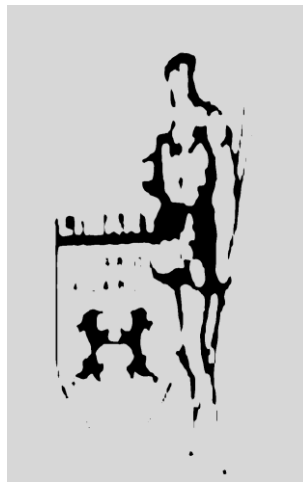




Accounting Practice of Limart Capitaland Apparels Ltd.



SUMMER-2019



An Internship Report

On

Accounting Practice: A Study on of Limart Capitaland Apparels Ltd.

Prepared for

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Prepared by

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Program: MBA

Major in Accounting

Date of Submission: September 18, 2019.

Daffodil International University



Letter of Transmittal

18th September, 2019

Dr. Md. Abdur Rouf

Associate Professor & Associate Head of MBA

Department of Business Administration

Daffodil International University

Ashulia, Savar, Dhaka

Subject: Submission of the Internship Report.

Sir,

My internship report present to you on “**Accounting Practice of Limart Capitaland Apparels Ltd.**” Which I have done as one of the main requirements for the completion of ‘Masters of Business Administration (MBA)’ degree. I am looking forward for your sincere judgment regarding this report. I am delighted to get the opportunity to do my internship in a reputed organization like- Limart Capitaland Apparels Ltd. Preparation of this internship report has given me the opportunity to better understand the important concepts of ‘Accounting’ and the challenges associated with it. Moreover, while working at ‘Limart Capitaland Apparels Ltd.’ I have learned a lot about the application and implication of ‘Accounting Tools and techniques’ in an actual organization context. My pleasure to preparing in this report which have rich my applied knowledge of the learning concept which I have learned from different ‘Accounting’ courses.

I truthfully hope and believe that my Internship report will secure your approval and serve its purpose. During the progression of preparation due to various restrictions there perhaps few inaccuracy.

Yours truthfully

Sajib Saha

ID: 182-14-071

Program: MBA

Major in Accounting.

Daffodil International University



Acknowledgement

I would like to thank all who support me to complete my report. I also want to thank all the people who have given their support and assistance and extremely grateful to all of them for the completion of the report successfully. Dr. Md. Abdur Rouf and Limart Capitaland Apparels Ltd. both provided me with enormous support and guidance for my report to be completed successfully.

I would like to thank Rakibul Hassan, Head of Account and Commercial who providing me relevant information for the report, annual report and deep idea about this sector.

I would like to thank Mirnal Sarkar, PD he process & collect our company all information.

Lastly, I would like to thank business department at DIU and for the development of such an important & firm curriculum of report required for MBA.



Certificate of Supervisor

This is to certify that Sajib Saha, Id- 182-14-071, Program MBA, Major in Accounting, Department of Business Administration, DIU- Daffodil International University has completed his internship in a garments Of Limart Capitaland Apparels Ltd. under my supervision. He has always maintained communication with me and has taken necessary advice. Under my guidance and supervision, he has successfully prepared an internship report on “**Accounting Practice of Limart Capitaland Apparels Ltd**” in summer 2019.

I wish his every success in his future endeavor.

Dr. Md. Abdur Rouf

Associate Professor & Associate Head of MBA

Department of Business Administration

DIU- Daffodil International University



Student Declaration

The report entitled “**Accounting Practice of Limart Capitaland Apparels Ltd.**” It is my fulltime work done by me under the guidance of Dr. Abdur Rouf, Department of Business Administration, in one part done of the requirements of degree of Masters of Business Administration at Daffodil International University.

Sajib Saha

ID: 182-14-071

Program- MBA



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CHAPTER 1

Introductory Part



1.1 Introduction:

Bangladesh is very important for the garments industry and helpful in our country. Since 1978 garments industry risen as main key in the Bangladesh. Almost 80% export income in Bangladesh from the garments industry which have ready cloths .In this industry are working most of the female worker those who are changing their living life in the social economy.

1.2 Background of the study:

As an Accounts officer in Limart Capitaland Apparels Ltd. It is 100% export oriented garments and make my internship report on Limart Capitaland Apparels Ltd. For continuing the internship study in Limart. I have try to know the all section to understand the overall cycle to planning and activates all others things.

1.3 Research aim:

My research aim is to find out a legal way so that Accounts Practice of Limart Capitaland Apparels Ltd. will increase more than before and find a suitable way so that financial statement will be transparent.

1.4 Origin of the report:

This internship report is prepared to complete the some requirement of the internship program as a 3 credit compulsory course for the business student post-graduating from Daffodil International University. As a student of Business Administration, my attachment was with First and I worked as the full time from 1st august2019. I have to do various accounts activities. I have collected information regarding preparing a report on “**Accounting Practice of Limart Capitaland Apparels Ltd** ” A Study at Limart Capitaland Apparels Ltd”.



1.5 Objective of the report:

The objective of the internship program is to collect all types of information about the accounting practice. This study will give us that how to maintain accounts and deliver the financial statement to the management by “Limart Capitaland Apparels Ltd”. Most significantly it will provide a good thought to the accounting practice and there all activates which have to related with accounts department of “Limart Cpaitaland Apparels Ltd” I am working in the company and Developing my communication skill through communicating different employee of an organization. In this case, this study is helping to understand the Limart Capitaland Apparels Ltd.

1.5.1 Board Objectives:

The Board objective is to prepare the report and to know how accounting procedure of Limart Capitaland Apparels Ltd.

1.5.2 Specific objectives:

The report will work on some specific objectives. Those are as follows-

1. To provide a brief overall of Limart Capitaland Apparels Ltd-
 - Background of Limart Capitaland Apparels Ltd.
 - Different divisions of Limart Capitaland Apparels Ltd.

2. To present an overview of Accounts Practice of Limart Capitaland Apparels Ltd -
 - To know the accounts practice of Limart Capitaland Apparels Ltd
 - To find out an importance of accounts practice.
 - To know the requirements to get accounts practice.
 - To acquire knowledge about the everyday accounts practice of Limart.
 - To know the expectations of stakeholders of Limart.
 - To recommend some suggestions for further development of Limart.

3. To find out the problems, if any, that Limart Capitaland Apparels Ltd. as well as stakeholders is facing in Activity and to suggest remedies for the problems encountered.

4. To fulfill the requirement of the Internship Program



1.6 Scope of the study:

In this report prepare by the overview of the company, management structure and different department major areas. Also present the report very important part my project activity of accounts department overall process for Limart Capitaland Apparels Ltd. different function of different production and management team.

1.7 Limitation of the study:

This report might be boundary with some restriction performance measurement of the contribution of an accounts department of a company to the economy is very difficult task. But, I have support from the Limart Capitaland Apparels Ltd. the internship program I have faced a lot of problems to complete the report.

1.8 Problems that I have faced for preparing this report are:

- Accounts Department did not provide Up-date information
- In this report make a limited time and some boundary.
- Accounts department are highly confidential for Any Company. In this case, some information and data could not disclose but some very much important.



CHAPTER 2

Organizational part



2.1 Brief History of the organization:

Limart Capitaland Apparel Ltd. is one of the successful and ideal garment factories. Since 2017 this company it started journey. The company very binging there marketing area expanded Europe, Russia and USA. Now this company made all type of dress, Except Woven Fabric.

2.2 Mission:

“The way to clearly the preplanned strategic plan to start a business mission in other way”
A mission describes the organization’s terms and condition for the society of making excellent product for the consumer.

2.3 Vision:

Using the fastest customer service apply to best martial and achieve foreman currency.

2.4 Business Goal:

The companies take step excellent service to the customer and contribution to the social development action as well as participate in our country economy.

THE FUTURE TRUST

- Full duplex on-line Banking.
- Introducing more innovative services.
- Opening new production line.
- Expansion of business network at home & abroad.



2.5 Corporate information at a glance:

Particulars	Details
Name	Limart Capitaland Apparels Ltd.
Nature of Business	Producing and Export
Year Establishment	2017
Location	Dhaka
Production line	08 line
Status	Private Ltd Company
Corporate Office	House# 143,Road# 4,Mhohakali DHOS
Factory	Lotifpur, Kaliakoir, Gazipur
Business Line	Men's and ladies

2.6 Product of Limart:

Limart Capitaland Apparels Ltd. Main product of knitting Garments for Men's , Ladies, Children in Top and Bottom. The market are control,

- a) Men's, Women's, Children
- b) T-Shirts & Polo Shirt
- c) Tops (formal & casual), Skirts, Jackets
- d) Trouser etc.



2.7 Corporate Strategy:

The management provides broadly area of definite service. But it is not enough for the connect to the corporate. There are need to some frequently performance for all issues. The management select one person from the management and as advisor he take responsibility to given to the corporate policy. The advisor's Social Work Service is building a partnership with the local health board in response to the Government's Joint Futures initiative for example.

The Corporate Policy Unit within the Chief Executive's Department has the lead responsibility for several key policy areas; develops relevant strategies to handle significant policy issues and supports both senior elected members and the Council's Corporate Management team.



2.8 Organizational Organogram:

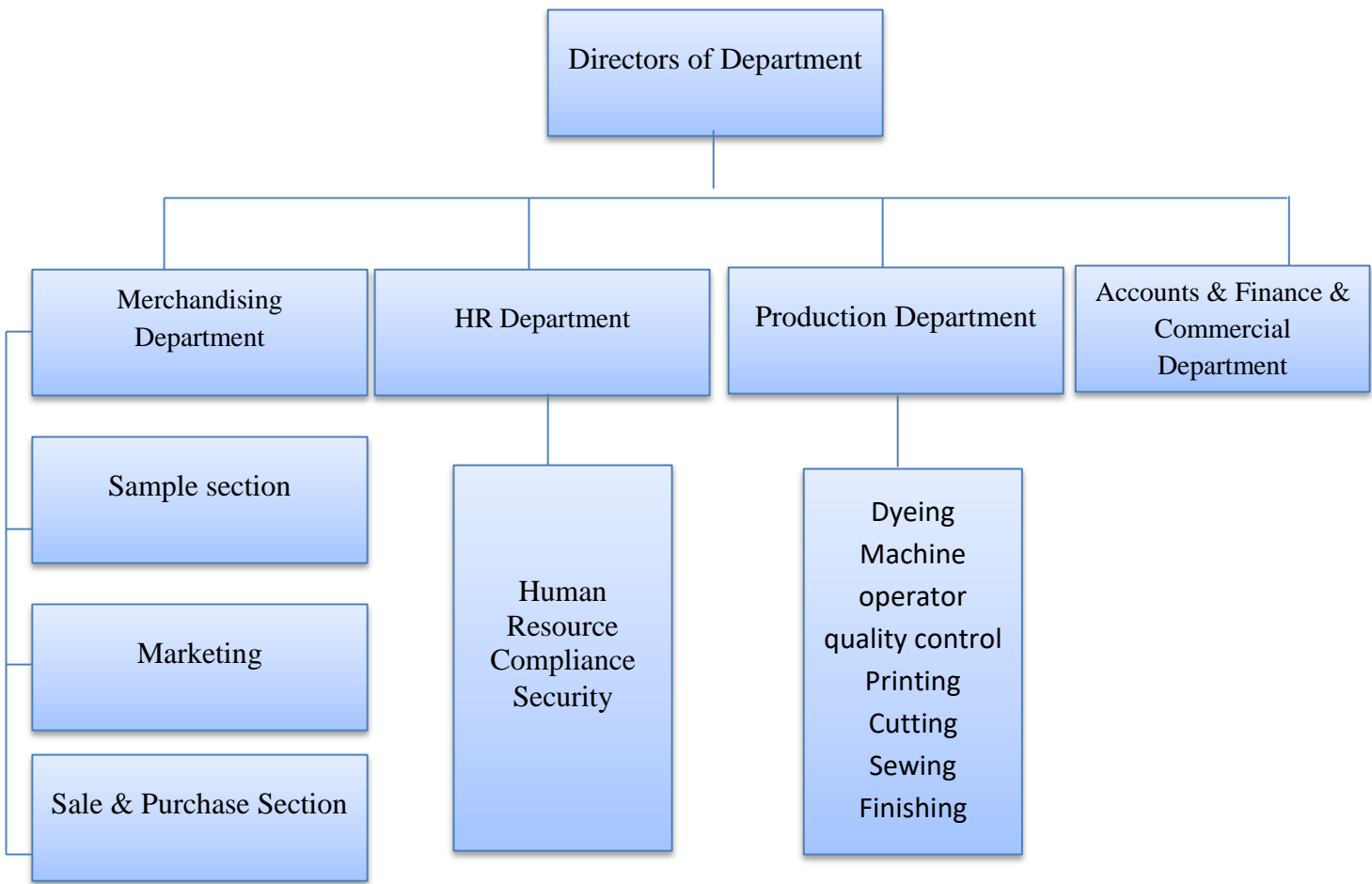


Figure: Organization structure



2.9 Porter's 5 forces analysis of Limart:

The five forces mentioned above are very significant from point of view of strategy formulation. The potential of these forces differs from industry to industry. These forces jointly determine the profitability of industry because they shape the prices which can be charged, the costs which can be borne, and the investment required to compete in the industry. Before making strategic decisions, the managers should use the five forces framework to determine the competitive structure of industry:



Figure: Porter's five forces

Threat of new Entrants: Threat of new Entrants refer to the firms which are not currently competing in the industry but have the potential to do so if given a choice. Entry of new players increases the industry capacity, begins a competition for market share and lowers the current costs.



Threat of Substitute products or services: Substitute products refer to the products having ability of satisfying customer's needs effectively. Substitutes pose a ceiling (upper limit) on the potential returns of an industry by putting a setting a limit on the price that firms can charge for their product in an industry.

Bargaining Power of Buyers: Bargaining power of buyers: refers to the customers who finally consume the product or the firms who distribute the industry's product to the final consumers. Bargaining power of buyers refer to the potential of buyers to bargain down the prices charged by the firms in the industry or to increase the firms cost in the industry by demanding better quality and service of product.

Bargaining Power of Suppliers: Suppliers refer to the firms that provide inputs to the industry. Bargaining power of the suppliers refer to the potential of the suppliers to increase the prices of inputs(labor, raw materials, services, etc.) or the costs of industry in other ways.

Intensity of competitive rivalry: Rivalry refers to the competitive struggle for market share between firms in an industry. Extreme rivalry among established firms poses a strong threat to profitability.



Criteria	Range	Facilities	Situations	Information
Bargaining power of buyers	High	Threats	unfavorable	Customers have enough power to change the rules.
Bargaining power of suppliers	Medium	Threats	unfavorable	Sometime Suppliers are creating embarrassing situation
Threat of new Entrants	Medium	Opportunities	favorable	The new garments are creating new demand that is a challenge for Limart.
Threat of substitutes	Moderately Low	Opportunities	favorable	The garments have the huge demand for customer to fulfill the demand.
Threat of Rivals	High	Threats	unfavorable	The competitors are strong enough to catch the new customer with suitable area.



CHAPTER 3

Actual Task Part



3.1 At a glance of Liamrt:

I have completed my internship from Limart Capitaland Apparels Ltd. (Kaliakoir, Gazipur) started its opening on January 2017. Limart Capitaland Apparels Ltd. located at Lotifpur, Kaliakoir, Gazipur. This company included 13 employees and 5 staffs and 200 workers as well. The managing director Limart Capitaland Apparels Ltd. is Mr. Ronjon Sarker. The interior design of Limart is quite amazing unique as well. This company making good amount of profit within time. The management officials who are behind the success of the company are experienced and highly qualified.

3.2 Description of Job:

In the Limart Capitaland Apparels Ltd I was doing my internship as full time employee since August 2018. For that reason, they did want to give me much amount of authority to do some kind of work. But as an employee, they gave me some task which I had to do for my learning and also for job purpose. The nature of my job is describing in below-

- To learn how they manage their accounting problems with Stakeholder.
- To learn about Investment.
- To learn the activities of cash management.
- To get real work experience in the company.

3.3 Job Which I performed in Limart:

As an employee, I did some specific tasks which I had to do under the accounts departments. Basically I was worked in accounts with Cash Department as well.

As an employee what I have done so far these are given below:

- Maintain cash Management.
- Weekly and Monthly reported financial statement.
- Prepare L/C wise cost.
- Account payable (suppler account).



3.4 Learning:

In the Limart Capitaland Apparels Ltd. where I was learn by working. Although all the Officers are busy with their work but besides their business I learn from them lots of work which are given in below-

Primary Learning: In case of Primary Learning I learn so many things which are given in below-

- Organizational Culture
- How to Behave with the Clients
- How to Behave with the stakeholders in a Challenging Situation
- Time Management

Secondary Learning: As an employee in the Limart Capitaland Apparels Ltd. there are a number of activities in which I was involved. The activities are given below:

- The process of accounts activities.
- Assisting stockholders with necessary information.
- Collecting necessary papers from stakeholders such as- photocopy of Trade License, Tax identification number (TIN) etc.

3.5 Observation:

During the work I have noticed that:

- Every single work has been completed according to their rules.
- The work is separated for each employee.
- They have their own format (excel) for doing their accounting task
- The employees of the company are very helpful and co-operative.
- How to deal with customers in critical situation.



CHAPTER 4

Project Part



4.1 Introduction:

The important feature of accounting is identification, measurement, and communication of financial information about economic entities to interested stakeholders. Accounting is an information system which provides information regarding debt outstanding, sales increasing or decreasing, cash, asset, profit or loss and so forth. An efficient accounting system is beneficial for every Business organization. Accounting is the process that culminates in the preparation of financial report on the enterprise as a whole for the use by both internal and external stakeholders. Users of those financial reports include investors, creditors, managers, unions and governments agencies. However, Management accounting is the process of identifying, measuring analyzing, and communicating financial information needed by management plan, evaluate and control an organization's operations.

4.2 Accountants use Excel:

Limart Capiataland Apparels Ltd. The accountant are using excel. The accountant makes the platform for the accounting functions. All financial statement like Balance sheet, income statement , and others accounts recorded by the excel.

4.3 Excel important for accountants:

Nowadays Excel is an important tool that can help finance and accounting professionals create reports, analyze data and prepare financial strategies. Excel have specialized functions that can make easily recoding and present our financial information.



4.4 Importance of proper accounting practice:

Accounts are the very important part of the business. In that case the corporate ethics to maintain proper accounting. So that any stakeholder and shareholders are not suffering or tense for the any risk to happen by the intentionally. Other words perfect financial report can make easy to the management to take decision for the organization. Accountant must be recorded every single data for the future evaluation

Proper accounting practice is very important for the every business. If business faces any challenge that time checks the accounting record provides the changes of business.

4.5 Observation:

Accounting practice of Limart Capitaland Apparels Ltd.

Throughout my employee period, they are maintain the daily completion of work recording by four accounting book. This book are General ledger, customer book, bank book and cash book.

4.5.1 Cash book:

In an organization the daily cash transactions to recoding by in this book. Every single collection from the customer, cash withdraw from the company account to bank, all type of cash receive are recoding in this cash book. Also recorded to every cash expense. Must be all receive and expense are to recorded by the date and details.



Debit

Cash Book

Credit

Date	Details	Ref.	Taka	Taka	Date	Details	Ref.	Taka	Taka
dd/mm/yy	All type cash receive & bank withdraw or any income	Receive book No.& cheaqe No.	000	000	dd/mm/yy	All type cash expense and bask deposit pay to any others.	Voucher no.	000	000

4.5.2 Bank book:

In this book company maintain to every transection over the bank account. Organization is maintaining of bank account in the different bank. Bank account has two types one of them is current account and other is SND. Current account is to maintain small amount and frequent transaction whereas SND account is maintained for big amount transaction. Often bank charge for online transaction or letter of credit purpose. In this circumstance bank book and bank statement from bank are the primary sources of data for bank reconciliation.

Debit

Credit

Date	Details	Ref.	Taka	Taka	Date	Details	Ref.	Taka	Taka
dd/mm/yy	All amount receive from customer, & deposit any cash	Money receipt no.	0000	0000	dd/mm/yy	Cash withdraw or any charge expense	Voucher no.	0000	0000



4.5.3 Clients' ledger book:

In this book is maintained to keep the record of clients' transaction history. If goods are sold on account to the clients, that recorded with the bill number. Clients' ledger book shows the number of clients, total outstanding as well as a particular client's total due, last payment date, total advance sales and so on.

Date	Details	Ref. no.	Debit	Credit	Balance
dd/mm/yy	Sales/ Return/ Bank/ Cash	Receipt no. / bill no.	0000	0000	0000

4.5.4 General ledger book:

In this ledger book maintain all transaction by the accounts title. Here basically expense and receive in the organization are maintaining in this book.

ABC Account

Date	Details	Ref. No.	Debit	Credit	Balance
dd/mm/yy	Cash/ Bank	Voucher no.	0000		0000



4.5.5 Cheque register book:

Limart Capitaland Apparels Ltd. maintain Cheque register book which has very significant role. This book record the information regarding cheque received from clients'. In this register book it is found the date of cheque received, client name, bank name and cheque number, amount of taka, drawing date, expired date. In addition, this book can inform account management department regarding total number of cheque, total amount in taka, number of cash cheque, expired cheque as well as invalid cheque.

4.5.6 Monthly report:

The monthly report present the all receive and expense and present to the next month budgets from different source. It can be preparing based on all expense and receive statement. Monthly report is very important for financial meeting for the management.

4.5.7 Financial statement:

Financial statements reflect the collection, tabulation, and the final summarization of the accounting date. Four statements are involved:

1. Balance sheet
2. Income statement
3. Statement of cash flows and
4. Statement of retained earnings

The company condition at the end of the period balance sheet shows the financial condition whereas income statement measures the results of operation during the period. Then, the statement of cash follows reports the cash provided and used by operating, investigating and financial activities during the period. Finally, the statement of retained earnings reconciles the balance of the retained earnings account from the beginning to the end.



4.6 SWOT Analysis:

Strength

- Excellent client service
- Strong relationship with existing clients
- Diversified product line
- Wide network of branches

Weakness

- Limited financial capacity
- Infrastructure condition not good
- Lack of experienced personnel
- Lack of job commitment of the employees

Opportunity

- By adopting new technology at advance division garments can achieve more customer satisfaction.
- Clients become more concern regarding the quality of goods rather than price
- Advertising, attending trade fair and launch showroom might be bright prospect

Threat

- Changing the bank policy for the getting loan.
- New opportunity for the clients by the competitive garments.



CHAPTER 5

Ending Part



5.1 Findings:

- ✓ Infrastructures cannot make by the compliance.
- ✓ They are not providing financial supporting for the right time.
- ✓ They are not arranging training for employee.
- ✓ They are not using software for the accounts department.

5.2 Recommendation:

So there has some weakness that act as Barriers for being better performance of Limart Capitaland Apparels Ltd. If the company can reduced this kind of barriers company can be success. So they can take some action to recover those barriers.

- Adaption of more advance development in accounting system
- Financial capacity should be increase by the banking support.
- Infrastructure must be create following by compliance.
- Should be arrange training for the employee.

5.3 Conclusion:

Limart Capitaland Apparels Ltd. has already achieved good progress within few years. The garments is very important and vital for economic development in mobilizing capital other resources. Above this things an added challenge to all the accounting staffs as the listing the accountability of the organization has gained a higher reach.



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