

CLASS: JSS3

SUBJECT: BUSINESS STUDIES

WEEK: TWO (2)

TOPIC: OFFICE PROCEDURES

**LEARNING OBJECTIVES:**

1. Definition of office procedure
2. Importance of office procedure
3. Procedures for making payments by cash, cheques, bank drafts, bank transfer and E-payment.
4. preparing bills and invoices

Definition of office procedure; Office procedures are set of rules, methods, processes and mechanical ways in which operation, clerical and administrative works are done or carried out in the office.

**Importance of office procedure;**

- a. It helps work to be done faster
- b. It helps to reduce and prevent fraud
- c. It makes training on the job easier
- d. It helps to reduce errors in one's duty performance
- e. It reduces delays and solves problems in the system
- f. It helps in the smooth running of the office
- g. It instills discipline in an organization
- h. It helps us to know how to handle both incoming and outgoing mail

**Bill** is a written statement of charges for goods supplied or services rendered. In preparing a bill for goods supplied, the sales department will list out the goods supplied, the amount to be paid, the service or handling charges to be added, etc.

**Invoice:** This is a bill issued by the seller when goods are sold to customers. This bill or invoice shows the quantity, description of the goods, unit price, amount, and terms of sales. From the invoice, the following can be extracted;

1. Name and Address of the seller/supplier
2. Name and address of the buyers/customers.
3. The date of the transaction
4. The serial number of the invoice
5. The quantity of goods supplied
6. The description of goods supplied.
7. The unit price of goods
8. The total amount of goods supplied
9. The terms of sales
10. Signature of the customer and supplier.

**Receipt:** This is a business document normally issued to a customer, to serve as evidence of payment. It is legal proof of payment.

Mechanized office equipment commonly used for the preparation of bills and invoices are;

1. Computer software
2. Typewriter
3. Adding machine
4. Cash register machine
5. Calculator
6. Photocopier

Procedures for making payments: These are the methods or mediums in which we make payments for goods and services. They includes

1. Cash
2. Bank transfer
3. Cheque
4. Bank draft
5. E-payment

1 **Cash:** Cash remains the most common means of making payment. In Nigeria, the standard units of money, the Naira and Kobo, are usually accepted as payment for goods and services. Cash has the advantage of being acceptable to both the public and all the traders.

2 **Payment by Bank Transfer:** The bank usually facilitates payment, when instructions given to them by a customer is to transfer money, from one account to another account, for payment of goods and services. To make a bank transfer, the person transferring the money will visit his/her bank, or the recipient's bank, and fill out a form or bank teller, which shows the date, name of the bank where the payment is to be made, account number, name of the receiver, etc. He/she then proceeds to pay the money into the bank, and the bank will then credit the recipients.

3 **Payment by cheque:** Cheques are mainly used by current accounts and some special saving account holders, as a means of a means of payment. It is a written order to a bank to pay a desired sum of money. A cheque can be made to oneself, or it can be made payable to another person or organization.

A cheque can be open or crossed. An open cheque can be cashed over the counter at the bank, while a crossed cheque (with two parallel lines drawn across the payee's name) cannot be cashed over the counter. It must be paid into a bank account.

Some reasons why cheques are dishonored are:

- i. Insufficient money in the drawer's account.
- ii if the drawer didn't sign the cheque

iii if the cheque is stale (old)

iv if the cheque is post-dated

v. if the drawer's signature is irregular

4. **Bank Draft:** A bank draft, also known as a bank cheque is like asking a bank to write a cheque, for you. You give them your money they give you a cheque for that amount, to give to the person you are paying. It is automatically paid when presented at the bank. Banks drafts are often used for larger amounts, and when people or organizations won't accept a personal cheque. For example, when offering payment in foreign country, a bank draft, backed up by the authority of the bank, will be accepted, compared to a personal cheque.

5. **E-payment:** E-payment is a system of paying for goods and services, through an electronic medium, without the use of cash or cheque. Different ways of paying or receiving money electronically includes;

1. Automated Teller Machine (ATM): This has a plastic card issued by the bank for it.

#### **Advantages**

1. it is faster than going into the bank
2. it has reduced the risk of carrying large amount of money
3. it can be use after banking hours
4. it has reduced cost and increased profitability for banks

#### **Disadvantages**

1. it yet to reach rural areas
2. illiterates may not use it
3. the amount of money it gives is limited
4. it has led to reduction in workforce in the bank

2. Point of Sale (POS) Machine: This is another modern-day device that is introduced to help customers carry out payments and other financial transactions at the point of sale.

**Advantages**

1. it has reduced the possibility of cash theft and fake currency
2. it is accessible at any time
3. it makes it easy to increase sales
4. it is mobile

**Disadvantages**

1. It leads to impulse buying
2. It relies heavily on technology, when technology breaks down business fails
3. It takes time then cash payments
4. It requires training to operate the machine.