Thesis Report
On
Accounting Information System of Abdul Monem Limited

Submitted by:
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Program: Bachelor of Business Administration (BBA)
Major: Accounting
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Sonargaon University (SU)

147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh.

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Afia Akter Omi
ID: BBA1903018035

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Supervised by:
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Letter of Transmittal

Date: September 09, 2024

Professor Md. Alamin Mollah
Dean
Department of Business Administration
Sonargaon University (SU)

Subject Submission of Thesis Report.

Dear Sir,

With great pleasure, I would like to submit my Thesis Paper on **"Accounting Information System of Abdul Monem Limited"** which was an enormous pleasure for me to preparing this paper. I tried my best to prepare an effective, informative, and reliable Paper. Here I have gather information through different sources such as personal interview for collecting primary data, company website, and other published sources for secondary data.

So, I therefore, pray and hope that you would be kind enough to accept my Paper and oblige thereby.

Sincerely Yours,

.....

Afia Akter Omi
BBA1903018035
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Semester: Summer 2024
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Students' Declaration

I do hereby declare that the Thesis Paper on **"Accounting Information System of Abdul Monem Limited"** is prepared by my own language and style. The authority of national university reserve the right to cancel/reject this Paper if it is proved that the Paper is not prepared by me or copied or borrowed without proper acknowledges.

.....

Afia Akter Omi
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Program: BBA, Major in Accounting
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Semester: Summer 2024
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Supervisor's Certificate

This is certify that, **Afia Akter Omi,** ID: BBA1903018035, Program: BBA, Major in Accounting, Department of Business Administration, Sonargaon University (SU). She has completed thesis program on "**Accounting Information System of Abdul Monem Limited"** under my supervision, which is a fulfillment of particular requirement of obtaining BBA degree.

I wish her every success in her future endeavor.

.....

Professor Md. Alamin Mollah
Dean
Department of Business Administration
Sonargaon University (SU)

Acknowledgement

At first I want to express my gratitude to almighty ALLAH for giving me the strength, ability and opportunity to complete this Thesis Report within the schedule time successfully.

I would like to express my debt of gratitude to supervisor, **Professor Md. Alamin Mollah,** Dean, Department of Business Administration, Sonargaon University (SU), Dhaka, who assigned me to prepare this Thesis Report. His valuable suggestions and important guidelines help me a lot to prepare this Thesis Report. His valuable instructions, constant inspiration, enormous patience contributed throughout the Thesis Report work.

Finally my sincere gratitude goes to my family, friends, classmates and colleagues whose support and appreciation motivated me to prepare this thesis successfully. Finally, I would like to say that working within the company environment was a wonderful experience and this thesis is an outcome of the joint and cordial effort.

Executive Summary

Current business trends have made it imperative for almost all large organizations to maintain effective internal control systems. Internal control has attracted intense debate and scholarly attention across industries in accountancy and auditing literature over the past decades. This study was conducted into the effectiveness of Accounting information system of Abdul Monem Sugar Refinery Limited (AMSRL). The main objective of the study is to appraise the accounting information systems of Abdul Monem Limited. The specific objectives included;

- To identify the relevant recording process
- To show the flow of fund
- To visualize the accounts control system
- To discuss the reporting process
- To identify the auditing aspects
- To try to make an overall picture of AMSRL accounting practices

Abdul Monem Sugar Refinery Limited is one of largest construction and manufacturing based group of companies as per size and operational area among top ten group of companies in Bangladesh. It has almost seven to eight business sectors which is operated solely in today's marketplace of Bangladesh, especially for Igloo Ice cream, Coca Cola and for engineering sector. AML aims to be the first in manufacturing and construction sector within the next few years and how it is performing, it shows that the day is not so far when it will reach to its destination.

Accounting Information System of AMSRL is literally strong and efficient regarding the expenditures. This Accounting Information System of AML has several policies, procedures and guidelines comply with the Bangladesh Standards on Auditing (BSA) rules and regulation. After analyzing the primary and secondary data I realize that the Accounting Information System of AML, helps the organization to manage its all departments in an efficient manner.

Table of Contents

Topics	Page No
Letter of Transmittal	i
Students' Declaration	ii
Supervisor's Certificate	iii
Acknowledgement	iv
Executive Summary	v

Chapter-One

Introduction

1.0 Introduction:.....2

1.1 Background of the report.....2

1.2 Objectives of the report:.....3

1.3 Methodology.....3

1.4 Types of Data.....3

1.5 Data Collection.....4

1.6 Significance of the study.....4

1.7 Scope of the Study.....5

1.8 Limitation of the study:.....5

Chapter-2:

Overview of Abdul Monem Ltd.

2.1Company Background.....7

2.2 Corporate Profile at a Glance.....8

2.3 Vision of AML.....8

2.4 Mission of AML.....8

2.5Core Values & Beliefs.....9

2.6 Timeline of Success.....9

2.7Departments.....10

2.8 Present Business Focus of AML 10
2.9 Organogram 11
AML Strength 11
2.10 SWOT Analysis 12
2.11 Objectives: The Balanced Scorecard Approach 13
2.12 Achievement and Recognition 14
2.13 Who Reports to Whom in the Organization 14
2.14 Abdul Monem Sugar Refinery Limited 15
2.14 Annual turnover of Abdul Monem Sugar Refinery Limited 15

Chapter-3:

Conceptual Framework

3.1 Accounting Practice of Abdul Monem Limited 17
3.1.1 Cash Collection and Deposited 17
3.1.2 Cash Entry & Allocation 18
3.1.3 Operating Expense 18
3.1.4 Petty Cash Management 19
3.2 Accounts Receivable 20
3.3 Cash Book 21
3.4 General Ledger 22
3.5 Voucher Forms 22
3.6 Money Receipt 24
3.7 Financial Reports and Statements 26
3.8 User of AML's Report 26

Chapter-4

Analysis of AML

4.1 Impact of Business Unit on Society 28
4.1.1 Social sustainability 28

4.2 Impact on Society 29
4.2.1 AML Construction 29
4.2.2 AM Beverage Unit-Coca-Cola 29
4.2.3 Ice cream Unit 30
4.2.4 Igloo Foods Ltd 31
4.2.5 Igloo Dairy Limited 31
4.2.6 AM Securities & Financial Services Ltd 31
4.2.7 Danish Bangla Emulsion Ltd 33
4.2.8 AM Energy Ltd 34
4.2.9 Abdul Monem Sugar Refinery Ltd 34
4.2.10 Novus Pharmaceuticals Ltd 35
4.2.11 AM Asphalt & Ready Mix Concrete Ltd 35
4.2.12 AM Mango Pulp Processing Unit 36
4.2.13 AM Auto Bricks Ltd 36
4.2.14 Service engine BPO 37
4.2.15 AM Bran Oil 37

Chapter-5:

Findings, Recommendations & Conclusion

5.1 Findings 40
5.2 Recommendations 41
5.3 Conclusion 42
References: 43

Chapter-One

Introduction

1.0 Introduction:

It's the phase of time where competition has been raised tremendously. During the period we achieve literatures regarding specified subjects. I got an appointment in a renowned company named Abdul Monem Sugar Refinery Limited which is a sister concern of Abdul Monem Limited as a intern. This is a project report which is prepared to get practical knowledge about how this company operate accounting activities.

This report is divided into six major chapters. The first chapter contains the background of the study. This chapter provides information to the users about the core concept of the report such as what is main objective of this study, where I have performed my work, scope of the study and how the data of this report are collected and analyzed. Finally this chapter contains some limitations that I have faced during my work period. The second chapter shows literature review of this report. Third chapter contain conceptual framework which include accounting terms of the organization. The forth chapter contains methodology and the fifth chapter contains overview of Abdul Monem Limited such as company background, corporate profile, company information, organizational structure and finally the last chapter contains the findings, recommendation and conclusio*n of the study.*

1.1 Background of the report

The Thesis Report titled as **"Accounting Information System of Abdul Monem Sugar Refinery Limited"** which is a sister concern of **Abdul Monem Group** has been prepared as a partial fulfillment of BBA Program authorized by the Bachelor of Business Administration, Sonargaon University (SU). I have completed my Thesis program in Abdul Monem Sugar Refinery Ltd. During my thesis tenure, I had to prepare a report under the supervision of **Professor Md. Alamin Mollah,** Dean, Department of Business Administration, Sonargaon University (SU). The crucial purpose of this attachment is to expose the student into the real business world. This experience is very helpful and supportive for oneself to see how things move and to find the gap as well as the similarities between theoretical and practical knowledge.

1.2 Objectives of the report:

The Main objectives of this report is to measure the effectiveness of the accounting information system of Abdul Monem Suger Refinery Limited and to compare With widely accepted information system as well as to evaluate the impact of the products of AML in the society

Specific objectives:

- ✓ To get an insight in the history and operation of Abdul Monem Sugar Refinary Limited
- ✓ To analyze and review the effectiveness the Accounting Information system of Abdul Monem Sugar Refinery Limited
- ✓ To identify the relevant recording process of Abdul Monem Sugar Refinery Limited.
- ✓ To discuss the different accounting related aspects
- ✓ To discuss the reporting process
- ✓ To try to make an overall picture of AMSRL accounting practices.
- ✓ To know are they truly responsible for the society or not

1.3 Methodology

The methodology for a research must therefore be scientific. That is, the process must be systematic, rigorous and unbiased. To prepare a report one has to depend on information to make it fruitful. I am also not exception of this. To prepare my Thesis report I have collected information from my assigned topic. The information that contains in the report is from both primary and secondary sources. To conduct a study properly designing of the process is essential. Because reliability and validity of the outcomes of a study is depends on the reliable data and information. In this connection some activities has been carried out to collect data and information.

1.4 Types of Data

The work was largely based on primary and secondary data. Primary data was sourced from the staff (Administration, Accounting and Internal Audit) of Abdul Monem Sugar Refinery Limited.

The other source of information was secondary data which was collected from textbooks, particularly in Auditing and Assurance Services, journals and other publications on internal controls, internal auditing and risk management.

1.5 Data Collection

The data collection format will depend on the kind of data to be collected. However, in this particular study both primary and secondary data were used. I have collected primary data through face to face conversation with the deputy managers & other officers of internal control and compliance department by using a questionnaire.

I have also collected some data by observing the activities performed by the personnel of this department in corporate head office of AML.

Primary Data

- Face to face conversation with the Accountants, deputy managers and other related executives
- Raw data like purchase vouchers, bills, factory indents and so on
- Regular observation in corporate head office

Secondary Data

- Relevant documents provided by the officials and personnel
- Web site of AML
- Several text books
- Different articles on Internal Control
- Wed site search and so on

1.6 Significance of the study

The rationale of this report is to assess the effectiveness of the Accounting Information systems and how the audit teams and monitoring units perceive their role in sustaining Abdul Monem Sugar Refinery Limited. The results of this study will help Abdul Monem Sugar Refinery Limited to put in place measures for their day to day management of safeguarding assets, prevention and detection of frauds, errors and irregularities. Also, it is hoped that findings from this research will confirm or refute the existing perception about the effectiveness of accounting information system in Abdul Monem Sugar Refinery Limited. This will enable the company to redefine policies that would facilitate the achievement of Abdul Monem Sugar refinery Limited objectives.

1.7 Scope of the Study

During this three months Thesis program in Abdul Monem Limited almost all the departments related to the Accounting Information System I have observed. It was not an easy task to collect all the information relevant to my report topic. I had been focused on the Accounting Information Systems over the revenue and capital expenditures. The area of my study has been encompassed the Sugar Refinery sector of Abdul Monem Limited.

1.8 Limitation of the study:

- Only three months are not enough to understand the overall operations of an organization and a new department.
- Accounts and Audit departments usually have policy of not disclosing some sensitive and confidential data which posed an obstacle for proper analysis.
- Since the organization is a group of companies, the proper analysis of all the companies was complex.
- Gathering, analyzing and presenting huge descriptive information in a very short time was tough.

Chapter-2:

Overview of Abdul Monem Ltd.

2.1Company Background

AML started its operation back in 1956 as a construction firm and was engaged in major government construction works. Within a few decades, the organization diversified its operation in other industries, especially in food and beverage industry. AML started its Ice Cream plant in Chittagong in 1964 with a brand name IGLOO followed by the bottling license and distributorship of Coca Cola in 1982. Today, AML has eight different business lines running with a yearly turnover of over BDT 3000 crore (approximately). Abdul Monem Limited is one of the leading diversified business conglomerate of Bangladesh. Its fundamental promise is touching lives…building capabilities…! 'AML's primary vision is to use its valuable resources in order to create value-added products and services, which would contribute to the economic, social and environmental progress and prosperity of Bangladesh. The honorable Managing Director Mr. Abdul Monem had established the organization in the year 1956 and still strongly and successfully run by him along with his two eligible sons working as the Deputy Managing Directors (DMD) of the company, Mr. Mainuddin Monem and Mr. Mohiuddin Monem.. From then onwards, AML have led for others to follow. For 56 years Abdul Monem Limited has successfully accomplished numerous projects including those aided by the World Bank, Asian Development Bank, Japan Bank for International Cooperation and Islamic Development Bank. The core strength of this organization has been in its capacity to gather the resources to complete infrastructure projects on a grand scale thus proving its capability to sustain long development periods and demonstrated its ability to bear the initial risks associated with such projects. AML has developed a wealth of experience in infrastructure and development project arena in order to meet the international standards of quality and services.

2.2 Corporate Profile at a Glance

Name of the Company:	Abdul Monem Ltd.
Year of Establishment:	1956
Status of the Company:	Private Limited Company
Country of Registration:	Registered under Register of Joint Stock Companies
Corporate Head Quarter:	Monem business District 111, Biruttam C.R. Dutta Road, Dhaka-1205.
Chairman & Managing Director:	Abdul Monem
Deputy Managing Director:	2 Sons of Abdul Monem **i. ASM Mainuddin Monem** **ii. ASM Mohiuddin Monem**
Amount of capital	TK 10000000, 1000000 Shares, TK 10 each.

2.3 Vision of AML

Optimum use of valuable resources including human to create value-added products and services aimed at contributing to the economic, social and environmental progress and prosperity of Bangladesh.

2.4 Mission of AML

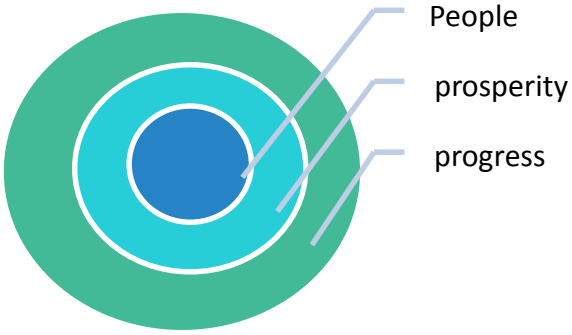
Provide value added products and services by creating a successful partnership among the people, technology and practices. Pledge is to establish an absolute sense of inclusion of our employees with our organization and building lasting relationships with our customers, business associates and stakeholders by exceeding their expectations and lifelong trust through exceptional performance. Excel in all our work, constantly challenging to perform better and engaging in teamwork with the aim to achieve incremental growth of our business

thereby having a positive impact on the community and the nation in economic and social development.

2.5Core Values & Beliefs

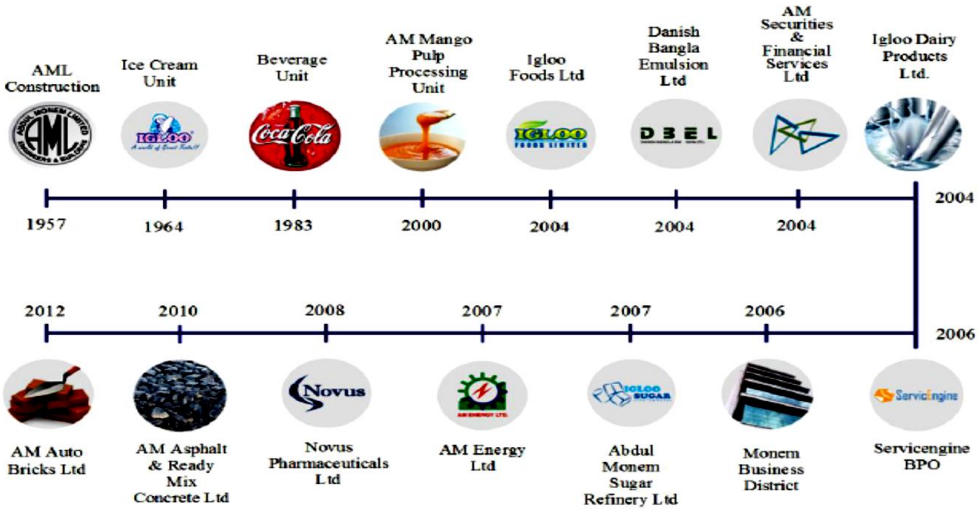
The core values are the guiding principles that dictate behavior and action. Core values can help people to know what is right from wrong; they can help companies to determine if they are on the right path and fulfilling their business goals; and they create an unwavering and unchanging guide.

The core beliefs and values of AML are driven by three aspects:

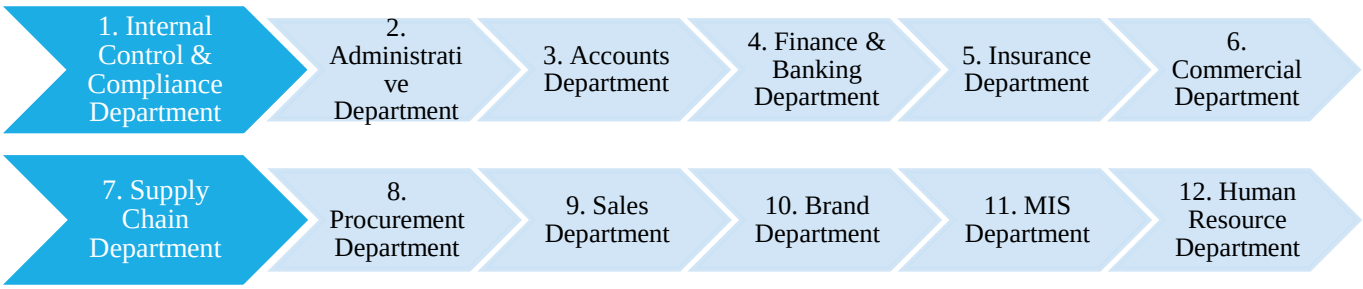


2.6 Timeline of Success

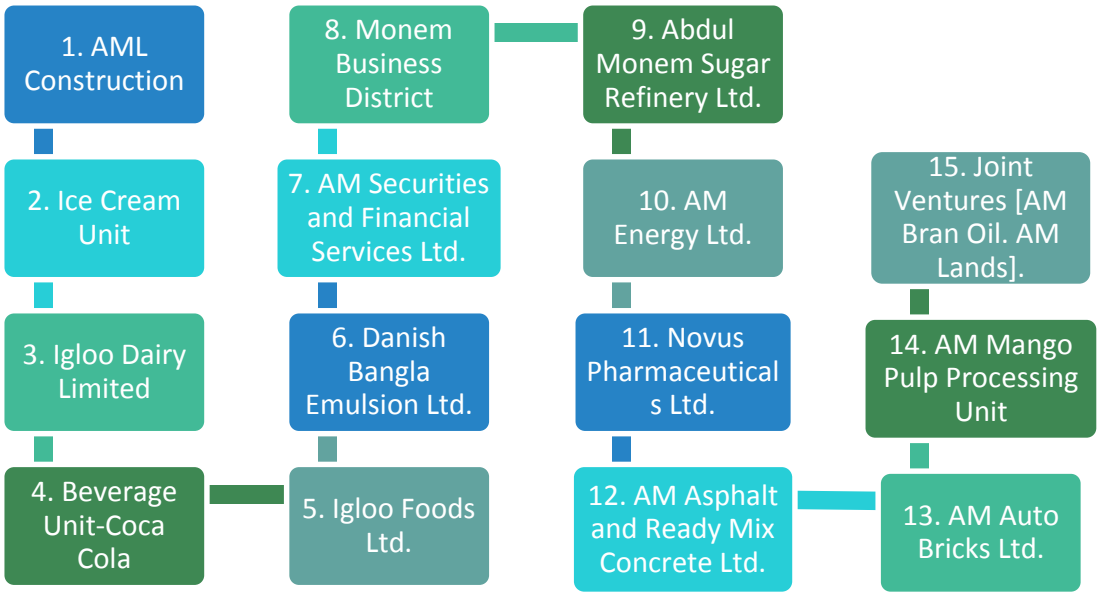
A timeline is a graphical representation of a period of time, on which important events are marked. The following timeline shows the overall and step-wise success of Abdul Monem Ltd in different field of business.



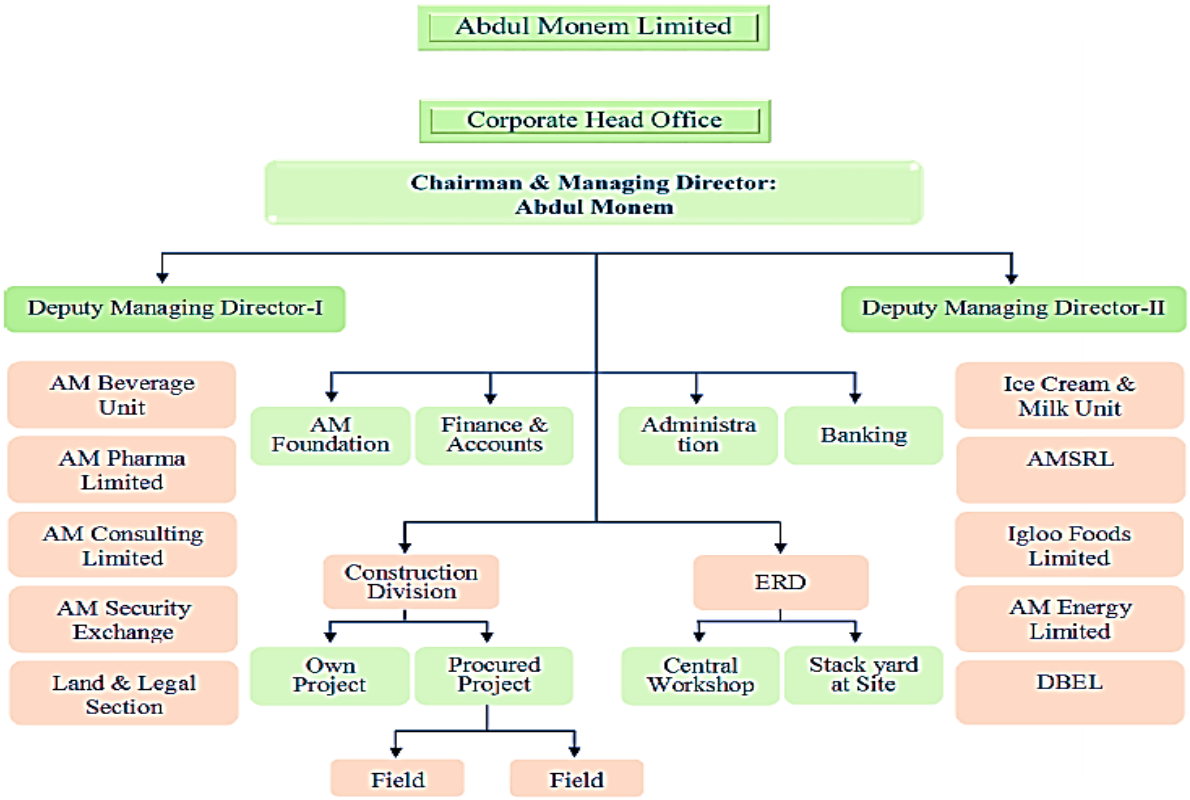
2.7Departments



2.8 Present Business Focus of AML



2.9 Organogram



AML Strength

In a nutshell, "BECAUSE WE CARE". Our strength is the commitment to national advancement, development of new products and services and the quality of leadership resulting in operating more efficiently than others, increase of productivity and profitability as well as meeting strategic improvement targets. All endeavors and efforts are for the betterment of the people, society and nation for quality progress and sustainable development. Everyone else in the business are trying to do such. So what makes us any different? We possess:

- More than 10,000 work force
- Highest aggregate experience in construction industry
- Largest fleet of construction industry equipment
- 18 fully functional operation units, each having a major shareholder in the concerned business sector
- Most extensive distribution network (100,000 outlets) in FMCG industry with the widest in cold chain system
- Cover the farthest territories of Bangladesh including the remotest
- Multifunctional teams comprising of highly experienced professionals

2.10 SWOT Analysis

The Strengths and Weakness of an enterprise represents its internal health and vulnerability whereas the Opportunity and Threats represents its degree of external exposure and interactivity. SWOT analysis provides a good overview of whether its overall situation is fundamentally healthy or unhealthy and provides the basis for crafting strategy on every front.



Strengths

1. International brand image of Coca Cola
2. Technical expertise and R&D provided by international authority of Coca Cola
3. Nationwide distributorship driven by highly motivated workforce
4. Value chain integration through the efficient use of the other business entities of the group, such as the products of IGLOO Sugar is used as a base ingredient in Coca Cola.

Weakness

1. Over dependency on the international Coca Cola authority.
2. No room for crafting brand level strategies concerning the beverage Coca Cola

Opportunities

1. At present, AML only bottles and distributes only three brands of beverages – Coca Cola, Sprite and Fanta. It is always possible to introduce other world famous Coca Cola brands like Bislery (Drinking Water), Maaza (Mango Drink) and others.
2. AML currently can distribute its beverages only in Chittagong, Khulna, Sylhet and Barishal Division. The acquisition of the distributorship of the whole Bangladesh will be a great opportunity for AML.

Threats

1. The ever rising number of new entrants in the business.
2. Narrow band of beverage product line compared to the competitors.
3. Dominance of substitute beverage products like fruit juice.

2.11 Objectives: The Balanced Scorecard Approach

AML strives to set up well defined and obtainable strategic and financial objectives while keeping in mind the long range and short range goals. To maintain an organizational profile that is trustworthy to all its stakeholders, AML gives more priority to provide a uniform balance on all objective fronts.



Financial Objective

Abdul Monem Limited aims at generating appropriate financial results through sustainable growth and constant renewal of balanced business structure.

Strategic Objective

Abdul Monem Limited is open and trustworthy to all its business partners and consumers. Through devoted business activities, it wish to make worthwhile contribution to the progress of the country.

Short Term Goals

AML aims to be one of the top market leaders, if not the supreme, while maintaining its profit and goodwill assuring maximum benefit to its clients and employees. To achieve the company's short term goals, the senior executives exhibit behavior based on the principles of leadership and teamwork in general and situational leadership model in particular. They are result oriented, accountable, open and humane.

Long Term Goals

Guided by the vision, AML believes in ensuring long term existence by being profitable, successful and sustainable. This is achieved by the company's commitments in providing value-adding products and services demonstrate the company's commitment to use resources optimally.

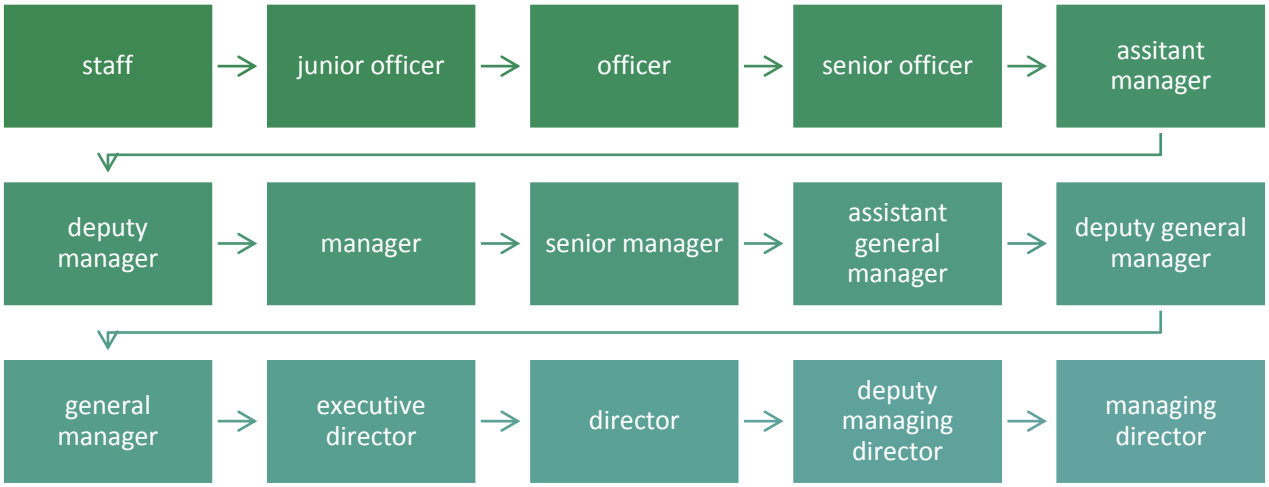
2.12 Achievement and Recognition

It always feels good when we are recognized for our contributions to the people, the society and the nation. We don't work for these praise rather we take our work as our responsibility towards building a better future for all.

- The longest TAX payer award
- The longest VAT payer award
- IFAWPCA gold medal
- Business person of the year 2008, Bangladesh
- Commercially important person of 2010, 2011 & 2012
- Excellence for business performance from Jamuna Bank ltd
- Igloo- No.1 ice-cream brand by Bangladesh Brand Forum

Other recognition from various Government departments for business performance, corporate governance and contribution to national development.

2.13 Who Reports to Whom in the Organization



2.14 Abdul Monem Sugar Refinery Limited

During my Thesis period I worked in Abdul Monem Sugar refinery limited which is a sister concern of Abdul Monem Group.

All products in the sugar refinery are manufactured by following all the necessary procedure and compliance and can be differentiated because of its high quality performance. The internationally accredited certification body Bureau Veritas Certification India, which undertakes one-year surveillance in order to grade a sugar refinery, has awarded certificates such as FSSC 22000-2011, ISO 9001/2008, ISO 14001/2004, OHSAS 18001 Occupational Health and Safety. In other words, AMSRL commits the appropriate resources to strictly comply with the relevant processes, which act as the prerequisite to ensuring and maintaining quality. The main product i.e. the refined white sugar meets the quality standard set by the European Economic Community, Article 2 Standard EEC-2. In 2009, AMSRL has opened its doors to the international market successfully meeting the international market quality. We have 35000 MT export permission from the government of Bangladesh with exporting experience to neighboring country Nepal, Italy, Netherlands, Bulgaria, Belgium, Saudi

2.14 Annual turnover of Abdul Monem Sugar Refinery Limited

Annual Turnover	1400 crore
15% Gross profit	xxxxxxx
85% Cost of goods sold	xxxxxxx
10% Net margin	xxxxxxx
5% Other margin	xxxxxxx
Total	**xxxxxxxx**

Chapter-3:
Conceptual Framework

3.1 Accounting Practice of Abdul Monem Limited

Accounting at every level in the departments have an inherent responsibility for effective and economical management of the operations and resources entrusted to them. A well designed accounting system, which regularly furnishes management with current meaningful financial data by assigned areas of responsibility and program elements, can be of valuable assistance in fulfilling these responsibilities.

3.1.1 Cash Collection and Deposited

There are three types collection from delivery man credit collectors:

COD Invoice i.e Cash on Delivery Invoice.

COD unpaid i.e Cash on delivery due Invoice.

Credit Invoice i.e Condition of 60 days , 90 days.

XZ



3.1.2 Cash Entry & Allocation

After deposit to bank of daily sales collection then these invoice value posted in the ERP Optima own software of Abdul Monem Sugar Refinery Limited. There is the big portion of Accounts. After all invoice posted in the ERP then reconcile with ERP value and Bank deposit value. After finishing the work in side, both side value of ERP and Bank Deposit values are equal.

3.1.3 Operating Expense

Operating expenses are these expenditure that a business incurs to engage in any activities not directly associated with the production of goods or services. Branch operating expence maintain through the Petty cash.

For example:

Cash flow statement
Abdul Monem Limited

Date	Receipt	BDT	Date	Payment	BDT
02/02/16	DBBL	XXXX	02/02/16	Delivery expense	XXXX
02/03/16	Brac Bank	XXXX	02/03/16	Communication expense	XXXX
02/04/16	IFIC Bank	XXXX	02/04/16	Rental expense	XXXX
02/05/16	AB Bank	XXXX	02/05/16	Utility Expenses	XXXX
			02/07/16	Traveling Expense	XXXX
			02/08/16	Stationary expense	XXXX
			02/09/2016	Credit collection expense	XXXX
			02/12/16	Principal expense	XXXX
			02/12/16	Available cash in hand	XXXX
		XXXX			XXXX

3.1.4 Petty Cash Management

i. Procedure for Petty Cash management

- Imprest system is applied to maintain Petty Cash
- Petty Cash is to be used for small and urgent company-related puchases.
- Petty Cash expense for a single transaction must not exceed BDT 5000 at branch (expect Payment for casual staff, security services ,utilities, incentives and month meeting expenses.)

ii. Detail list of expense categories, which are allowed under Petty Cash

- Petty Cash expense shall be approved according to the "Authority Matrix ". Beyond the above mentioned limit and exception mentioned in (**i),** all branch claims will be paid by cheque.
- Employee must raise IOU/Expenses Claim Sheet and request for approval from authorized personnel prior to submitting Petty Cash advance or expense claim.
- Maximum limit for Imprest fund is to be maintained on the basis of business need in accordance with approval from Head of Department and Chief Financial Officer.
- Branch Account Officer is Prohibited from processing any journal entry related to Petty Cash in the system.

iii. Procedure For Petty Cash Advance (IOU)

- Petty Cash Advance (IOU) is only allowed for travelling and other emergency purposes.
- Section (i) must be observed for all payments related to IOU.
- Before setting any IOU , BAO and Finance Officer (FO) must check if there are outstanding advances in the book. In this case where there is outstanding advance, BAO and FO are responsible to sattle outstanding amounts before issuing new advance,
- FO and BAO are responsible for recoding IOU in the Petty Cash template.

iv. Procedure Petty Cash Expense Claims

- All claimants are required to fill the Expense Claim Form (ECF) and attach original or certified true copy of bills, invoices or receipts. Date field in the form is mandatory.
- Claimants must include advance amount if take earlier. The final amount should be the total expense minus advance taken earlier.
- Claimants must submit the forms and supporting document to the Head OF Department (HOD), Branch Manager (BM) for approval, prior to submit the form to BAO or FO.

- For all legitimate claims BM and Head of Department (HOD) are responsible authorize submitted claims seal, signature and date.
- The BAO and FO must stamp "PAID" once any claim is settled. Claiment must sign on the form with acknowledgement receipt of payment and date.

Format of Petty Cash Book:

Petty Cash

For the Month or Date Range: February

Voucher No.	Date	Total	Expenses				
			Postage	Supplies	Delivery Charges	Travel Expenses	Other
1	12-Feb	$ 35.00			$ 35.00		
2	23-Feb	$ 12.40	$ 12.40				
3	27-Feb	$ 27.60				$ 27.60	
Totals:		$ 75.00	$ 12.40		$ 35.00	$ 27.60	

Total voucher amount:	$ 75.00	*(enter Totals from above in column Total)*
Petty cash on hand:	$ 24.00	*(enter actual petty cash on hand)*
Total:	**$ 99.00**	*(sum of Totals and actual petty cash on hand)*
Petty cash fund:	$ 100.00	*(established petty cash fund amount)*
Cash short / over:	$ (1.00)	*(difference between Total and established petty cash fund)*

Signed by: _____ **Date:** February 28, _____
(petty cash custodian)

Approved by: _____
(manager)

3.2 Accounts Receivable

Accounts Receivable arise principally from selling organization's product margin and service to principal. Accounts receivables are recognized when they are due.

Days of sales outstanding (DSO):

Days of Sales Outstanding (DOS) refers the average number of days that takes AML to collect cash after the sales.

Days of Sales Outstanding is calculated by following formula:

$$DSO = \frac{\text{Account Receivables (AR)}}{\text{Average sales per day}} = \frac{\text{Account Receivables (AR)}}{\left(\frac{\text{Net Credit Sales}}{365}\right)}$$

Quality Accounts Receivable (AR):

Overdue Accounts Receivable (AR) less than 60 days we consider as quality AR.

Measure the Quality & Liquidity of Accounts Receivable:

The balance of a company's accounts receivable show the amount its customers owe for purchases they made on credit .AML wants to collect the Accounts Receivable as quickly as possible to generate incoming cash flow .

3.3 Cash Book

AML maintains a cash book at the head office, which records all cash and bank transactions, irrespective of projects they relate to. Cash book provides of daily transactions and balance of each bank account. Three types of transactions are recorded in the cashbook:

1. Payments
2. Receipt
3. Transfers

The format of cash and the bank registers are as follows:

Abdul Monem Limited Cash register For the month of -----20---								
Voucher No.	Transaction No.	Account Code	Debit Amount	Credit Amount	Cash / Bank	Bank Code	Cheque No.	Descrip-tion

3.4 General Ledger

General ledger records both cash and non-cash transactions. The cash transactions are automatically transferred to the general ledger book. Non –cash transactions are separately entered through journal vouchers. The format of general ledger is given bellow:

Abdul Monem Limited General Ledger For the month of -----20---						
Account code	Particulars	Date	Voucher No.	Debit Amount	Credit Amount	Balance

3.5 Voucher Forms

Voucher is the most basic documents needed for recording financial transaction.

AML head office has three types of vouchers:

i) Journal Voucher

ii) Contra Voucher

iii) Payment Voucher

I. Journal Voucher:

All non-cash transactions are recorded in the books of accounts through journal vouchers. Provident fund, income tax and other deductions from salary, expenses or income transfer from Head Office to branch office, depreciation or fixed assets etc are recorded in the book accounts through journal voucher.

The format is given bellow:

JV# 00-000	Date:	
Accounts Head	**Debit**	**Credit**
Delivery Van Hired Expense	XXXX	
Delivery Van Fuel Expense	XXXX	
Delivery Van Repair & Maintenance	XXXX	
Loading & Unloading	XXXX	
Entertainment	XXXX	
Cash in hand		XXXX
Total	**XXXX**	**XXXX**
Amount in word (in BDT): --------- taka only Narration:		

II. Contra Voucher :

For example a format of contra Voucher which is prepared to record all cash disbursement. The format is given bellow:

CV# 00-0000	Date:	
Accounts Head	Debit	Credit
Collection Account		XXXX
Cash in Hand	XXXX	
Total	XXXX	XXXX
Amount in word (in BDT): --------- taka only Narration:		

III. Payment Voucher :

For example a format of payment voucher which is prepared to record all payment.
The format is given bellow :

PV# 00-0000	Date:	
Accounts Head	Debit	Credit
Rental Expense	XXXX	
Bank		XXXX
Total	XXXX	XXXX
Amount in word (in BDT): --------- taka only Narration:		

3.6 Money Receipt

Money Receipt is used to acknowledge cash or cheque. Receipts are prepared in three copies, which are used for following purposes:

1. Customer copy
2. Voucher copy (attached with voucher)
3. Filling copy

Following is the format of money receipt :

Monem Business District
111, Bir Uttam C.R. Dutta Road, Level 13
Karwanbazar, Dhaka-1205

Tel : ----------

Money Receipt

Date:

Received with thanks from……

……the sum of Taka……..

Being……

Received from ……against ……by cheque/cash…….

……..amount…….cheque date…….Bank name……..

TK.

For Abdul Monem Sugar Refinery Limited

Received by…….. Authorized by…….

3.7 Financial Reports and Statements

Financial Reports and statements are the ultimate products of the management systems. All financial transactions generated throughout the year are recorded in a set of books in the computerized accounting system. The system facilitates accountant to prepare financial reports and statements as per the requirement of the stakeholders.

3.8 User of AML's Report

- Internal users
  - AML management

- External users
  - Investors
  - Creditors
  - Government agencies of Bangladesh
  - Financial Experts/Researchers
  - Regulatory Bodies
  - Others

Chapter-4
Analysis of AML

4.1 Impact of Business Unit on Society

4.1.1 Social sustainability

Socially sustainable communities are equitable, diverse, connected and democratic and provide a good quality of life." Nobel Laureat Amartya Sen gives the following dimensions for social sustainability:



Also we can speak of Sustainable Human Development that can be seen as development that promotes the capabilities of present people without compromising capabilities of future generations. Abdul Monem Limited is a firm believer of community development and that citizenship contribution to their communities and nation is vital. In this spirit, Abdul Monem Foundation was set up as the CSR (Corporate Social Responsibility) wing with a view of endowing various charitable causes for the benefit of the society in general, and especially for the less privileged for their education, healthcare and other amenities.

- AM Foundation has donated 52 acres of land in Bijeshwar of Brahmanbaria, the highest patch of land donated for CSR purpose in the country. The area consists of a school ,a college, a madrasha with free education. AM Foundation is also running an orphanage with 3000 orphans are looked after with due sympathy, care and compassion.
- Some of the other areas of involvement by AM Foundation are; AM Foundation distributes relief amongst flood or any other type of disaster affected people, as and when the country has faced national calamities or disasters. The AML management mobilizes all resources to have AM Foundation in the frontline to support in any such crisis.
- AM Foundation provides free drinking water amongst drought stricken people or during hot spells to provide immediate relief to people. AML as a CSR effort provided all the recovery equipment to the ‘Bangladesh Army Salvage Operation’ in the building collapse of Spectra Garments in 2005. The poor, destitute and those in need are provided meals periodically or during religious occasions. AML plans to reach 50,000 poor and needy mothers (both pregnant and lactating) in the next five years through its nutrition awareness program.

- AML also pledges to provide eight types of vitamins free of cost to 50,000 pregnant mothers in the next five years.
- AML encourage employees to plant a tree every month for a Green and safe Environment.

4.2 Impact on Society

4.2.1 AML Construction

With the vision to lead the infrastructure development of the country, pioneering entrepreneur Mr. Abdul Monem in the year 1957 embarked upon the journey to start the first and currently the largest business concern of AM group of Companies. Since its inception Abdul Monem Limited has built a strong reputation and are contributing to the society.

Benefits to the society & environment:

- delivering quality services like Infrastructure development, Civil work, Industrial facilities, Residential complexes, Academic projects/cyclone shelters
- on time project completion and
- Meeting set construction standards.

4.2.2 AM Beverage Unit-Coca-Cola



In 1990 the company was awarded the President's Turtle Award by the President of The Coca-Cola Company in recognition of its contribution to positioning the brand. This is the most prestigious reward for bottlers by Coca-Cola. For generations, the simple pleasure of drinking Coca-Cola has been associated with special times, special places and timeless moments but also with the satisfying experience of everyday life. That is the magic of Coke.

- Provide consumers with special moments.

- Consumers of all ages want great tasting beverages that also provide nutrients for healthy growth and to make them feel their best. Coca-Cola compliments and shares the best moments of all consumers.
- Deliver products at every consumer's doorstep, even to the most remote areas of Bangladesh.

4.2.3 Ice cream Unit

Since its beginning in 1964, Igloo is the synonym for quality ice cream for all people of this country. With over 100 customer preferred flavors, forms and shapes Igloo is the leader in providing superior, unmatched taste and mouth feel. It also reflects the creative innovations, endless varieties, outstanding products, state-of-the-art technology application (including extrusion – the only ice cream maker of Bangladesh to have installed so) and availability through nationwide distribution making Igloo the most preferred ice cream brand of the country. Equipped with the most modern machinery, skilled human resources and using only the best ingredients Igloo never compromises on quality and taste. The ice cream range is growing day by day and Igloo continues to lead the top of the mind awareness among consumers. Igloo ice cream is available in more than 20,000 retail outlets across the country as well as in supermarkets, hypermarkets and has a large number of corporate customers. Recently Igloo has been voted to be the No. 1 Ice Cream Brand by the Bangladesh Brand Forum.

4.2.4 Igloo Foods Ltd

Igloo Foods Limited is a manufacturer and marketer of high-quality, brand name food and potato products for consumers throughout Bangladesh. Igloo Foods is built on the principle to mileage the existing reputation for delivering quality products. The company has a strong logistical fleet and manpower to ensure the distribution of the products across the marketplace. Igloo Foods consistently makes significant investment in marketing to support out the brands. Marketing investment enhances the consumer awareness and enhances the brand preference, leading to long term growth in volume.



4.2.5 Igloo Dairy Limited

Igloo Dairy Milk was established on 31 August 2004 with the aim to maintain the production capacity of Igloo Ice Cream as well as meet some market demand for pasteurized milk. With the increase of per capita milk consumption and the need for nutritional value in national diet, milk production and availability has been growing incrementally. In this business scenario, Igloo Dairy has built the capacity to 14,000 liters per day from the initial 5,000 liters.

4.2.6 AM Securities & Financial Services Ltd

AM Securities & Financial Services Ltd. is a subsidiary of Abdul Monem Group and a leading equity brokerage house in the country with a diverse clientele of institutions, high net worth individuals, foreign funds and retail investors. Building and managing the capital has become very important and it will be the prime driver behind the motion of our economy. So, to fulfill our dreams of building an economically successful and sustainable nation, AM Group, being the number one construction firm of Bangladesh (Abdul Monem Construction Ltd.) with successful companies like Coca-Cola, Igloo, AmoMilk and Danone, commenced stock broking activities in 1997.Over the time we have become the largest stock broking company in the country having developed a strong team of highly skilled and experienced professionals. Our depth and breadth of experience in the electronic execution business make us successful in delivering our clients with the most effective and top quality services. AMSFSL not only offer flawless clearing and excellent trade execution quality, but have also been a true



business partner as we have rapidly grown our business and expanded our offering. The people at AMSFSL are very professional and have been flexible and very accommodating to the customer needs.

Brokerage Service: AML provide a fully integrated front-to-back solution for alternative and traditional investment managers. .AMSFSL offers hedge funds the ability to consolidate their securities positions, trading activity, reporting needs and financing in a single location within a single account.

CDBL Services: Open Beneficiary Owner (BO) Account. Benefits of BO Account. Shares are credited to your BO account in a demat form. No physical handling of shares is needed. All bonus and rights issues are credited to your account automatically

Dematerialization& Re-materialization Facilities

Transacting the depository way has several advantages over the traditional system of transacting using share certificates. Some of the benefits are:

1. Trading in Demat segment completely eliminates the risk of bad deliveries, which in turn eliminates all cost and wastage of time associated with follow up for rectification.
2. You can avoid the cost of courier/ notarization/ the need for further follow-up with your broker for shares returned due to company objection.
3. You can also receive your bonuses and rights into your depository account as a direct credit, thus eliminating risk of loss in transit.
4. The speed of transaction is very fast.
5. The clients can now do their transactions on the Internet also.



Research Service : AML meet the needs of clients in all aspects of due diligence (business plan validation, technological feasibility, market growth assumptions, pricing assumptions, competitive response, risk-analysis, etc.), investment idea generation, opportunity analysis, market monitoring, financial analysis, growth consulting, proprietary deal flow, financial industry analysis, outsourcing, financial analytics, custom financial consulting, financial

business intelligence, as well as financial market research and custom consulting. AMSFSL provides an interactive analysis of client capabilities and market opportunities to develop custom consulting projects that provide a well-rounded, comprehensive view of the marketplace.

Margin Facility: A Margin Loan is a simple and easy way to open up a wealth of opportunities. As a nominated broker of Trust Bank and Exim Bank, client can avail Margin Loan Facilities.

4.2.7 Danish Bangla Emulsion Ltd

Danish Bangla Emulsion Limited (DBEL) is a joint venture company between Abdul Monem Limited and ENH Engineering A/S, Denmark. DBEL has been producing bitumen emulsion of international standards by a fully automated plant for the construction of road and airfield pavement work. The products are used under different departments of the Government of Bangladesh like RHD-Roads & Highways Department, CAAB-Civil Aviation Authority of Bangladesh, LGED-Local Government Engineering Department and the Municipal Corporations meeting their specification requirements will full satisfaction of the consultants and engineers of the concerned agencies. Using advanced technology, DBEL meets the stringent national and international specifications with prescribed quality assurance procedure. The advantages of bitumen emulsion over traditional cut back bitumen are:

- No requirement for heating saves labor and fuel costs.
- Environment friendly.
- Superior quality and durability, compared to price.
- Enhances work speed as curing period is lesser, thereby reducing time of project completion.



Benefits to Bangladesh for DBEL

(1) **The directly quantifiable development benefits**: New Employment: 35 persons Foreign Exchange Earnings/Savings: US$ 2mn (BDT l20mn) per annum

(2) **The non-quantifiable development results**: The environmental (external and working) improvement in DBEL provides the right kind of examples for foreign agencies to exert influence on the rest of the production industry in Bangladesh to conform to at least the national standards to start with.

(3) **Demonstration effect:** DBEL has built the confidence both in Bangladesh and the global community that a least developing country like Bangladesh, given the appropriate training and technical assistance, is able to produce bitumen emulsion conforming to the specification requirements of international standards. DBEL moves up the value ladder to translate into better wages and working conditions for the workers.



(4) **Spin-off benefits**: DBEL offers benefit to the construction industry of Bangladesh in road and airport pavement sector by giving them access to the Bitumen Emulsion technology that is the only acceptable standard in Scandinavian Countries, to provide the benefit of lower costs, durability and environmental friendliness. DBEL is expected to have a positive impact on the improvement of quality of asphalt works in Bangladesh.

4.2.8 AM Energy Ltd

AM Energy Limited was established in 2005 as a captive power generating plant. It is situated on the bank of the river Meghna and constructed on 1.73 acres of land. Initially it was designed for generating 10MW by steam turbine generator but presently has 6MW capacity with 3.5MW maximum power generated. 2.5MW is supplied to Abdul Monem Sugar Refinery Limited for the factory operations and 1MW is transmitted to REB-Rural Electrification Board. The company is looking for joint venture partners for developing power plants with conventional as well as renewable energy sources. This company is contributing to the society through supply of captive power to mass people.



4.2.9 Abdul Monem Sugar Refinery Ltd

AML, guided by the vision and belief to ensure long-term existence through profitability, success and sustainability, established the Abdul Monem Sugar Refinery Limited (AMSRL) in 2006 as a standalone sugar refinery with an annual capacity of more than 3, 00,000 metric

tons of high-grade refined sugar in the name of Igloo Sugar. The annual consumption of sugar in Bangladesh is approximately 1.2 million metric tons and AMSRL is one of the very few private sugar refineries in the country, which provide majority of this supply to the consumers. AMSRL is the first ISO 22000-2005 certified refinery and is regarded as the cleanest, most cost-effective and professionally managed one compared to the other refineries existing in the country in the meantime. AMSRL commits the appropriate resources to strictly comply with the relevant processes, which act as the prerequisite to ensuring and maintaining quality.

4.2.10 Novus Pharmaceuticals Ltd



With a vision to revolutionize the massive demand supply gap of proper medicines & drugs, Novus Pharmaceuticals Limited, started in 2008, develops and delivers healthcare solutions with the highest priority on quality. It provide affordable and innovative medicines through (R&D) department. Highly equipped quality assurance department is great strength. We have a unique effluent treatment plant (ETP) as per GMP standard. Novus Pharmaceuticals Ltd. is committed to produce quality medicines for customers by continuous improvement of its resources and process.

4.2.11 AM Asphalt & Ready Mix Concrete Ltd



To ensure high quality and consistent form of concrete for all its own infrastructure and construction projects as well as provide the same to Government Departments and private contractors and builders, Abdul Monem set up AM Ashpalt& Ready Mix Concrete Ltd. Asphalt is known for its durability, cost-effectiveness, simplicity of construction, and strength. Asphalt withstands heavy loads and, when combined with our proper asphalt maintenance, lasts for many years and has the capacity to undertake a vast number of projects and provide customers with the most reliable asphalt paving equipment such as rollers, graders, and finishers and well-trained operators, which enables us to be efficient.

4.2.12 AM Mango Pulp Processing Unit



AM Mango Pulp Processing Unit was established in the year of 2000 With the modern production machineries and Standard Operating Procedure for maintaining quality, employee safety and clean environment are in application in both production and storage functions.

1. AML consume on an average 2000 Ton mango per season from Chapainawabganj. Farmers are benefited due to proper utilization of their main agro product at right price.

2. Skin and fiber generated in the production process is used for cattle feed and fertilizer, and stone used for domestic fuel for cooking.

3. Around 100 local workers are involved during production period which is a major source of employment for them.

4.2.13 AM Auto Bricks Ltd



AM Auto Bricks Limited is a unit of the Abdul Monem group which was established in the year of 2011. It is producing and delivering Auto Bricks only. Brick making is considered an ancient art. It has been used from the ancient time and are still used enormously in modern construction in everywhere.

- Collect good quality earth sourced from all over the country which containing dissolvent salt or other harmful impurities is treated appropriately.
- Environment friendly processes are being maintained because of uses 30% less energy than traditional brick fields, recycles heat generated in the kiln to dry green bricks and eliminates the emission of black smoke laden with CO2 gas.
- Ensure air space free proper Moulding of clay by our fully automatic machine.
- Best quality Coal used as Fuel from Boropukuria. Firing kiln ensures uniform firing, preventing color variations, deformity and shrinkage etc.

- Ensure the quality of the products through close monitoring in every points of processing line such as raw material procurement, Heat chamber, Bricks handling, red bricks sorting/classification and others.
- Ensure customers satisfaction by maintaining Quality & supplying just in time. In house and hired transportation are being used for delivering products. Transportation by boat also available here

4.2.14 Service engine BPO

Service Engine BPO is the first business process outsourcing company in Bangladesh, which is in joint venture with a US firm. It provides solutions in the areas of Interactive Marketing, Quality Assurance, Software Web Development, Accounting, Back Office Processing, Digital Advertising Operations, Risk Compliance Services, Mortgage Operations and Servicing. which have been ranked 12th best company in the "Rising Star" category of the International Association of Outsourcing Professionals (IAOP) "Global Outsourcing 100®" service providers list. Recently the company was awarded by the Government for exporting IT solution.

4.2.15 AM Bran Oil

Nature Fresh Rice Bran Oil is truly "The World's Healthiest" edible oil, containing vitamins, antioxidants, nutrients and Trans fat free. Once people use it, they will be amazed cooking light and healthy is also the best tasting.this product is greatly serving the society through

- Lowering Cholesterol since Bran oil is the Most Healthy Edible Oil (Heart Oil).
- Improves HDL/LDL ratio and keep Healthier heart.
- Balanced PUFA/MUFA ratio which Clean blood vessels.
- Balanced Fatty Acids provides balanced nutrition, balanced health.
- Tocotrienols &Phytostrerols which act as Anti-cancer properties.
- Squalene which Improves skin tone and delays wrinkle formation.
- Vitamin E Helps maintaining balance of nervous system.
- Natural antioxidants give Protection against diseases.

From the above analysis it is clear that AML Contributes to the prosperity of the people associated directly or indirectly with the organization as well as the economic prosperity of the country with the use of the modern technologies and ensure high quality products and services through a dedicated, committed, well trained and motivated workforce – with highest level of integrity.

Chapter-5

Findings, Recommendations & Conclusion

5.1 Findings

The evaluation of my analysis and findings has been interpreted into two phases under the umbrella of the research objectives –section one consist findings and recommendation and finally section two shows how the product or each business unit of AML are contributing to the society. The following findings are found during checking bills in the Finance & Accounts Department at the Corporate Head Office which comes from factories and construction sites for getting clearance for payment.

1. Abdul Monem Sugar Refinery Limited is following conservative procedure, so conservatism is a problem.
2. Lack of accounting standards for Abdul Monem Sugar Refinery Limited Accounting and reporting.
3. In some case, Abdul Monem Sugar Refinery Limited don't properly maintain the audit permanent files.
4. Technological updates such as hi speed network and software is not available in Abdul Monem Sugar Refinery Limited.
5. Some sector of Abdul Monem Sugar Refinery Limited is not digitalized.
6. Sometimes capital expenditures in the factories and construction sites are not incurred with the prior approval from Head Office.
7. Sometimes material is purchased exceeding the quantity written in the purchase requisition.
8. Sometimes the ordered weight or quantity of material or product is mismatched with the receiving weight or quantity.
9. Entertainment expense is done by factories and construction sites without explaining the purpose and number of participants in the documents.
10. Sometimes the purpose of Transportation cost, Hotel Rent etc. are not written in the bills sent to Head Office.
11. Sometimes the terms and conditions in the work order are not followed.
12. Sometimes authorized signature is not found in the relevant documents of an expense.
13. All the relevant documents are not attached with bills for clear evidence.
14. Sometimes photocopy documents are attached with bills instead of original documents.
15. Sometimes the summation of the amounts in bills is miscalculated.

5.2 Recommendations

- Abdul Monem Sugar Refinery Ltd. should establish formal rules, regulations and policies for the operation of the Finance & Accounts Department.
- AML should establish responsibility and accountability for executing policies and procedures.
    - Abdul Monem Sugar Refinery Limited should correctly and strictly maintain the audit permanent files so that adequate information can be obtained easily.
- Accounts Department members should be given more external and internal training so that they can be updated with standards and adapt any kind of changes.
- The organization should obtain or generate and use more relevant and quality information to support the functioning of other components of accounting.
- The organization should establish performance measures, incentives and rewards among employees.
- There should be members from Accounts Department in the factory and construction sites so that fraud or maladjustments can be caught effectively and capital expenditures cannot be done without prior approval from Head Office.
- AMSRL can follow the principles of Accounting properly which is adopted as the generally accepted for internal control and is widely recognized as the definitive standard against which.
    - Abdul Monem Sugar Refinery Limited should update technologically such as establish high speed network and software.

5.3 Conclusion

In this report, I have tried my level best to cover the details accounting practice as followed by Abdul Monem Sugar Refinery Limited. In my report I also tried to show how different aspects of transactions are recorded and accounted by Abdul Monem Sugar Refinery Limited. The internal control aspects and the types of reports produced for different users are described. I have tried to give the theoretical Understanding about the accounting and its related issues to the users so they can get a clear view about the accounting process.

Abdul Monem Sugar Refinery Limited performs a large amount of important activities both for the public and for the government as a whole. It has an outstanding bearing to thrive our business sector. It has strong performance on loans & advance, industrial credit and foreign exchange.

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