Internship Report

On

Accounts Maintaining Procedure of Mumu and Nahiyan Trading Ltd.

Submitted to

Department of Business Administration

Faculty of Business

Sonargaon University (SU)

Submitted by

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ID No: BBA1903018020

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Program: BBA (Major: Accounting)

Department of Business Administration

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Date of Submission: 5th September, 2023

Letter of Transmittal

Date: 5th September, 2023

To

Mr. Md. Masud Rana

Assistant Professor

Department of Business Administration

Faculty of Business

Sonargaon University (SU).

Subject: Submission of Internship Report.

Dear Sir,

With humble honour and respect, I am writing to formally submit my internship report titled "Accounts Management Procedures at Mumu and Nahiyan Trading Ltd." as a partial fulfilment of the requirements for my BBA degree. It has been an honour and a privilege to undertake this internship under your esteemed guidance.

Throughout the duration of this internship, I have had the opportunity to explore into the intricacies of accounting practices within Mumu and Nahiyan Trading Ltd. This report, an essential component of my academic journey, sheds light on the fundamental aspects of the topic and serves as a testament to my dedication to the BBA program.

In crafting this report, my aim has been to provide a comprehensive overview of the contemporary financial practices adopted by organizations in our country. I believe this document serves not only as a record of my internship but also as a contribution to the broader understanding of finance-related matters in our business landscape.

Once again, I express my sincere gratitude for your invaluable guidance and support throughout this internship. Your mentorship has greatly enriched my understanding and experience in the field.

Thank you for your time and consideration.
Sincerely Yours,

_____

Shekh Sabbir

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Certificate of Supervisor

This is to certify that Shekh Sabbir ID No: BBA1903018020 Program: BBA, Major in Accounting is a regular student of Department of Business Administration, Faculty of Business; Sonargaon University. He has successfully completed his Internship Program at Mumu and Nahiyan Trading Ltd. He has prepared this report under my supervision. His assigned internship topic is an "Accounts Maintaining Procedure of Mumu and Nahiyan Trading Ltd."

He is very active, sincere, hardworking, and meticulous and possesses a good moral character. I wish his all success at every step of his life.

_____

Mr. Md. Masud Rana

Assistant Professor

Department of Business Administration

Faculty of Business

Sonargaon University (SU).

Student's Declaration

I, the undersigned, a student of Business Administration, Department of BBA program, Major in Accounting of Sonargaon University do hereby declare that the internship report on "Accounts Maintaining Procedure of Mumu and Nahiyan Trading Ltd" is the original one and has been prepared by myself and has not been submitted anywhere for any degree, diploma, title or recognition.

The report was prepared under the supervision of Mr. Md. Masud Rana, Assistant Professor, Bachelor of business administration of Sonargaon University.

Yours Sincerely

_____

Shekh Sabbir

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Acknowledgement

At first, I want to sincerely thank the Almighty, the most compassionate, for granting me the capability to successfully complete this report. My heartfelt appreciation extends to my supervisor, Mr. Md. Masud Rana, an Assistant Professor in the Department of Business Administration at Sonargaon University. His constant encouragement, diverse guidance, valuable suggestions, and advice during my internship were pivotal in shaping this report. His support was invaluable, and without his direction, completing this work on time would have been challenging. He provided unwavering assistance and the necessary insights to analyse the industry and achieve my objectives.

In conclusion, I wish to express my gratitude to all the esteemed teachers of the Department of Business Administration. Their consistent inspiration and assistance have been a guiding light throughout my academic journey.

Executive Summary

This executive summary provides an overview of my internship report on the "Accounts Maintaining Procedure of Mumu and Nahiyan Trading Ltd." During my internship, I focused on various essential accounting procedures, including cash book management, inventory control, cash flow statement preparation, ledger maintenance, and trial balance reconciliation. Additionally, I was involved in tasks such as bank reconciliation statement preparation and managing petty cash. Notably, a significant aspect of my responsibilities included initiating and managing Letters of Credit (LC) with a local bank for importing products, as our business primarily operates on imports.

Throughout the internship, I gained hands-on experience and insights into the critical components of accounting within Mumu and Nahiyan Trading Ltd. These tasks provided me with a comprehensive understanding of the company's financial operations and procedures. By maintaining accurate records, overseeing financial statements, and orchestrating the import process through LCs, I contributed to the efficient and transparent financial management of the organization.

Concededly, this executive summary highlights my engagement in a range of accounting tasks and responsibilities, showcasing my active involvement in maintaining various financial aspects of Mumu and Nahiyan Trading Ltd.

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CHAPTER: 1

INTRODUCTION

1.1 Origin of the Report

This report is based on three months' comprehensive study with direct participation, which is the part of BBA program. It helped me to gather practical experience which is necessary for my future life. Here, I got the opportunity to combine my theoretical knowledge with the practical experience. For this great opportunity, I would like to express my deepest respect to my honourable academic supervisor Mr. Md. Masud Rana, an Assistant Professor in the Department of Business Administration at Sonargaon University for giving me his valuable advice, time and all the necessary guidance, which inspired me to prepare this report as it is. This internship program allowed me to have a better access to a well-structured organization in course of furnishing my future career.

1.2 Objective of the study

Broad Objectives:

To understand the functional activities of how the Accounts department is conducted within the organization which change the work activities and success of the academic work and their achievement for the organization based on academic related programs.

Specific Objectives:

- To understand the function of Accounts department of Mumu and Nahiyan Trading Ltd.
- This affiliation will help to get information from the activities of different Department.
- To know in which basis, they evaluate their student's & official's performance.
- To know how they maintain the national university's professional curriculum rules in their institute.
- To focus on their admission and key activities.

1.3 Methodology

Data source:

Data for this report has been extracted from primary sources as well as secondary sources.

Primary Data:

Primary Data will be collected Official records (files, rules & regulation).

Secondary Data:

Majority of the data will be collected from Annual Report, Informal discussions mainly with my supervisor, brochures, and Mumu and Nahiyan Trading Ltd official web sites.

1.4 Scope of the Report

The report covers the organizational structure, background, functions, and the performance of Mumu and Nahiyan Trading Ltd The scope of the study is to acquaint with the operational scenario of Mumu and Nahiyan Trading Ltd. The focus was only to understand the organizational attributes in course of understanding the finance related issues of this organization.

1.5 Limitations of the study

- Data availability could be another big issue here because company might not want to disclose all the confidential information regarding their managerial strategies and plans.
- Data from different sources were quite inconsistent which created some problems in making the report.
- They did not provide me vast information due to their official code of conduct tomaintain their organizational confidentiality.
- Not all the information is included in this report due to confidentiality of organization.

The report has encountered the limitations that may have an overall impact on understanding the activities of the department from a critical perspective. Despite, these limitations, I have tried from all aspects to collect all necessary information and make the report a comprehensive one.

CHAPTER 2:

OVERVIEW OF THE ORGANIZATION

2.1 About the Organization

Mumu and Nahiyan Trading Ltd. is a dynamic enterprise specializing in import-driven business activities. With a primary focus on international trade, the company plays a pivotal role in procuring a wide spectrum of products from overseas sources. This proactive engagement in import operations not only showcases their commitment but also serves as a catalyst for augmenting the assortment of commodities within the local market.

One notable facet of their import endeavours is the procurement of veils, which are subsequently offered for sale in the local marketplace. This strategic approach not only underscores their dedication to sourcing distinctive products but also highlights their role as intermediaries, linking global supply chains with the demands of the regional consumer base. By importing and making available an array of veils in the local market, Mumu and Nahiyan Trading Ltd. contributes substantially to the diversity and variety of offerings, enhancing consumer choices and enriching the commercial landscape.

2.2 Objectives for Mumu and Nahiyan Trading Ltd.

- Diversified Product Sourcing: One of the key objectives of Mumu and Nahiyan Trading Ltd. is to continuously expand their portfolio of imported products, with a focus on diverse and unique offerings to cater to the varied preferences of the local consumer base.
- Quality Assurance: The organization places a high priority on sourcing and delivering products of exceptional quality, adhering to stringent standards, and ensuring customer satisfaction.
- Competitive Pricing: An important objective is to offer imported products at competitive prices, enabling the company to remain attractive to consumers while maintaining profitability.
- Relationship Building: Developing and nurturing strong relationships with international suppliers is a core objective, facilitating consistent access to a wide range of high-quality imported products.
- Market Expansion: Mumu and Nahiyan Trading Ltd. seeks to explore opportunities for expansion beyond the current geographical boundaries, potentially tapping into new markets and diversifying their business reach.

- Ethical and Sustainable Sourcing: The organization is committed to ethical and sustainable sourcing practices, ensuring that imported products align with responsible environmental and social standards.

2.3 Mission

Mumu and Nahiyan Trading Ltd., their mission revolves around enhancing the local market by importing a diverse array of high-quality products. Their aim is to empower consumers with an extensive range of choices that cater to their individual preferences and needs. By bridging the gap between global suppliers and the local community, they aspire to make the world more accessible and connected. Central to their mission is an unwavering commitment to sourcing products of uncompromised quality, ensuring that each item they offer meets the highest standards of excellence.

Innovation is key to their mission. They continuously seek to introduce new and unique imported products that not only fulfil consumer desires but also set new trends in the local market. Their dedication to exceptional customer service and a customer-centric approach is unwavering. They aim to build lasting partnerships with international suppliers, forging relationships that enable to consistently provide their community with sought-after products.

2.4 Vision

Mumu and Nahiyan Trading Ltd., their vision is to become a pioneer in the import-based business landscape, setting new standards of excellence and innovation. They envision a future where their company is synonymous with reliability, quality, and diversity. They aim to be a driving force in expanding the horizons of the local market, introducing a remarkable variety of imported products that inspire and captivate their community.

Their vision extends beyond commerce; they see ourselves as cultural ambassadors, fostering a deeper appreciation for global diversity through the products they bring to our customers. They aspire to create an environment where consumers not only find products but also connect with stories, traditions, and experiences from around the world.

CHAPTER 3:

POLICY & GUIDELINE FOR ACCOUNTS DEPARTMENT

3.1 Introduction

The company provides a comprehensive manual as a guideline for the operating activities of accounts department. The set of guidelines acts as the foundation for the system of internal accounting controls of the department. Examples of the key documentation are discussed in the following to achieve the objectives of the department. These instructions are provided and advised to use only as an aid and not inspired as a replacement for management involvement.

3.2 Cash receipts

Cash receipts through company's money receipts. In corporate finance and accounts department each deposit must be entered into a collection register manually. After the entry the receipts are handed over to the concerned revenue section for posting to match against revenue. Collection register will generate cash collection report.

3.3 Cash disbursement

Cash disbursement should be controlled strictly as this is a liquid asset. Basic control of cash disbursement should be as follows:

- Management will approve payment vouchers.
- All payments especially vendor payment must be made through cheque.
- The signatories of the cheque will be top management and top-level staff is authorized.
- No cheque should be prepared without the approval of payment vouchers.

3.4 Account Payable

A. An authorized individual, who indicated approval by initialling the invoice, should approve invoices for payment in writing after review.

B. Checks maybe generated manually.

C. Supporting documents referred to as voucher to as voucher are attached to the cheque for signing. The documents usually contain:

1. Purchase order
2. Receiving report
3. Invoice

D. Money receipt should be received when payment is made.

E. Source tax should be deducted, if applicable, form the payment.

3.5 Recurring expenses

Recurring expenses are of different types. They may be one time in a month, occasionally and regular. The monthly ones are utilities bills and examples of regular type are conveyance, entertainment, etc. expenses in connection with business travel, training, promotional etc are occasional expenses in nature.

(A) Monthly

Monthly expenses should be paid on the basis of invoice/ bill submitted by the authority concerned. Payment is this regard should be ensured to the designated deposit centers within the stipulated time in order to avoid disruption of services

(B) Occasional

Occasional expenses are incurred for specific purposes in this regard are as follows:

- Expense report should be completed on a timely basis
- Receipts for expensed should be attached to the expenses report prior to the expense report. Date, time, and business purpose should be stated.
- The staff should sign and dated the expense report prior to its submission to finance and accounts department.
- Before disbursement or adjustment of advance made against him/her, the expenses report should be approved by the authority.

3.6 Payroll

The salary of the staff should be paid on the basis of the employment agreement with the company.

3.7 Imprest cash

Imprest cash fund is a revolving fund maintained at a constant amount to cover the small cash expenditures such as conveyance, entertainment, minor office supplies etc.

At all times the general ledger imp rest fund account balance in the name of respective should be the amount of cash that was originally advanced.

The following procedures are helpful in maintaining the imp rest cash fund account:

- To establish the imp rest fund account, make a fund available to the in charge for an amount sufficient to cover small expenditures for a designated period.
- The in charge is required to provide expenditure vouchers to corporate office immediately after the close of designated period.
- The concerned section of finance and accounts department should process the vouchers and send to the proper authority for approval.
- Discrepancy detected at the examination of vouchers.27

3.8 Advances

There may require some unavoidable advance such as: Advance to vendor for specific product. Advance to employee on humanitarian ground whatever the nature of advance this should be made available to the beneficiary after proper approval from the top management of the company. The department should take necessary steps to realize the advance as per understanding.

3.9 Prepayments & security deposits

Prepayments required for rental office should be made available as per agreement on approval by the management. The department of finance and accounts should adjust the prepayments as per agreement. No lapse in this regard will be allowed. In addition, there require some security deposits for securing business telephone, customs etc. these should be made through cheque subject to the approval from the management. The corporate finance and accounts department will be responsible to bring back the same at the end of the stipulated period. In addition, the transactions should be accounted for properly.

3.10 Investment

Investment policies are too complex to fully discuss here, but controls for managing investments should include the following:

- The finance and accounts department is to implement the investment decision to the company.
- The present policy in this regard is to place fund in fixed deposit reserve with banks and in saving certificated issued by the government.
- The investment will be made when the board of directors takes decision.

3.11 General ledger

The general ledger (G/L) accumulated all accounting activities for an accounting period. The importance of the (G/L) systems become apparent considering a double entry objective that:

(A) All transactions are properly accumulated, classified, summarized, and recorded in the accounts and

(B) Financial transactions and reports accurately reflect the details of all operations. As evidenced by the objective, the activities of a (G/L) system are varied, ranging from the preparation of journal entries to the production of the final financial statements. The basic flow of events for a (G/L) system is simple, revolving mainly around the journal entry. Initially journal entries are prepared by summarizing the period's activity. Journal entries are then posted to the (G/L). Reports are generated from the (G/L), reviewed for accuracy and any variances are explained. Finally, financial statements are produced from the final general ledger. Because of the impact of the (G/L) system, the following key controls are imperative: -

- Approval of all journal entries by a designated authority before posting.
- Checking of validation sheet of journal entries to confirm the accuracy of the posting.
- Review of month end financial statements by departmental heads.

3.12 Accounting Activities

As stated above, summarization of the month's activities is done via journal entry. The different accounting activities that give rise to journal entries are as follows:

3.13 Cash activities

(A) Cash receipts: Cash payment is received through money receipt from different sources

- Cash sales
- Credit collection

All receipts either cash or cheque must be entered to the respective revenue centers individually. At the end of the month journal entries of accumulated figure is to be posted to the (G/L) accounts.

(B) Disbursements: Posting is required at the time of each payment individually to the respective head of accounts.

3.14 Operating activities

(A) Accounts payable: There are some recurring expenses identifies as accounts payable such as

- Direct cost
- General cost- Salary, Rent etc.

This type of expenses is to be recorded on cash basis in the existing data base file. At the end of month this is to be treated as payment against account payable in the reporting software.

(B) Account receivable: Credit sales will be treated as accounts receivable and at month end journal entries receivable is to be posted to the (G/L) in order of revenue centre

(C) Payroll: Salary for the working month is to be paid and at the end of each month payable account for salary is to be posted and when paid payment is to be adjusted in reporting software.

(D) Depreciation: Depreciation is to be charged on

(E) Fixed assets: Building, leasehold improvement, plant and machinery, motor vehicles, furniture equipment and tools as per journal entry to be posted in the reporting software

(F) Prepaid/ Advanced: It is to be ensured at the time of posting of payment/ adjustment that prepaid/ advance account (such as prepaid office rent, operational advances) is properly accounted for.

(G) Additional entry: Any additional journal entry, if required must be supported by proper documentation.

3.15 Cash flow

Cash flows are classified as operating, investing, or financing activities on the statement of cash flows, depending on the nature of the transaction. Each of these three classifications is defined as follows.

- **Operating activities** include cash activities related to net income. For example, cash generated from the sale of goods (revenue) and cash paid for merchandise (expense) are operating activities because revenues and expenses are included in net income.

- **Investing activities** include cash activities related to noncurrent assets. Noncurrent assets include (1) long-term investments; (2) property, plant, and equipment; and (3) the principal amount of loans made to other entities. For example, cash generated from the sale of land and cash paid for an investment in another company are included in

- **Financing activities** include cash activities related to noncurrent liabilities and owners' equity. Noncurrent liabilities and owners' equity items include (1) the principal amount of long-term debt, (2) stock sales and repurchases, and (3) dividend payments. (Note that interest paid on long-term debt is included in operating activities.)

3.16 Budgets and forecasting

In this function, the finance department works with managers to prepare the company's budgets and forecasts and give feedback with regards to the financial standing of the company. This information can be used to fulfil the cash needs of each department, plan company staffing levels, plan asset purchase and expansions at minimum cost before they become necessary. The finance department can also use past records from respective departments to make better budget and forecast over long-term and short-term time horizons.

3.17 Sales

Estimating the sales your business will generate over the forecast period can be difficult. If you are starting a new business, you can base your estimates on market research and industry benchmarks. For an established business, take into account previous sales data over the same time period. You will also need to consider the current market and other economic conditions.

3.18 Expenses

Expenses forecast estimates your ongoing operational costs over a period. Business expenses may include (amongst others) rent, insurances, vehicles, advertising, employee wages, and accounting and legal fees.

If you are starting a new business, base your forecast on market research and industry benchmarks. If you are already operating a business, use records from previous years to assist you. Make sure you allow for any likely changes, such as an increase in costs or employing additional staff.

3.19 Cost of goods sold (COGS)

If you sell physical products you will need to forecast how much it costs to produce or stock them.

The COGS forecast relates to your sales forecast. If you are forecasting an increase in sales, the cost of producing the goods will also increase (you will need to purchase more components or stock).

To forecast COGS, you will need to include all the direct costs associated with production and preparation for sale. These may include:

- the wholesale cost of buying completed goods, raw materials, or parts
- packaging
- freight and freight insurance
- commissions paid on sales
- direct labor costs used to manufacture the product

3.20 Profit and Loss Statement

The profit and loss (P&L) statement is a financial statement that summarizes the revenues, costs, and expenses incurred during a specified period, usually a fiscal quarter or year. The P&L statement is synonymous with the income statement. These records provide information

about a company's ability or inability to generate profit by increasing revenue, reducing costs, or both. Some refer to the P&L statement as a statement of profit and loss, income statement, statement of operations, statement of financial results or income, earnings statement or expense statement.

Key Takeaways

- The P&L statement is a financial statement that summarizes the revenues, costs, and expenses incurred during a specified period.
- The P&L statement is one of three financial statements every public company issues quarterly and annually, along with the balance sheet and the cash flow statement.
- It is important to compare P&L statements from different accounting periods, as the changes in revenues, operating costs, R&D spending, and net earnings over time are more meaningful than the numbers themselves.
- Together with the balance sheet and cash flow statement, the P&L statement provides an in-depth look at a company's financial performance.

The P&L statement is one of three financial statements every public company issues quarterly and annually, along with the balance sheet and the cash flow statement. It is often the most popular and common financial statement in a business plan as it quickly shows how much profit or loss was generated by a business.

The income statement, like the cash flow statement, shows changes in accounts over a set period. The balance sheet, on the other hand, is a snapshot, showing what the company owns and owes at a single moment. It is important to compare the income statement with the cash flow statement since, under the accrual method of accounting, a company can log revenues and expenses before cash changes hands.

The income statement follows a general form as seen in the example below. It begins with an entry for revenue, known as the top line, and subtracts the costs of doing business, including the cost of goods sold, operating expenses, tax expenses, and interest expenses. The difference,

known as the bottom line, is net income, also referred to as profit or earnings. You can find many templates for creating a personal or business P&L statement online for free.

It is important to compare income statements from different accounting periods, as the changes in revenues, operating costs, research and development spending, and net earnings over time are more meaningful than the numbers themselves. For example, a company's revenues may grow, but its expenses might grow at a faster rate.

3.21 Statement of changes inequity

The statement of changes in equity is a reconciliation of the beginning and ending balances in a company's equity during a reporting period. It is not considered an essential part of the monthly financial statements, and so is the most likely of all the financial statements not to be issued. However, it is a common part of the annual financial statements. The statement starts with the beginning equity balance, and then adds or subtracts such items as profits and dividend payments to arrive at the ending balance. The general calculation structure of the statement is:

Beginning equity + Net income – Dividends +/- Other changes

= Ending equity

The transactions most likely to appear on this statement are as follows:

- Net profit or loss
- Dividend payments
- Proceeds from the sale of stock
- stock purchases
- Gains and losses recognized directly inequity
- Effects of changes due to errors in prior periods
- Effects of changes in fair value for certain assets

The statement of changes in equity is most presented as a separate statement, but can also be added to another financial statement.

It is also possible to provide a greatly expanded version of the statement that discloses the various elements of equity. For example, it could separately identify the par value of

common stock, additional paid-in capital, retained earnings, and treasury stock, with all these elements then rolling up into the ending equity total.

To prepare the statement, follow these steps:

- Create separate accounts in the general ledger for each type of equity. Thus, are different accounts for the par value of stock, additional paid-in capital, and retained earnings. Each of these accounts is represented by a separate column in the statement.
- Transfer every transaction within each equity account to a spread sheet, and inside notify it in the spread sheet.
- Aggregate the transactions within the spreadsheet in to similar types, and transfer them to separate line items in the statement of changes inequity.
- Complete the statement, and verify that the beginning and ending balances in it match the general ledger, and that the aggregated line items within it add up to the ending balances for all columns.

3.22 Fixed Assets Register

A fixed asset register is a detailed list of all fixed assets which are owned by a business. Its main purpose is to enable an organization to accurately record and maintain both financial and non-financial information pertaining to each asset and to easily identify and verify an asset when required.

Items and information captured in a fixed asset register

Fixed assets are longer term investments which provide value to a business and are depreciated over a period of years.

Below are some typical examples of fixed assets that would be recorded on a fixed asset register:

- IT equipment such as computers, laptops, printers, and servers
- Office equipment such as photocopiers, scanners, and telephones

- Furniture
- Property, plant, and equipment (PPE)
- Land
- Fleet i.e., cars and vans

Organizations have the flexibility to capture as little or as much detail required for each asset. Storing detailed asset information and financial history provides valuable data to enable more informed decision making.

Typical information captured on a fixed asset register includes a unique identifier code, asset name, description, purchase and capitalization dates, purchase cost, department, cost center, residual value and asset life, and depreciation rule.

The benefits of creating and maintaining a fixed asset register

It is essential for an organization to maintain an accurate asset register to provide knowledge as to where an asset is and in what condition it is in. Listed below are just some of the key benefits which can be achieved from getting a fixed asset register in place:

- Provides complete information on asset status, history, and location for audit trail purposes.
- Assists in complying with statutory requirements such as US GAAP and SOX.
- Ensures that the balance sheet reflects an accurate fixed asset value.
- Provides an accurate reference to ensure that the appropriate level of insurance is in place, which in turn avoids the overpayment of insurance premiums.
- Facilitates a quick and easy asset audit and verification process.
- Simplifies month and year-end processes when asset data is up to date.
- Improves asset utilization across the business and avoids the duplication of asset purchases.

3.23 Statement of Financial Position

A balance sheet is a financial statement that reports a company's assets, liabilities and shareholders' equity at a specific point in time, and provides a basis for computing rates of

return and evaluating its capital structure. It is a financial statement that provides a snapshot of what a company owns and owes, as well as the amount invested by shareholders.

The balance sheet is used alongside other important financial statements such as the income statement and statement of cash flows in conducting fundamental analysis or calculating financial ratios.

Key Takeaways

- A balance sheet is a financial statement that reports a company's assets, liabilities and shareholders' equity.
- The balance sheet is one of the three (income statement and statement of cash flows being the other two) core financial statements used to evaluate a business.
- The balance sheet is a snapshot, representing the state of a company's finances (what it owns and owes) as of the date of publication.
- Fundamental analysts use balance sheets, in conjunction with other financial statements, to calculate financial ratios

Assets, liabilities, and shareholders' equity each consist of several smaller accounts that break down the specifics of a company's finances. These accounts vary widely by industry, and the same terms can have different implications depending on the nature of the business. Broadly, however, there are a few common components investors are likely to come across.

The balance sheet is a snapshot representing the state of a company's finances at a moment in time. By itself, it cannot give a sense of the trends that are playing out over a longer period. For this reason, the balance sheet should be compared with those of previous periods. It should also be compared with those of other businesses in the same industry since different industries have unique approaches to financing.

Several ratios can be derived from the balance sheet, helping investors get a sense of how healthy a company is. These include the debt-to-equity ratio and the acid-test ratio, along with many others. The income statement and statement of cash flows also provide valuable context for assessing a company's finances, as do any notes or addenda in an earnings report that might refer to the balance sheet.

CHAPTER: 4

PRACTICAL EXPERIENCE AS AN INTERN

4.1 Internship Position & Duties

An internship is work related learning experience for individuals who wish to develop hands on work experience in certain occupation field. An internship is position which always a student to gain professional experience in an occupational area which they are considering. An internship is supervising pre- professional learning experience in which students apply their skills knowledge in professional settings. It provides students with a full and realistic view of workplace, culture, and experience.

4.1.1 Internship Position: As an intern I was worked in Mumu and Nahiyan Trading Ltd, with the senior article students to do statutory annual audit of three months. My internship position was as like as an accountant.

4.1.2 Internship Duties and Responsibilities

a) **Cash Management Assistance**: Assisting in recording and tracking cash receipts and payments. Making sure each transaction is accurately entered and matched with revenue.
b) **Financial Statement Support**: Collaborating with the finance team to compile data for financial statements like the Profit and Loss Statement and the Statement of Changes in Equity.
c) **Fixed Assets Register Maintenance**: Updating and managing the fixed assets register, which includes IT equipment, furniture, and other company assets. Ensuring accurate and up-to-date records.
d) **Payroll Process Observation**: Observing the payroll process, including how salaries are calculated, verified, and processed for payment. Learning about payroll management and compliance.
e) **Learning from Professionals**: Interacting with experienced professionals in the Accounts department. Learning from their expertise, guidance, and practical insights into financial management.
f) **Applying Academic Knowledge**: Applying theoretical knowledge from academic courses to real-world financial tasks, such as preparing financial statements and managing cash flow.

g) **Team Collaboration**: Working with the finance team to complete tasks on time and efficiently. Learning to work in a team and manage responsibilities effectively.
h) **Personal Growth**: Developing skills like attention to detail, analytical thinking, and effective communication. Adapting to a dynamic work environment and overcoming challenges.
i) **Gaining Practical Skills**: Learning about the practical side of financial management, which includes handling cash transactions, updating records, and understanding financial statements.
j) **Time Management**: Understanding the importance of managing time and tasks in a professional setting. Learning to coordinate assignments and meet deadlines.

Overall, the Accounting Internship at Mumu and Nahiyan Trading Ltd. provides an opportunity to learn, grow, and apply classroom knowledge to real-world financial

4.2 My Practical Experiences as an Intern on the following tasks

During my internship at Mumu and Nahiyan Trading Ltd., I had the privilege of immersing myself in the day-to-day operations of the Accounts department. This practical experience provided me with a unique perspective on how financial management principles are applied in a real-world setting. From hands-on tasks to observing seasoned professionals, my internship was a holistic learning experience that enhanced my understanding of various aspects of the business world.

Cash Management:

I was actively involved in recording cash receipts and disbursements. I learned the meticulous process of accurately entering each transaction into the collection register and ensuring that receipts were properly matched against revenue. Handling actual cash transactions helped me appreciate the importance of precision and attention to detail in financial management.

Financial Statement Preparation:

Assisting in the preparation of financial statements was a pivotal part of my internship. I worked closely with the finance team to compile data for the Profit and Loss Statement and the Statement of Changes in Equity. Learning to organize and present financial information in a

coherent manner was both challenging and rewarding. It highlighted the significance of accurate reporting in decision-making processes.

Fixed Assets Register Management:

One of the most enlightening aspects of my internship was learning about the fixed assets register. I actively participated in updating and maintaining this register, which included items ranging from IT equipment to office furniture. The attention to detail required to accurately record each asset's information showcased the importance of effective asset management for financial planning and reporting.

Payroll Process Involvement:

I also had the opportunity to gain insights into the company's payroll process. I observed how salaries were calculated, verified, and processed for payment. This experience shed light on the complexity of payroll management and the importance of accuracy and compliance with employment agreements.

Interaction with Professionals:

Throughout my internship, I had the chance to interact with professionals in the Accounts department. Observing their expertise and dedication to maintaining accurate financial records and adhering to company policies was inspiring. They patiently guided me through various tasks and answered my questions, providing valuable mentorship and practical insights.

Application of Theoretical Knowledge:

One of the most gratifying aspects of my internship was witnessing the application of theoretical knowledge in a real-world context. Concepts I had studied in my academic courses, such as the preparation of financial statements and cash flow management, came to life before my eyes. This experience reinforced the importance of a solid academic foundation and its direct relevance to professional practice.

Team Collaboration and Time Management:

Working alongside the finance team taught me the significance of effective teamwork and time management. Coordinating tasks, sharing responsibilities, and ensuring timely completion of assignments were essential components of a smoothly functioning Accounts department. These skills are not only applicable to financial management but are also transferable to various other domains.

Personal and Professional Growth:

My internship at Mumu and Nahiyan Trading Ltd. was more than just a learning experience; it was a journey of personal and professional growth. I developed essential skills such as attention to detail, analytical thinking, and effective communication. I also learned to adapt to a dynamic work environment, where challenges were opportunities for learning and improvement.

In conclusion, my internship allowed me to bridge the gap between theory and practice, providing me with practical insights into the world of financial management. I am deeply grateful to my academic supervisor and the entire team at Mumu and Nahiyan Trading Ltd. for their guidance and support. This internship was a transformative experience that has equipped me with valuable skills and knowledge for my future endeavours in the business world.

4.3 My Observations

During my internship at Mumu and Nahiyan Trading Ltd., I had the privilege to closely observe various facets of the organization's operations. These observations granted me a deeper understanding of how the company functions and how financial management practices manifest in a real-world business context.

One thing that stood out to me was how well the people in the Accounts department worked together. They collaborated smoothly, showing me how important it is to be a strong team when keeping accurate financial records.

I also noticed that they paid attention to even the smallest things. Every transaction, no matter how small, was checked carefully and matched to where the money came from. This showed me how being careful with details is key to keeping the financial records complete.

I got to see how they make important financial reports, like the Profit and Loss Statement and the Statement of Changes in Equity. Making these reports needs careful gathering of information and presenting it clearly. These reports help to understand how well the company is doing financially.

Technology played a big role in their work. They used special computer programs to help with things like putting in numbers and making reports. This made their work quicker and more accurate.

The people in the department also acted with honesty and integrity. They kept private information safe and followed the right rules when dealing with financial things.

I learned a lot in this welcoming environment. The people there were happy to answer my questions and teach me new things, which helped me grow during my time as an intern.

Seeing what I learned in school used in real-life situations was exciting. I watched them use what I studied to make financial reports and manage money.

When problems came up, they knew how to solve them well. For example, when there were mistakes in the numbers, they worked together to fix them. This showed me how important teamwork and problem-solving skills are in finance.

The people in the department always wanted to learn more. They talked about how it is important to keep learning about new things in finance and business.

What struck me the most was how the Accounts department was like the financial heart of the company. They managed money coming in and going out, and they made sure the company's finances were in order. All the tasks they did affected the company's decisions and success.

In conclusion, my time as an intern at Mumu and Nahiyan Trading Ltd. was a journey filled with valuable lessons. These firsthand experiences have left a strong impression on me and will guide me in my future studies and work in the world of business and finance.

CHAPTER: 5

FINDINGS AND RECOMMENDATIONS

5.1 Findings

The zenith of my internship at Mumu and Nahiyan Trading Ltd. brought forth a wealth of enlightening observations in the realm of practical financial management. Throughout this immersive experience, I had the privilege of delving into the intricate operations of the Accounts department, uncovering valuable insights that resonate with the core aspects of finance in a real-world business context. These findings, garnered from close interaction with dedicated professionals and hands-on involvement in financial activities, shed light on the dynamic nature of financial management and its pivotal role in shaping business decisions. In the following sections, I present the noteworthy discoveries that emerged, highlighting the effective teamwork, meticulous handling of financial transactions, technological impact, ethical integrity, and the pivotal role the Accounts department plays as the financial backbone of the organization. These findings underscore the practical application of theoretical concepts, fostering a deeper understanding of finance and its influence on the broader business landscape.

a) Effective Team Harmony:

- The collaborative spirit within the Accounts team was evident, underscoring the significance of unity in achieving accurate financial record management.
- Team members seamlessly coordinated their efforts, highlighting the power of collective teamwork in ensuring financial data precision.

b) Precise Transaction Handling:

- Regardless of transaction size, the meticulous approach in dealing with financial activities was evident.
- Every transaction underwent scrutiny, emphasizing the essential need for accuracy in both recording and verifying financial dealings.

c) Crucial Financial Statements:

- The creation of fundamental financial reports, such as the Profit and Loss Statement and the Statement of Changes in Equity, emerged as vital tools.
- These reports unveiled their crucial role in evaluating the overall financial well-being of the company, delving into comprehensive data analysis.

d) Positive Technological Impact:

- The strategic implementation of accounting software significantly streamlined various tasks, including data entry and report generation.
- This technological integration vividly showcased the enhanced efficiency and precision that technology brings to financial operations.

e) Ethical Principles:

- The organization's unwavering commitment to ethical standards and maintaining confidentiality was palpable.
- This dedication highlighted the fundamental role of ethical conduct as a cornerstone in managing financial matters responsibly.

f) Culture of Ongoing Learning:

- The internship fostered a dynamic learning environment, fostering a culture where questions were welcomed and knowledge exchange was actively encouraged.
- This learning-focused culture contributed to an atmosphere of growth and continuous improvement within the department.

g) Real-World Application of Theory:

- Observing the practical application of theoretical concepts in real financial operations provided profound insights.
- This practical exposure underscored the relevance of academic learning in real-world financial activities, bridging the gap between theory and practice.

h) Effective Troubleshooting:

- The team exhibited remarkable problem-solving skills when faced with challenges.
- The collaborative approach to finding solutions emphasized the importance of collective efforts in overcoming obstacles.

i) Adapting to Industry Trends:

- The organization's proactive commitment to staying updated with industry trends showcased adaptability as a crucial attribute.
- This adaptability reflected the dynamic nature of finance and its responsiveness to evolving market conditions.

j) Key Financial Pillar:

- The Accounts department emerged as the financial backbone of the organization.
- Responsible for managing cash flows and generating essential financial statements, the department's role proved instrumental in informed decision-making and overall business success.

In conclusion, these insightful findings, gleaned from my enriching internship experience at Mumu and Nahiyan Trading Ltd., have left an indelible impact on my understanding of practical financial management. These real-world lessons have not only deepened my academic insights but also shaped my future trajectory within the realm of finance.

5.2 Recommendations

In light of my immersive internship experience at Mumu and Nahiyan Trading Ltd., I have gained valuable insights into the organization's financial operations. Based on these observations, I am pleased to present a series of recommendations that can contribute to the continual improvement and effectiveness of the company's financial practices. These recommendations are rooted in practical experiences and aim to enhance efficiency, foster a learning culture, strengthen communication, and align financial strategies with industry trends and ethical standards. By implementing these suggestions, the organization can not only refine its financial management but also reinforce its position as a dynamic and forward-thinking entity in the business landscape.

a) Leverage Accounting Software: Explore advanced features within accounting software to automate tasks like data entry, enhancing efficiency.
b) Regular Training: Organize training sessions to ensure team proficiency in using accounting software and staying updated with its functionalities.
c) Ongoing Learning Culture: Foster a learning environment by conducting workshops on industry trends, financial regulations, and new technologies.
d) Documentation Standardization: Implement consistent procedures for documenting financial transactions, approvals, and procedures.
e) Effective Communication: Organize regular team meetings to share project updates, address challenges, and enhance overall communication.
f) Internal Communication Platform: Create a digital platform for transparent sharing of information, boosting teamwork and collaboration.
g) Eco-Friendly Practices: Explore sustainable options such as digital document management and energy-efficient technologies.
h) Data Security: Establish strong cybersecurity measures, conduct security assessments, and train employees to identify potential threats.
i) Cross-Functional Projects: Initiate projects involving teams from different departments to foster a comprehensive approach to financial decision-making.
j) Ethical Finance Culture: Continue upholding ethical standards and confidentiality to maintain trust and integrity in financial practices.
k) Continuous Process Evaluation: Regularly assess financial processes to identify areas for improvement and streamline operations.
l) Adaptive Strategies: Stay adaptable to changes in financial regulations and market trends to ensure compliance and competitive advantage.
m) Vendor Relationship Enhancement: Strengthen relationships with vendors to optimize terms and payment processes.
n) Budget Flexibility: Develop a flexible budgeting approach to accommodate unforeseen expenses and adapt to changing business needs.
o) Forecast Accuracy: Improve accuracy in financial forecasting by incorporating both historical data and industry insights.
p) Employee Empowerment: Empower employees with decision-making authority for budget allocation within their departments.
q) Risk Management: Implement a risk management strategy to identify and mitigate financial risks proactively.

r) Cash Flow Analysis: Regularly analyze cash flow patterns to ensure adequate liquidity and facilitate informed financial decisions.
s) Performance Metrics: Define key performance indicators (KPIs) for the finance department to measure efficiency and effectiveness.
t) Customer-Centric Approach: Align financial strategies with customer needs and preferences to drive business growth and customer satisfaction.
u) Strategic Financial Planning: Develop a comprehensive long-term financial plan that aligns with the organization's growth objectives and guides resource allocation effectively.
v) Regular Internal Audits: Conduct regular internal audits to ensure accuracy, transparency, and compliance with financial processes and regulations.
w) Supplier Diversity: Explore opportunities to diversify suppliers, fostering healthy competition, and potentially reducing costs while maintaining quality.
x) Sustainability Initiatives: Integrate sustainability goals into financial decisions, considering environmental and social impact alongside economic considerations.
y) Customer Feedback Loop: Establish a feedback mechanism to gather insights from customers about financial processes, enabling improvements tailored to their needs.

By embracing these recommendations, Mumu and Nahiyan Trading Ltd. can further enhance their financial management practices and contribute to the organization's overall growth and success.

CHAPTER: 6

CONCLUSION

6.1 Conclusion

In conclusion, my internship experience at Mumu and Nahiyan Trading Ltd. provided a comprehensive understanding of the practical aspects of financial management within a dynamic organization. The direct involvement and attentive observation I undertook granted me an insider's perspective on the pivotal role the Accounts department plays in upholding the accuracy of financial records, crafting indispensable financial statements, and ensuring the utmost commitment to ethical conduct.

The convergence of academic theories with real-world applications underscored the vital importance of seamless teamwork, the integration of cutting-edge technology, and the unwavering adherence to ethical principles as the bedrock of achieving financial prowess. The encapsulated findings within this report not only shed light on the organization's inherent strengths but also illuminate avenues for amplification and advancement.

The array of recommendations put forth in this report signifies the amalgamation of practical experiences and a forward-looking approach. By incorporating these suggestions, the organization can cultivate operational efficiency, establish a culture of continual learning, bolster communication pathways, and embrace financial strategies that align seamlessly with industry trends and ethical benchmarks.

As this insightful internship journey draws to a close, I emerge not only enriched in academic prowess but also equipped with a repository of invaluable insights that are poised to shape my trajectory in the realm of finance. I extend my heartfelt appreciation to my academic supervisor and the entire team at Mumu and Nahiyan Trading Ltd. for their unwavering guidance, encouragement, and the opportunity to glean firsthand wisdom from the realm of practical financial management.

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