



HISTORICAL DEVELOPMENT OF ACCOUNTING: ITS DEFINITIONS AND RELEVANCE TO MODERN SOCIETIES

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Abstract

This research delves into the origins of accounting and how it has changed through time, following the practice from prehistoric societies to the financial systems of today. In the development of economies, management of corporations, allocation of public funds, and international financial markets, accounting has been indispensable. Important turning points are covered in the research, such as the influence of the Industrial Revolution, the advent of double-entry bookkeeping in the 15th century, and the globalisation of accounting standards like GAAP and IFRS. Additionally, the paper examines how accounting in Nigeria evolved from unofficial traditional methods to a regulated profession overseen by organisations such as FRCN, ANAN, and ICAN. It draws attention to the problems that accountants face, such financial fraud and poor corporate governance, and stresses the revolutionary effects that technology, AI, and blockchain will have on financial reporting. Accounting is still crucial for financial openness, regulatory conformity, and economic stability, according to the results. The importance of accounting in today's society will only grow as the field adapts to new digital technologies and stricter regulatory frameworks.

Keywords: Accounting history, financial reporting, IFRS, corporate governance, technological advancements, Nigeria.

INTRODUCTION

Accounting provides crucial information for decision-making by individuals, governments, and corporations; it is an integral part of economic and financial management. Organisations may record, categorise, and understand financial transactions with its help, making them more transparent and accountable (Alexander & Nobes, 2020). Accounting has its roots in the development of record-keeping systems used by prehistoric societies for the administration, taxes, and commerce (Mattessich, 2000). Global financial reporting and economic activity are guided by accounting's standardised principles and laws, which have developed into a structured discipline throughout time.

After its initial documentation by Luca Pacioli in 1494, double-entry bookkeeping emerged as a major innovation in the field of accounting. According to Littleton (1981), this method was crucial in establishing contemporary financial reporting and the concept of corporate accountability. Because of the rise in complexity of commercial transactions brought about by the Industrial Revolution, auditing procedures and standards for financial reporting were developed, significantly altering the field of accounting (Hoskin & Macve, 1986).

There has been an increase in financial openness and international comparability since the adoption of generally accepted accounting principles (GAAP) and the International Financial Reporting Standards (IFRS) in the late 20th and early 21st century (Nobes & Parker, 2016).

Accounting in Nigeria has progressed from unstructured, long-established practices to a formal, regulated profession overseen by bodies like the FRCN, the Institute of Chartered Accountants of Nigeria (ICAN), and the Association of National Accountants of Nigeria (ANAN) (Okike, 2004). According to Olowookere and Emmanuel (2018), Nigeria's financial reporting was brought into line with global best practices with the introduction of IFRS in 2012. But problems including poor corporate governance, fraud in the financial sector, and compliance concerns still exist and threaten the profession (Adegbite, 2015).

To further improve accuracy, efficiency, and fraud detection in financial reporting, technological breakthroughs including as cloud computing, artificial intelligence (AI), and blockchain have transformed accounting (Warren et al., 2021). The importance of accounting in maintaining economic stability, ensuring compliance with regulations, and providing

good corporate governance will not go away, even as the field changes and develops.

The research delves into the evolution of accounting, how it has shaped current financial institutions, and how it has societal implications. Also covered is how accounting has developed in Nigeria over the years, with an emphasis on the part played by various professional organisations and the impact of technological advancements on the field's trajectory. This research sheds light on the ongoing importance of accounting in promoting economic growth, regulatory compliance, and financial integrity by analysing previous and contemporary trends in the field.

DEFINITIONS

Akinyemi, Okoye, and Izedonmi (2015) state that several researchers, academics, and auditors have attempted to define accounting. A company's financial data may be better understood and used for decision-making through accounting, which entails documenting, categorising, choosing, measuring, analysing, and presenting this data.

According to the American Accounting Association (AAA, 1986), one of accounting's main functions is to help businesses and other economic entities make informed decisions about how to allocate limited resources by providing them with qualitative data, mostly financial data. To rephrase, accounting is essentially the practice of keeping track of financial transactions in a way that helps people make appropriate use of limited resources, grow their wealth, and successfully compete in today's global market. According to Agabi, Mohamed, and Lateef (2017), the quantity and quality of accountants required to carry out these duties is directly related to the accessibility and quality of accounting education. Regarding the accounting history definition, Previts (1984b) contends that studying the past provides an intuitive rationale by connecting the dots between the historical state, the positive state, and the normative state. Recognising that knowledge is continuous and not constrained by time or place is a key benefit of approaching problems and ideas via this was-is-ought lens (Hopwood, 1985).

Just like every other field of study, accounting had its origins as a profession. A biography is a valuable resource for anybody looking to learn more about any field of study. The same is true for accounting history, which focusses on the evidence that supports the field. Without knowing what causes the events they study, historians find information to be of little help. The purpose of studying accounting's past is to get insight into the discipline's evolution. The study of accounting history has several applications, including those in the realms of leisure (recreational purpose), Intellectual purpose, and problem solving (John 1989, as referenced in Akinyemi, Okoye, & Izedonmi 2015).

Recreational

Some historians of accounting study the subject for fun, rather than with the goal of gaining insight into a field that some accountants regarded as prestigious or contributing anything meaningful to our understanding of the subject. "The lady in

the Late" is posing as a "Accountant" at their business. The term "king's eyes and ears" used to characterise Nigerian government auditors may also pique our interest. Being members of one of the country's accounting associations explains why these groups of accountants are so haughty about their job. Attractive archaeological evidence of accounting activity in the ancient world is a part of accounting history that museums have been preserving. The early forms of accounting, such as tablets, papyrus, and dowries, are on exhibit in accounting museums for both educational and recreational purposes.

Intellectual

Accounting history is a window into our own past that the study of accounting provides. And it helps us understand the origins of our current routines and issues. It is commonly believed, for instance, that the business climate of the late nineteenth century is where Accountant's cautious attitude to asset appraisal originated.

Accountants are among those who have an innate curiosity about the field's origins and have sought out historical records in an effort to better understand and resolve any conflicts that may arise in the course of their work.

Problem solving

Some contend that accounting history may shed light on current issues and help us anticipate what's to come in the field.

HISTORICAL DEVELOPMENT OF ACCOUNTING

Despite the lack of consensus on a precise origin date for accounting, historical trends and documentation do allow us to piece together when accounting operations first began. These are discussed here.

I. Ancient civilization (Babylonian Times) (2000 BC- 3000 BC).

Accounting as we know it now has its roots in the early record-keeping practices of ancient Mesopotamian societies, most notably the Babylonian period. Financial transactions, trade agreements, and taxation records were kept by the Babylonians (and the Sumerians before them) on clay tablets (Chatfield & Vangermeersch, 2014). The main functions of these records were to keep track of agricultural output, land ownership, and economic distribution.

The Babylonians created a complex system of accounting around this time that used cuneiform letters written on clay tablets. These documents served as a foundation for contemporary accounting methods by documenting debts, loans, and business contracts (Littleton, 1981). Utilising a base-60 numerical system allowed for exact computations in taxation and commerce, showcasing a sophisticated grasp of fiscal management.

In addition, palaces and temples were major centres of economic life, serving as tax collectors and resource managers. Accountability in the allocation of resources and public works projects was ensured by the financial records

maintained by priests and scribes (Mattessich, 2000). Later civilisations developed the double-entry bookkeeping system, which was based on these early accounting techniques.

Evidence of the value of record-keeping in facilitating ancient economic activities such as commerce, administration, and financial control may be found in the Babylonian accounting system. Successive cultures, including the Greeks and Romans, built their accounting systems on the foundations laid during this period.

II. Egyptian civilization (1000-3000 BC)

Accounting owes a great deal to the ancient Egyptians, a culture that is well-known for its achievements in administration, engineering, and commerce. Management of resources, taxes, and trade regulation were the primary drivers of accounting methods in ancient Egypt. Scribes were essential in this strictly hierarchical culture for keeping accurate accounts of all monetary transactions, but especially those involving temple offerings, royal treasures, and agricultural harvests (Ezzamel, 2012).

Scribes documented monetary transactions on papyrus scrolls and stone inscriptions as part of the Egyptians' hierarchical accounting system. These documents laid out who owned what property, how much food was grown, and how taxes were collected from various sources including cattle, grain, and human labour (Owe, 1996). The method helped keep the Egyptian economy stable by ensuring that money was dispersed appropriately.

Allocation of resources has to be open and accountable in the state-controlled economy. Financial institutions, such as record-keeping and asset management, were housed in temples and palaces. Pharaohs exercised an early type of financial control through the establishment of a centralised administration, which enabled them to monitor income, expenditures, and the management of their workers (Mattessich, 2000).

According to Hoskin and Macve (1986), the ancient Egyptians laid the groundwork for modern accounting by recording arriving and exiting items using double-entry techniques. Massive state projects like pyramids, irrigation networks, and granaries could not have been built without these early financial records, which also allowed for economic planning.

Later civilisations, such as the Greeks and the Romans, built upon the foundation that the Egyptians had set with their accounting system. Contemporary auditing practices and financial records are shaped by the ancient Egyptian tradition of exact record-keeping.

III. Greek Civilization (1- 1000 BC)

Accounting owes a great deal to the more systematic methods of keeping financial records that the Greeks introduced. Private industry and state-run banks coexisted in Greece's economy, in contrast to Mesopotamia and Egypt's more centralised systems. More organised approaches to accounting emerged as a result, which aided commerce, taxation, and government management (Ezzamel, 2012).

Temple funds, public spending, and military coffers were the main users of Greek accounting. Athens and other city-states relied on their financial administrators, the logistai and apodektai, to keep track of tax money coming in and going out (Carr, 2002). The ancient Greeks and Romans were pioneers in financial openness because they recorded their transactions on papyrus, stone tablets, and wooden inscriptions that were open to the public (Hoskin & Macve, 1986).

A key component to the growth of trade and commerce was the establishment of basic accounting rules by the Greeks, such as the separation of individual and corporate accounts. Accounting records were initially used by merchants and bankers to keep track of investments, obligations, and loans; this paved the way for the establishment of early banking institutions (Mattessich, 2000). More accurate monetary computations were also made possible by the usage of numerical systems like the Attic and Ionian systems (Parker, 1998).

Greek accounting played an important part in democratic government, which was one of its main accomplishments. To guard against waste, fraud, and abuse of public monies, audits of financial records were routinely carried out. An early type of auditing, the euthynai (public audits) demonstrated that authorities were held responsible for their financial conduct (Jones, 2010).

Modern accounting concepts may trace their roots back to the ancient Greek value system, which placed a premium on openness, responsibility, and accountability in financial management. Accounting methods that would later develop into more complex monetary systems have their origins in their practices.

Summary of Development of Accounting in Ancient Egypt, China, Greece and Rome (3000 BC-1100AD).

Expansion of economies, changes in administration, and increased commerce all contributed to the development of accounting in ancient societies. Accounting methods developed throughout history, with distinct contributions from each civilisation. These practices formed the basis for current financial systems.

Ancient Egypt (3000 BC – 1000 BC)

Accounting was vital in ancient Egypt for the management of the centralised state economy. On papyrus scrolls and stone inscriptions, scribes painstakingly documented tax revenues, agricultural harvests, and expenditures (Ezzamel, 2012). As financial hubs, temples and palaces ensured transparency and responsibility when allocating resources. Financial records were kept for large-scale projects like the construction of the pyramids in Egypt, which reflected the emphasis on budget management in the Egyptian accounting system (Mattessich, 2000).

Ancient China (2000 BC – 1000 AD)

Accounting methods that placed an emphasis on documentation and administration were brought to China by the Chinese civilisation. A complex accounting system was

established during the Zhou Dynasty (1046-256 BC) by having government officials record revenue and spending on bamboo strips (Hoskin & Macve, 1986). To guarantee the correct administration of public funds, the Han Dynasty (206 BC–220 AD) Chinese introduced an early type of double-entry accounting (Needham, 1954). An organised system of accounting had been put in place to back up taxation policy and commerce development by the time of the Tang Dynasty (618-907 AD).

During the Chou dynasty (1046–256 BC), accounting became a tool for evaluating the efficacy of government projects in China (ACAUS, 2000). The six officials—sky officer, land, spring, summer, autumn, and winter—were appointed by the government during that time. According to Xu and Zhang (2013), the government's accounts, finances, and property were overseen by the sky officer. Sky managed their finances with the help of the budget. Budgeting also served to establish lines of duty and accountability while distributing power. The introduction of official financial reports was another watershed moment during the Chou dynasty. Reports detailing the operating components of each government agency were due at the end of the year. To ensure that the financial reports were of high enough quality, certain government officials were designated as supervisors. The prime minister received the evaluation reports, reviewed them, and then made policy suggestions to the emperor (Xu & Zhang, 2013). Greek taxpayers were able to keep tabs on the government's spending thanks to public accountants who worked in the 5th century BC. The public funds were overseen by ten accountants chosen at random by the Athens people's Assembly (Alexander, 2002).

Ancient Greece (1000 BC – 1 AD)

The Greeks advanced accounting by incorporating financial transparency and public accountability. Financial officers, known as *logistai* and *apodektai*, recorded government revenues and expenditures on wooden tablets and stone inscriptions (Carr, 2002). Merchants and bankers maintained accounting records for trade and investment, and public audits (*euthynai*) were conducted to ensure financial integrity (Jones, 2010). The Greek civilization also introduced early banking practices, which influenced later financial systems.

The introduction of metal money some 600 years prior to Christ's birth was the greatest contribution the Greeks made to accounting. It would appear that banks were more advanced in ancient Greece compared to other civilisations. Professional bank tellers kept the books, made loans and exchanges, and even made it possible for people in faraway places to send and receive money through their local branches (ACAUS 2000).

Ancient Rome (500 BC – 1100 AD)

The methodical approach to accounting in Roman times was shaped by Greek financial theory. Roman codices and scrolls recorded every penny spent on taxes, war, and commerce (Chatfield & Vangermeersch, 2014). For both official and personal financial transactions, the *Codex Accepti et Expensi* was the go-to record. By differentiating between assets, liabilities, and costs, Roman companies utilised accounting

methods that are comparable to contemporary financial statements (Mattessich, 2000). The mediaeval European accounting systems were built upon these methods.

Ancient Roman government and banking accounting developed from records kept by household heads. Homeowners would record daily cash receipts and outflows for household payments in a memo (*adversary*) in a daily diary (*Tabulae*), and allowances would be made on the receipt expense account (*codex accepti et expensi*) once a month. The continuous submission of citizen declarations of assets and obligations formed the basis for taxes and even defined civil rights in Rome, making these family remedies crucial (Alexander, 2002).

Therefore, the principles of financial record-keeping, accountability, and governance were laid down by the ancient Egyptians, Chinese, Greeks, and Romans as accounting developed. These ancient cultures laid the groundwork for what is now known as accounting through their taxation systems, bookkeeping practices, and financial audits.

ACCOUNTING IN MEDIEVAL PERIOD (1130 AD-1485)

During the Middle Ages, accounting made great strides forward due to increased commerce, the development of banking institutions, and the need for more organised financial administration. The development of trade in Europe, especially Italy, during this period led to an improvement in accounting practices.

Development of Double-Entry Bookkeeping

The invention of double-entry bookkeeping, which completely altered the practice of maintaining financial records, was a watershed moment in the history of mediaeval accounting. *Summa de Arithmetica, Geometria, Proportioni et Proportionalita*, written by Luca Pacioli in 1494, officially recorded this method, although its components had existed previously (Littleton, 1981). To improve accuracy and decrease mistakes in financial records, double-entry bookkeeping made sure that every financial transaction was recorded in two accounts—the debit and the credit.

Role of Merchants and Banking Institutions

As trade channels expanded across Europe, especially through the city-states of Italy and the Hanseatic League, merchants needed dependable ways to keep track of their economic transactions. Accounting methods that backed trade finance, investments, and profit estimates were greatly improved by Italian merchants, especially in Genoa, Florence, and Venice (De Roover, 1956). Better accounting procedures were also required as banking organisations expanded to handle the increasing volume of deposits, loans, and credit activities.

Government and Public Accounting

Public sector accounting also emerged throughout the Middle Ages. According to Hoskin and Macve (1986), the Exchequer of England began keeping track of the kingdom's finances using a system of tally sticks and written records that was put in place as early as the 12th century. Proper management of

taxation, spending, and public accounting was assured by this early type of financial administration.

Accounting Records and Financial Reporting

During this time, ledgers, diaries, and balance sheets were often used for recording financial activities in businesses (Yamey, 1949). Merchants and governments were able to keep tabs on finances with the use of these documents, which also made financial activities more transparent.

Influence on Modern Accounting

Contemporary financial reporting has its roots in accounting improvements that emerged in the Middle Ages. Modern accounting rules are largely based on Pacioli's ideas and the practices of mediaeval merchants. A watershed moment in accounting history occurred with the shift from single-entry to double-entry bookkeeping.

GLOBAL PERSPECTIVES OF STAGES IN ACCOUNTING DEVELOPMENT

Changes in economics, politics, and technology throughout history have all had an impact on the development of accounting. Accounting has evolved over time, responding to the demands of communities and enterprises across the world, from its origins in ancient record-keeping to the present day of financial reporting.

1. Early Accounting Systems (Before 1494)

Keeping track of monetary transactions for the purposes of commerce, taxes, and resource management has been around since ancient times in Mesopotamia, Egypt, Greece, and Rome (Mattessich, 2000). While the Egyptians documented land ownership and tax collection on papyrus scrolls, the Babylonians utilised clay tablets to record loans and interest calculations (Ezzamel, 2012). Ancient Greeks and Romans developed early procedures for auditing public money, refining these techniques (Hoskin & Macve, 1986).

Sophisticated accounting became commonplace during the Middle Ages as commerce expanded across Europe. It was in 1494 when Luca Pacioli documented double-entry bookkeeping, but the Italian merchants of Genoa, Venice, and Florence were instrumental in honing accounting systems (Littleton, 1981). Contemporary accounting concepts may be traced back to this system, which documents both debits and credits.

2. The Industrial Revolution and the Growth of Financial Accounting (1494–1900)

Accounting went from being a basic method of maintaining records to an indispensable instrument for managing companies and investments throughout the Industrial Revolution (18th-19th century). Systematic financial reporting was a need for firms as commerce, manufacturing, and capital markets expanded. For example, prior to the advent of modern financial accounting, British businesses began keeping tabs on expenses and revenues through financial statements (Yamey, 1949).

Cost accounting for manufacturing firms emerged during this time as a result of accounting concepts being impacted by

capitalism and corporate finance. Additionally, governments started to control financial reporting in order to make taxation and public funding more transparent (Chatfield & Vangermeersch, 2014).

3. The Emergence of Modern Accounting (1900–1950)

Accounting as a profession and generally accepted accounting concepts were both developed in the twentieth century. The AICPA, formerly known as the American Institute of Accountants, played a pivotal role in this stage in the early 20th century by creating standards for financial reporting (Previts & Merino, 1998).

In 1934, the United States Securities and Exchange Commission (SEC) was established to supervise financial reporting in response to the 1929 stock market crash and the Great Depression, which brought attention to the necessity for corporate financial accountability (Zeff, 2003). As a result, national accounting authorities were established in other nations to oversee financial disclosure regulations.

4. The Globalization of Accounting Standards (1950–Present)

Harmonisation of accounting standards was a result of post-WWI globalisation. A need for standardised financial reporting arose with the rise of MNCs and global commerce. As a result, groups like the International Accounting Standards Board (IASB) were established in the 1970s to establish worldwide accounting standards, following the lead of the International Accounting Standards Committee (IASC) (Nobes & Parker, 2016).

International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP) implemented globally have made financial reporting more uniform (Alexander & Nobes, 2020). Accounting has also been impacted by the proliferation of AI and other forms of automation. For example, blockchain and cloud-based financial systems have revolutionised the recording and auditing of financial transactions (Warren et al., 2021).

Therefore, accounting has evolved from basic bookkeeping to a globally regulated industry. The need for openness, responsibility, and fiscal efficiency has propelled accounting at various points in its evolution. As technology and digital finance take centre stage, we can expect accounting to adapt by moving towards more automation and real-time reporting. Such changes will help maintain financial integrity in our linked world.

ACCOUNTING DEVELOPMENT IN NIGERIA

Colonialism, economic development, new legal frameworks, and improvements in financial reporting have all had an impact on accounting in Nigeria. From more ad hoc methods of maintaining records to a more formalised profession bound by national and international norms, accounting in Nigeria has come a long way.

1. Pre-Colonial Era: Informal Accounting Practices

Traditional Nigerian communities used simple records to keep track of money, property, and transactions before colonisation. Symbolic representations (such tally sticks, cowrie shells, and beads) and memory-based bookkeeping supplemented informal verbal agreements to develop accounting procedures. Using rudimentary accounting systems, traditional leaders and merchants from groups like as the Hausa-Fulani, Yoruba, and Igbo maintained track of obligations and payments (Owolabi, 2011).

2. Colonial Influence and the Introduction of Western Accounting (1861–1960)

In order to improve colonial administration financial management, trade, and taxation, the British brought Western-style accounting to Nigeria when they colonised the country in the late 19th century. The Royal Niger Company and other British companies doing business in Nigeria reported their finances using European accounting standards (Uche, 2007).

In this era, qualified accountants were in high demand as the colonial authority set up official taxation systems and banking institutions. A large number of Nigerian accountants received their education in the United Kingdom, namely from the Association of Chartered Certified Accountants (ACCA) (Okike, 2004).

3. Post-Independence Growth and the Establishment of Professional Bodies (1960–1990s)

More and more Nigerians assumed executive positions in both public and commercial organisations following Nigeria's 1960 independence, driving up need for local accountants. Parliament passed a law in 1965 creating the Institute of Chartered Accountants of Nigeria (ICAN) to oversee the accounting industry in the country (Owolabi & Obida, 2012). By establishing norms for accounting training, credentialing, and practice, ICAN quickly rose to prominence as Nigeria's preeminent professional accounting group.

A different group of Nigerian accountants came together in 1993 to form the Association of National Accountants of Nigeria (ANAN) (Okafor, 2006). Since then, these two organisations have been pivotal in influencing accounting in Nigeria, both in terms of practice and legislation.

4. The Emergence of Regulatory Frameworks and International Standards (2000–Present)

Accounting rules and financial reporting in Nigeria have much improved in the twenty-first century. Major changes are:

- Adoption of International Financial Reporting Standards (IFRS): Nigeria officially embraced IFRS in 2012, hence matching its accounting standards with world best practices (Olowookere & Emmanuel, 2018).
- Creation of the Financial Reporting Council of Nigeria (FRCN): To supervise corporate financial reporting and enforce IFRS conformity, the Financial Reporting Council (FRCN) was founded in 2011 (Adegbite, 2015).

- Nigerian universities and colleges currently provide accounting courses certified by ICAN and ANAN, hence raising the number of competent accountants in the nation (Owolabi & Obida, 2012).

5. Challenges and Future Trends

Nigerian accounting still struggles with weak corporate governance, corruption, financial fraud, and compliance concerns despite advances. The future of accounting in Nigeria, nevertheless, is likely to be shaped by technology developments, digital accounting systems, and forensic accounting (Olaoye et al., 2020). Artificial intelligence (AI), blockchain technology, and big data analytics combined will probably enhance fraud detection and financial reporting in Nigeria's accounting industry.

Nigerian accounting has developed from ad hoc record-keeping to a formalised field with rules based on both national and international norms. Global financial reporting trends will soon be met by accounting in Nigeria, thanks to ongoing regulatory changes, professional development opportunities, and technology breakthroughs.

RELEVANCE OF ACCOUNTING AND ITS HISTORY TO MODERN SOCIETY

The modern economy and financial system rely heavily on accounting. By looking at its origins, we can see how accounting has changed throughout the years to meet the demands of governments, corporations, and individuals for accurate financial records. Financial reporting, corporate governance, taxes, and economic development are all influenced by methods and concepts that have been refined over many years.

1. Historical Foundations of Modern Accounting

Accounting has been around for a long time; it was used for taxes, resource management, trading, and recording financial transactions in ancient civilisations including Mesopotamia, Egypt, Greece, and Rome (Mattessich, 2000). Littleton (1981) states that contemporary financial accounting may trace its roots back to Luca Pacioli's groundbreaking 1494 creation of double-entry bookkeeping. Transparency, accountability, and efficiency in financial reporting have always been, and continue to be, important goals of accounting.

2. Role of Accounting in Business and Economic Growth

In modern society, accounting is essential for business operations, enabling organizations to:

- **Track financial performance:** Businesses rely on accounting to record revenues, expenses, assets, and liabilities, ensuring accurate financial reporting.
- **Facilitate investment decisions:** Investors use financial statements prepared according to **International Financial Reporting Standards (IFRS)** and **Generally Accepted Accounting Principles (GAAP)** to assess the profitability and risks of businesses (Alexander & Nobes, 2020).
- **Enhance corporate governance:** Accounting ensures compliance with financial regulations,

reducing fraud and unethical business practices (Adegbite, 2015).

3. Accounting and Public Sector Management

When it comes to taxation, budgeting, and spending, governments rely on accounting to keep track of the money. Public financial management today may trace its roots to the Exchequer system and other historical accounting systems that emerged in mediaeval England (Hoskin & Macve, 1986). In today's world, whether a country is growing or developed, financial reporting requirements are crucial for fighting corruption and enhancing governance.

4. Impact of Accounting on Financial Markets and Globalization

Trading and investing across borders has become easier because to the standardisation of accounting practices throughout the world. Nobes and Parker (2016) mention that the International Accounting Standards Board (IASB) is one such organisation that works to standardise financial reporting worldwide. Financial markets that depend on accurate and transparent financial statements have emerged, in part, due to the historical evolution of accounting systems in Asia, Europe, and the Americas.

5. Influence of Technology on Modern Accounting

In order to facilitate real-time financial analysis, accounting has progressed from manual bookkeeping to automated financial systems that use cloud computing, artificial intelligence (AI), and blockchain (Warren et al., 2021). Technological progress has always improved the reliability, efficiency, and safety of financial reporting; the shift from paper records to computerised accounting is only one example.

6. Ethical and Social Implications of Accounting

The importance of ethics in accounting has been well-documented throughout history. The Sarbanes-Oxley Act of 2002 was enacted to enhance corporate responsibility in response to previous financial disasters including WorldCom (2002) and Enron (2001) (Zeff, 2003). In order to keep the public's faith in financial data, accountants must adhere to ethical standards established by organisations like the International Federation of Accountants (IFAC).

In conclusion, Modern financial systems may trace their roots back to accounting, which has always been relevant in many contexts, including business, governance, financial markets, and ethical behaviours. Transparency, economic stability, and well-informed decision-making are three aspects of modern society that accounting plays an increasingly important role in preserving as technology and globalisation progress.

CONCLUSION

An analysis of accounting's relevance and historical development reveals how the discipline has progressed from simple record-keeping to a complex international monetary system. As a discipline, accounting has evolved to meet the evolving demands of society in areas such as public finance, economic development, corporate management, and financial markets. International financial reporting standards,

regulatory frameworks, and double-entry bookkeeping have greatly improved financial accountability and transparency.

Aligning with worldwide standards like IFRS and GAAP, Nigeria's accounting has evolved from informal traditional methods into a well-structured profession overseen by institutions like FRCN, ICAN, and ANAN. Accounting is being shaped by technical developments like blockchain, forensic accounting, and artificial intelligence, even while there are issues like financial fraud and inadequate corporate governance.

In sum, the study confirms that accounting is still crucial in today's world. The lessons learnt from its past can help guarantee honest dealings with money, moral company practices, and long-term economic prosperity. As the field of accounting evolves in terms of both education and regulation as well as technological advancements, it will play an increasingly important role in supporting the growth and stability of global financial markets.

RECOMMENDATIONS

Based on the findings of this study, the following recommendations are made:

1. **Strengthening Regulatory Frameworks:** Governments and financial regulatory bodies should enforce stricter compliance with accounting standards to enhance transparency and reduce financial misconduct.
2. **Integration of Technology in Accounting:** Businesses and financial institutions should invest in modern accounting technologies such as **artificial intelligence (AI), blockchain, and cloud-based accounting software** to improve efficiency and accuracy in financial reporting.
3. **Ethical Training for Accountants:** Accounting professionals should receive continuous training on ethics and corporate governance to prevent fraud and uphold the integrity of financial information.
4. **Promotion of Accounting Education:** Educational institutions should update their curricula to include emerging trends in accounting, ensuring that future accountants are well-equipped to handle technological and regulatory changes.
5. **Encouraging Global Accounting Standards Adoption:** Developing countries should align their financial reporting systems with international standards such as IFRS to facilitate cross-border investments and economic growth.

By implementing these recommendations, accounting will continue to evolve as a vital tool for economic development, corporate accountability, and financial stability in modern society.

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