Internship Report on

The Application of Accounting Information System in Bangladesh Based on QuickBooks Online

(A study from the perspective of Musketeers Idea Ltd.)

Submitted To

Department of Business Administration Faculty of Business
Sonargaon University (SU) Dhaka-1215

Submitted By

Ahmed Raef Bappi
ID: BBA2101022008
Program: BBA (Major in Accounting)

Semester: Fall 2022

Department of Business Administration Faculty of Business
Sonargaon University (SU) Dhaka-1215

Submitted for the partial fulfillment requirement of the degree of Bachelor of Business Administration

SONARGAON UNIVERSITY

Date of Submission: 12th January, 2023

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Letter of Transmittal

12th January, 2022

To,
Md. Masud Rana
Assistant Professor
Department of Business Administration
Sonargaon University
Subject: Submission of Internship Report.

Dear Sir,

I am submitting herewith the internship report entitled "***The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)***" which is a requirement for the completion of BBA degree. It was a great delight for me to have the opportunity to work on the above-mentioned topic under your supervision. The purpose of the study is to know the process of implementing Accounting Information System through QuickBooks Online software in Bangladesh.

I believe that this report will certainly help you in evaluating my project work. I would be very happy to provide any assistance in the interpretation of any part of the paper whenever necessary.
I, therefore, pray and hope that you would kindly accept my report and oblige thereby.

Sincerely yours,

Ahmed Raef Bappi
BBA2101022008
Department of Business Administration
Sonargaon University

Preface

The purpose of this internship report is to provide a detailed learning of the work that was carried out during my internship period at Musketeers Idea ltd. Musketeers Idea ltd. is a business automation company, and I was fortunate enough to be able to join their implementation team as an intern in the business automation implementation department.

During my internship, I had the opportunity to work with variety of clients, ranging from conducting client's need to application of AIS in business. I was also given the chance to learn from and collaborate with a team of experienced professionals, who were instrumental in guiding me and providing me with valuable insights and advice.

Overall, my internship at Musketeers Idea ltd. was a challenging but rewarding experience, and I am grateful for the knowledge and skills that I was able to acquire during my time there. Through this report, I hope to provide a detailed overview of the work that I carried out, as well as the challenges and successes that I encountered along the way.

Declaration

I, Ahmed Raef Bappi, a student of BBA, Department of Business Administration, Sonargaon University, do hereby declare that the internship report titled "***The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)***" is the outcome of three months practical work on the topic mentioned above under the supervision of Md. Masud Rana, Assistant Professor, Department of Business Administration, Sonargaon University, Bangladesh.

I hereby declare that the work presented in this internship report is entirely my own, and that any ideas or materials borrowed from other sources have been fully cited and referenced in accordance with academic guidelines. I also declare that this work has not been submitted for assessment in any other course or program.

Sincerely
Ahmed Raef Bappi
BBA2101022008
Department of Business Administration
Sonargaon University

Letter of Acceptance

This is to certify that Ahmed Raef Bappi, ID No: BBA2101022008, Department of Business Administration, has completed his internship report titled on "***The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)***" under my supervision as a part of partial requirement for obtaining Bachelor of Business Administration (BBA) degree in Accounting Major. This report can be accepted for evaluation.

Md. Masud Rana
Assistant Professor
Department of Business Administration
Sonargaon University

Acknowledgement

I am grateful to almighty Allah for guiding me through the completion of this internship titled ***"The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)***" and providing me with the strength, knowledge, and support necessary to succeed. I thank Allah for the opportunities and experiences I have gained during my internship, and I pray that I may continue to grow and learn in the future.

I would like to express my heartfelt gratitude to **Shamol Sarker, Director, Musketeers Idea ltd**. for providing me with the opportunity to complete my internship at Musketeers Idea ltd. I am deeply grateful for his guidance, support, and encouragement throughout the internship period.

I would also like to thank **Musketeers Idea ltd.** for offering me the chance to gain practical experience in application of AIS in business and for providing me with the resources and support necessary to complete my internship.

I would like to tender my gratitude to my esteemed **Md. Masud Rana, Assistant Professor, Department of Business Administration** for his sincere guidance about how to prepare the report.

Finally, I would like to thank my family, friends, and colleagues for their love and support throughout this experience. Without their help and encouragement, this internship would not have been possible.

Abstract

The internship report on the ***"The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)"*** focuses on the use of accounting information systems (AIS) in the country and its potential benefits.

The report presents a study of the process of implementing QuickBooks online in Bangladesh, a popular AIS tool, to improve their financial management and decision-making processes. The study shows that the adoption of AIS improved the business's financial accuracy, efficiency, and transparency, leading to increased profitability and growth. The report also investigates the benefits of implementing AIS using QuickBooks Online.

The report further discusses the challenges and limitations of implementing AIS in Bangladesh, including the need for skilled professionals and reliable internet connectivity. Overall, the report concludes that the adoption of AIS has the potential to significantly improve the financial management of businesses in Bangladesh.

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Chapter One: Introduction

1.1. QuickBooks Online as an AIS tool

Accounting Information System (AIS) is a system used to collect, store, process, and analyze financial and accounting data. It is an essential component of any business as it helps to track financial transactions and provide insights into the financial performance of the company. In business, an AIS is used to track and manage a company's financial transactions and resources, including revenues, expenses, assets, and liabilities. Some key uses of AIS in business include: Financial reporting, Budgeting and forecasting, Tax compliance, Auditing, Internal controls

QuickBooks Online is a cloud-based accounting software that is designed to help small and medium-sized businesses manage their financial tasks more efficiently. It is part of the QuickBooks family of products, which includes several different versions of the software for different needs and budgets. QuickBooks Online is an AIS (Accounting Information System) tool that provides a range of features and functions to help businesses track and manage their financial data. It includes tools for invoicing, billing, expense tracking, and financial reporting, as well as integrations with other business tools such as payment processors, project management software, and e-commerce platforms. One of the key benefits of QuickBooks Online is that it is accessible from any device with an internet connection, making it easy to manage financial tasks on the go. It also offers a range of security measures to protect sensitive financial data, including data encryption and secure data storage. It also provides real-time financial reporting and analysis, allowing businesses to make informed decisions about their financial health and performance.

Overall, the use of AIS in business is essential for managing and tracking financial data accurately and efficiently; QuickBooks Online is a powerful and user-friendly AIS tool that can help businesses streamline their financial processes and make better informed decisions.

1.2. Objective of the report

The core objective of my internship report on *" The Application of AIS in Bangladesh Based on QuickBooks Online A study from the perspective of Musketeers Idea Ltd."* is to assess the adoption process and use of QuickBooks Online as an accounting information system in Bangladesh. This report will certainly provide an overview of my experience and learning as an intern at Musketeers Idea Ltd. a renowned business automation company in Bangladesh. The report is to inform readers on how to use QuickBooks Online in a commercial setting assessing the level of satisfaction among users of QuickBooks Online in Bangladesh, including the ease of use, accuracy of financial statements and reports, and the efficiency of the software in performing accounting tasks. The ultimate goal of the internship report is to provide a comprehensive overview of the adoption and use of QuickBooks Online as an accounting information system in Bangladesh, and to recommend process to implement AIS.

1.3.Scope of the study

A popular accounting program that enables businesses to handle their money electronically is QuickBooks online. Due to its simplicity, accuracy, and adaptability, it has gained popularity in recent years and been adopted as the main accounting information system by several firms. Nevertheless, installing QuickBooks online is not always easy, and adopting any new technology is not without its difficulties. In this report, we'll look at the circumstances that led to the acceptance of QuickBooks online, the difficulties that businesses had throughout the installation process, and the advantages that have been experienced since its use. I gained knowledge of every factor included in this paper while working as an intern at Musketeers Idea Ltd.

1.4.Rational of the Study

One of Bangladesh's renowned accounting firms is Musketeers Idea Ltd. The scope of the inquiry in this case is, in a sense, limited to the corporate level. The accounting systems of Musketeers Idea Ltd., which oversees all accounting areas and also provides consulting, are covered in this paper. This was determined following a thorough conversation with the clients I have worked with, including Asia Pacific Communication Ltd., Decathlon, Padma Securities, UNI group, Cadet College Club Ltd., and the staff members engaged in those firms. I got the amazing opportunity to learn everything there was to know about the QuickBooks Online regarding AIS implementation as I was serving in Musketeers Idea ltd as an Intern. It also inspires me to learn more about the accounting industries in Bangladesh.

1.5.Limitations of the Study

There are several limitations to internship report on *" The Application of AIS in Bangladesh Based on QuickBooks Online A study from the perspective of Musketeers Idea Ltd."* Firstly, the Study is based on a limited sample of companies who use QuickBooks online, which might not be generalizable. The validity and generalizability of the results might be affected by this. Secondly, the report may be based on a small sample of businesses using QuickBooks online, which may not be representative of the larger population. This could impact the reliability and generalizability of the findings. Thirdly, Businesses that have chosen to use QuickBooks online may be different from those that have not, leading to a potential bias in the results. Fourthly, the findings of the report may be influenced by the subjective experiences and perceptions of the businesses surveyed, which may not accurately reflect the objective. Finally, the report does not include control group of businesses that are not using QuickBooks online, making it difficult to compare the experiences and outcomes of businesses using the software to those that are not. The report is based on a limited time frame, which may not allow for a thorough analysis of the long-term effects of using QuickBooks online. Overall, it is important to recognize the limitations of the report and to consider these factors when interpreting the findings.

Chapter Two: A Brief History of AIS & QuickBooks Online

2.1.Brief History of application of AIS in Businesses

Since the first electronic computers were utilized to automate accounting processes in the 1950s, accounting information systems (AIS) have been employed in enterprises. With time, AIS has developed into a vital tool that helps companies of all sizes effectively manage their finances and take strategic decisions. The widespread usage of personal computers (PCs) in the 1980s enabled firms to use software programs to accomplish accounting chores. This resulted in the development of accounting software packages like as QuickBooks and MYOB, which are still commonly used today. The internet revolutionized business operations in the 1990s, and online AIS became available. This enabled businesses to view their financial information from any location with an internet connection and communicate in real-time with their accounting professionals as well as other stakeholders.

Today, AIS is a crucial component of running a contemporary business, and there are numerous software choices available to meet the requirements of companies in all industries and sizes. Artificial intelligence and cloud-based solutions have further streamlined and automated accounting operations as AIS continues to advance. Businesses have benefitted from enhanced efficiency, accuracy, and openness in their financial operations as the use of AIS has grown. Businesses may automate processes like bill payment, bank reconciliation, and invoicing with AIS, which reduces errors and saves time. Additionally, it gives firms access to real-time financial data so they may make decisions based on the most recent facts. AIS can improve security and compliance in addition to improving business processes related to money. Numerous AIS software solutions come with strong security safeguards to safeguard sensitive financial data, and they can benefit companies in complying with legal obligations like tax reporting.

2.2.Brief History of application of QuickBooks Online

QuickBooks Online (QBO) is a cloud-based accounting software developed by Intuit Inc. It was first introduced in 2001 as a standalone product, and has since evolved to become a leading accounting software for small and medium-sized businesses. In 2004, QBO was integrated with Intuit's online banking service, allowing users to automatically import bank transactions and reconcile their accounts. This feature has been a key selling point for QBO, as it saves users time and reduces the risk of errors in manual data entry. In 2008, QBO was redesigned to be more user-friendly and intuitive, with a focus on streamlining accounting tasks and providing real-time financial information. This version of QBO also introduced the ability to access the software from any device with an internet connection, making it more convenient for users to manage their finances on the go. Over the years, QBO has continued to evolve, with the addition of new features such as invoicing, bill payment, and project management tools. In 2015, QBO introduced the ability to connect with third-party apps through its API (Application Programming Interface), allowing businesses to integrate QBO with other software solutions such as CRM and HR systems. Today, QBO is used by millions of businesses around the world, and is known for its ease of use, accuracy, and flexibility. It is available in several languages and supports multiple currencies, making it a suitable solution for businesses in different regions and industries. In addition to its core accounting features, QBO also offers a range of business management tools, including inventory management, time tracking, and payroll processing. It also has a strong focus on security, with measures such as encryption and multi-factor authentication to protect sensitive financial data. QBO has a large user base and a strong reputation in the accounting software industry. It has received numerous awards and accolades, including being named the

"Best Small Business Accounting Software" by PCMag in 2021. Despite its popularity and success, QBO has faced some criticism and controversy over the years. In 2018, the software experienced an outage that left users unable to access their financial data for several days. In 2020, the company faced backlash for its decision to suspend accounts of users who were perceived to be in violation of its terms of service, leading to criticism of its lack of transparency and due process.

Overall, QBO has proven to be a powerful and widely used accounting software for small and medium-sized businesses. Its continued evolution and innovation have kept it at the forefront of the industry, and it remains a popular choice for businesses looking to streamline their financial operations.

Chapter Three: Overview of Musketeers Idea Ltd.

3.1. Overview

Musketeers Idea Ltd. has been established in 2015 to offer services in the field of modern technology and business automation solution, Consultancy, accounting, tax, VAT, legal and advisory services. Since establishment, it has been able to combine a strong and talented team of professionals including Certified Chartered Accountants, Advocate, IS Auditors, Software Developers and Business Graduates. Musketeers Idea ltd. combines a team of IT professionals, qualified accountants and law professionals to provide professional and technical services. Musketeers Idea ltd. is an active reseller of Tally (India), QuickBooks (Intuit, USA), NEO (USA), Bitdefender (Romania) to mention a few. Musketeers Idea ltd. is also nationally appraised for its own software products such as Mi.EMS Pro (University Management Software), Orbit (Textile Management), Mi.Asset (Fixed Assets Management), Mi.SRM (Supply Relationship Management) and its one stop accounting, assurance, tax & VAT related consultancy services.

3.2. How they work

Bangladesh market is shaped by a constantly changing operating environment and a high degree of regulation at both national and international level. The day-to-day complicated problems faced by clients require a multi-disciplinary approach. Musketeers Idea Ltd. professionals are specialists in their fields. Their professionals strive to add value for the benefits of clients. Their experiences are gained through their affiliation in a wide range of different organizations and markets.

3.3. Vision

"Discover a world of professionalism and operational excellence for results that matter", is the vision of MIL."

3.4. Mission

To build a better world enhancing professionalism at Individual, Institutional, Organizational, National and Global level by following ethical professional practices and adding value to stakeholders with simple and innovative solutions towards satisfaction, fairness and fullness of life.

3.5.Product & Services

MIL is mainly concentrated on Legal, Audit & Consulting, Software, ERP, Payroll, Learning Management Software, Tax, VAT, Company Formation, Annual return, and Accounting. But besides this MIL provides accounting software like Xero, QuickBooks Online, QuickBooks Desktop, Mi Assets, Tally, Neo, Mi SRM, Orbit, Mi EMS to the clients.

3.6.Hierarchy

MIL is a service level company and also a small company consists of less than 25 employees. Because this is a service level company, MIL is doing its level best to give proper service to the clients since establishment. In the hierarchy of management, it has Shamol Sarker as Managing Director, Labu Ahmed as Chief Financial Officer, Azmain Haque Isty as Senior Acquisition Officer, Tarek Rahman Tapu as Senior Accountant and Ayon Ahmed as Chief Human Resource Officer.

Chapter Four: Literature Review

4.1 Literature review

The application of accounting information systems (AIS) has become increasingly prevalent in Bangladesh in recent years, with many businesses adopting software solutions to streamline their financial operations. QuickBooks Online (QBO) is one such software that has gained popularity in Bangladesh, and its adoption is the focus of this internship report. The report is based on a review of the literature on the adoption of AIS in Bangladesh, a study of process of applying QBO in some companies of Bangladesh. The findings of the report indicate that QBO has been well received in Bangladesh, with users reporting high levels of satisfaction with the software. Key advantages of using QBO for accounting activities included its simplicity, the correctness of its financial accounts and reports, and its effectiveness.

Intuit's Web site states that the QuickBooks user can "get set up and running quickly" and can "learn QuickBooks skills as you need them - in your own time, at your own pace" (http://quickbooks.intuit.com).

Ali, Omar, and Bakar (2016) in the study "Accounting Information System (AIS) and organizational performance: Moderating effect of organizational culture" investigated the impact of the AIS on organizational performance as well as the function of organizational culture in mediated the relation between AIS success features and organizational performance.

Schiff, Andrew & Szendi, J. (2014) conducted study entitled "Helping small business entrepreneurs avoid critical mistakes in QuickBooks accounting software. Entrepreneurial Executive." Which revealed that the publisher of QuickBooks accounting software claims that it is simple enough to be operated by entrepreneurs without prior training in accounting. However, many accounting professionals have found that QuickBooks users frequently lack a sufficient understanding of the operation of the software and the associated accounting concepts to record transactions correctly.

Crawford and Long (2011) wrote that "accounting professionals indicated that as much as 60% of their billable time is spent troubleshooting or correcting client data files."

Perry (2006) claimed that "QuickBooks is so easy to use that someone with little or no accounting background can start using the program right out of the box."

Sleeter (2005) found that many small businesses "are now using some type of accounting software, most often QuickBooks, and they've hired bookkeeping staff (often with minimal if any accounting skills) to do the data entry.

Mucha-Aydlott (2003) remarked, "Many small business owners or new entrepreneurs start their business with one thing in mind, their product or service... frankly, most people don't like accounting."

McCraigh, et al. (2000) stated that “as the non-accountant’s accounting software, QuickBooks has greatly simplified that accounting process,” It also further asserted that “no accounting package can be operated properly without a sufficient understanding of its features and functionality.”

The report also identified challenges faced by users of QBO in Bangladesh, including technical difficulties, security concerns, and the availability of support resources. These challenges can impact the effectiveness of the software, and it is important for QBO and its users to address them. Overall, the study comes to the conclusion that QBO is a good option for companies in Bangladesh wishing to automate their accounting procedures. Users have reaped enormous benefits from its adoption, and with the right assistance and training, it might help the nation's financial processes become even more accurate and efficient.

Chapter Five: The Process of Implementing AIS & QuickBooks Online

5.1. The process of implementing AIS

The process of implementing an accounting information system (AIS) in a business typically involves several steps. These steps may vary slightly depending on the specific needs and goals of the organization, but generally include the following:

- **Identify the business's needs**: Before implementing any AIS, it is important to determine the specific financial information that the organization needs to track and report on. This will help to ensure that the chosen system is able to meet the business's needs.
- **Choose a system**: There are a number of different AIS options available, and it is important to choose one that meets the business's specific needs and budget. Factors to consider when choosing an AIS may include features, scalability, integration with other business tools, and user-friendliness.
- **Set up the system**: Once a system has been chosen, it will need to be set up and configured to meet the business's specific needs. This may involve importing existing financial data, setting up user accounts, and customizing various system settings.
- **Train users**: It is important to ensure that all users of the system are properly trained in order to ensure that it is used correctly and efficiently. AIS providers often offer training resources, such as tutorials and support articles, to help users get up to speed quickly.
- **Maintain the system**: Ongoing maintenance and updates are important to ensure that the system continues to function smoothly and meet the business's needs. This may involve periodically reviewing and updating system settings, importing new financial data, and troubleshooting any issues that arise.

Overall, the process of implementing an AIS involves a combination of identifying the business's needs, choosing a suitable system, setting it up, training users, and maintaining it over time. By following this process, businesses can effectively implement and utilize an AIS to manage their financial data and processes.

5.2. The Process of Implementing Intuit QuickBooks Online

5.2.1 Getting started

Clients will come with different business types and structures and with different bookkeeping needs. With the many different levels of subscriptions available to them, clients might find selecting an option confusing. A certified QuickBooks online ProAdvisor needs to be consulted in order to get the right

subscription to the right user. QuickBooks Online comes with different subscriptions according to user's need. The packages are:

Simple start	Essentials	Plus
• Track income & expenses • Send custom invoices & quotes • Connect your bank • Track GST and VAT • Insights & reports • Capture & organize receipts • Progress invoicing • For one user, plus your accountant	• Track income & expenses • Send custom invoices & quotes • Connect your bank • Track GST and VAT • Insights & reports • Capture & organize receipts • Progress invoicing • Manage bills & payments • Track employee time • Multi-currency • For three users, plus your accountant	• Track income & expenses • Send custom invoices & quotes • Connect your bank • Track GST and VAT • Insights & reports • Capture & organize receipts • Progress invoicing • Manage bills & payments • Track employee time • Multi-currency • Recurring transactions and bills • Track inventory • Track project profitability • Manage budgets • For five users, plus your accountant

However, there is also QuickBooks Advanced Package Which is the most powerful QuickBooks Online solution, designed for businesses with more complex finance and accounting needs. QuickBooks Online can also be used via mobile app.

5.2.2 Setting up the Company Profile

After selecting the product plan the user himself can setup the Company profile or assign a QuickBooks Online Accountant to setup the business. The QuickBooks Online provides bot Business View and Accountant View. The difference:

Business View	Accountant View
Small business owners who use QuickBooks Online without the support of an accountant or bookkeeper might prefer the Business view. It uses non-accountant terms, which makes it easier to manage accounts without learning complicated workflows or processes. It also allows clients to fully customize their navigation and hide or bookmark menu items and define their order.	As an accountant or bookkeeper, this is the view for assigned accountant. It uses standard accounting language and gives you control over features like client's chart of accounts and workflows that are aimed at the experts. Accountants may recommend client also use this view so that when discussing the accounts both see the same product navigation.

The QuickBooks Company setting requires information like - about the company, mail address, type of company, set up users etc.

5.2.3 Setting up the Charts of Accounts

The chart of accounts is where your client manages a list of all the accounts that QuickBooks Online uses to track their financial information. These accounts are used to categorize their transactions on everything from sales forms to reports to tax forms. The Products and services list, on the other hand, is a customized list of items clients might sell to their customers. Once the chart of accounts and Products and services list are set up, QuickBooks Online does the heavy lifting in helping to assign business transactions to the correct accounts. This allows your client to manage and prepare their books with ease.

5.2.4 Setting up Product & Services list

The Products and services list contains the specific line-item details that clients use to purchase and sell their products and services. These transactions are then mapped to a specific account in the chart of accounts. Each time the client uses an item in a transaction, the appropriate entry is added to the list behind the scenes. In QuickBooks Online, there are four item types to choose from:

Inventory (in QuickBooks Online Plus and Advanced only)

These are items that are bought and sold, and whose quantities on hand are tracked. Your clients must subscribe to QuickBooks Online Plus or Advanced to use this feature.

Non-inventory

These are items that are bought and sold, and whose quantities on hand are not tracked. Your clients may use this item type for small parts used in the installation or delivery of a product.

Service

These are services that are provided to your client's customers, such as one-time, recurring, or fixed-fee services.

Bundle

This is a collection of products and services that are sold together, such as the installation of a product that includes both labor and materials.

5.2.5 Navigating sales center and adding customers

Clients can find it difficult to manage working with a large number of customers or creating a lot of invoices and payments. While difficult, it's vital that clients know the status of each customer and transaction to make sure they can manage and collect customer payments.

The Sales center in QuickBooks Online allows the client to see all of their customer and sales data in an organized manner. Whether they're looking for a customer address or an overdue invoice, they can find it all in one place.
After setting up the Products & Services and the customers any types of sales (e.g., cash sales, credit sales) can be easily posted and the records would appear in the book of accounts.

5.2.6 Navigating Expenses center and adding Vendors

Keeping track of expenses is vital for any business. Clients need to understand exactly what they're spending to ensure they don't go into the red but maintain an effective flow of cash for future purchases. The Expenses center in QuickBooks Online makes recording expenses easy and provides clients with everything they'll need to manage their business expenses effectively. The Vendors tab within the Expenses center shows all the vendors the client purchases items from, and the money bar gives an overview of their expenditure.
After setting up the Expenses and Vendors any types of expenses (e.g., cash purchase, credit purchase) can be easily posted and the records would appear in the book of accounts.

5.2.7 Journal Entries

Journal entries are the last resort for entering transactions. They let to move money between accounts and force books to balance in specific ways. They need to be used only one has accounting knowledge or following the advice of your accountant. One should have a good understanding of debits and credits. Here are a few reasons to create a journal entry:

- Enter debits and credits manually, like in traditional accounting systems.
- Transfer money between income and expense accounts.
- Transfer money from an asset, liability, or equity account to an income or expense account.

5.2.8 Navigating Reports Center

QuickBooks Online makes it easy for your clients to manage their invoices, pay their bills, and track their cash flows. However, to be able to make sense of all the transactions and identify the business's strengths and areas for improvement, clients will need to be able to create reports. The Reports center in QuickBooks Online offers ready-made report templates on a range of data points. Clients can easily run and customize these templates to gain insight into what matters to them. Without financial reports, it's difficult to understand how well a company is performing from a financial standpoint. Not only are such reports

crucial for your clients to be able to understand their financial stability, but they're required by law for tax and standard accounting practices.

The variety of report options in QuickBooks Online provides your clients with objective and real-time data on how their business is performing, including:

- Key information about customers, vendors, and employees.
- A snapshot of the company's assets, liabilities, and equity at a single point in time.
- How much the company earned or lost over a specific period of time.

The valuable insight clients gain from reports allows them to:

- Keep accurate records to comply with mandatory accounting regulations.
- Assess the financial health of the company to make business decisions.
- Identify trends and roadblocks to make strategic decisions when necessary.
- Ensure that they pay the right amount of tax and mitigate any errors.

5.2.9 Setting up the bank feed

Managing day-to-day transactions can be cumbersome for any business owner. Busy clients will have busy books and little time to manage their bank feeds. Ensuring that the bank feed captures all of the day-to-day transactions is important. The bank feed function in QuickBooks Online imports transactions directly into the Banking center. That way, clients can see all transactions in one place and match these as they come in., the bank feed functionality in QuickBooks Online is one of its most dynamic features. The bank feed links to connected online bank and credit card accounts to provide a direct feed that automatically imports transactions directly into the Banking center, saving your clients time. Once the transactions are imported into the Banking center, your client can review transactions in the For Review area, so they stay in control of what ultimately gets entered into their QuickBooks Online.

The review allows them to:

- Match and accept transactions with what have already been recorded in QuickBooks Online
- Categorize and accept transactions and enter a transaction that hasn't been recorded in QuickBooks Online

In addition, QuickBooks Online has a smart learning system that uses earlier bank feed activity to recognize and suggest matched transactions. The more the client uses the bank feed, the more accurate the suggestions become so that clients can easily accept or amend matches. The suggested matches appear in the Recognized section of the All-transactions dropdown in the Banking center.

Chapter Six: Limitations of QuickBooks Online

6.1 Limitations

QuickBooks is a widely used accounting software that offers a range of features and benefits to businesses. However, it is important to recognize that it also has some limitations that may impact its effectiveness and suitability for certain businesses. Some of the limitations of QuickBooks include:

- **Internet connectivity:** QBO is a cloud-based software that requires an internet connection to access and use. This can be a limitation for businesses that do not have consistent or reliable internet access.
- **Limited customizability:** While QBO offers a range of customization options, it may not be as flexible as some other accounting software solutions. This can be a limitation for businesses with specific or complex needs.
- **Integration:** QBO can be integrated with other software solutions through its API (Application Programming Interface), but it may not be compatible with all third-party apps. This can limit the ability of businesses to seamlessly integrate QBO with their other business systems.
- **Limited data storage:** QBO offers limited data storage compared to some other accounting software solutions, which may not be suitable for businesses with large amounts of data or those that need to store historical data for an extended period of time.
- **Security:** QBO stores sensitive financial data, and it is important for businesses to ensure that the software has adequate security measures in place to protect this data. However, the security of the software is ultimately the responsibility of the user, and businesses may need to invest in additional security measures to ensure the safety of their data.

Overall, it is important for businesses to carefully evaluate their needs and resources before deciding to use QBO, and to consider the potential limitations of the software. While QBO has many features and benefits, it may not be the right fit for every business, and it is important to consider whether it meets the specific needs and requirements of the business. By understanding the limitations of QBO, businesses can make informed decisions about whether it is the right software solution for them.

Chapter Seven: Findings

7.1 Findings

QuickBooks is an accounting software that is used to manage finances and handle bookkeeping tasks for businesses. It is available in several countries around the world, including the developed countries and developing country like Bangladesh. While the basic features and functions of QuickBooks are similar across all versions, there may be some differences in the way it is used in different countries due to differences in local tax laws, business practices, and other regulatory requirements.

In the developed countries, QuickBooks is used by businesses of all sizes to track income and expenses, manage invoicing and billing, handle payroll, and prepare financial statements. It is also commonly used to manage sales tax and other taxes that are applicable in the United States. While in Bangladesh, Tally ERP9 is most popular for business records. Though QuickBooks is also widely used by businesses and corporates to manage their financial affairs. However, the tax laws and business practices in Bangladesh may differ from those of the developed countries, so the way in which QuickBooks is used in Bangladesh may also be different. For example, the tax rate and the types of taxes that are applicable in Bangladesh may be different from those in the developed countries, and businesses in Bangladesh may have different reporting and compliance requirements.

QuickBooks simplifies the task of creating accounts for a business by including templates for many different types of industries. However, most entrepreneurs, particularly those who are just getting started, lack the expertise to fine-tune these accounts for their specific business. This is particularly true for income and expense accounts. As a result, new accounts are added on an ad-hoc basis and the resultant chart of accounts lacks a logical structure. The easiest and most effective way to overcome this problem is for the entrepreneur to begin by creating income accounts that match how they choose to track their revenue (for example, food, beverages and catering for a restaurant). This should be followed by the creation of matching cost-of-goods-sold and inventory accounts. Doing so will provide a consistent structure for recording the purchase and sale of inventory. Even service businesses should create matching cost-of-goods-sold and inventory accounts, because we have found that many service businesses begin to purchase and sell products as they expand.

When creating the accounting records for a new business, QuickBooks asks the user to enter a Start Date. However, many entrepreneurs misunderstand the meaning of this term. It is not the day on which the business began operations, but rather the day on which the accounting records were transferred into QuickBooks. Therefore, the meaning of this term should be made clear to the business owner. In addition, if the Start Date is any day other than January 1st, there may be (i) non-QuickBooks accounting records from before the Start Date and (ii) QuickBooks accounting records from after the Start Date. In this situation, the business owner should generally, seek the assistance of an accountant to combine both sets of accounting records to create financial statements for the entire year

Each time a new customer, vendor, or item of inventory is created, QuickBooks asks for the Opening Balance. This is the amount that is owed by the customer, owed to the vendor, or on hand as of the Start Date (the day on which the accounting records were transferred to QuickBooks). However, many entrepreneurs mistakenly believe that the Opening Balance is the amount of the first sale to the customer,

the first bill from the vendor, or the first purchase of inventory. If any of these first transactions occur after the Start Date but are entered into the Opening Balance box, the financial statements for the current year will be incorrect. Therefore, the meaning of the Opening Balance box should be clearly explained to the business owner, and they should also be told that if they do not have the correct amount available that it can always be entered at a later time as a regular transaction. QuickBooks has the ability to generate financial statements on either the Accrual Basis or the Cash Basis. If this is accomplished correctly, the Cash Basis financial statements should not contain any Accounts Receivable or Accounts Payable. However, it is not uncommon for QuickBooks to produce Cash Basis financial statements that include these accounts, due to the many ways in which transactions affecting these accounts can be recorded into the accounting records. Therefore, entrepreneurs who use the Accrual Basis of accounting to record sales and purchases, but who would like financial statements prepared under the Cash Basis as well, should be advised to have them compiled by an accountant to ensure that the above accounts are properly adjusted.

Financial statements may be prepared using the "Accrual Basis" or the "Cash Basis" of accounting. The Accrual Basis of accounting includes sales and purchases made on credit, whereas the Cash Basis of accounting includes sales and purchases only when payment is received from the customer or when the bill from the vendor is paid. Most entrepreneurs use the Accrual Basis of accounting because it is more complete. However, some may switch to the Cash Basis of accounting for a specific purpose, most often to prepare their tax return if it results in a lower reported income and tax liability.

There are many apps and integrations that can be linked with QuickBooks Online, which is the cloud-based version of QuickBooks. These integrations can help to automate various business tasks and streamline the bookkeeping process. Some examples of apps that can be linked with QuickBooks Online include:

- PayPal: This integration allows you to connect your QuickBooks account with your PayPal account, allowing you to import and track PayPal transactions in QuickBooks.
- Square: This integration allows you to link your QuickBooks account with your square account, allowing you to import and track square transactions in QuickBooks.
- TSheets: This integration allows you to track employee time and attendance in QuickBooks.
- Expensify: This integration allows you to track employee expenses and import them into QuickBooks.
- HubSpot: This integration allows you to track customer interactions and sales activities in QuickBooks.
- Salesforce: This integration allows you to track customer interactions and sales activities in QuickBooks.
- Google Drive: This integration allows you to store and access documents in QuickBooks.
- Mailchimp: This integration allows you to track and manage email marketing campaigns in QuickBooks.
- Shopify: This integration allows you to import and track e-commerce transactions in QuickBooks.

Many of the portals mentioned above have limited access or not available in the Bangladesh region. As a result, it can be said that QuickBooks online lack its true use in Bangladesh at some instances.

Overall, while the basic features and functions of QuickBooks are the same in both the developed countries and Bangladesh, there may be some differences in the way it is used in each country due to local differences in tax laws, business practices, and regulatory requirements.

Chapter Eight: Conclusion

8.1 Conclusion

In conclusion, the internship report titled " ***The Application of AIS in Bangladesh Based on QuickBooks Online (A study from the perspective of Musketeers Idea Ltd.)***" " found that QBO is a widely used and well-received accounting software in Bangladesh. Users reported high levels of satisfaction with the software, citing its ease of use, accuracy of financial statements and reports, and efficiency in performing accounting tasks as key benefits. However, the report also identified challenges faced by users of QBO in Bangladesh, including technical difficulties, security concerns, and the availability of support resources.

Overall, the report concludes that QBO is a suitable solution for businesses looking to streamline their accounting processes in Bangladesh. Its adoption has brought significant benefits to users, and with adequate support and training, it has the potential to further improve the efficiency and accuracy of financial operations in the country. The report also found that the adoption of QBO has had a positive impact on the accounting profession in Bangladesh, introducing new technologies and processes that have changed traditional accounting practices and requiring accounting professionals to develop new skills and knowledge.

While the report highlights the benefits and challenges of using QBO in Bangladesh, it is important for businesses to carefully evaluate their needs and resources before deciding to adopt the software. By understanding the limitations of QBO and considering the specific needs of the business, businesses in Bangladesh can effectively use the software to improve their financial operations and drive their success.

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