



Internship Report

On

TRADE Program overall analysis of SQUARE Toiletries Ltd: Internal Audit Mechanism

Submitted To:

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***TRADE Program overall analysis of SQUARE Toiletries Ltd:
Internal Audit Mechanism***

Letter of Transmittal

April 9th, 2017

MS. Asphia Habib

Lecturer, BRAC Business School,

BRAC University,

Dear Madam,

I want to thank you for giving me the opportunity to serve as audit intern at SQUARE Toiletries Limited which based on “TRADE Program overall analysis of SQUARE Toiletries Ltd: Internal Audit Mechanism”. I was appointed by Office of Career Services and Alumni Relations-OCSAR as a prerequisite course which helps to complete BBA course.

I put my paramount effort for the preparation of this report. Any difficulties or flaws may arise as because of my learning aspects. I shall wholeheartedly accept any suggestions or feedback regarding my report. Your support in this regard will be highly appreciated.

Sincerely yours,

.....

Mushfiqa Zahin Chowdhury

Student ID: 12304052

BBS, BRAC University.

Acknowledgement

First of all, I would like to be grateful to Almighty Allah to give me strength to complete my internship report on “TRADE Program overall analysis of SQUARE Toiletries Ltd: Internal Audit Mechanism”.

Despite of knowing all the requirements to accomplish my internship report successfully for which few number of people helped me on this. In this repute, there is a slight effort to express my deep gratitude towards those people who were helpful person for preparing my internship report.

I convey my sincere thankfulness to my Academic Supervisor, MS, Asphia Habib, Lecturer of BRAC Business School, BRAC University. Without her direction it wouldn't be possible to make my report successful. Her guidance for each and every steps has shaped perfect.

Secondly, I would Like to thank Mr. Golam Kibria, Director, Accounts & Finance, SQUARE Toiletries Limited(STL). Without his tremendous help it wouldn't be possible to make this report with such an important project and also giving me the opportunity to work independently along with required support.

Lastly, I express my profound gratitude towards my line manager in STL, **Razzakul Haider**, Executive. Without his cooperation, this report might have remained incomplete. he always guided me like a guardian and as well as with excellent guidance helped me to complete my internship report successfully.

I would like to show my respect to my colleagues of SQUARE Toiletries Limited to give a clear idea about Internal Audit department and it works.

Executive Summary

This report has been made on the basis of experience altogether during my internship period at SQUARE Toiletries Limited. Basically it is a reflection paper where I have tried my best to picturized my internship tenure.

SQUARE Toiletries limited is the leading company in Bangladesh known as FMCG (Fast Moving Consumer Goods). This local organization has specialized on manufacturer of different cosmetic and toiletries product categories, Cosmetic Contract Manufacturing & Packaging, Marketer of different cosmetic and toiletries product categories.

Though I worked for Internal Audit Department and my report is made on “TRADE Program” so it consists of my job responsibilities where I have spent my three months on SQUARE Toiletries Limited. Then, I have discussed on “TRADE Program” briefly which is the main concentrated part of my internship report. Then I have described the critical observation part that I have noticed during my three months tenure and recommend some solution of that analysis.

Last but not the least, I have talked about the guideline of Internal Audit department and my job description as well as my experience and educational approach towards my department.

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TRADE Program overall analysis of SQUARE Toiletries Ltd: Internal Audit

Mechanism

Chapter 1

Introduction

It is truly difficult to discover a person in Bangladesh who does not know about Radhuni, Meril soap, Square Hospital and Medicine, Kool lotion etc. From the rural to urban zone everybody perceives these services from Square. Perhaps people do not know extremely well about the organization that has been delivering these amazing services over the years but they certainly jump at the opportunity to utilize these. All the things considered, the trend setter of these local revolutionary products and services is the comprehensively both Bangladesh and globally perceived organization is SQUARE Group.

Square organization is a standout amongst the most and biggest organization in our nation. They have a few branches everywhere throughout the nation giving and conveying item and administrations. Presently a-days they catch the greater part of the pieces of the overall industry of our nation. They have a notoriety name in the pharmaceutical business of Bangladesh for assembling quality solutions for over four decades. SPL made its introduction submissively in 1958 from a little place of the town Ataikola close Pabna. Some enormous concerns like Square Purchaser Items Ltd., Square informatics and Square Healing Centers Ltd. Fused around then; square was joined with an administration concurrence with Burmugrad Healing Facility Global of Thailand for the administration of Square Doctor's facilities ltd. Square today is a corporate monster dynamic in dissimilar business and mechanical fields. Its present unassailable status is the result of its effective broadening whether related enhancement or inconsequential. Our destinations are to direct straightforward business operations inside the legitimate and social casing work with intends to accomplish the mission reflected by our vision. Our Main goal is to give quality and inventive human services alleviation for individuals. Our vision is prompting gradual addition of riches through budgetary and good picks up as a piece of the procedure of the human development. According to arrangements of the Article of Affiliation, governing body holds occasional gatherings to determine issue of approaches and techniques, recording minutes/choices for usage by the Official

Administration. So it is clear to us that SCL a vital and most contributing organization in our nation for govt. and also for our economy.

Objectives of the report:

In this report, the objectives have been allocated into two fragments.

General Objectives:

1. The first and foremost general objective is to meet the real life experience or get the corporate zest by performing three months' internship at SQUARE Toiletries Limited.
2. Last but not the least, to accomplish the requirements of BUS-400 course and under the supervision of Ms. Asphia Habib, lecturer of BRAC Business School, BRAC University.

Explicit Objectives:

1. To know more about auditing procedures of company through involving in practical platform.
2. Get to know how a company can be more efficient in ethical manner.
3. To get aware of some issues involving in trade program and how to deal with it.
4. To acknowledge about the strategies of audit department.
5. To analyze and recommend some issues that has been observing during the internship three months' tenure.

Methodology:

There are two methodologies for formulating this report through observation of working strategies and process.

Primary source:

Data of the programs are collected from experience, rules and regulation, manual procedure

Secondary data:

The secondary data are collected from the company and its annual report.

Limitation:

Despite of knowing all the limitations while preparing this report, I have put my full efforts and energy to make my internship successful as well as my report.

1. The main limitation which I thought was time limitation. As three months' internship is not enough to learn vast and experience in different sections of Finance & Account department.
2. Most of the renowned organizations do not disclose their internal information to others. Its obvious they want to keep their information secrete and SQUARE is no exception to this. Most of the time I was facing some problem of data availability. In this case, it's a bit difficult to make my report informatics but as I was involved in my responsibilities at the company, I got some information that was enough to make my report relevant.

Chapter 2

Company Profile:

SQUARE today represents a name, a point of view. It has achieved all the name and fame over the years and it is still undergoing. From the beginning of 1958, till today achieved one of the top line associations in Bangladesh. SQUARE is a Bangladeshi present day organization. The organizations under this get-together fuse Materials, Pharmaceuticals, Toiletries, Customer things. Organizations offered by SQUARE are Human administrations (Clinics), Data and Correspondence Innovation. Square toiletries limited (STL) started in 1988 as a redirection and ISO: 9001 affirmed associations. In 1994 square toiletries confined began its journey as a private compelled association. In a short time STL is the country's driving producer of all-inclusive quality excellence mind items and toiletries things. At present, STL is the country's driving maker of overall quality cosmetics and toiletries with 20 brands and more than 55 things covering a broad variety of classes like skin care, hair care, oral care, newborn child's care, women care, men care and etc.

As of now Square Toiletries has just about 3,000 workers. Because of its agreeable workplace and exceptionally energetic worker, STL is getting a charge out of one of the most reduced representative turnover rates in the administration level. STL underlines on equivalent business open door for both male and female workers. Moreover, STL additionally gives work chance to physically challenged people.

Other than center business capacities STL has long taken dynamic part in various generous exercises like work era program for powerless group, budgetary guide to hindered and catastrophic event influenced individuals, helping corrosive casualties, tree ranch, making mass mindfulness on wellbeing and cleanliness issues, supporting instruction and different nearby group programs and some more. Square Toiletries Ltd. symbolizes advancement. STL is the pioneer in getting new items and bundling ideas in Bangladesh. As of now, STL is doing its generation in its two completely mechanized plants at Rupshi and Pabna.

Square Toiletries Limited (STL) boosted its operations with Jui Coconut Oil, which for all intents and purposes spearheaded the marked Pure Coconut Oil advertise in the nation. Today, STL has more than 42 product offerings and a yearly deals surpassing 2.00 billion taka and has now turned out to be one of the main nearby toiletries organizations in Bangladesh. STL makes

and markets a wide cluster of shopper toiletries items going from Hair Oils, Toilet Soaps, Fabric Care to Winter Care and Summer Products, Baby Care, Dental Care and Shaving items, among others. The organization likewise showcases Feminine Hygiene items fabricated by its sister concern, Health Products Limited (HPL). STL is presently one of the biggest toiletries makers and advertisers in the nation, and with prominent brands, for example, Jui, Meril, Kool and Chaka, it works effectively as a noteworthy player in the exceedingly aggressive commercial center.

The Formation of SQUARE GROUP of Bangladesh:















From the initiation in 1958, SQUARE today symbolizes a name – a point of view. It thrived consistently to be one of the top line totals in Bangladesh. With a typical Annual turnover of over US\$ 200 million and a workforce of around 3500 the SQUARE Group is a substantial image of the Bangladesh business division. The table underneath exhibits the recorded background of the Square Group and furthermore the ceaseless course of action of STL.

Year	Milestones
1958	Introduction of Square Pharma as a Partnership Firm.
1964	Changed over into a Private Limited Company
1974	. Specific Collaboration with Janssen Pharmaceutical, Belgium, a helper of Johnson and Johnson International, USA.
1982	Allowing Agreement set apart with F. Hoffman-La Roche Ltd. Switzerland.
1985	Fulfilled first position in the Pharmaceutical Market of Bangladesh among all national and multinational associations.
1987	Pioneer in Pharmaceutical export from Bangladesh.
1994	To begin with offer of stock (IPO) of Square Pharmaceuticals offers. Square Toiletries Ltd. Transforms into a Private Limited Company

1995	Compound Division of Square Pharmaceuticals Ltd starts formation of Pharmaceutical mass things.
1997	Won the National trophy for Exporting Pharmaceuticals and introduced of SQUARE Toiletries Ltd.
1998	Second unit of Square Textile Ltd is technologically advanced.
2000	Square Spinning's Ltd starts its journey
2001	<p>As Square Knit Fabrics Ltd is set up for that reason SQUARE Fashion Ltd starts its operation.</p> <ul style="list-style-type: none"> . US Fda/UK MCA standard new pharmaceutical assembling plant goes into operation worked under the supervision of Bovis Lend Lease, UK. . SQUARE Consumer Products Ltd. Started its operation. . SQUARE Infomatix is set up. . SQUARE Hospitals Ltd. Joined.
2003	Organization Agreement with Bumrungrad Hospital International of Thailand for the organization of SQUARE Hospitals Ltd.
	New State-of-the-Art Square Cephalosporins Ltd. goes into operation: worked by USFDA/UK MHRA essentials.

2005	
2006	Square Hospitals Ltd starts its voyage
2007	Square Pharmaceuticals Ltd., Dhaka Unit gets the UK MHRA underwriting 2008 of Square Pharmaceuticals Ltd. starts SVPO (Small Volume Parental and Ophthalmic) unit, worked by US FDA necessities, goes into operation. In addition, SQUARE Air Ltd is established in 2009
2010	<p>Square Pharmaceuticals Dhaka sit's Insulin Manufacturing Unit goes into operation.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Acquisition of Mithapur Textiles Ltd now changed over into Square Texcom Limited. <input type="checkbox"/> Acquisition of Markup Cot Spin Ltd. <input type="checkbox"/> Acquisition of Markup Spinning Mills Ltd.
2012	<p>Square Pharmaceuticals Ltd, Dhaka Unit and Square Cephalosporin's Ltd get the "Remedial Goods Administration" (TGA) of Australia Approval.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Square Multi Fabrics Ltd is deliberately Liquidation.
2013	<p>"Samson H Chowdhury Center of Excellence" started its operation.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Markup Spinning Mills Ltd amalgamated with Markup Cot Spin Ltd and from that point on renamed as Square Fashions Yarns Ltd. <input type="checkbox"/> Establishment of Square Denims Ltd.
2014	Square Consumer Products Ltd. By and by changed over in Square Food and Beverages Ltd.

Concerns of Square Group:

Name	Logo	Name	Logo
1. Square Pharmaceuticals Limited		2. Square Hospitals Limited	
3. Square Toiletries Limited		4. Square Air Limited	
5. Square Textiles Limited		6. Square Texcom Limited	
7. Square Food & Beverage Limited		8. Mediacom Limited	
9. Square Informatix Limited		10. Maasranga Television	
11. Square Agro Development & Processing Limited		12. Square Securities Management Limited	
13. Square Herbal & Nutraceuticals Limited		14. Sabazpur Tea Company Limited	
15. Square Yarns Limited		16. Aegis Services Limited	
17. Square Fashion Limited		18. Square Denims Limited	

Square Toiletries Limited:

Square Toiletries Constrained started (STL) its trip in 1988 as an alternate division of Square Pharmaceuticals Restricted. Being a stress of Square Gathering, Square Toiletries Constrained acknowledges the regard of Square Gathering and enterprises the buyer sureness by their vitality and persistent work. In 1994 STL transformed into a private limited association.

At present, STL is the country's driving creator of overall cosmetics and toiletries with 20 brands and more than 55 things covering a broad assortment of classes like solid skin, hair mind, oral care, youngster mind, surface personality, male preparing and OTC.

Nearby the business, STL takes part in different charitable activities and tasks like making mass care on prosperity and cleanliness issues, tree home, and work period program for vulnerable gathering, fiscal manual for troubled and surge impacted people, supporting preparing and distinctive neighborhood assemble program.

Vision

We attempt to understand the unique needs of the consumer and translate that needs into products which satisfies them in the form of quality products, high level of service and affordable price range in a unique way.

Mission

- To treasure consumer understanding as one of our most valued assets and thereby exerting every effort to understand consumers' dynamic requirements to enable us in offering maximum satisfaction.
- To offer consumer products at affordable price by strictly maintaining an uncompromising stance with quality. With continuous R&D and innovation we strive to make our products complying with international quality standards.
- To maintain a congenial working environment to build and develop the core asset of STL – its people. As well as to pursue for high level of employee motivation and satisfaction.
- To sincerely uphold the responsibility towards the government and society with utmost ethical standards as well as make every effort for a social order devoid of malpractices, anti-environmental behaviors, unethical and corruptive dealings.

Objectives

- To strive hard to optimize profit through conduction of transparent business operations within the legal and social framework with malice to none and justice for all.
- To create more jobs with minimum investments.
- To maximize export earning with minimum imported inputs.
- To be competitive in the internal as well as external markets.
- To reduce the income gap between top and bottom categories of employees.

Value & Principles:

Thriving of purchaser, specialist and society are the three foundation pillars of the qualities and an oversee of Square Toiletries Ltd. Square Toiletries Ltd. assumes that it is their commitment to work for the welfare of society. Expelling being a business alliance STL doesn't generally pick advantage, rather it tries to be impressively more associated with towards the satisfaction of its commitments to the society and because of that it has a genuine attention to other's desires to its customer, its family and its overall population mostly. From the ordinary business

operation of remarkable worth approach, in every last development of STL these middle qualities and principals are reflected.

Quality Policy:

- Dedicated to make every effort to appreciate customer needs to give most extraordinary satisfaction and to finish promote activity.
- Strive to reliably overhaul creating advancement and to keep up perfect level of significant worth measures in congruity with the worldwide standard – ISO 9001: 2008.
- Committed to achieve quality objective through constant delegate get ready and keeping up reasonable working environment



Employees of SQUARE Toiletries:

STL has been worked around one focus asset, and it is its family. This is the thing that makes working in STL so remarkable. STL assumes that work is more than a place you go every day. It should be place of examination, master improvement and creativity. It is about being impelled and prodded to finish extraordinary things. STL needs its family to take pride in their

work. In light of present circumstances, it is the combined capacities, aptitudes, data, experience and vitality of its family that makes it what it is today.

At this moment, STL is using more than 2,000 delegates ensuring its relentless welfare and security. As a result of its pleasant work environment and significantly lively agents, STL is getting a charge out of a standout amongst the most decreased specialist turnover rates. STL underscores on proportional work opportunity to physically challenges individuals.

Management Committee:

Board of Directors

Name	Designation
1. Mr. Samuel H. Chowdhury	Chairman
2. Mr. Anjan Chowdhury	Managing Director
3. Mrs. Anita Chowdhury	Director
4. Mr. Tapan Chowdhury	Director
5. Mr. Charles CR. Patra	Director
6. Mrs. Ratna Patra	Director

Company Secretary

Name	Designation
Mr. Khandaker Habibuzzaman	MBA, ACS

Management Hierarchy:

Grade	Designation
M-1	D.M.D.
M-2	Executive Director

M-3	Executive Director
M-4	Director
M-5	General Manager
M-6	D.G.M.
M-7	A.G..M.
M-8	Manager
M-9	Manager
M-10	Manager
M-11	Manager
M-12	SR. Executive
M-13	SR. Executive
M-14	Executive
M-15	Executive
M-16	Executive

Departments of Square Toiletries Limited

- Production
- Quality Control
- Product Development
- Technical Services
- Marketing
- Sales & Distribution
- Accounts & Finance
- Commercial
- Human Resources
- Engineering
- Production Planning & Inventory Control



Products

The products of Square Toiletries Ltd are divided into two sections. These are:

1. Health and Hygiene Products
2. Toiletries Products

<u>Health and Hygiene Products</u>	
1. Senora	<ul style="list-style-type: none"> ➤ Senora Confidence Ultra ➤ Senora Confidence ➤ Senora Eco Belt ➤ Senora Regular
2. Supermom	<ul style="list-style-type: none"> ➤ Baby Diaper

Toiletries Products

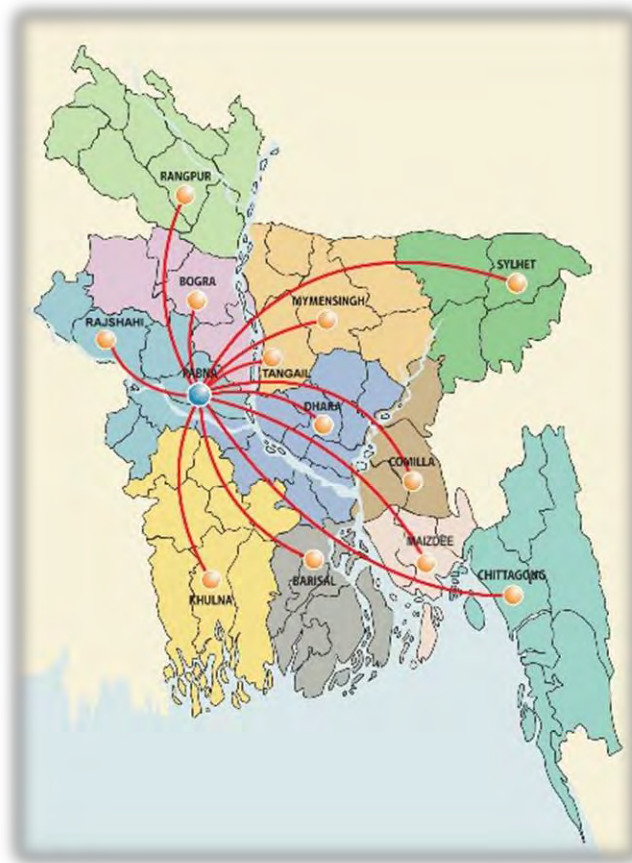
<p>1. Meril</p>	<ul style="list-style-type: none"> ➤ Meril Splash Beauty Soap ➤ Meril Baby Gel Toothpaste ➤ Meril Baby Lotion ➤ Meril Baby Powder ➤ Meril Baby Olive Oil ➤ Meril Baby Shampoo ➤ Meril Chapstick ➤ Meril Glycerin ➤ Meril Olive Oil ➤ Meril Gift Pack ➤ Meril Petroleum Jelly ➤ Meril New Fresh Gel Toothpaste ➤ Meril Lip Gel ➤ Meril Conditioning Nail Polish Remover ➤ Meril Select Plus Shampoo ➤ Meril Revive Shampoo ➤ Meril Revive Winter Moisturizing Lotion
<p>2. Chaka</p>	<ul style="list-style-type: none"> ➤ Chaka Ball Soap ➤ Chaka Laundry Soap ➤ Chaka Washing Powder
<p>3. Chamak</p>	<ul style="list-style-type: none"> ➤ Chamak Fabric Whitener
<p>4. Jui</p>	<ul style="list-style-type: none"> ➤ Jui Pure Coconut Oil ➤ Jui Hair Care Oil
<p>5. Kool</p>	<ul style="list-style-type: none"> ➤ Kool After Shave Lotion ➤ Kool After Shave M. Gel ➤ Kool Deodorant body Spray ➤ Kool Shaving Foam ➤ Kool Deo Talc Powder
<p>6. Revive</p>	<ul style="list-style-type: none"> ➤ Revive Body Spray ➤ Revive Perfect Fairness Talcum Powder
<p>7. Madina</p>	<ul style="list-style-type: none"> ➤ Madina Attar
<p>8. Magic</p>	<ul style="list-style-type: none"> ➤ Magic Tooth Powder

9. Saaf	➤ Saaf Dishwashing Liquid
10. Shakti	➤ Shakti Liquid Toilet Cleaner
11. Sepnil	➤ Sepnil Hand Sanitizer ➤ Sepnil Handwash
12. Spring	➤ Spring Air Freshener
13. White Plus	➤ White Plus Toothpaste
14. Xpel	➤ Xpel Aerosol
15. Zerocal	➤ Zerocal Sachet ➤ Zerocal Jar



Distribution Department at a glance:

SQUARE Group's main branch is situated in pabna. That is why, their all the products are produced in pabna as in pabna SQUARE group has manufacturing firm. In this way, all the products have been placed from Pabna to Dhaka, maizdee, Chittagong, rajshahi, ranpur, comilla, mymensingh etc. here is the map from which we can see how SQUARE distributes their product in all over Bangladesh.



Employment Generation:

- It has effectively utilized 1200 changeless workers and they are worried of the interests and haven of the representatives which is a major ordeal.
- There is a genuine presence of equivalent business open door for which we can see that there are around 38% representatives who are ladies and it is undoubtedly an unmistakable notice of ladies strengthening.
- Due to the most ideal workplace there is a lower turnover rate of the representatives which is a pointer of worker fulfillment.

Chapter 3

Internship Involvement

Accounts & Finance Department of SQUARE Toiletries Ltd:

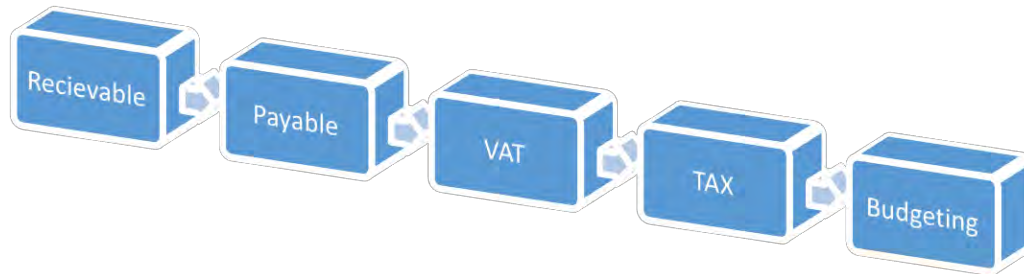
When I got selected as an intern of SQUARE toiletries Ltd , I was apporioned for the Auditing section called Internal Audit Department. In that case, I got to know that there are 22 sections or wings of Accounts & Finance Department but there are five main wings in this department which has been mentioned below. Those are:

1. Financial Accounting
2. Cost Accounting
3. Managerial Accounting
4. Financial Management
5. Auditing



Based on this, Finance and Accounts department has 5 major wings. Those are,

1. Receivables
2. Payables
3. VAT
4. TAX
5. Budgeting



Interesting Experiences and Lessons from Internal Audit Department at SQUARE Toiletries Limited:

1. Applied different formulas for the different program in Excel sheet which helped me a lot when and how to apply these formulas and for which reasons.
2. Got the zest the corporate behavior in terms of being formal conversation, dress up.
3. As an intern of Audit department, I am well trained by my senior colleagues about how to find out the error within a second, and be honest and ethical towards the work.
4. Learned about how to prepare a audit report.

Roles of Audit Department:

First of all, we need to know what is auditing or internal audit. According to Chartered Institute of Internal Audit, the main function of internal audit is nothing but to afford that assurance that can an organization's risk management, governance and internal control processes drive effectively and efficiently.

SQUARE toiletries Ltd is no exception to this. There are lots of roles which an employee of internal audit department has to play.

1. At the year end, all the financial data have to audit. But in special case, if Board of directors or Senior Managers request for a special audit then internal audit department has to perform that immediately.
2. The Board of Directors will select an audit committee which is consisted of at least 2 association members. They must have to perform by neutral authority not by the treasurer or any chairman or authorized person to sign checks.

Characteristics of Internal Audit:

Internal audit has very important characteristics and objectives to share with. These are explained in below,

1. Members of internal audit department have to report to the board or senior management team who are including the organizational organogram structure.
2. According to the Chartered Institute of Internal Audit, by evaluating and improving the effectiveness of companies' strategies, risk management and control procedure. This helps the management team with assurance that it might fulfill their duties towards the organization and its stakeholders.
3. Every type of risk, and their management are including in reporting on retailer and distributors.

Internal Audit Procedure:

5 steps to performing as an auditor in internal audit department.

- a. Identify the areas: Marketing department that operates some policies written by the organization. This includes some areas where an auditor need to audit that place.
- b. Determine how often auditing needs to be done: Most of the area needs to be audited annually and most of the areas require more frequent audit. For this reason, an auditor can inspect for quality control purpose of the organization.
- c. Create Audit Calendar: Audit helps an auditor to ensure that the organizational structure and function gets completed through systematic approach and reach the company's goal and it's objectives.

- d. Document Results: Auditors will make a report based on the practical results whether the audit results and practical results are equivalent or not. Again the main goal of the audit is to decrease the gap in compliance and to come up with new way to overcome this differences.
- e. Report Findings: Auditors will make a final report which will represent the overview of the total summary of the project that has been audited by auditors. This report mainly for top management and to come up with improvement plans that can shrinkage the gap in practical compliance so that this can implement in the upcoming projects.



Internal Audit Parameter:

1. Identify Audit Committee Members.
2. Choose a time and place for the internal audit and notify audit committee.
3. Notify the treasurer to have all the records available for the audit committee and to be available for questions or to help explain the organization of the financial records.
4. Have calculators available.
5. Use the internal audit checklist as guide.
6. Complete and sign the audit of the checking account balance sheet, this should be verified by at least two people.

7. Complete and sign the internal audit report. This should be presented at the next board meeting. List any errors found or corrections made. It is not necessary to list details you have added to make explanations more complete. The entire audit committee should sign this report.
8. After the audit is completed, mark the ledger (if there is one) and the checkbook register by drawing a double line across the sheet where the audit concludes and sign and date, using different color ink stating “Examined and found correct by _____ (name) _____ on _____ (date) _____.”
9. Keep all audit paperwork with the financial records that were audited. Send a copy of the Balance Sheet and Internal Audit Report to the AAMT office and your component board partner.
10. The minutes should reflect that an audit (internal or external) has been done.

Job Requirements for SQUARE Toiletries Internal Audit Intern:

1. To evaluate internal control documents information, justify the current strategies and then offer some recommendation regarding some issues which have found out while assisting the seniors.
2. Intern has to assist the senior executive and junior executive in observation, inquiries regarding some project works.
3. To help the seniors to make the business control and increase the effectiveness of information strategies through inspecting. For that reason, intern has to help the company to improve their efficiencies and effectiveness by providing consulting services to utilize company’s assets.
4. To help the department for improving internal control through productive work.
5. Suggested recommendation has been implemented or not that has to follow up by intern.

Job Responsibilities of an Intern:

When I was appointed for the SQUARE toiletries Ltd as an intern, I was involved in several responsibilities during three (3) months’ of my internship but mostly i had to do audit based work. As I mentioned before that I was assigned under the audit team of Accounts and Finance department so I had to complete my work so constructively and in appropriate manner. As we all know there are eighteen sister concerns of SQUARE Groups and two audit teams work for

SQUARE Groups in Square center. In this case, one audit team is under SQUARE Pharmaceutical Ltd where other eleven sisters concern companies are audited and another one is under SQUARE Toiletries Ltd and rest of the seven companies are audited by them. In short, these two teams have to do their work for different concerns whenever they are allocated to.

For Example: I was appointed for SQUARE toiletries Ltd as an intern but I had to audit SQUARE Food and Beverage Ltd(SFBL), SQUARE Toiletries Ltd(STL) mobile bills, over time, leave applications, Stock slips of SQUARE Security Management Ltd. These job helps to make me understand how the other companies of SQUARE Group work and in which manner.

As an intern I mainly assisted four people of SQUARE toiletries Ltd who are my line manager. they are,

MD. Razzakul Haider: Executive, Accounts & Finance, SQUARE Toiletries Ltd

Rajib Khan: Officer, Accounts & Finance, SQUARE Toiletries Ltd.

Masum Billah, Junior Executive, Accounts & Finance, SQUARE Food and Beverage Ltd

MD. Abdul Ohide, Junior Executive, Accounts & Finance, SQUARE Food & Beverage Ltd.

Mainly my field supervisor MD Golam Kibria , Accounts & Finance Department, assigned me to work under them for the three months' long period of my internship. Because of their help, I have learned practical experience regarding the audit based work. They treat me as a student as whenever I was making mistakes they always corrected my mistakes with the right explanation. They made me comfortable more at my workplace.

Some of the projects I was involved throughout my internship tenure in SQUARE toiletries Ltd:

1. Latest Approval of Transport Bill:

- To check whether the bill has all the signs properly along with the scheduled time and date and supporting details.
- To check whether the 3/4/5/7 tons of vehicles can be reached at the destination place and the amount that have been specified by the STL and also to check how many KM the drivers took to reach the allocated place.

Findings:

This was done by comparing the distribution bill and approval which has been made by sales department though auditing. If the auditing amount is less than the bill amount of distributors, the exceed amount will be deducted and made a report on this.

2. Stationary Program:

To check the date, stationary item and the amount of those items along with the supporting details.

Findings:

To analyze the stationary items which stationary shop has given better product in terms of quality, quantity along with the amount of the product that is offered by the shop. As a result, square toiletries limited will buy their necessary stationary items from that shop who will offer better product with an accurate price. In this case, on the basis of this analysis STL can charge that stationary shop who offered cheap product with high price and will make a report on this.

3. Leave Program:

To check how many days an employee of STL and SFBL took leave from the company with the proper explanation as well as supporting details to justify the reason behind taking leave.

Findings:

To justify the annual earned leave which is usually 15/16 days with the proper supporting details. If any employee took leave more than 15/16 days than HR Department will cut off the extra leave amount from the employee's salary or they can adjust this amount with the next year.

4. Trade Program:

To calculate the budgetary portion which has given to the sales department by Square and the actual commission that has been achieved by the sales person whether the company's revenue has increased.

Findings:

Through auditing Square Group comes to know whether the company's revenue is growing so that from this audited data square group can make some strategies to increase their revenue.

5. Over time:

To check how many extra hours an employee worked for the company. It cannot be less than 2 hours and more than 8 hours. Add all the extra hours that have given to the company by the employee and at last count the total amount for the extra hours the employee has been given and sum all it up.

Findings:

The main objective is to justify and calculate accurately their extra hours that have been given to the company and in exchange of company will compensate them for this along with the leave slip.

“TRADE Program overall analysis of SQUARE Toiletries Ltd: Internal Audit Mechanism”

Program Title: Proposal of Trade Program on Toiletries Items for the month of August 2016,

Background:

Due to Eid Interval, STL could not make proper business in the month of July 16 but on the month of August, they want to make full use of it. To support the overall sales process, they are planning to place a trade program on toiletries items. Considering that it would help them not only to regain the market share but also to achieve the target of August 16.

Program Objective: to regain the market share and achieve the target of SQUARE Toiletries Limited earned goal line for the specific month.

Program Details:

No	Value	Slab Quantity	Benefit %	Revenue	Cost	Cost %
1	5000	27850	3.5%	139,250,000	4,873,750	
2	50000	800	5%	40,000,000	2,000,000	
3	50000	450	5.75%	22,500,000	1,293,750	
total				179,250,000	6,873,750	3.83%

Program Modality:

1. All toi program will be included in this program
2. Party can fulfill the slab in multiple invoices
3. Discount will be adjusted in the last memo
4. Discount will be given based on the percentage mentioned in the program details
5. One party can enjoy more than one slab.

Program Duration: 1st August to 31st August 2016

Findings:

After Working in this Trade Program we found the result which is given below:

Particulars	Taka	%
Total Distributors Claim	5,887,000	
Total IMS Claim	4,873,750	3.83%
Audit Result	4,800,750	3.5%

According to the information, we have identified that during the month of August 2016, distributors (231) from all over the country claimed Tk. 5,887,000 as commission based on their sales (IMS) Tk.4,873,750. But due to several reasons like providing the same number invoice twice, difference between invoice and approved program, overwriting the date and invoice number and so on.

Implementation:

			2196	38957.1	18	
			Toiletries Program			
SL No	Invoice No	5000 (3.5%)	50000 (5%)		50000	
8	800004980	6905.68	241.6988		0	(
9	800005907	8004	280.14		0	(
10	800006951	13591.98	475.7193		0	(
11	800012358	7680	268.8		0	(
12	800022528		0		0	(
13	800012361		0		0	(
14	800011662		0		0	(
15	800002845	19521	683.235		0	(
16	800002843	7655.75	267.95125		0	(
17	800001725	5640	197.4		0	(
18	800022137	7059	247.065		0	(
19	800016262	7162	250.67		0	(
20	800013835		0		0	(
21	800020104		0		0	(
22	800015677	13646	477.61		0	(
23	800004615		0		0	(
24	800025687		0		0	(
25	800012911		0		0	(
26	800015670		0		0	(

Program Title: Proposal for STL Winter Gift Program 2016

Background:

The winter business session is already here. As of today winter contributes the most in STL profit bucket due to the good brand acceptance, product quality and competitive trade strategy. Hence they always take a number of initiatives expecting good volume revenue in such short period of time. Even though they are struggling at this moment but each of their initiatives are taken to improve the business situation they are expecting now.

They already have moved in winter program with some special drives like placement offer, early lifting, change in merchandising elements and some more to come in terms of exciting winter trade program, discount offer for seasonal and small outlets etc as counters of competitors' activities and to engage more outlets in winter. However, when some important initiatives are taken for customers as form of price off, free products, volume bonus etc, they have increased their price for revive.

Program Modality:

1. There will be cash for achieving slab
2. Additional benefits will be given if slab is met before certain time period
3. Cash benefit n meeting monthly lifting target
4. Single memo benefit for outlets those who cannot participate program

STL Plan for 2016:

Slab No	Slab	Gifts%	Gift Value	Slab Quantity
1	25,000	2.4%	600	19500
2	75,000	2.67%	2,000	3775
3	100,000	3%	3,000	1365
4	225,000	3.2%	7,200	425
5	500,000	3.4%	17,000	115
6	7,00,000	3.57%	25,000	45
7	1,000,000	3.80%	38,000	28

Monthly Target lifting. Expecting 25% slabs will meet this condition:

Slab	october	november	december	Extra benefit	Slab quantity
25,000	8750	11250	5000	75	4875
75,000	26250	33750	15000	225	944
100,000	35000	45000	20000	300	341
225,000	787500	101250	45000	657	106
500,000	175000	225000	100000	1500	29
7,00,000	245000	315000	140000	2100	11
1,000,000	350000	450000	200000	3000	10

Findings:

Particular	Taka
Total Distributors Claim	36,539,513
Total IMS Claim	36,005,513
Audit Result	33,539,000

According to the information, we have identified that during the month of October to December 2016, distributors (231) from all over the country claimed 36,539,513 Tk. as commission based on their sales (IMS) Tk. 36,005,513. But due to several reasons like providing the same number invoice twice, difference between invoice and approved program, overwriting the date and invoice number and so on.

Operation:

Sl. No.	Retailer Name	Slab	8750	11250	5000	25000			Total		26250	33750	15000	75000			35000			45000	20000	Part 1		
			October	Nov	Dec	part1	part 2	part 3	Amount	Comm.	Oct	Nov	Dec	part 1	part 2	part 3	Amount	Comm.	Oct	Nov	Dec	Part 1		
47	Abu Kalam Sto	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	32663	32996	36958	3000		
48	Maa Store	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	34565	43937	26411	3000		
49	All Store	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	34565	43937	26411	3000		
50	Al-Madina Sto	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	34565	43937	26411	3000		
51	Eva Store	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	0	0	0	0		
52	Rokeya Store	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	38162	49227	12688	3000		
53	Shurma Store	100000				0	FALSE	0	0	0				0	FALSE	0	0	0	32225	49112	20106	3000		
54	Shurma Store	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
55	Saiful Store	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
56	Faridpur	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
57	Bellal Store	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
58	Kamrul Store	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
59	Al-Hera Store	225000				0	FALSE	0	0	0				0	FALSE	0	0	0						
	Total		352631	310753	1E+05	18000	0	100	663384	810238	18100	380876	424769	218343	26000	225	300	805645	1E+06	26525	270475	373595	178516	24000

Program Title: Proposal for Trade Program for the placement of new Kool Body Spray

Background:

Kool is the only Bangladeshi Brand that offers a good range of products for male grooming that includes Body Spray, Deo, Talc after shaving lotion, after shave gel and shaving foam. Though they have loyal customers base for their brand but opportunity lies out there to increase this number.

The sales of Kool body spray have experienced negative 12% value growth in this year of 2015. This year they have set target on 29% growth for Kool body spray.

Objectives:

This trade program will help to increase per unit benefit for the retailers. STL targeted sale by fulfilling the vacuum need of the market

Duration: 21st May to September 11, 2016

Revenue:

Slabs	Min no of	Bundle value	tp	Total benefit	%	No of slabs	Per unit benbefi
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	body spray						
1	4	720	180	32	4%	11500	8
2	8	1440	180	80	6%	5500	10
3	12	2160	180	180	8%	2500	15
4	24	4320	180	480	11%	500	20

Findings:

Particular	Taka
Distributors Claim	17,94,500
Total IMS Claim	16,83,370

According to the information, we have identified that during the month of May 2016, distributors (231) from all over the country claimed 17,94,500Tk. as commission based on their sales (IMS) Tk.16,83,370. But due to several reasons like providing the same number invoice twice, difference between invoice and approved program, overwriting the date and invoice number and so on.

Implication:

	A	B	S	T	U	V	W	X
1			Kool				TOTAL	Remarks
2	SL No	Invoice No	Qty.	TP	Value	Comm.	Comm.	
19	17	786506	8	180	1,440	80	80	
20	18	786519	8	180	1,440	80	80	
21	19	786610	8	180	1,440	80	80	
22	20	156214	4	180	720	32	32	
23	21	156223	4	180	720	32	32	
24	22	156282	12	180	2,160	180	180	
25	23	156237	24	180	4,320	480	480	
26	24	786029	8	180	1,440	80	80	
27	25	786025	4	180	720	32	32	
28	26	786017	4	180	720	32	32	
29	27	786014	4	180	720	32	32	
30	28	786052	24	180	4,320	480	480	
31	29	786044	12	180	2,160	180	180	
32		Total	232	5,220	41,760	3,100	3,100	

Chapter 4

Internship Concerns Analysis:

Acute Observation:

During my three (3) months internship I have observed few matters at SQUARE Toiletries Limited. As I was appointed in internal audit department as well as i was involved in many project work during my 3 months' tenure internship through which I could observe few issues that can be resolved in an appropriate manner. I have come up with some following difficulties:

1. Difficulties while Auditing:

In every program, there has always been a lucrative offer or gifts for retailers of SQUARE Toiletries Limited. For that reason, retailers are always tried their best to fall into the slab amount and get impressive gifts. Most of the time, retailer made fake invoice or double invoice or overwriting invoice to fall under the slab. As SQUARE toiletries Limited is not updated company in terms of high technology regarding audit based work in that case, it's very difficult to find out the error. This is huge expense for the company which should carefully audited by the STL audit team. In other words, those retailers who made fake invoice or double invoice, should get strict punishment for this.

2. Lack of undeviating communication with customers:

SQUARE Toiletries limited always believes in retailer. By this process they continue their work because this is STL's nature of business. Audit department has to take steps carefully as if they make any bad rapport with retailers because of retailer's fault, retailer may not feel interest or encourage to work further with SQUARE. As a result, this will create a bad effect on sales team.

3. Competitors and competitions:

SQUARE Toiletries Limited is facing the market competitions nowadays as Kohinoor Chemicals, ACI and Unilever seized the Bangladeshi market. SQUARE Toiletries Limited tries their best to dominate the market at every turn but competitors raise their portion so fast pace. Due to this reason, STL product are replacing with their substitute easily.

4. Lack of adequacy of Audit Department employee:

As I have mentioned earlier that SQUARE Toiletries Limited has internal audit team who have been overseen seven (7) sister concern group of SQUARE. But it is a matter of concern that, STL audit team has only two (2) employees who have to audit the whole seven companies. In this case, I felt that there is lacking of adequacy of audit department employees in STL.

5. Lack of flexibility within the management:

There is no doubt on that STL management is extremely flexible. But most of the time, we the interns have faced some issues regarding the flexibility of STL's management. During my internship period, my colleague intern's computer was not functioning properly in terms of mouse problem, keyboard problem in fact I was facing desk lamp problem. When we complained it to the management, we did not get any immediate response. It's true that the management team tried their best to fix our problem out but because of the lack of authority concern we suffered these issues.

Analyzing Trade Program issues:

An invoice is nothing but a payment slip of buyer according to the payment terms of the seller. It has specific period of time that buyer must give the full payment to seller for the goods. In an invoice, an account details must be mentioned so that it can carry few important information on the requirements in the country.

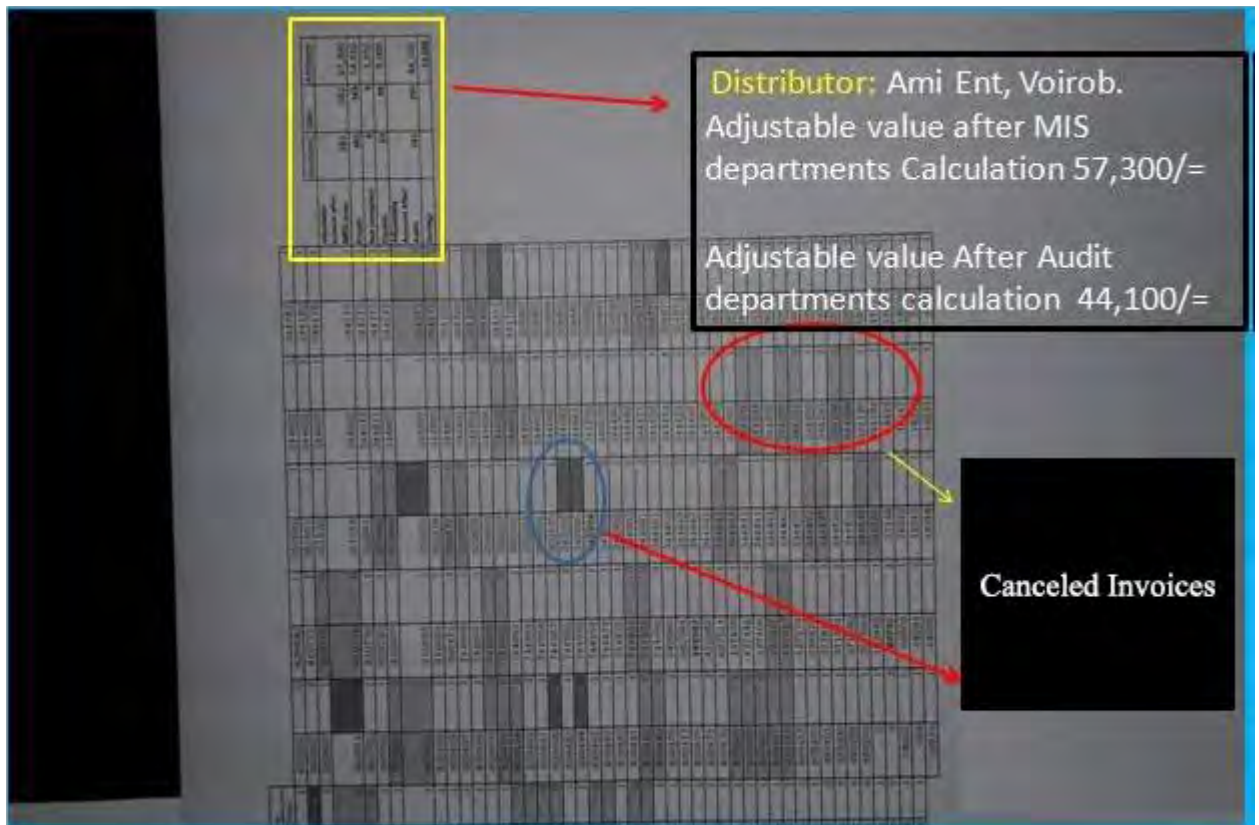
Fake Invoices:

Last three months of my internship tenure, I have noticed that a retailer does same mistakes frequently. To enlist himself into the slab amount he makes duplicate invoice and that will create a huge problem for SQUARE Toiletries Limited. Common error that they have made are like,

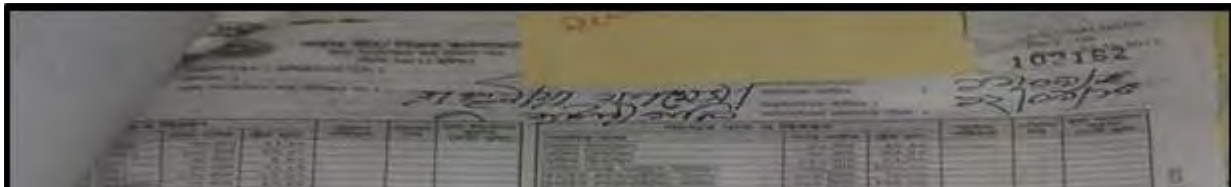
1. Facing problem between the number of 5,3,2,9 and letter S,8,7,3
2. Getting double invoice from the particular area
3. Getting overwriting invoice in terms of month overwriting, amount overwriting.
4. Putting Hand written two or three digits at the end of the invoice number.
5. Misplaced punctuation.
6. Using fluid
7. If there is no invoice number in the invoice paper which considers as SQUARE Toiletries Limited printing mistake but retailer put a number in the invoice paper which considers as Hand written invoice.

As I have stated previously that during my internship tenure, I was involved in many projects like, Nimotron Program, Discount Program, Dhum-Dham Cash Back offer, Winter Program, Toiletries Program and so on. In every program, my responsibility was to put the invoice number, total amount to excel sheet and as well as to check the date, month and products which covered the program's required. When I found some fake invoices by manual checking, it created a huge problem for STL which earned loss at the end of the program.


3. Miscalculation in the mentioning commission value



4. Using pen in the carbon copy



5. Using fluid



রাঁপুলী | **রুটি** | **চাষী** | **চপটিক**

স্কয়ার
ফ্লুইড অ্যান্ড ব্রেন্ডব্রাজ লিঃ

স্কয়ার সেন্টার, ৪৮ মহাখালী বা/এ, ঢাকা ১২১২
ফোন: ৮৮৩৩০৪৭-৫৬

Fluid

দোকানের নাম: শ্রীমতী মোঃ মোঃ হোসেন

মালিকের নাম: মোঃ আজিজ হোসেন মোবাইল নম্বর: ০১৭১৬-৭৩৫৭৬৬

ঠিকানা: ৬ নং মনোহর পথ, ২৭১ নং মাধ্যম

পরিবেশক পয়েন্টের নাম: শ্রীমতী মোঃ মোঃ হোসেন, কাচিবাড়ি মার্কেট: শ্রীমতী-২

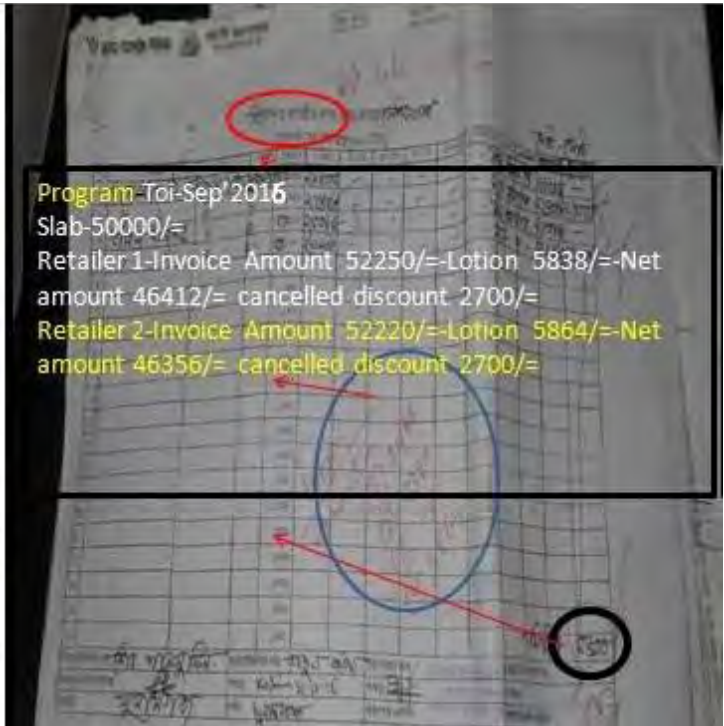
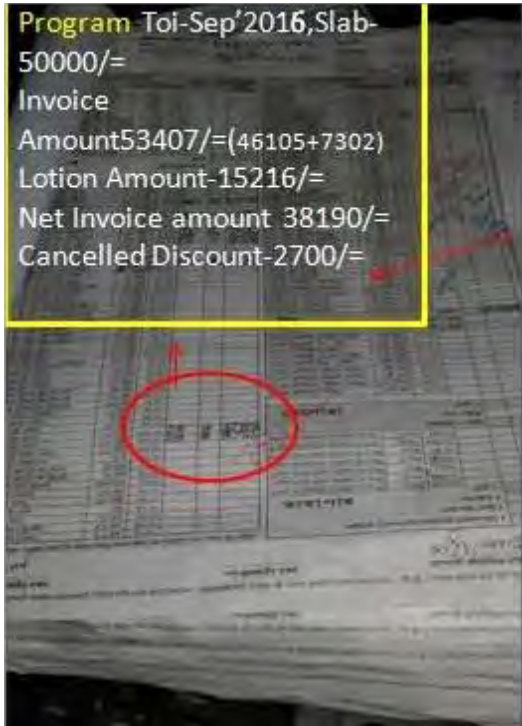
পণ্য সরবরাহের তারিখ	ইনভয়েজ নং	ইনভয়েজের মোট মূল্য	ডেলিভারিমানের স্বাক্ষর	এস. ও (এফ)-এর স্বাক্ষর	সর্বমোট মূল্য
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সর্বমোট		৩৩০৬৫			৩৩০

এস. ও (এফ)-এর নাম: শ্রীমতী মোঃ হোসেন স্বাক্ষর: [স্বাক্ষর]

মোবাইল নম্বর: ০১৭২৭-০৭৪৩৪৩ তারিখ: ২৫-১০

কাস্টমার দেখান এবং তার কাজে সহযোগিতা করুন

6. Enlisting the slab amount by selling regular product



Chapter 5

Recommendation and Conclusion

Recommendation:

1. Recruit more employees for the STL Audit department:

STL audit department has two (2) employees whose have to audit the whole seven sister concern companies' information and data. From my perspective, it is difficult to audit 16000 data or more within a week or two weeks by only two employees. Though I am very much cleared about SQUARE is so much particular regarding the efficiencies and effectiveness. For that reason, every projects or programs will not be approved by high authority until those are not audited. The audit team has to verify every little to big transaction of SQUARE within a short time but they have a pressure to maintain the accuracy. This is the reason why STL audit department needs more employee to make this job more accurate, effective and efficiency as STL does not have any high technological software for auditing.

2. Electronic Invoice Management (EIM): It is on the rise and for good reason it eliminates all the problems and inefficiencies related to paper invoicing while speeding up the entire procurement cycle. It can also have called "AUTOMATION".

By using this automation process, once the data is extracted or captured from the invoice the data is sent into the system for automatic machine against the purchase order. Deciding to adopt a paperless invoice processing system is the hard part. Once set this up, the invoice management software gets to work simplifying every step of the invoice process. On the other hand, it is easy to switch to an automatic invoice management system so that SQUARE Toiletries Limited will be able to elevate their accounts payable department from the back office to a strategic asset.

Conclusion:

Within a short period of time SQUARE Toiletries Limited hold the total market and compete with competitors successfully. they have been known as top notch local company in Bangladesh. Moreover, SQUARE Group is one of the local company in Bangladesh which always maintains international standards by every department even Finance and Accounts Department.

This internship journey helped me a lot to learn something in practical way, grow as a person and trained me with valuable knowledge beyond those that I could learn from book. After completing my internship and research, I can say that Square Toiletries Limited is one of the top notch local manufacturing company to main their brand value with huge number of diversified products. Not only this, they have a good financial condition in Bangladesh and their most of the sales promotion helped them to achieve a great revenue and profit.

Last but not the least, the audit procedure, sales promotional activities (TRADE Program) of STL are very efficient in financially but the weaknesses are to be addressed with effective solutions for which it can uphold its position as a business icon.

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