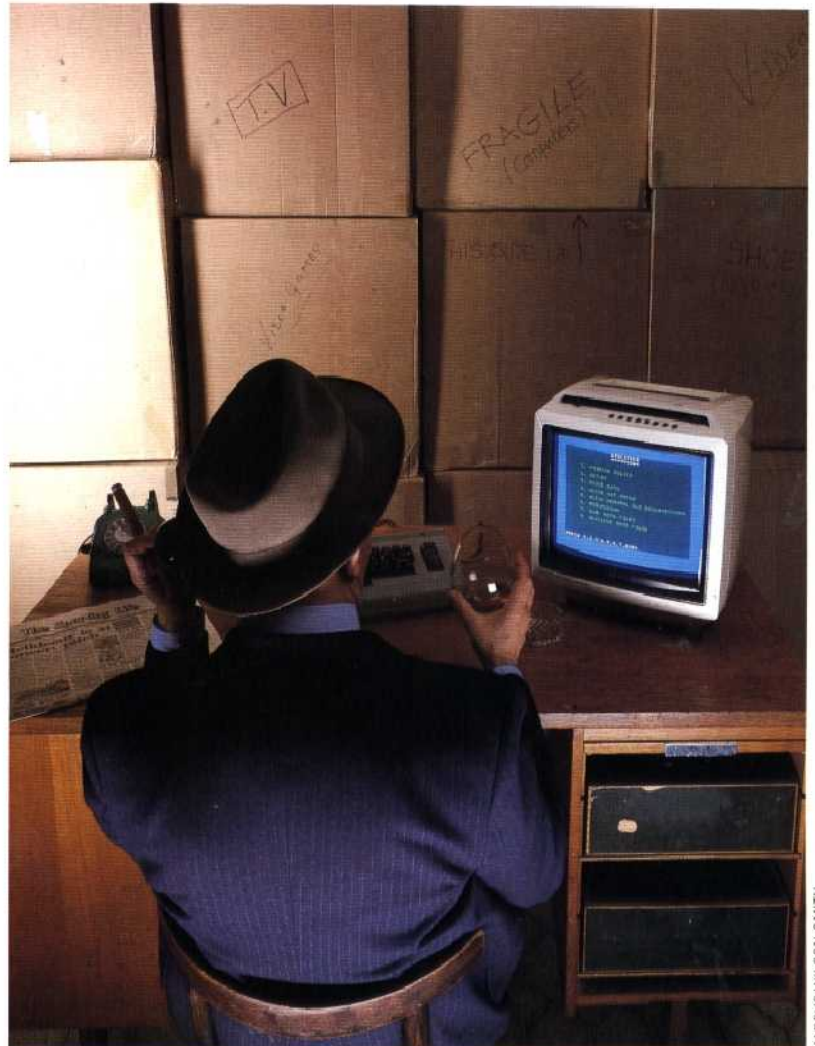
The three programs we have chosen to illustrate the design requirements of a business package are: Quick-Count's Book-keeping System For The Cash Trader, a cassette-based program for the Commodore 64; Accountant, by Compact Accounting Services, running on the BBC Model B Micro equipped with disk drives and Acorn's Z80 second processor; and Microledger, by Lewis Ashley Computers, a disk-based system running on the Apple II.

To provide a complete book-keeping solution, a program has to be able to break down the various sources of income and expenditure in the business. Business people don't just want to know the summary total of how much has been made or spent in any one period. They need to be able to analyse those totals into their component parts. They need to know how much is going on rent, on travel, on petty expenses, on stationery and so forth. Otherwise the only book-keeping system the trader would need would be an adding machine to tot up the incomings and outgoings.

To meet the need for analysis of the cash flow, the program has to give the user a means of allocating income and expenses to various 'account headings'. The *general ledger* is the accounting device that contains these headings. It forms the heart of any business system.

Cash Trader is an excellent example both of what can be achieved with a cassette-based program and of the limitations of such programs. It has a general ledger consisting of 79 different account headings. This is tiny by comparison with disk-based systems, the smallest of which offer hundreds of account headings, but it should be more than enough for most traders to identify all the areas of interest to them in their operation.

Cash Trader's general ledger is *pre-structured* (in contrast to both Accountant and Microledger, which are free format ledgers). 'Pre-structured' means that the range of possible account numbers is already divided up into the different types of general ledger accounts. This makes it easier for the program to decide what operations to carry out on the data in each account for reporting purposes. It also makes it easier for the



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new user to set up. The disadvantage is that it imposes restrictions on the kind of ledger structure that can be created.

Numbers 01 to 19, for example, form the trading accounts. In other words they deal with income from sales and purchases (of goods for resale or of stock) made by the business. However, the trader might only want to use four of the possible 19 trading accounts. A single account, say Number 01, might be designated 'Takings' and all the income generated by trading would be entered (the technical term is *posted*) to this account. Account 01 will then keep a cumulative total of all the income.

On the other hand, the trader might decide to keep separate totals for, say, five different categories of goods sold. This would mean opening five income accounts (numbers 01 to 05). It would then be necessary to set up some procedures to ensure that the right sales were posted to the right accounts. But Cash Trader would have no difficulty with this level of detail.

The Cash Trade

Even a cassette-based home micro is suitable for a small business operation. Most of the packages at this level have a narrow focus, such as dealing with cash flow alone, and are not full accounting systems