

Internship Report

On

*“The Activities of Accounts Department
Of Green Peak Holdings Ltd (GPH)”*



BRAC University

**Department Of
Masters of Business Administration**

**Internship Report on
“*The Activities of Accounts Department
Of Green Peak Holdings Ltd (GPH)*”**

Prepared Under the Supervision of

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LETTER OF TRANSMITTAL

June 14, 2016

S.M. Arifuzzaman
Assistant Professor
BRAC Business School
BRAC University
66, Mohakhali,
Dhaka-1212, Bangladesh.

Subject: Submission of the Internship Report.

Dear Sir,

First, I would like to thank you for approving this invaluable topic. The study has given me the opportunity to get a deeper insight and use my theoretical knowledge in practical knowledge. This is to inform you that I have successfully completed my summer internship at **Green Peak Holdings Ltd (GPH)**. Here I am working in Accounts department, as an Accounts Executive. It has been a great pleasure to work such a friendly environment. I strongly believe that this report will satisfy your requirements and expectations I have concentrated my best effort to achieve the objectives of the report and hope that my endeavor will serve the purpose. I would like to thank you for the guidance and support you have provided me during the course of this report. The study focuses upon various relevant Accounts and Administrations' factors. I have provided some key findings and analysis and suggested some implementable recommendations.

I tried my best to make this report as informative, practical, reliable and relevant as possible and shall be obliged to provide you with any clarification regarding the report.

Thank you
Sincerely yours,

MD. EMRUL HASAN
ID: 13264015
BRAC Business School
BRAC University

Certificate of Supervisor

This is to certify that **Md. Emrul Hasan** student **Id-13264015**, Department of Masters Business Administration (**MBA**), BRAC University, Major in **Finance**, has completed the internship report entitled “**The Activities of Accounts Department of Green Peak Holdings Ltd (GPH)**” under my supervision as the partial fulfillment for the award of MBA degree.

He has done his job according to my supervision and guidance. He has tried his best to do this report successfully. I think this program will help him in future to build up his career wish his success and prosperity.

S.M. Arifuzzaman

Assistant Professor

Coordinator, MBA Program

BRAC University

ACKNOWLEDGEMENT

All praise to the almighty, and the merciful. Without his blessing and endorsement this report would not have been accomplished. The successful completion of this report might never be possible in time without the help some person whose inspiration and suggestion made it happen.

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Then, I specially want to acknowledge Lieutenant Colonel Md. Shamsul Islam, psc (Retd); Managing Director, Green Peak Holdings Limited, for his tremendous support, guidance and patience. I am also thankful to Sk. Alomgir Hossain; Senior Executive-Accounts, for providing me all the relevant and available information to have a clear concept on the subject. Without his kind supervision, preparing this report would be very difficult. My heart full thank to Md. Mohiuddin Zihad; Manager Operations and Md. Nazim Uddin Azad; Executive-Accounts. They provide me the guidance and counseling during my entire internship program. Their continuous and well-thought feedback enabled me to make this report a comprehensive one.

I also thank the contributions whose articles and publications helped me to enhance my knowledge and contributed significantly in preparing my paper. In preparing this report, I have taken many books that mentioned in the references. I acknowledge my indebtedness to all those authors and teachers for their work, which had great use to me.

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EXECUTIVE SUMMERY

Green Peak Holdings Ltd (GPH) is a new generation Real Estate Developer in Bangladesh. In the midst of hundreds of developer companies, GPH is striving hard to attain a position of excellence in the fields of design, quality of construction and customer-care as has been evident in the first five years of its operation.

This report based on the internship program, partial requirement for the Masters of Business Administration in **BRAC University Bangladesh**. This report aims toward providing an overview on accounts department of Green Peak Holdings Ltd. While preparing this report it has been tried to reveal the insights of the accounts department & performance analysis of the organization. A few recommendations and suggestions were also prescribed based on the observation and findings. Internship in Green Peak Holdings Ltd was a great practical experience for my life.

This report is categories in six different chapters. In chapter one introduction, background, scope, objective, methodology, limitations are discussed. In chapter two organizational profile and swot analysis are given of the Green Peak Holdings Ltd, Chapter three job profiles, Chapter four discussed activities undertaken of accounts department of Green Peak Holdings Ltd, Chapter five predicaments, recommendations and conclusion are given in this chapter. In chapter six finally reference is given.

Part-1

The Origin of the Report

Chapter-1

INTRODUCTION

1.1 Introduction

The world is tremendously competitive now. In every sphere of life and business, competition has become more and more furious. Every firm tries to obtain and retain efficient employees to meet the future challenges. In this rivalry, obtaining and retaining the best employees has become very important, as employees are that factors who make a firm alive and proceed to the path of profit.

1.2 Background

The course under MBA program designed with an excellent combination of theoretical and practical aspects. After the completion of MBA consisting of theoretical exposure, the students are sent to different organization to obtain some practical exposure in different sectors which would help them in taking up professional career. BRAC University has undertaken three months of internship program for its MBA students, as an important and essential requirement of the MBA program.

For developing the practical knowledge I want to do internship. As our educational system predominantly text based, inclusion practical orientation program, as an academic component is an exception to the norm. As the parties; educational institution and the organization substantially benefit from such a program, it seems a “win-win situation”. That is why practical orientation is a positive development in professional area. The process establishes networking contracts, which may help student to get a job, which means students can train and prepare them for the job market. Internship experience gives professional experience which practical orientation provides positive development in professional arena. In such a state of the affairs I join in Green Peak Holdings Ltd (GPH) under the guidance of my supervisor Sk. Alomgir Hossain; Senior Executive-Accounts. My experience involved with the overall accounts related work on Green Peak Holdings Ltd (GPH).

1.3 Scope of the study

As I was an intern, my scope was very much limited and restricted. I had maintained some official formality for the collection of data of my report.

1.4 Objective of the study

Broad Objectives

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

Specific Objectives

- To understand the function of Accounts department of GPH.
- This affiliation will help to get information from the activities of different Department. To know in which basis they evaluate their different projects.
- To know how they maintain their different project cost and others combined cost.
- To identify the problem of accounts system of GPH.
- To recommend suggestions for the Management.

1.5 Methodology

The study requires a systematic procedure from selection of the topic to preparation of the final report. To perform the study, the data sources were to be identified and collected, to be classified, analyzed, interpreted and presented in a systematic manner and key points were to be found out. The overall process of methodology has been given as below.

1.5.1 Research Design

This is an “Exploratory Research”, which briefly reveals the overall accounts activities of Green Peak Holdings Limited. Both primary and secondary data have been collected to conduct this report.

I have gathered primary data by personal interview of the Executives of GPH. Mainly I discussed with them verbally. I collected information from them and the annual report, journals, brochures, manuals and several books on Housing to prepare this report.

Some of the information's are collected from bank, articles, workshop and others are collected from the books as well as the information provided by the competitive banks. In short, the sources of data outlined below:

1.5.2 Sources of Data

There are two types of data:

- a) Primary Data
- b) Secondary Data

1.5.3 Data Collection Procedure

a) Primary Data

- Face to face conversation with the Officers.
- Primary Data will be collected Official records (files, rules & regulation).

b) Secondary Data

- To furnish the report properly information was mainly taken from Intranet.
- Official records of GPH.
- Annual reports of GPH.
- GPH official web sites.

1.6 Limitations of the study

Although, I have worked at Accounts Department I obtained whole-hearted co-operation from employees of all department of Green Peak Holdings Ltd. All the day, they were so busy, but they gave me much time to make this report properly. But they were not able to give me many documents that I would require, on the way of my study; I have faced the following problems that may be terms as the limitation of the study.

- **Limitation of time**

The first obstruct is time itself. Due to the time limit (Twelve Weeks), the scope and dimension of the report has been curtailed. I could not spend sufficient time for my report because the time limit given for submitting the report was very short.

- **Data insufficiency**

Since all the officers were very much busy, they were not always able to provide me much time, I received co-operation from the officials. As Green Peak Holdings Ltd is a one of the oldest Real Estate; there is not enough data to analyze the proper growth according to market economy. Moreover, all strategic information is not possible to collect.

- **Lack of records**

Insufficient books, publications, Facts and figures narrowed the scope of accurate analyses.

- **Fear of disclosure**

Another limitation of this report is GPH policy of not disclosing some data and information for obvious reasons, which could be very much useful.

- As an intern it was not possible for me to collect all the necessary secret information
- I had to complete this report within a very short span of time (Twelve Weeks) that was not sufficient for investigation.
- Because of the limitation of information, some assumptions were made. My perception about some observation may not be correct.

Part-2

The Report Body

Chapter-2

COMPANY OVERVIEW

Introduction

Established in 2011, Green Peak Holdings Ltd. (GPH) is a new generation Real Estate Developer in Bangladesh. In the midst of hundreds of developer companies, GPH is striving hard to attain a position of excellence in the fields of design, quality of construction and customer-care as has been evident in the first five years of its operation.

GPH firmly believes that housing is a fundamental right of each citizen and hence it is imperative to focus on affordable accommodation for the vast majority of people in the years to come. At the same time, it is crucial to embrace modern technology in the field of construction with a view to providing our clients safe and secure housing with an eye to continuous innovation.

GPH value a high standard of ethical practices in our operation and conduct, as pre-requisites for sustainable business. GPH consider their clients as partners in pursuit of their lofty goal of attaining a pre-eminent position in the real estate sector. Therefore, attending client's queries and concerns at a regular basis, and often at the senior management level, is always assured.

2.1.1 Short profile of the GPH

Company Name:

Green Peak Holdings Ltd

Legal Status:

Private Limited Company

Year of Establishment:

2011

Slogan of the Company:

Building your dream

Management:

Chairman: Mrs. Saleha Tasmin

Managing Director: Lieutenant Colonel Md. Shamsul Islam, psc (Retd)

2.1.2 Location of the Institute

House No: 1250 (2nd Floor),

Road No - 9,

Mirpur DOHS,

Dhaka – 1216, Bangladesh.

Phone: +88-02-8080852, 8080853

Mobile: +8801753 755153, +8801856 996605

E-mail: info@greenpeakholdingsbd.com.

Website: www.greenpeakholdingsbd.com

2.2 Company Vision, Mission and Values

Mission

- **To serve the people in their dream of attaining quality homes through excellent workmanship, innovative designs and first rate customer care.**

Vision

- **To become a leading real estate developer of Bangladesh.**

Values

- **Deep respect and care for customer's needs, interests and concerns.**
- **Continuous innovations in all areas of operation to attain best business practices.**
- **High moral and ethical standards in our operation and conduct.**
- **Empowering our people to foster efficiency, initiative and responsibility.**

2.3 SERVICES



**Real Estate Development
as Joint Venture Project**

**Construction
Management**

**Construction on
Contract**

REAL ESTATE DEVELOPMENT AS JOINT VENTURE PROJECTS

The core business area of the company is real estate development as joint venture projects. In this model, the company enters into agreement with owners of private lands, on mutually beneficial arrangement, to construct residential/commercial buildings within agreed time frame. The company is responsible for all the aspects of the project including design, obtaining of required permission, construction, utility connections till successful handing over of the projects to the land-owners and buyers. Although the company takes care of the major responsibilities of the projects, we consider our valuable land-owners and buyers as our development partners and we, as a matter of principal, seek their opinions and guidance throughout the life of any project.

CONSTRUCTION MANAGEMENT

Green Peak Holdings Ltd. also works as project manager to implement any project on turn-key basis for an agreed fee. As a project management company, we view our role as a partner. We plan and design the project within the client's budget and manage the construction with quality, to client's satisfaction. To meet a project's quality goals within the budget and schedule, the team develops a project specific strategy. We offer construction management services in two phases: preconstruction and construction.

- **Preconstruction:**

A good preconstruction plan can save cost, allows well-informed decision-making, reduces surprises and makes the outcome predictable. During the preconstruction phase, we provide planning and scheduling, estimating, value engineering and constructability reviews, purchase of long-lead items, budget development and monitoring, and prequalification of subcontractors.

- Construction:

During the construction phase, we conduct material procurement with optimal value-price evaluation; oversee subcontractor services; ensure quality; keep the project timeline in check and build the facility to make it fully operational.

CONSTRUCTION ON CONTRACT

Green Peak Holdings Ltd. participates in both public and private sector construction projects. The focus of our Construction Services is safety, quality, and client satisfaction. IBI has a qualified management and technical team, with long experience of project management. It has a track record of completing its projects in time, and with client's satisfaction. Our list of projects generally includes:

- ✓ Roads, highways and bridges.
- ✓ Office, residential and industrial complexes.
- ✓ Earthwork including earth-filling, dredging and construction of dams.

2.4 HANDED OVER PROJECTS



Lake Breeze

House No. 1250, Raoad 9,
Avenue 2, Mirpur DOHS



House No - 12, Road- 03,
Priyanka City, Section - 12
Uttara, Dhaka

2.5 ONGOING PROJECTS

Reminiscence

Plot: 860-861, Road: 12
Avenue 03, Mirpur DOHS



Faiza

Plot: 1154, Road: 9 A, Avenue 11,
Mirpur DOHS. Dhaka



Water Edge

Plot: 1305, Road: 18 (New), Avenue 02,
Mirpur DOHS, Dhaka



2.6 FINANCIAL HIGHLIGHTS

Authorized Capital: BDT 30,000,000.00

Current Assets:

- **Fixed Assets:** BDT 17,908,023.00
- **Cash in hand and cash Equivalent:** BDT 18,861,209.00
- **WIP:** BDT 104,513,036.00

Annual Turnover:

- **2013.** BDT 59,200,000.00
- **2014.** BDT 46,500,000.00
- **2015.** BDT 36,000,000.00 up to May 31, 2015

2.7 Departments of Green Peak Holdings Ltd

Operations Department

The Operations department handles different project work. This department is the heart of a developer company. GPH have some expert project or site engineers and staffs who are controlled by the operations department. This is the most important department of a developer company because the main work of a developer company is construction and mainly construction works are handled by the operation department.

Procurement Department

This is another important department of a developer company. Every working days lot of materials and other instrument need for operations. Procurement department purchases of different types of material and instrument. So, honest person must be needed to handle these operations. GPH have some employee under this department.

Accounts Department

This department mainly record of the Different type of transactions, Prepare bank recon solution Statement, income statement, Balance sheet, prepare different type of vouchers, Keep stock ledger, keep book for inventory, payment the employee salaries and many others financial works. Green Peak Holdings Ltd. has some expert employees for accounts department.

Marketing Department

Marketing department is mostly responsible for increase sales and providing service. Besides, this department introduces promotional activity, arrange advertisement and achieve target sales and so on. Marketing department covered whole Dhaka city to sell company's product

Human Resource Department

The role of the Human Resource Department is to deal with management of people within an organization. The Department is responsible for hiring members of staff and ensuring that they perform to expectation. HR department is also responsible for organization of people in the whole company and planning of future ventures that involves people in the company. The human resources department in Green Peak Holdings Ltd. oversees employee relations, including

determining salaries and wages, hiring staff and establishing employee performance objectives. The policies and procedures in regards to employee relations, which are coordinated by human resources management, are consistent with the overall business goals and objectives of the organization.

2.8 SWOT Analysis of GPH

Strength

- Reputation of the company
- Excellent client service
- Strong relationship with existing clients
- Expanding market, expanding sales & profitability
- Quality products and services
- Good purchasing power of target customers group

Weakness

- Limited financial capacity
- Lack of experienced personnel
- Few employee motivation schemes
- Lack of job commitment of the employees
- Lack of adequate marketing (advertising and promotion) effort
- Lack of full scale automation
- Lack of training facilities for the employees
- Strong competition among the existing players of the industry
- Increased price of industrial materials will be difficult to pass on the customers because the agreement in response of the price and construction standard is made 2 to 3 years before the actual handing over of the apartments

Opportunity

- Regulatory environment favoring private sector development
- Increasing purchasing power of people
- Value addition in products and services

- Increasing the population of Bangladesh
- A high profitable investment opportunity for individuals as well as financial institutions
- A very wide scope is prevailing for foreign investor also
- Urban population is developing favorable attitudes towards apartment living, although the present market of apartment business is limited within high income groups of the society, there exists opportunity for middle and lower level income groups.

Threat

- The market is becoming dreadfully competitive
- Frequent changes of inhabitation rule of Bangladesh Government or RAJUK
- Market pressure for lowering of lending rate
- National and global political unrest
- Lack of land of Bangladesh
- Political instability and unrest directly or indirectly threatens all the business sectors including housing industry
- Bureaucratic complexity imposed by RAJUK, WASA, DESA, and many other Government and semi Government agencies
- Cooperation and rendered by rational board of revenue in relation to the taxation and import facilities (Tax Concession).

Chapter-3

Job Profile

3.1 Nature of the Job

My job in Green Peak Holdings Ltd was to work in Accounts Department. I was assisting senior accounts executive. The team consisted of two people excluding me.

First few days I do not have to do anything except observing them and I was asked to learn by communicating and staying with Accounts department. At the first month my primary work was to learn how to operate a customize software which is used for maintaining company account. Then, I practically involved in work with the account management team. I was mainly handling cheque register book where I kept record of each cheque received from client. In addition I had prepared and checked different vouchers, checked weekly stock report for different project and prepared stock or inventory ledger.

In Green Peak Holdings Ltd both account management and financial planning is done by account management team. To be part of the team it is responsible for maintaining an efficient and accurate Accounting function.

3.2 Specific Responsibilities of the Job

Basically, I had to verify calculations, maintained cheque book register, prepared cheques for payment, prepare and check different vouchers, check weekly stock report for different project and prepare stock or inventory ledger.

3.3 Critical Observation

The Working environment is very friendly and employees are ready to help all the time. There is a good chain of command always followed. Moreover, Green Peak Holdings Ltd has software to maintain their total accounting system while company is not relying on that software rather than keeping record of transaction manually. This manual method is time consuming and laborious. From my point of view I think the company should more efficiently use the customize software that they have. By upgrading and using software might fruitful for the company.

Chapter-4

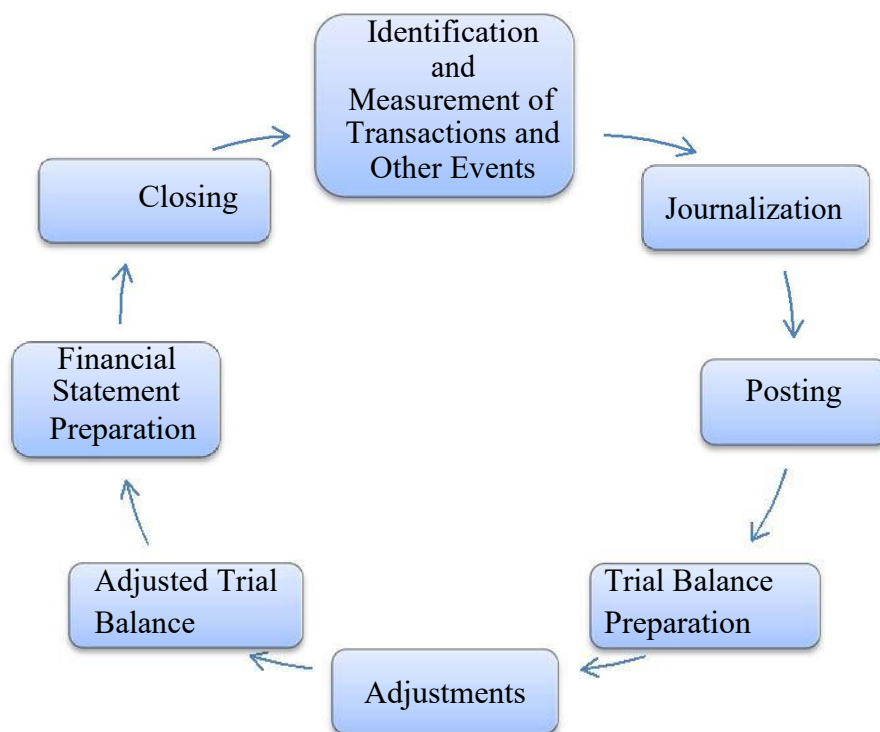
ACTIVITIES UNDERTAKEN

Accounts Department

4.1 Introduction

The essential characteristics of accounting are identification, measurement, and communication of financial information about economic entities to interested parties. 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 enterprise. Financial 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 parties. Users of those financial reports include investors, creditors, managers, unions and governments agencies. However, managerial accounting is the process of identifying, measuring analyzing, and communicating financial information needed by management plan, evaluate and control an organization's operations.

A standard accounting cycle –



When the steps have been completed, the sequence starts over again in the next accounting period.

4.2 Importance of proper Accounting practice

An accounting practice is intended to enforce a firm's accounting guidelines and policies. It exists as the daily recording of financial data that is important to the evaluation and monitoring of the firm's economic activities. Accounting practice refers to the normal, practical application of accounting and/or auditing policies that occurs within a business.

Well-maintained and balanced accounting records are one of the vital parts of a business whether it is large or small, a start-up, or a long-standing business. When things are financially unstable, good accounting records can provide answers as to what changes to make or what to do away with in order to keep business growing and prospering.

In order to keep good business accounting records, we need to have a good accounting program and the knowledge to keep it well-organized and up-to-date. Everyday accounting and financial information will need to be processed and reviewed in order to achieve goals and to be able to predict future finances. Knowing where money is spent and how it is possible to reduce costs are some of the most important topics in starting and making business grow.

A company's accounts records held on an accounts ledger, give a detailed description about profits and losses in a cash spreadsheet format. Auditors can study these financial statements and determine the accuracy and integrity of the business. An accounting statement also distinguishes the success ratio of present business from past progress using accounts formats that are recognized by other companies and bodies.

Bank may want to see balance sheets and profit and loss statements before giving a loan. Every business owner must realize that proper and accurate bookkeeping is one of the most important parts of the business. Many believe that starting a business is the way to get ahead. However, without proper accounting records business is much less likely to survive.

Above all else, it is important to make sure that records are an accurate reflection of business and that they are maintained on a regular basis. Keeping records regularly up-to-date is much easier than trying to remember weeks or months later the details of transactions.

Accounting practice of Green peak Holdings Ltd

4.3 Overview of Accounting System

4.3.1 Revenue Recognition

Sale of flat

Revenue is recognized on cash basis.

Provide services

Revenue is recognized on both cash and accrual basis.

Interest on bank account and fixed deposits

Revenue is recognized as the interest accrues unless collectability is in doubt.

Other income

All other incomes are recognized when GPH right to receive such income has been reasonably determined and all conditions precedent are satisfied. Other incomes are recognized on accrual basis.

4.3.2 Expenses

Expenses arise from goods and services being distributed to beneficiaries in accordance with the project objectives and activities. GPH's administrative expenses are allocated to various projects.

4.3.3 Accounts Receivable

Accounts receivable arise principally from providing services to customers. Accounts receivables are recognized when they are due.

4.3.4 Employee Gratuity and Redundancy Fund

GPH makes provisions for an Employee Gratuity and Redundancy fund, on the basis of two months' basic salary for each completed years of service for each permanent employee (based on the latest basic salary). For accounting purpose the provision is made on a monthly basis. Gratuity is to be disbursed upon retirement of employees whilst redundancy disbursements are to be made in the event of cessation of service from GPH on grounds of redundancy.

4.3.5 Cash & Cash Equivalents

Cash and cash equivalents for the purposes of the statement of cash flows comprise cash and bank balances and un-pledged fixed deposits, against which bank overdrafts, if any, are deducted.

4.4 Books, Forms and Register

GPH uses the following books, forms and registers to record and analyze transactions and institute an effective internal control:

4.4.1 Cash book

In the cash book, the organization maintains their daily cash transactions. Any types of cash received like from client, withdrew from owns bank account, service charge and loan from bank, other organization or director. Afterwards, daily cash expenses are also recorded. It is worthwhile to mention that every transaction is record from the journal voucher. Journal voucher refers to a voucher which functions as a journal book. It keeps transaction with date and explanation.

4.4.2 Bank book

Bank book is kept to record all transaction regarding bank. Organization is maintaining two types of bank account in the same bank. 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. Bank book play a vital role in bank reconciliation. Most of the time clients deposit in company's bank account. 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.

4.4.3 Cheque register book

Green Peak Holdings 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.

4.4.4 General ledger book

General ledger book has huge number of accounts head. Most of those are expense of the organization. Usually conveyance, office maintenance, rent, bill, legal fees, entertainment advertisement, salary, tax account recorded in this ledger book. In addition, there is also sales account which is the control ledger, under this ledger cash sale and on account sales are maintained. Furthermore, purchase account is also a control ledger under which local purchase and Import purchase recorded by the organization.

XXX A/C

Date	Particular	Folio No.	Dr	Cr	Balance
00/00/00	Cash/ Bank	Voucher no.	XXX		XXX

4.4.5 Clients' ledger book

Clients' ledger 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 due outstanding as well as a particular client's total due, last date of payment, total advance sales and so on.

Date	Particular	Folio no.	Dr	Cr	Balance
00/00/00	Sales/ Return/ Bank/ Cash	Receipt no./ bill no.	XXXX	XXXX	XXXX

4.4.6 Salary Register

Salary is one of the largest parts of operating expenses of GPH. Details about salary/ payroll register are discussed in Payroll section of this Manual.

4.4.7 Pay Slip

Pay slip portrays details of an employee's salary. Pay slip is prepared in three copies, one is for the staff, one remains with the counterfoil and the other is office copy, which is filed separately.

Following is the format of pay slip:

4.4.8 Advance Ledgers

To carry out various activities, GPH has to procure goods and services for which advances to suppliers or to its own staff are required to be given. All of the advances are recorded in advance ledgers, which are subsidiary ledgers. Currently advance ledgers are manually maintained but will soon be computerized. There are two advance ledgers to record

- (i) Advance to staff against expenses and
- (ii) Advance to 3rd party against expenses.

4.4.9 Voucher Forms

Voucher is the most basic document needed for recording financial transactions.

Elements of a voucher are:

- Name of the organization
- Number of voucher
- Nature of voucher
- Date of preparation
- Signature of those who originated checked and authorized.
- Bill/cash memo and other supporting documents as attachments.
- Project code
- Heads of Account, Accounts code
- Amount in figures and words
- A brief narration about the transaction
- Recipient's Signature

GPH has four types of vouchers:

- Debit voucher
- Credit voucher
- Transfer voucher
- Journal voucher

4.4.9.1 Debit voucher

Debit voucher is prepared to record all cash and bank payments. This voucher is alternatively called payment voucher.

4.4.9.2 Credit Voucher

Credit voucher is used to record cash and bank receipts. It is alternatively called receipt voucher.

4.4.9.3 Transfer voucher

- Cash transfer from one bank to another bank is recorded in the books of accounts through transfer voucher. This voucher is also used for cash/cheque deposit in and cash.
- Withdrawal from bank accounts. Bank statement, deposit slip and counter foil of cheques are supporting documents of transfer vouchers.

4.4.9.4 Journal voucher

- All non-cash transactions are recorded in the books of accounts through journal vouchers.
- Provident fund, income tax and other deductions from salary, expenses or income transfer from one project/department to another, depreciation on fixed assets etc. are recorded in the books of accounts through journal vouchers.

4.4.10 Money Receipt

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

- Customer copy
- Voucher copy (attached with voucher)
- Filing copy

4.4.11 Fixed Asset Register

Fixed Asset Register is maintained in Fixed Asset Ledger software. The register keeps detailed

information of fixed assets including group, subgroup, voucher number, date, price, disposal details, depreciation, location etc. Various reports are available from the register. Two most important reports are Asset Ledger Summary and Asset details.

4.5 Control over cash

GPH's Accounts Department is responsible for receipts and disbursements of cash. Cash includes cash in hand, cash at bank, pay orders, drafts and other instruments.

The control system employed by GPH has the following elements:

Use of voucher system

All receipts and payments require approval, which is effected through vouchers. Debit voucher is used for all payments and credit vouchers for all receipts.

Minimum cash handling

GPH discourages cash receipts and cash payments. Preferred mode of receipts and payments are cheques, drafts or bank transfers.

Minimum cash holding

Cash holding limit BDT 100,000.

Surprise check of physical cash

Appropriate authority conducts surprise checks when cash is counted and compared with book balance.

Acknowledgement of all receipts

All receipts are immediately acknowledged by issuing serially numbered receipts.

Receipting all payments:

All payments made by GPH require to be receipted by the payee. Any payment is under strict scrutiny to check that:

- a. Expenses are properly authorized
- b. Procurement procedure is followed

Internal check system

An internal check system is in operation which ensures distribution of work in such a way that work of one is automatically checked by another. The person receiving the cash, for example, does not authorize the receipt.

Bank reconciliation

Sometimes the balance shown by the bank statement differs from the cash balance of the ledger for various reasons. Reconciliation statement is prepared to explain the difference.

4.6 Receipts

Receive from customer for Sale of flat

Receive from customer for Providing Services

Receive from Selling scarp materials

4.7 Payments

GPH's payments can be categorized as follows:

Internal Payments

Salary Payment

Staff Final Payment

Payment of other expenses

External Payment

4.7.1 Internal Payment

4.7.1.1 Salary Payment

Payroll is one of the largest payments that take place every month. GPH has Payroll wing which is responsible for preparation of payroll. Details about payroll have been discussed later under payroll section.

4.7.1.2 Staff Final Payment

Final Payment is made when a staff leaves GPH by way of resignation, termination, dismissal or redundancy. The staff needs to take clearance from his/her department in-charge and other relevant departments (transport, HRD etc.) to get final payment. The final payment includes gratuity, provident fund, leave pay etc. If the staff has an outstanding loan or other dues it is adjusted from the final payment. The terminal benefit is calculated according to the rules of Human resource policies. The gratuity and provident fund calculation process is described in details in “Gratuity” and “Provident Fund” sections of this manual.

4.7.1.3 Traveling and other Payment

This includes payment of traveling allowance, local conveyance, and overtime bill, daily allowance and other reimbursements. Employees prepare their bills and get approval from their respective department heads. Then treasury section makes payment. Accountant prepares payment voucher. The voucher is approved either by the head of accounts.

4.7.2 External Payment

External payments are usually made against purchase of materials and services. They include office rent, food, fixed assets, supplies etc. Purchases are made according to the rules of “Procurement Manual”. The Supplier/Contractor, after performance of the contract, submits bill to procurement department which approves the bill after necessary verification.

4.8 Payroll

Payroll is one of the largest components of GPH’s annual expenditure. Accounts department manages the whole process of preparation and payment of salary.

Payroll Register

GPH maintains both manual and computerized payroll register. GPH maintains a Payroll register with detailed information, which includes:

4.8.1 Components of Gross pay:

Basic amount (base salary)	Utility
House rent	Special allowance

Conveyance
Medical allowance

Other

4.8.2 Deductions:

Generally following deductions are made from the gross salary:

Provident fund	Loan realization
Income tax	(calculated salary for leave) without pay
Transport	Others

4.8.3 Provident Fund

A confirmed employee is entitled to be a member of GPH contributory provident fund (PF). Every month the non-faculty staff contributes 10% and faculty staff 5% of their basic salaries, which is matched by the company.

4.8.4 Festival Bonus

All permanent employees get festival bonus twice a year. Each bonus is equal to one month's basic salary. Those who have not completed one year get bonus on pro rata basis calculated in the following manner:

Basic salary X No of months worked/ 12 months

Bonuses are paid fifteen days before the festivals as follows

Bonus	For	Festival
Bonus – 1	All	Eid-ul-Fitr
Bonus – 2	Muslims	Eid-ul-Azha
	Hindus	Durga Puza
	Christians	Christmas day
	Buddhists	Buddha Purnima

4.9 Advances

Procurement of materials and services are essential part of company construction activities. Materials are usually procured from outside suppliers while services are bought from both within the organization and outside. The employees are the internal service providers. Often money has to be advanced against procurement of Materials and services. This advance may be given directly to the supplier of goods and services or to staff when staff does the procurement as per procurement policy.

4.9.1 Types of Advances

(a) Advances to Staff

Advance against salary

Advance against conveyance and transportation expenses

(b) Advances to Third Party

Advance against purchase

Advance against house rent

Advance to the contractors

4.10 Long term investment

Long term investments may be in shares and securities. All investments will initially be recognized at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. After initial recognition, investments in shares of listed companies will subsequently be measured at fair value, with unrealized gains or losses recognized in the statement of income and expenditure. Fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date, adjusted for transaction costs necessary to realize the asset.

Other long-term investments, which are intended to be held to maturity, such as debentures and private debt securities, will be subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. Apart from the amortization process which is dealt with through the statement of income

and expenditure [income is increased or decreased by the amortization of discount or premium, any gain or loss is recognized in the statement of income and expenditure when the investment is disposed of or suffers a permanent diminution in value.

4.11 Fixed Assets

An asset which meets the following criteria is recognized as fixed asset:

Its expected life is more than three years.

Economic benefit is generated from it.

Management recognizes it as fixed asset.

GPH fixed assets portfolio includes the following:

- (a) Land
- (b) Building and construction
- (c) Furniture & Fixture
- (d) Office equipment
- (e) Vehicles etc.

4.11.1 Procurement of Fixed Assets

GPH purchases fixed asset according to procurement manual. Fixed asset is always recorded at original cost plus any other capitalized cost. The accounting entries for transactions in relation to fixed assets procurement are:

- (1) When fixed asset is purchased

Fixed assets	Dr.	
Cash/Bank/Creditors		Cr.

- (2) When fixed assets are under construction

Work in progress	Dr.	
Cash /Creditors		Cr.

- (3) When construction is completed and certified for use

Fixes assets	Dr.	
Work in progress		Cr.

(4) When advance is given for purchase of fixed assets

Advance to 3rd party	Dr.	
Cash/Bank		Cr.

(5) When advance against fixed assets is adjusted

Fixed assets	Dr.	
Advance to 3rd party		Cr.

4.11.2 Fixed Assets Register

The detailed particulars of fixed assets are maintained in fixed assets register. The register is updated whenever there is a change in or addition to information maintained in it. The following information is kept in the fixed assets register:

Date of purchase/sale/transfer/depreciation	Group of assets
Voucher number	Description of assets
Depreciation rate	Written down value of the assets
Quantity of assets	Location
Cost of assets	Identification mark
Cumulative depreciation	others information (if any)

4.11.3 Depreciation

Fixed assets lose their value over time (in other words, they depreciate), and must be replaced once the end of their useful life is reached. All fixed assets of Green Peak Holdings Ltd are depreciated under straight-line method. Under this method an asset's expected economic life is ascertained in terms of year. Then the total cost of the assets is divided by the number of years. If any salvage value is considered for an asset on its expiry of expected life, this amount is deducted from the cost

to arrive at the depreciable amount. Depreciation is expressed in terms of percentage of cost of the related assets.

When depreciation is charged the following entry is passed in the book:

Depreciation Expense	Dr.	
Accumulated depreciation		Cr.

4.12 Accounts Receivable

Accounts receivable arises principally from services provided to the customers.

Accounts Receivable	Dr.	
Respective income head		Cr.

Receivables are shown on Balance at fair value and provision is shown for bad receivables. Other receivables may arise from insurance claim, interest accrued on bank deposits or investment in securities.

4.13 Customized software

There is customized software in the organization to maintain their account. Though, I hardly found anyone to work with this software. The software is limited use only, to illustrate, it cannot record general ledger book's account head but it is useful for maintaining cash book only. As a result the software lost its importance. In contrast, I felt myself there are lack of professional person to operate this software otherwise the limitation of the software might be outweigh compared to the advantage of using this software.

4.14 Internal Financial Monitoring

Internal financial monitoring includes all the procedures and actions taken by the Accounts Department to:

- Ensure reporting and financial calculations in compliance with different accounting policies.
- Ensure accurate and reliable operating data and accounting reports.
- Protect GPH's assets against theft and waste.
- Conduct various financial analyses to find performance of different projects.

Monitoring is a collective responsibility and every member of Accounts department is involved in it.

4.15 Financial Reports and Statements

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

Financial reports contain a typical presentation of financial data. Sometimes for better clarity, these reports also include narrations. Statutory financial statements are prepared in accordance with accounting concepts, convention and other applicable standards. But in other cases, reports are prepared based on the requirements of the users. However, the financial data for both the cases are generated from same set of books.

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

- Balance sheet
- Income statement
- Statement of cash flows and

- Owners equity statements
- Notes to the financial statements

Balance sheet shows the financial condition of the company at the end of the period 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, investing 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.

4.15.1 Internal Reports

Monthly report

Monthly report shows the expenses and received money from any sources. Monthly report made on the basis of cash book, bank book and general ledger book. Monthly report is essential in the end of every month's financial meeting.

Weekly Report

Weekly report also shows the expenses and received money from any sources. Monthly report made on the basis of general ledger book. Every project or site manager also submits the weekly stock report.

4.15.2 Statutory report

Statutory report is prepared annually. This report is certified by public auditors.

Chapter-5

Predicaments, Recommendations and Conclusion

5.1 Predicaments

The accounting cycle is well followed in Green Peak Holdings Ltd. According to my perception, there are some difficulties, to some extent, Green Peak Holdings Ltd dose not prepare trial balance. Trial balance is a list of all open accounts in the ledger and their balances. A trial balance should be taken immediately after all adjustment have been posted is called adjusted trial balance. As a result, preparing financial statement and auditing takes long time and it is a laborious work in GPH. If GPH prepares trial balance, adjusted trial balance, after closing trial balance then the total work time could be shorter and inexpensive.

As like as other traditional organization, sometimes GPH keeps transaction records in cash basis. Cash basis accounting is easier to maintain as well as easier to understand whereas cash basis accounting has a lot of limitations. By cash basis accounting, it is difficult to find out net income in a certain period of time, because, the determination of income on the cash basis rests upon the collection of revenue and the payment of expense. Furthermore, under the cash basis, the revenue recognition and the matching principle are overlooked. In nutshell, cash basis financial statements are not in obedience with generally accepted accounting principles.

5.2 Recommendations

Working at Green Peak Holdings Ltd was a great experience for me. I have learnt many things throughout my internship period. From my little knowledge what I have some recommendations as follows:

Green Peak Holdings Ltd have a very few employee at account management department whereas the work pressure is high. So the department could increase their workforce and share the work

together. Secondly, to increase the rate of work efficiency they need faster computer with user friendly operating system. There is customized accounting software in the organization which is not beneficial. The company should update or add more features in that software and appoint a professional operator so that it might save time, money, labor and execute an impact for the long run.

5.3 Conclusion

Green Peak Holdings Ltd is a growing developer company. This was an added challenge to all the accounting staffs as the listing the accountability of the organization has gained a higher reach. The Accounts department took the challenge and proved their spirit by the timely publication of yearly Annual Financial Reports. Each and every section in the department deserves to be complemented. In this report, I have tried my level best to identify management accounting technique and procedures used by Green Peak Holdings Ltd. What and how GPH use accounting information for decision making and external financial reporting along with describing the procedure and systems of using accounting information. In this report, I imply our acquired knowledge from accounting course and try to comply with the techniques procedure and systems followed by the company.

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