

# Impact of Computerized Accounting Systems on Financial Performance of Small and Medium Enterprises: Special Reference to Kurunegala District

07 Nov.

BE06

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Previous studies on Small and Medium Enterprises (SMEs) in Sri Lanka have identified the lack of impact of Computerized Accounting Systems (CASs) as a key issue in the sector. Therefore, the general objective of this study is to investigate the impact of CASs on financial performance of SMEs in Kurunegala District. This study adopted an explanatory survey design. Therefore, the independent variables of the study were user perception, management support, government support, external environment and ease of use, while the dependent variable was financial performance. The target population for this study was 5426 SMEs in Kurunegala District. The study selected 153 SMEs based on the random sampling method and used a structured questionnaire to collect the data for the study. The study used descriptive statistics analysis to understand the behavior of the data. Research hypotheses were tested using correlation analysis and regression analysis. The findings of the study show that, government support had no significant positive relationship with financial performance. But, other independent variables have significant positive relationship with financial performance.

**Keywords:** Computerized Accounting Systems, financial performance, small and medium enterprises