Daffodil International University (DIU)

Internship Report

On

"The Audit Procedure of Cash Incentive on ACNABIN Chartered Accountants"

Submitted To:

Ms. Rozina Akter

Assistant Professor,

Department of Business Administration,

Faculty of Business & Entrepreneurship,

Daffodil international university

Submitted By:

Anas Abdulla

ID: 203-11-6585

Major: Finance

Program: BBA

Department of Business Administration,

Faculty of Business & Entrepreneurship,

Daffodil international university

Letter of Transmittal

Date:

To

Rozina Akter

Assistant Professor,

Department of Business Administration,
Faculty of Business & Entrepreneurship,
Daffodil International University

Subject: Submission of Internship Report. Dear Sir,

With due respect, I would like to submit my internship report titled **"The Audit Procedure of Cash Incentive on ACNABIN Chartered Accountants".**

I would like to express my gratitude for your support and guidance in completing this report. In addition, I want to thank Soma Akter, Manager, for her help throughout my internship.

I, therefore, pray and hope that you will be kind enough to consider my mistake, which may look beyond my knowledge.

Sincerely

Anas Abdulla

……………………

Anas Abdulla

ID: 203-11-6585

Program: BBA

Department of Business Administration,
Faculty of Business & Entrepreneurship,
Daffodil International University

Certificate of Approval

This is to certify that Anas Abdulla, a student of BBA Program, major in Finance, Department of Business Administration, Daffodil International University (DIU), bearing ID No:203-11-6585, has successfully completed the internship report titled on "The audit procedure of cash incentive on ACNABIN Chartered Accountants" under my supervision and monitoring. I wish his success at every sphere of life.

Rozina Akter

…………………………

Rozina Akter

Assistant Professor,

Department of Business Administration,
Faculty of Business & Entrepreneurship,
Daffodil International University

Student's Declaration

Here I am, Anas Abdulla, a student at Daffodil International University studying business administration. ID: 203-11-6585, I now certify that I prepared and completed the report titled "The Audit Procedure of Cash Incentive on ACNABIN Chartered Accountants" under the guidance of Rozina Akter, Assistant Professor, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University.

I further declare that no portion of this paper has ever been turned in for credit toward any degree previously. The report is written exclusively with academic purposes in mind, and it is submitted accordingly.

Anas Abdulla

…………………………

Anas Abdulla

ID: 203-11-6585
Department of Business Administration,
Faculty of Business & Entrepreneurship,
Daffodil International University

Acknowledgement

First and foremost, I want to thank Almighty Allah for providing me the courage to carry out my intern duties and finish the internship report before the deadline.
My sincere gratitude goes out to Rozina Akter, Assistant Professor in the Department of Business Administration at Daffodil International University's Faculty of Business & Entrepreneurship, for her unwavering guidance in helping me prepare this report.

My appreciation also goes out to the esteemed faculty members of the Business Administration, Faculty of Business & Entrepreneurship, for their unwavering support and guidance during the Bachelor Program.

I owe a debt of gratitude to Executive Gofran Uddin, Manager Soma Akter, and all of my honorable coworkers for helping me with my internship duties.

Finally, but just as importantly, I want to thank my family and friends for helping and inspiring me as I worked on the report for the Daffodil International University's Faculty of Business and Entrepreneurship's Business Administration program.

Executive Summary

After completing the BBA, students must work as interns for three months to obtain practical experience. On October 01, 2023, I started as an intern at ACNABIN Chartered Accountants, Karwan Bazar, and worked in cash incentive for three months. My report topic is “The Audit Procedure of Cash Incentive of ACNABIN Chartered Accountants”. The major objective of this report is to analyze the effect of the Cash Incentive and to learn about the overall process of the Cash Incentive and Audit Procedure. However, some fake exporters create false declarations in order to obtain benefits, thereby complicating the auditor's responsibilities to figure out between genuine and fake exporters. For offering services to clients in Bangladesh, Several national and international consulting firms are in reliable working partnerships with ACNABIN. The top audit company in the nation for auditing financial institutions and banks is ACNABIN. The primary data is collected from logical discussion meetings with clients, factory visit, conversation with the manager, articled students, and the auditing staff. From the study finding it can be concluded that Bangladesh's sector of exports has been providing the government with additional foreign currency. The government has been extremely careful in granting cash incentives on export revenues in order to promote the export sector. The effects on the economy in Bangladesh have been quite encouraging and favorable. Cash incentives encourage exporters to export more and they are benefited by receiving cash incentives. As a recommendation I would suggest that in order to expand the export industry, the government should continue these incentive procedures and add more new sectors to diversify products and to generate more earnings from export. For the ACNABIN Chartered Accountant firm, they should organize more than four training programs for increased efficiency among auditors.

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Chapter-1:

Introduction

Introduction

Cash Incentive is a type of government incentive used for encouraging the export sector. To increase the export, Bangladesh identified 42 sectors that are eligible for the government's financial incentive against export. According to the policy, the government provides a monetary incentive of 1% to 20% of export value. As exporters produce and export more, our country's total GDP will be raised by remittances and foreign currency. Therefore, our nation's economic status will improve if the government offers more assistance and greater financial incentives. We all thought that exports produced foreign exchange. The Bangladeshi government, therefore, has taken all necessary steps, including offering monetary incentives, to boost exports in order to strengthen the country's foreign exchange reserve. For exporters, the government allocated Tk 73.50 billion in monetary incentives for the fiscal year 2020–2021 (FY20–21).Whether the country is getting any benefit at all from this or not and to what extent the cash incentives are benefiting the export and are they increasing their exports at all. Tapan Kanti Gosh (Senior Commerce Secretary) provided the information on future exports at the national export committee meeting, where they clearly mention that, "Exporters get cash incentives until 2026". The Bangladesh government will continue to offer cash incentives on export earnings until 2026 in order to assist local exporters in remaining competitive globally following the country's graduation.

However, some fake exporters create false declarations in order to obtain benefits, thereby complicating the auditor's responsibilities to figure out between genuine and fake exporters.

The report's goal is to examine how ACNABIN Chartered Accountants are affected by monetary incentives and the cash incentive audit process.

1.1 BACKGROUND OF THE STUDY

The process of conducting a formal investigation of a company or financial condition is called auditing. Examining compliance with relevant terms, rules, and regulations may also be part of an audit. Three types of audits are carried out by chartered accountants: compliance, operational, and financial statement audits. The goal of a compliance audit is to ascertain if the audit client is adhering to particular protocols, guidelines, or directives established by a higher authority. The purpose of a compliance audit is to ascertain if the audit client is adhering to particular protocols, guidelines, or directives established by a higher authority. Usually, rather than reporting to a board of spectrum users, the results of compliance audits are communicated to someone inside the organizational unit being inspected.

An audit for compliance can be used to a cash incentive audit. This is a unique kind of audit where the auditors must verify that the applications for the right amount of cash incentive meet the Terms of Reference (TOR), Bangladesh Bank (BB) Circular, and Import Policy. Exporters that utilize yarn produced domestically by BTMA member mills but do not utilize boned warehousing and duty drawback facilities will get a cash incentive.

A monetary incentive is support provided to a party under certain terms in the form of "cash." The first cash incentive program was unveiled in 1986. In Bangladesh's composite industry, cash incentives are provided to exporters (also known as incentive recipients) upon completion of the export process and compliance with all government regulations (as outlined in Bangladesh Bank Circulars). These incentives serve as a reimbursement of a portion of the exporter's manufacturing costs. Most of the time, providing cash incentives is motivated by unique factors.

It may be granted to support emerging industries, improve the industry's backward and forward links, increase the competitiveness of the industry's goods on both domestic and international markets, etc. A financial incentive can also be employed as a deterrent to stop foreign nations from engaging in the unwanted practice of dumping. Cash incentives are mostly provided to export-oriented industries in Bangladesh in order to increase exports and generate foreign money.

1.2 OBJECTIVES OF THE STUDY

- To learn the overall process of the Audit Procedure of Cash Incentive.
- To give an overview of ACNABIN Chartered Accountants.
- To get an in-depth understanding of the ACNABIN Chartered Accountants' cash incentive audit procedure.
- To provide a complete overview of the necessary export documentation related to the Audit Procedure of Cash Incentive.

1.3 METHODOLOGY

The report is created by using practical knowledge or experience gained as an intern at this firm. The methodology of the report relates to the sources that I used to gather the necessary information for the report.

Primary Sources: (From the ACNABIN Chartered Accountants)

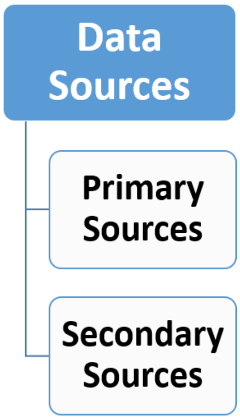


Figure 1.1: Data Sources

- Gathered information from my cash incentive team.
- Engaging in conversation with the manager, articled students, and the auditing staff.
- Some of the information I gathered from my factory visit.
- Establishing a logical discussion meet with clients to discuss their concerns.

Secondary Sources:

- Receiving information from the Bangladesh Bank's circulars.
- Secondary data obtained from different publications of ICAB.
- Information collected from related articles.
- Other data had been gathered from the firm's various files.

1.4 LIMITATIONS OF THE REPORT

As an intern in ACNABIN, I had many opportunities and facilities, but there are several limits that I encountered during my internship, which are highlighted below:

- ***Time Limitation:*** Since I was in a new workplace, it required some time to establish connections among colleagues and to become adaptable with the surroundings. The internship lasted three months, which was insufficient time to obtain necessary knowledge for the study. As a result, I was unable to cover entire sectors of cash incentives.

- ***First time Practical experience:*** As this was my first practical experience, I was unable to learn the whole cash incentive process for all industries.

- ***Junior level position:*** Senior level students actually meet with clients to discuss file queries, so there is an excellent chance to obtain actual information throughout the time. As I am new to the firm, I am in a junior level position and unable to sit enough for client meetings.

- ***Confidential information:*** I did not have any permission to share sensitive information about the firm and its clients.

- ***Upper level:*** Some works are carried out directly by the upper level, as a result some limits occur.

Chapter-2:

Industry and Company Overview

Industry and Company Overview

2.1 Industry Overview

Chartered accounting is a well-known academic program that focuses on taxation, accounting, and business. Chartered Accountants (CA) are often regarded as some of the most respected accounting and business specialists. There are currently 167 CA firms in Bangladesh, with 69 being sole proprietorships and the rest being partnership-based firms.

On. of Proprietorship firms	No. of Partnership firms	Total
69	98	167

Table 4.1: The total number of CA firms in Bangladesh. Source: ICAB

Occupational Category	Members in practice	
	Dhaka	Chittagong
Fellow	358	31
Associate	15	0
Total	373	31

Table 4.2: In Dhaka, 373 members, and in Chittagong, there are 31. Source: ICAB

2.2 Brief Profile ACNABIN Chartered Accountants

2.2.1 Introduction

ACNABIN Chartered Accountants is one of the biggest "A" Rated Chartered Accountancy (CA) companies in Bangladesh, according to the most current rating and grading conducted by the Securities and Exchange Commission (SEC) of Bangladesh and the central bank of Bangladesh (CA-Bangladesh). They currently occupy the #1 spot in the nation among CA businesses.

ACNABIN ACNABIN Chartered Accountants always give their customers a beneficial service. Their services have been available since February 15th, 1985. Over the last 38 years, they have been doing this. ACNABIN Chartered Accountants offers advisory and auditing services to several governmental and non-governmental institutions, such as the World Bank, CIDA, ADB, UNICEF, WFP, and GTZ.

ACNABIN Chartered Accountants is an independent member of Baker Tilly International, the ninth-largest accounting firm network in the world, which is headquartered in the United Kingdom and has 41,000 employees spread across 700 offices in 145 countries, with a combined global revenue of 5.7 billion (Wikipedia).

Name of Firm	**ACNABIN Chartered Accountants**
Years of Establishment	**15th February, 1985**
Address	BDBL Bhaban (13th & 15th Floor)12 Karwan Bazar C/A, Dhaka-1215. Phone: (880-2)8144347-52 E-mail: acnabin@bangla.net Website: https://www.acnabin-bd.com
ACNABIN Founding Members:	

ACRONYM	Name of The Partner
A	ABM. Azizuddin
C	Anwaruddin Chowdhury
N	Abu Syed Mohammed Nayeem
B	ATMA Bari
I	Iftekher Hossain
N	Mohammad Nurun Nabi

Table 4.3: Details of ACNABIN Chartered Accountants:

2.2.2 Names of Current Active Partners

- ABM Azizuddin, FCA
- Iftekhar Hossain, FCA
- A.S.M Nayeem, FCA, FCCA
- ATN Bari, FCA
- Md. Moniruzzaman, FCA
- Md. Rokonuzzaman, CPFA, FCA
- Md. Mominul Karim, FCA
- Md. Reajul Islam, FCA
- Muhammad Aminul Hoque, FCA

2.2.3 Vision, Mission and Strategic Intent of ACNABIN Chartered Accountants.

Vision

ACNABIN Chartered Accountants has the following vision statement:

"We go beyond the traditional auditor and client relationship by becoming your Trusted Business Advisor"

Mission

The mission statement of ACNABIN Chartered Accountants is as follows:

"We uphold the highest standards of confidentiality for our clients. Proprietary information is sensitive and competitive, and maintaining confidence requires it. On these foundations, we have constructed our success. We work very hard to gain and maintain the trust of our clients.

Strategic Intent

The following is a declaration of ACNABIN Chartered Accountants' strategic intent:

“Our goal is to establish ourselves as the industry's most reliable leader, upholding the highest standards of competence and integrity. Even though we have established a secure and reliable position in the market for financial institutions, telecommunications, foreign branch & liaison offices, and non-profit organizations, we still believe there is more room for us to engage in other areas of the nation and the region.”

Core Values

ACNABIN’s core values are driven by the Baker Tilly Internal core values:

- To set a good example
- To provide superior services while maintaining integrity
- To openly communicate, to act ethically,
- And to establish a community based on civic obligations and teamwork.

2.2.4 Services Provided By ACNABIN

ACNABIN provides a variety of services, including:

Figure 3.1: Services Provided By ACNABIN

Assurance Services:

Assurance services are known as independent professional services, which reduce information risk and allow for better decision-making for a company.

- Statutory Audit
- Internal Audit
- Special Audit
- Management Audit
- Performance audit
- Review Management
- Donor Audit

Corporate Finance Advisory Services

The demand for corporate finance is increasing day by day. The transactions of corporate finance are becoming more complex and require a high level of knowledge to manage.

ACNABIN provides Corporate Finance Advisory Services such as:

- Due Diligence
- Mergers & Acquisitions
- Transaction Advisory
- Valuation
- Fund Raising

Consultancy And Risk Management Services

ACNABIN assists in improving business performance by implementing proactive and effective risk management frameworks Such services include:

- Business Advisory
- Forensic Services
- Management Assurance
- IT Advisory

Business Process outsourcing

ACNABIN provides their clients with the following business process outsourcing services.

- Accounts payable Processing
- Business Process Outsourcing (BPO)
- Accounts payable processing
- Payroll and payroll tax processing
- General ledger and financial statement processing
- Accounting services
- Human resource support

Tax and Legal Advice

- Their Corporate & individual tax planning
- Personal Income Tax
- Deferred tax computation and application
- Indirect tax
- Tax investigations
- Capital gain tax
- Designing VAT Management System and Compliance Audit

Sustainability Consulting Services

ACNABIN has established expertise to assist business entities in making these large adjustments to ensure:

- Strategic Support
- Managerial Support
- Operational Support

Logo of ACNABIN

2.2.5 Clients of ACNABIN from different sectors

- **Manufacturing and Trading**
- Apparel
- Chemical processing
- Engineering
- Fabricated products
- Pharmaceuticals
- Jute goods or garments or textiles
- Food products

- **Commercial services**
- Hospitals
- Airlines
- Courier and cargo services
- Hotels

- **Non- profit organizations**
- NGOs
- Charitable organizations
- Universities

- **Finance**
- Capital market
- Investment
- Banking

- Insurance
- Outsourcing
- HR support
- Accounting services
- Courier and cargo services

- General ledger, financial statements processing, bookkeeping, processing daily transactions, creating and maintaining books of accounts, and preparing final accounts.
- Account payable processing.

2.2.6. Organizational Structure of ACNABIN Chartered Accountants:

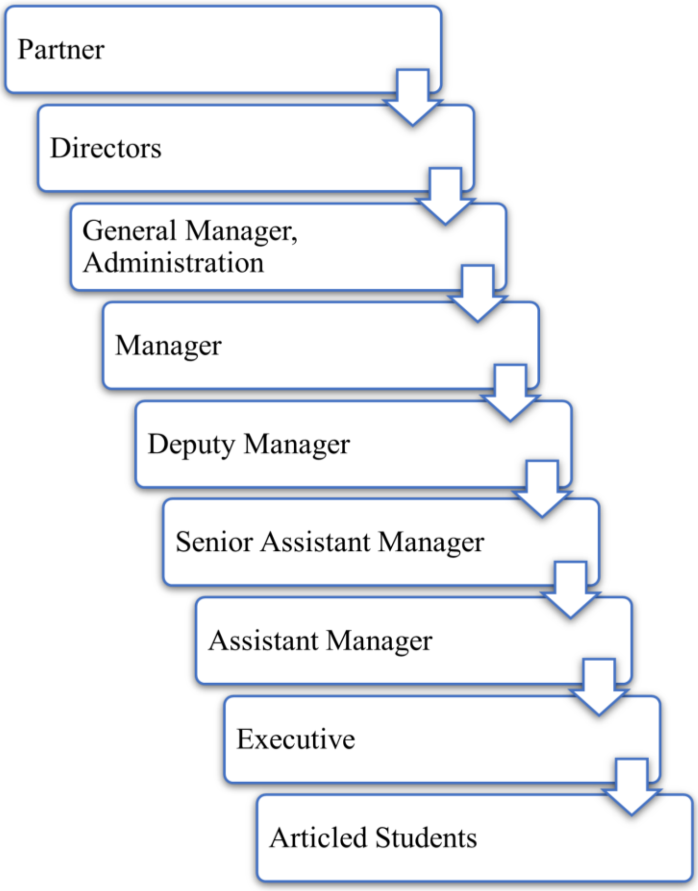


Figure: Organogram of ACNABIN Chartered Accountants

Chapter 3:

Overview of the Cash Incentive against exports from Bangladesh perspective

Overview of the Cash Incentive against exports from Bangladesh perspective

3.1 Introduction

Cash incentives are an approach for increasing exports and expanding into new markets. Our economy is strongly dependent on exports. Our government has taken several initiatives to boost export-related activity, one of which is an incentive.

The Bangladesh government gives the final exporter with three options-

1. Duty drawback.
2. Bounded warehouse.
3. Cash incentive.

Duty drawback involves reclaiming import charges, fees, and taxes that exporters may claim when exporting, serving as a cash source that benefits many businesses. This process exempts exporters from paying duties at the port. On the other hand, a bonded warehouse is a facility where shippers can store imported goods until they undergo customs processing. In a bonded storage facility, exporters incur no warehouse costs while holding goods until customs clearance. However, most exporters prefer cash incentives, which are calculated as a percentage of the realized export value. The government sets and updates these incentive rates annually through circulars issued by the Bangladesh Bank. The choice of which benefit to apply for rests with the exporter.

3.2 Evolution of Cash Incentives in Bangladesh

This system was first implemented in 1994 as the 'Cash Compensatory system (CCS)' as a motivational mechanism to enhance exports also building a backward linkage. At that time, RMG and special textile units were only eligible for the cash incentive facilities against export when they were not taking or choosing any warehouse facilities or duty drawback facilities. 15% cash incentives were provided by the Bangladesh government on FOB (Freight on Board) export value. To find this cash incentive facility the exporters must use the domestic raw materials rather than use foreign materials.

Following the implementation of cash incentive, it was observed that the cash incentive was increasing these (RMG and Special textile units) specific areas of exports. The exporters used the country's local raw materials, which was also beneficial to the country. So, the Bangladesh government decided to continue the cash incentive facilities and added more sectors including Jute, Agro, Frozen Shrimp and so on.

In 1997, it was founded by the Bangladesh bank’s auditors that there were many importers and exporters and many of the exporters were making fraudulent claims and obtained the cash incentive.

3.3 Rationale for Providing Cash Incentive Facility

- To extend the country’s export portfolio.
- To promote higher value addition across various sectors. For instance, offering cash incentives encourages the garment industry to substitute imported yarn and accessories with locally sourced ones, thereby boosting local value addition.
- To enhance foreign remittances and foreign currency reserves.
- To grow the new market for export.

3.4 Sectors where there is a cash incentive.

A Cash Incentive is available to a variety of sectors, some of which are listed below-

<table>
<tr><td rowspan="4">Export of Ready-Made Garments (RMG)</td><td>Special</td></tr>
<tr><td>New Market Explosion</td></tr>
<tr><td>Composite</td></tr>
<tr><td>SME</td></tr>
<tr><td rowspan="4">Export of Jute & Jutable Products</td><td>Jute Yarn</td></tr>
<tr><td>Jute Twine</td></tr>
<tr><td>Food Grade Jute Bags</td></tr>
<tr><td>Finished Jutable Product</td></tr>
<tr><td rowspan="3">Export Agro processing</td><td>Agro processing</td></tr>
<tr><td>Potato</td></tr>
<tr><td>Fresh Vegetables and seeds</td></tr>
<tr><td rowspan="2">Export of Fish</td><td>Fishes</td></tr>
<tr><td>Shrimps Frozen</td></tr>
<tr><td rowspan="2">Export Leather</td><td>Crust Leather</td></tr>
<tr><td>Finished Leather</td></tr>
<tr><td colspan="2">Export of Beef Omasum</td></tr>
<tr><td colspan="2">Export of Handicraft items</td></tr>
<tr><td colspan="2">Export of Fabric</td></tr>
<tr><td colspan="2">Export of Furniture</td></tr>
<tr><td colspan="2">Export of Chemical</td></tr>
<tr><td colspan="2">Export of Ceramics</td></tr>
<tr><td colspan="2">Export of Plastic</td></tr>
<tr><td colspan="2">Export of Software, IETS & Hardware</td></tr>
</table>

Table 4.1: Sectors receiving cash incentive

3.5 Recipients of the Cash Incentive Facilities

In July 1994, Bangladesh Bank initiated a cash incentive scheme with the primary goal of encouraging the export of jute products from government and commercial mills as well as locally produced textiles with an eye toward export. This program has greatly expanded over time. For example, in April 2000 subsidies were imposed on the leather products business, which is entirely focused on exports. In 2002, financial incentives were expanded to include agricultural goods. Under this initiative, a number of entities and organizations have been eligible to earn monetary incentives since 1997:

- Manufacturers • Manufacturers of knitted, printed, woven, and other specialized textiles who export their products directly to customers.
- Manufacturers and exporters of a broad variety of textile goods, such as bathmats, bars, towels, grill pads, and spreads.
- Jute mills that make yarn and, on occasion, home products like bags, wall mats, and other jute items.
- The processing and export of products like shrimp and other fish species is done by the fish and ice businesses.

However, effective of March 5, 2001, the following are the updated qualifying requirements for monetary incentives, according BB FE Circular No. 09:

• Manufacturers and exporters of fabrics-based ready-made clothing.
• Producers who use yarn from their region can gain further advantages.
• Exporters of fish, flakes, jute, and pet bottles made from locally sourced raw materials.

Apart from the items stated above, a number of additional industries qualify for this financial incentive, which includes:

- Agro product (not agro process product)
- Potato

3.6 Determining the Cash Incentive Amount

Cash incentives are often computed as a percentage (10%, 5%, and 2%) of the lower of the two sums that follow:

• The value contributed in production deducted from the net FOB (free on board) value, stated as a percentage of the total value.
• The total cost of production with yarn and raw ingredients that are provided locally.

3.7 Below are the rates for cash incentives:

Cash Incentive Rate

SL	Particular Product	Percentage
1	Alternatives to ready-made clothing (composite) that qualify for cash incentives	4%
2	Alternative to ready-made clothing made of fabric that qualifies for cash incentives	4%
3	Agricultural sector alternative eligible for cash incentives	20%
4	Jute product sector alternatives eligible for cash incentives include: • Jute products • Jute threads	20% 7%

Chapter-4:

Procedures of Cash Incentive Audit of ACNABIN

Procedures of Cash Incentive Audit of ACNABIN

INTRODUCTION

Bangladesh Bank will give a cash incentive payment to the client based on the certificate provided by the audit firm. Before issuing the certificate to the exporter, the cash incentive audit procedure is performed, which includes reviewing the application form, working files, and all other essential papers. Following that, thesedocuments are checked according to the circular issued by the Bangladesh Bank, and a calculation is created that must be reliable.

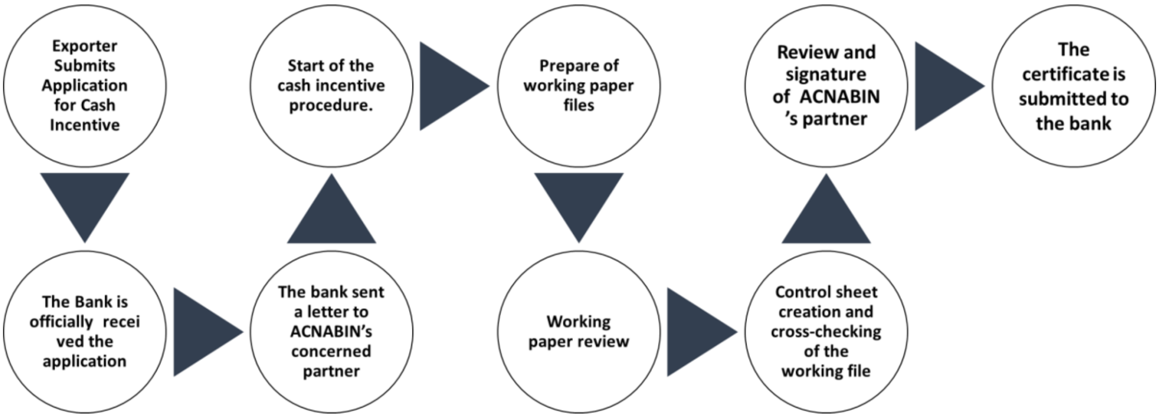


Figure: Procedures of Cash Incentive Audit of ACNABIN

4.1 Exporter Submits Application for Cash Incentive

The exporter submits an application for cash incentives to the bank along with all relevant documents in the export division or foreign exchange department of the bank. Meanwhile,all documents must be properly signed up with appropriate authorization. Otherwise, it will be regarded as worthless.

4.2 The Bank is officially received the application

The exporter's bank will formally accept the application with all needed essential documentation. The bank confirmed that all of these files are relevant and trustworthy. If any mistake or inadequacy in the documents is found, the exporter or applicant must complete them and arrange them in the format specified by the bank. After all of the documents have been properly submitted; the bank calculates the amount of Cash Incentives that the applicant is eligible for.

4.3 The Bank Sent a Letter to ACNABIN's Concerned Partner

After all of the data and calculation are completed, the Bank's Head Office issues a letter looking for the ACNABIN to undertake the audit work on this specific exporter's application for Cash Incentives.

4.4 Start of the cash incentive procedure

The files will be sent to the CA firm by the bank. If the bank is close to the accounting company. Typically, auditors complete their work in a bank; otherwise, it is completed at a CA firm. Finally, auditors begin their work according to the terms and references established by the central bank.

4.5 Prepare of working paper files

We document all pertinent data from the application file in this working paper. The auditor will first create a computation sheet for monetary incentives using the standard format used by ACNABIN's chartered accountants. The auditor does the computations for every application. Pattern copies of these files are briefly supplied in the annexes, and these formats are also sent to the bank for backup. Furthermore, this data needs to be supplied in the right format. Application, L/C or Purchase Contract or Sales Contract, Bank Back-to-Back L/C, BTMEA/ BTMA/ BGMEA Certificate (Original Copy issued for Cash Incentive purpose only), Proceed Realization Certificate (PRC), and Export Documents (Commercial Invoice, Packing list, Bill of Lading, Bill of Export and EXP Form)

Application form

<u>বস্ত্রখাতে রপ্তানিতে বিশেষ নগদ সহায়তার জন্য আবেদনপত্র</u>

(ক) আবেদনকারী প্রতিষ্ঠানের নাম ও ঠিকানাঃ

(খ) রপ্তানী ঋণপত্র/ চুক্তিপত্র নম্বর, তারিখ ও মূল্যঃ

(গ) রপ্তানিকৃত পণ্যের উৎপাদনে ব্যবহৃত পণ্যেরর স্থানীয় সংগ্রহসূত্র, পরিমান ও মূল্যঃ

সরবরাহকারীর নাম ও ঠিকানা	পন্যের নাম ও পরিমান	অভ্যান্তরীন ব্যাক টু ব্যাক ঋণপত্র/ ডকুমেন্টারী কালেকশন নম্বর, তারিখ	মূল্য
A Company LImited	Yarn	0108-21-04-000424 Date: 28.12.2021	$100,674.00
B Company Limited	Accessories	0108-21-04-000425 Date: 25.01.2021	$50,700.00
C Company Limited	Yarn	0108-21-04-000324 Date: 08.12.2021	$60,455.00

(ঘ) রপ্তানিকৃত পণ্যের উৎপাদনে ব্যবহৃত পণ্যেরর আমদানীকৃত উপকরনাদিঃ

সরবরাহকারীর নাম ও ঠিকানা	পন্যের নাম ও পরিমান	অভ্যান্তরীন ব্যাক টু ব্যাক ঋণপত্র/ ডকুমেন্টারী কালেকশন নম্বর, তারিখ	মূল্য
N/A	N/A	N/A	N/A

(ঙ) রপ্তানি চালানের বিবরণঃ

পণ্যের বর্ণনা	পরিমান	আমদানিকারকের দেশের নাম	ইনভয়েসের মূল্য (বৈদেশিক মুদ্রায়)	জাহাজীকরণের তারিখ	ইক্সপি নম্বর	বৈদেশিক মুদ্রায় প্রত্যাবাসিত রপ্তানিমূল্য ও প্রত্যাবসনের তারিখ
Ladies Cardigan	4,632 PCS	UK	US$28,477.27	05.07.2022	0108-000569-2022	US$28,442.27 Date: 06.07.2022
Ladies Jumper	8,940 PCS	UK	US$52,516.67	28.07.2022	0108-000619-2022	US$52,507.67 Date: 05.08.2022
Ladies Pullover	2566 PCS	UK	US$11,506.45	21.11.2022	0108-000905-2022	US$11,498.45 Date: 06.12.2022
TOTAL	**16,138 PCS**		**US$92,500.39**			**US$92,448.39**

(চ) বিশেষ নগদ সহায়তার আবেদনকৃত অংকঃ

প্রত্যাবাসিত রপ্তানিমূল্য (১)	প্রযোজ্য ক্ষেত্রে জাহাজ ভাড়ার পরিমান (২)	বৈদেশিক মুদ্রায় বিদেশে পরিশোধযোগ্য কমিশন, ইন্সুরেন্স ইত্যাদি (যদি থাকে) (৩)	নীট এফওবি রপ্তানিমূল্য (৪) = (১) -(২+৩)	প্রাপ্য নগদ সহায়তা (৫) = (৪) × $\frac{১}{১০০}$	রপ্তানিমূল্য প্রত্যাবাসনের তারিখে সংশ্লিষ্ট বৈদেশিক মুদ্রার ওডি সাইট ক্রয় মূল্য (৬)
US$92,448.39	N/A	N/A	US$92,448.39	US$92,44.83	US$92,44.83×১০০.০০(OD Rate)
US$92,448.39			**US$92,448.39**	**US$92,44.83**	**TK. 92,448.39**

কথায়ঃ বিরানব্বই হাজার চারশত আটচল্লিশ দশমিক তিন নয়।

এই মর্মে অঙ্গীকার করা যাচ্ছে যে, আমাদের নিজস্ব কারখানায় উৎপাদিত তৈরী পোশাক/ বস্ত্রজাত সামগ্রী চূড়ান্ত রপ্তানির বিপরীতে বিশেষ নগদ সৃঅহয়তার জন্য আবেদন করা হলো। এই আবেদনপত্রে প্রদত্ত সকল তথ্য/ঘোষনা সম্পূর্ণ ও সঠিক। যদি পরবর্তীতে ইহাতে কোন ভুল/ অসত্য তথ্য/ প্রতারণা/ জালিয়াতি প্রমানিত হয় তবে গৃহিত বিশেষ নগদ সহায়তার সমুদয় অর্থ বা এর অংশবিশেষ আমার/ আমাদের নিকট হতে এবং আমার/ আমাদের ব্যাংক হিসেব থেকে আদায়/ ফেরত নেয়া যাবে।

তারিখঃ_____________ Authorized Seal & Sign

Figure: Application form

In this application form we do cross-check such as applicant's name & date of application, LC or sales construct number, date & value, invoice number, date & value, realized value & date, and claim amount. If anything is missing and needs to be changed, then we send an inquiry to the client. The Applicant will not be eligible for a Cash Incentive if the application date is not more than 180 days from the most recent date of Realization.

Sales Contract

CONTRACT NO: _______________ DATE: _____________

PARTIES:

- This Sales Contract is entitled to on___________ (the "Effective Date"), by and between ___________________, with an address of _________________________, (hereinafter referred to as the "Seller") and ___________________, with an address of _______________________, (hereinafter referred to as the "Customer") (Collectively referred as the "Parties").

GOODS AND PRICE:

- The Goods that the seller is selling to the Customer are enlisted below with their quantities (hereinafter referred to as the "Goods").

SL	GOODS	QUANTITY	PRICE PER UNIT	TOTAL PRICE
TOTAL		PCS	$	$

TERMS & CONDITIONS:

- The seller hereby agrees to sell the Goods to the Customers for an amount of ________________.
- The Seller will provide an invoice to the Customer at the time of the delivery.
- All invoices are to be paid within thirty days will be subject to a five percent late payment penalty.
- Expiry date of the Contract dd/mm/yy.

Figure: Sales Contract

In the sales contract we also we cross-checking: Lc no & date of issue, export product description, quantity, trams of condition, commission, value of Lc, and notifying party. In the majority of cases, LC is amended a number of times. We thus utilize the L/C's beginning date together with the most recent revision's final updated amount.

Commercial invoice

COMPANY ADDRESS
Company Address

COMMERCIAL INVOICE

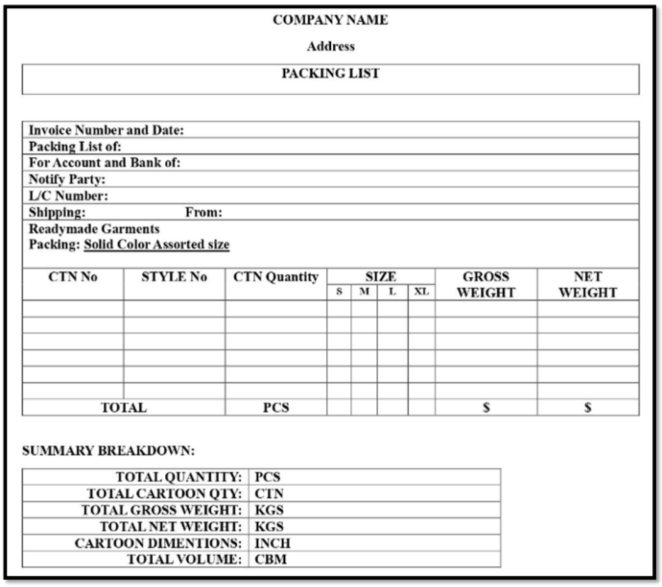
Shipper's/ Exporter's Name& Address:		Invoice Number & Date: Sales Contract Number & Date:
Shipper's/ Exporter's Bank with Address:		EXP Number & Date:
Notify Party:		Buyer's Name & Address:
Carrier: By Sea/ Air/ Road	Sailing on or about:	Buyer's Bank with Address:
Port of Loading:	Port of Discharge:	Consignee Party or Bank: Terms of Payment:

Marks and Number	Description of goods	Quantity	Unit Price	Amount
Style: Color: Size: Total Number of Pieces:	Readymade Garments Men's Jacket HS Code:	PCS	$	$

Figure: Commercial invoice

An exporter prepares a commercial invoice. Except for the gross and net weight, which are taken straight from the commercial invoice in this document, auditors examine all of the data. The Packing List, which is linked to the Invoice, has to be examined. When there is a discrepancy, we write the right information and circle the inaccurate data.

Packing List



COMPANY NAME

Address

PACKING LIST

Invoice Number and Date:
Packing List of:
For Account and Bank of:
Notify Party:
L/C Number:
Shipping: **From:**
Readymade Garments
Packing: Solid Color Assorted size

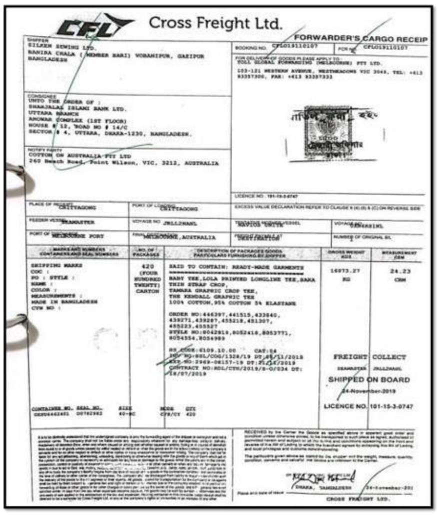
CTN No	STYLE No	CTN Quantity	SIZE				GROSS WEIGHT	NET WEIGHT
			S	M	L	XL		
TOTAL		PCS					$	$

SUMMARY BREAKDOWN:

TOTAL QUANTITY:	PCS
TOTAL CARTOON QTY:	CTN
TOTAL GROSS WEIGHT:	KGS
TOTAL NET WEIGHT:	KGS
CARTOON DIMENTIONS:	INCH
TOTAL VOLUME:	CBM

Figure: *Packing List*

In packing list, we check the commercial invoice no. and date, sales contract no. and date, EXP no. and date, gross weight and net weight, description of Commodity and HS code. ***Bill of Lading (B/L)***



Cross Freight Ltd.

FORWARDER'S CARGO RECEIP

SAID TO CONTAIN: READY-MADE GARMENTS

FREIGHT COLLECT

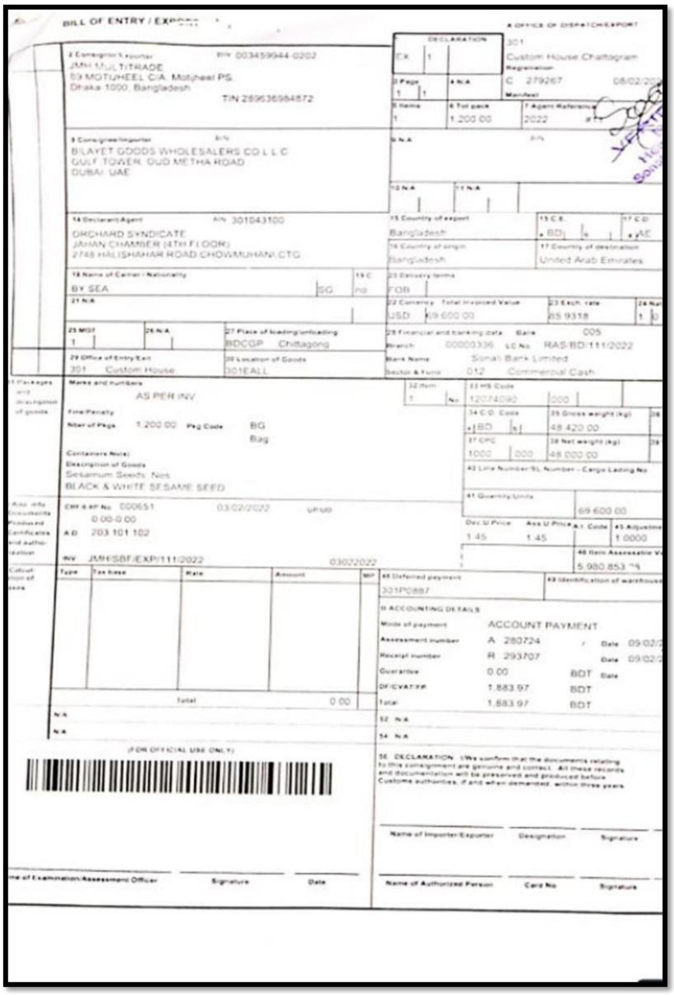
SHIPPED ON BOARD

LICENCE NO. 101-15-3-0747

Figure: *Bill of Lading* (*B/L*)

In the B/L, we are checking the place of shipment, place of discharge, credit terms, B/L no. and date, commercial invoice no. and date, EXP no. and date. Master B/L or House B/L is provided. In the case of a house B/L, a Track & Trace copy is necessary.

Bill of Export (B/E)



BILL OF ENTRY / EXPORT

DECLARATION: EX 1

Office of dispatch/export: 301 Custom House Chattogram

Registration: C 279267

Consignor/Exporter: JMH MULTITRADE, 59 MOTIJHEEL C/A, Motijheel PS, Dhaka-1000, Bangladesh — BIN 003459944-0202 — TIN 289636984872

Page: 1 1 — Items: 1 — Tot pack: 1,200.00 — Agent Reference: 2022

Consignee/Importer: BILAYET GOODS WHOLESALERS CO L L C, GULF TOWER, OUD METHA ROAD, DUBAI, UAE

Declarant/Agent: ORCHARD SYNDICATE, JAHAN CHAMBER (4TH FLOOR), 2748 HALISHAHAR ROAD CHOWMUHANI CTG — AIN 301043100

Country of export: Bangladesh — C.E.: BD — C.D.: AE

Country of origin: Bangladesh — Country of destination: United Arab Emirates

Name of Carrier / Nationality: BY SEA — SG

Delivery terms: FOR

Currency: USD — Total invoiced value: 69,600.00 — Exch. rate: 85.9318

Place of loading/unloading: BDCGP Chittagong

Office of Entry/Exit: 301 Custom House — Location of Goods: 301EALL

Financial and banking data: Bank 005 — Branch 00000336 — LC No. RAS/BD/111/2022 — Bank Name: Sonali Bank Limited — Sector & Fund: 012 Commercial Cash

Marks and numbers: AS PER INV

Nber of Pkgs: 1,200.00 — Pkg Code: BG Bag

Description of Goods: Sesamum Seeds, Nes — BLACK & WHITE SESAME SEED

Item: 1 — HS Code: 12074090 000

C.O. Code: BD — Gross weight (kg): 48,420.00 — CPC: 1000 000 — Net weight (kg): 48,000.00

Quantity/Units: 69,600.00

Dec U Price: 1.45 — Ass U Price: 1.45 — Adjustment: 1.0000

Item Assessable Value: 5,980,853.79

CRF & EXP No. 000651 — 03/02/2022

A.D. 203 101 102

INV JMH/SBF/EXP/111/2022 — 03022022

Total 0.00

Deferred payment: 301P0887

ACCOUNTING DETAILS

Mode of payment: ACCOUNT PAYMENT

Assessment number: A 280724

Receipt number: R 293707

Guarantee: 0.00 BDT

DF/CVAT/FP: 1,883.97 BDT

Total: 1,883.97 BDT

(FOR OFFICIAL USE ONLY)

DECLARATION: I/We confirm that the documents relating to this consignment are genuine and correct. All these records and documentation will be preserved and produced before Customs authorities, if and when demanded, within three years.

Name of Importer/Exporter — Designation — Signature

Name of Examination/Assessment Officer — Signature — Date

Name of Authorized Person — Card No — Signature

Figure: *Bill of Export (B/E)*

In B/E, we do cross- check the importer's name, address and bank, exporter's name, address and bank, notify the party's name and address, total invoice value, country of origin and country of destination, delivery terms and quantity of goods.

EXP Form

Ref. FE Circular No. 17/2019 Annexure-A

EXP FORM

(Submitted electronically by exporter)

Statutory declaration to be furnished by exporters under Foreign Exchange Regulation Act, 1947 before shipment of goods. An incorrect declaration constitutes offence under the said Act.

Electronic Declaration No. : **00002969 /008136 /2020** **Date: 06-DEC-2020**
Name and address of the Authorized Dealer: **Shahjalal Islami Bank Ltd., Uttara Branch (00002969)**

Detail of Export

S1 No	Item		Particulars (to be filled in by exporter)	Code No. (to be filled in by Authorised Dealer)
1.	Commodity to be exported		62034200 : MEN'S OR BOYS' SUITS,ENSEMBLES,JACKETS,BLAZERS,TROUSERS,BIB AND BRACE OVERALLS,BREECHES AND SHORTS (OTHER THAN SWIMWEAR)...- Men'S Or Boys' Bib & Brace Trousers, Breeches, Shorts, Of Cotton	
2.	Country of destination		MY	1205
3.	Port of destination			
4.	Quantity	Unit (bales/tons/lbs. etc.)	Pieces	
		Volume Weight/number etc)	190	
5.	Value	Currency	US DOLLAR	001
		Inco-terms Used	FOB	
		Invoice Value	1252.1	FOB 1252.1 / Insurance 0 / Freight 0
		CMT value (if applicable)	0	
6.	Terms of sale (firm contract/LC or Consignment sale)		LC-RDL/CTN/2020/NOV-DEC/177-21/09/20	
7.	Name & address of importer/consignee		COTTON ON MALAYSIA SDN BHD BLOCK D, WAREHOUSE AT NO. 3 JALAN PERINDUSTRIAN PUCHONG,BANDAR METRO, PUCHONGMalaysia	
8.	Name of carrying vessel			
9.	Bill of Lading/Railway Receipt/Airway Bill/Truck Receipt/ Post Parcel Receipt		CFLO20120135 15/12/2020	
10.	Port of shipment/Post Office of dispatch		CHITTAGONG	
11.	Land Custom Post			
12.	Shipment date			
13.	Name of the exporter (in block letter) with address.		104661- K S APPARELS LTD.	
14.	CCI &E's Registration Number and date of the exporter		104661	
15.	Sector (Public or Private) under which the Exporter falls		PRIVATE	

Declaration of undertaking by Exporter

I/We, the undersigned hereby declare that I/we am/are the sellers/consignors of the goods described below in respect of which this declaration is made out and that the particulars given in the following items are true and that the invoice value declared in Sl.No.5 in case of firm contract is full value as contracted with the buyers/in case of consignment sale, is a fair value of the goods which are being shipped on consignment sale.

Date:

MOHAMMAD MEZBAUL KABIR
Authorised Signature & Stamp
of the Exporter with date.

Certificate of Authorized Dealer

Certified that the above exporter(s)is/are known to us, that he/they is/are bonafide businessman/men in Bangladesh and that he/they has/have made arrangements with us for the realisation of the export proceeds of the goods declared on this form within four months from the date of shipment and that we are satisfied with the said arrangements. We have also satisfied ourselves about the bonafides of the importers/consignees abroad and their credentials etc.

*We undertake to ensure that export proceeds against shipment on firm contract shall be received by us within the stipulated period of four months. In the event of noncompliance due to reasons beyond our control we shall furnish to the Bangladesh Bank a full explanation as to the reasons and circumstances resulting in our inability to comply.

*We undertake that in the event of nonrealisation of export proceeds against shipment on consignment sale within the stipulated period of four months, we shall obtain from the exporter (s) and furnish to the Bangladesh Bank a full explanation as to the circumstances resulting in nonrealisation. We further undertake that in the event of short realisation, we shall obtain from the exporter(s) and furnish to the Bangladesh Bank a fully documented account sale certified by the consignees/Chamber of Commerce of the country of import.

*(Strike out the portion not applicable and authenticate with initials).

Date:

Stamp and Signature of
Authorized Dealer

Figure: EXP Form

An EXP form is issued by the Authorized Dealer Bank. Here we verify the EXP number and date, the commodity to be exported, the value, the amount, the country of destination and the terms of sale.

4.6 Working paper review

During the review process, senior article students from the CA firm with more experience regarding the file will participate. He or she will review this file. During this step, the reviewer confirmed that the file was free of errors and fraud. Additionally, determine whether the all-calculation format is correct. If he or she discovers a mistake, he or she will repair it. He very rarely followed the circular form provided by the Bangladesh Bank.

4.7 Control sheet creation and cross-checking of the working file

<u>Calculation of Incentive Claim amount:</u>

Net FOB= Total Realized Value- Freight (if any)- Commission (if any)- Insurance (if any)Incentive Claim Amount= Net FOB × Incentive Percent × OD Rate

<u>Calculation of Value Addition:</u>

Value Addition= $(Net\ FOB - Imported\ Value)\ /\ Net\ FOB$

4.8 Review and signature of ACNABIN's partner

The cash incentive certificate is issued by ACNABIN's partner. The certificate ensures that the exporter is qualified for a cash incentive facility on his entire realization value claim in addition, the partner confirms that all certificate requirements are met by Bangladesh Bank. After that, Bangladesh Bank will give the exporter a cash incentive facility.

4.9 This certificate is submitted to the bank

The certified amount will be paid to the applicant (Exporter) in compliance with Bangladesh Bank laws when this certificate is handed to the negotiating bank's head office.

CHAPTER-5:

Findings, Recommendations and Conclusions

5.1 : Findings

- It has been observed that the documents provided by the client are not always adequate.
- Sometimes the firm has to send the file to the client based on their preferences.
- The auditor's factory visit is insufficient because various technological issues arise during the tour. The auditors lack expertise in this area.
- Sometimes auditors are influenced by their clients and issue incentives based on their calculations.

5.2 : Recommendations

I had various issues throughout the last three months of my internship at ACNABIN Chartered Accountants. Based on my experience, I am making the following recommendations to assist the problem:

- ACNABIN Chartered Accountants must provide sufficient training for new auditors because it is going to help in identifying errors and mistakes in correct documentation.
- One auditor should be assigned to one branch. Otherwise, the new auditor will not be able to catch all of the procedures. So, it will help them to learn effectively.
- Should adopt modern software because adopting modern software will boost efficiency and eliminate errors.

5.3 Conclusions

Several conclusions have been formed in this chapter based on the study's findings. Bangladesh's export industry has been earning more foreign currency for the government. In order to boost the export sector, the government has been very conservative in providing cash incentives on export earnings. The government has developed various criteria to compensate exporters. The end outcome has been obvious, effective, fruitful, and material. All of this is seen in Bangladesh's increased export earnings in foreign currency. The effects on the economy in Bangladesh have been quite encouraging and favorable.

The ready-made garment (RMG) industry in Bangladesh has grown dramatically in the last several years. Because of the financial incentive, the number of textile and spinning mills has increased throughout the past ten years.

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