

“Accounting Procedures of a Software Company-A Case Study of Cramstack”

Prepared by
Mariah Arshad
ID: 182011031

Supervised by
Milan Kumar Bhattacharjee, PhD
Professor

Submitted in Partial Fulfillment of the Requirements for the Degree
Bachelor of Business Administration



April 6, 2023

Internship Report Approval Form

Student Name: Mariah Arshad

ID No. 182011031

Major: Accounting

Year: 2023

Mobile Phone: +8801937818462

Email: mariah.arshad.bba@ulab.edu.bd

INTERNSHIP/PROJECT INFORMATION

Internship

Organization: Cramstack

Internship /Project Report Topic: "Accounting Procedures of a Software Company-A Case Study of Cramstack"

Term (Tick one):

☒ Spring 2023

☐ Summer 2023

☐ Fall 2023

SUPERVISOR APPROVAL

(Tick One)

☐ Approved

☐ Not Approved

☐ Partial Re-write

☐ Full Re-write

Remarks (For Not Approved): _____

Signature: _____

Date: _____

Name: _____

E-mail: _____

Phone: _____

PLAGIARISM DECLARATION

1. I am aware that plagiarism refers to using someone else's thoughts, words, creations, or other works as one's own. I am aware that using another person's ideas extensively without giving due credit to them constitutes plagiarism (It involves using quote marks appropriately). I am aware that using content from online and textual sources in this manner constitutes plagiarism.
2. I am aware of the ethical issues with plagiarism.
3. I am aware that I need to correctly cite my research.
4. This project is either entirely my personal labor or my group's work. I understand that it's improper to duplicate an assignment entirely or partially from another person and that submitting the same work to many people will be considered plagiarism.
5. I have never let anyone replicate my work with the goal of misrepresenting it as their own, and I never will in the future.

Name: MARIAH ARSHAD (BLOCK LETTERS)

ULAB ID # 182011031

Signature: _____

Date: 14.03.2023

Letter of Transmittal

April 6, 2023

Dr. Milan Kumar Bhattacharjee, Professor
ULAB School of Business (USB)
University of Liberal Arts Bangladesh (ULAB)
Beribadh Road, Mohammadpur, Dhaka - 1207

Subject: Submission of Internship report on “Accounting Procedures of a Software Company-A Case Study of Cramstack”

Dear Sir,

I should respectfully state that my internship at Cramstack is now complete. As a requirement for my Bachelor of Business Administration (BBA) degree at the University of Liberal Arts Bangladesh, I had to write an internship report paper titled "Accounting Procedures of a Software Company-A Case Study of Cramstack" (ULAB). In writing this paper, I tried my best to incorporate both the theoretical concepts we discussed in class and the real-world experience I had from working.

I thus hope that this report will be pertinent to you.

Sincerely,

Mariah Arshad

ID: 182011031

Bachelor of Business Administration (BBA); Concentration: Accounting
ULAB School of Business (USB)
University of Liberal Arts Bangladesh (ULAB)

Acknowledgment

I appreciate that I was able to complete my report in the allocated amount of time. I would like to express my gratitude to all the individuals who gave me advice and support so that I could complete my report successfully; without them, the task would have been extremely difficult, if not impossible.

I would like to thank my supervisor, Professor Milan Kumar Bhattacharjee, for his ongoing guidance and assistance in finishing this report. Without his assistance, I would never have finished my research efficiently.

For their gracious approval, the committee that reviewed and accepted my internship report, "Accounting Procedures of a Software Company-A Case Study of Cramstack" is very deserving of praise and honor.

I also want to thank the Directors of Cramstack Mr. Mir Sakib and Mr. Ashik Mahmud for their advice, instruction, and assistance and kind cooperation in carrying out the research and significantly contributing to the completion of the report. A special appreciation also goes out to all of my coworkers who contributed to the creation of this report. I owe them a sense of appreciation and will always be thankful to them.

I wish to express my deep gratitude to my family and peers for their encouragement and belief in me.

Finally, I really would like to thank all my wonderful professors and my academic adviser, Mr. Parvez Mahmud Rajib, for their unwavering encouragement and support during the entirety of my study time.

: Contents :		
Sl.	Topic Name	Page No.
Part A		
Chapter One: Internship Preparation		
1.1.	My Motivation to do the Internship and What I planned to Learn from It	2
1.2.	My Internship Search Process	2
1.3.	My Internship Interview Experience	3
1.4.	Information about the Organization	3-4
Chapter Two: About the Internship		
2.1.	My Position, Office Description, Work Environment, and Everyday Job Duties and Responsibilities as an Intern	6-7
2.2.	My Learnings, Employment of Skills and Acquisition of New Skills from the Job, and Contributions to Cramstack	7-8
2.3.	Relationship between My Educational Learning and Internship Roles and Responsibilities	8-9
Chapter Three: Self Reflection		
3.1.	Liked and Disliked Aspects of My Internship at Cramstack	11
3.2.	How I Could Perform Better and How Cramstack Could Use Me Better	12
3.3.	Things that I Want to Keep Working on for My Next Position and Recommendations for Cramstack to Improve Its Internship Program	12-13

Chapter Four: Personal Development Plan		
4.1.	My Next Course of Action and Career Plan	15
4.2.	Technical and Interpersonal Skills that I will Develop at Present to Secure my Career	15
Part B		
	Executive Summary	17
Chapter One: Introduction		
1.1.	Introduction	19
1.2.	Research objectives	19-20
1.3.	Methodology	20-21
1.4.	Scope	21
1.5.	Conclusion	21
Chapter Two: Literature Review		
2.1.	Accounting Software Concept	23-24
2.2.	Concepts of Accounting	24-27
2.3.	Accounting Principles	27-29
2.4.	Methods of Accounting	29-30
2.5.	Accounting Information System	30-31
2.6.	Accounting Principles	32-34
Chapter Three: Findings and Analysis		
3.1.	Financial Data	36

3.2.	Accounting Standard Data	36-37
3.3.	Observation `	37
3.4.	Findings	38
Chapter Four: Recommendations		
4.1.	Suitable Recommendations to Cramstack	40
Chapter Five: Conclusion		
5.1.	Final Remark	42
5.2.	Limitation	42
5.3.	Research implications	42
	<i>References</i>	43-44
<i>Appendix I:</i>	<i>Internship Proposal Form</i>	45
<i>Appendix II:</i>	<i>Internship Confirmation Letter</i>	46

Part A

Chapter One: Internship Preparation

1.1. My Motivation to do the Internship and What I planned to Learn from It

My internship must be finished for me to earn my bachelor's degree. An internship is undoubtedly one of the most practical methods to experience corporate life without having any prior work experience. In actuality, the goal of an internship is for a student to get real-world expertise and applicable knowledge while they are still in school. Since I am a student majoring in accounting for my BBA degree, completing my internship in the specific field will enable me to better understand the practical implications of that field, gain experience, recognize similarities and distinctions between what I have learned and what is being implemented, and, most notably, it will prepare me psychologically and confidently for my corporate career path. I hoped to gain knowledge about office culture, communication within the workplace, and stress management, which is how to keep a balance between work and personal life.

1.2. My Internship Search Process

To find my internship, I looked for companies in two different methods. First, I sent my resume to the ULAB Career Services Office, and they assisted me in looking for companies and submitted my CV on my behalf. Even I looked up organizations on my own and sent them my resume via email.

The company where I ultimately chose to complete my internship was the one where I dropped my resume on my own, which is a software company named Cramstack. The reason behind choosing this organization is to experience how it feels to work in a completely different environment which is an IT based company and to see and explore how they manage their accounts, to determine whether I suit their environment and manage working outside my forte. The knowledge of both accounting and IT will guide me to discover new areas and will also help me with my accounting journey.

1.3. My Internship Interview Experience

I was quite anxious for the interview, just like the majority of interviewees. I was doing everything I could to put myself out there. I arrived at the Cramstack's office before the designated hour as I didn't want to be late for my interview. I was initially instructed to wait in the conference room along with the other interviewees. Then they instructed me to go inside and sit in the waiting area after a little while, which just added to my anxiety because this was my very first job interview. After a little while, the interviewer, Mr. Mir Md. Nazmus Sakib, who also happens to be one of the Managing Directors, entered the room and cordially greeted me, which helped to lessen my anxiety. He usually engaged in a lengthy conversation with me during which he discussed the length of the employment, compensation, and a brief background of previous interns. I showed him the hard copy of my resume when he inquired whether I had carried it along with me. He read my resume before asking me about my proficiency in Microsoft Excel, which I had indicated on my resume. He also questioned my ability to use MS Excel's fundamental functions, such as "SUM," and if I was familiar with their formulas or could perform them using the buttons found in the program's top-right corner under the "Home" tab. After that, he inquired as to my plans for the future and whether I intended to pursue a job in the accounting field after receiving my bachelor's degree. As I briefed him regarding my strategy, he provided some advice. Finally, he asked me about where I envisioned myself working in the future before concluding the interview. Overall, I thought my initial interview went well since the interviewer was kind, upbeat, and motivating. I had the impression that we were having a discussion rather than conducting an interview, which made it easier for me to respond to his queries effectively. I decided to do an internship with Cramstack because of the Director's supportive demeanor towards me.

1.4. Information about the Organization

Cramstack is a Business Intelligence tool for searching and analyzing company data. You may seek for specific information, evaluate it using aesthetically appealing graphs and reports, and share it with your business colleagues via a dashboard. Cramstack's goal is to give you a Google-

like search experience for your large company's data. You may look through your data in simple English and get advice on how to translate it into technical jargon. This platform also offers customized Admin roles, allowing you to quickly determine which members of your team have access to which parts of the platform and how much they may contribute to or gather from your data analysis.

Organization's Name:	Cramstack
Year of Establishment:	2016
Address:	Office: AWR NIB Tower, Plot 99, Road 11 Block C, Banani, Dhaka 1213, Bangladesh.
Website:	www.cramstack.com https://bd.linkedin.com/company/cramstack
Type:	Privately Held
Managers:	Ashik Mahmud (Operations) Rabia Munnee (Finance) Wasikur Rahman (Data Science)
Name of Directors:	Mir Sakib Hasib Mahmud
Company size:	11-50 Employees
Team Members:	8 Engineers 4 Operations and Finance 4 Management 3 Interns
Industry:	Software Development
Services:	Helps search and analyze data

Chapter Two: About the Internship

2.1. My Position, Office Description, Work Environment, and Everyday Job Duties and Responsibilities as an Intern

Position:

Assistance in accounts. I spent the first month of my internship helping Mr. Ashik Mahmud, the manager of the operations and accounts and Mr. Nazmus Sakib, one of the firm's Directors. Project cash flow management, opex balance sheet maintenance, bookkeeping, help in refreshing their financial data, creating a summary of expenses on a Microsoft Excel sheet, and any other small tasks that they may have given me are all examples of my tasks that I did for the company. During the final two months of my internship, I reviewed employee timesheets, assisted in tracking budgets and variances.

Office Description:

Currently, there is one office: the office in Banani 11. I was assigned there where they all work together. The first floor of a building is used for operations. Two of the directors, Mr. Mir Sakib and Hasib Mahmud are seated on the same floor. The whole office is divided into sections for the departments to work. The personnel and enrolled interns must check in at the CC-TV camera and biometric fingerprint reader before accessing the office. The operations and accounts team have a separate room and desks for each employee and small table and chairs for the interns. The directors have separate rooms which have balconies and attached washrooms. The remaining rooms are occupied by other employees, and they share a washroom. Both men and women are permitted to use the office washrooms excluding those used by the partners and directors. Sunday through Thursday are ordinary business days, with office hours from 10am to 6pm. I had to work on Sundays, Tuesdays and Thursdays due to my class on the other days.

Work Environment:

The workplace is nice since the directors and managers are kind to the employees and staff. The directors and supervisors are quite accommodating when someone asks for a day off or shows up late to work and has a good cause. The directors allow the employees and staff to use their independence, but they must do their duties well. All of them must use their best judgment to eat when it is appropriate because there is no set lunch hour or time. They could only pause for lunch for no more than an hour. Despite the company's top-down management style, there is always a channel for employees and interns to consult with the directors and voice their concerns and recommendations. Despite all that is positive, I think a few things might be done better. The job assignments are too arbitrary; with a little forethought and a thorough explanation of the requirements, the workplace may be more orderly and disciplined. The senior interns maintain a strict hierarchy among themselves and are more focused on seniority than accurately carrying out their jobs, which is an issue for the company and the juniors, especially the newcomers. The company should emphasize this topic to enhance the workplace environment.

Everyday Job Duties and Responsibilities as an Intern:

- As an intern, I didn't have any specific duties or responsibilities to handle because, as was already said, jobs are allocated in the company on a whim. My duties also changed from one to another. The following is a list of the tasks I finished throughout my internship:
- Helping with the calculation of Account Heads of expenses
- Reviewing drafted cash flow statements and providing observations if any error is found
- Record the payments received
- Listing payrolls and bookkeeping
- Scanning vouchers and documents using the scanning machine and the CamScanner app
- Printing financial statements and documents

- Any quick jobs are given by the managers and directors

2.2. My Learnings, Employment of Skills and Acquisition of New Skills from the Job, and Contributions to Cramstack

My Learnings:

This job taught me how to treat everyone with respect, regardless of their age, level of education, or job title; how to interact with others in a professional setting; how to use professional judgment when performing tasks, that is, knowing when to go above and beyond what is required and when to use my initiative; how to avoid taking things personally, especially when I receive constructive criticism for my work; how to maintain time; and how to stand up for myself by not disrespecting anyone when it is necessary.

My Employment of Skills and Acquisition of New Skills:

As most of my work at the company was done on a computer, I made heavy use of my IT-related abilities through MS Word and Excel. I have improved my teamwork, professional judgment, and office communication skills because of this employment. In addition, I improved my skills with MS Word and MS Excel because of the chance to pick up new tactics from the manager and director.

My Contributions to Cramstack:

The data analyst sector is the busiest in the company, and there is a lot of work pressure there since they work with a lot of data to process. Due to my minimal knowledge of MS Word and MS Excel, my main responsibility on the team was to assist the head of operations and accounts. I tried my best to coordinate and speed up teamwork and cut the workload to a manageable level. This was my contribution to the business while I was an intern.

2.3. Relationship between My Educational Learning and Internship Roles and

Responsibilities

Since I worked in the Accounts and Operations department of Cramstack, I was able to apply 4 concepts from the ULAB accounting courses as I carried out my internship roles and duties:

- Cash flow statement
- Professional judgment
- Balance sheet management
- MS Word & MS Excel

I had to use my professional judgment; therefore, I always double-checked the source documents to see if there was a problem. Sometimes I found errors such as a miscalculation, wrong entry, etc., which could affect other areas as well. The concept of cash flow and balance sheet were my main points of connection in this situation. As I helped the director with his financial statement formulation, I would occasionally use MS Excel. Here, I was assisting the director in checking the entire process and recalculating to look for any significant errors.

Chapter Three: Self Reflection

3.1. Liked and Disliked Aspects of My Internship at Cramstack

Liked Aspects:

Provided me with actual tasks to accomplish:

Many organizations don't treat interns seriously thus, they hardly assign them to important projects. "Serious duties" can make an intern feel appreciated by the organization. The position at Cramstack however, was the absolute opposite. As I was given tasks like creating cash flows and balance sheets. Assisting managers with his financial processes, which in some ways genuinely made a difference to the firm, I felt productive in the workplace.

A welcoming work environment:

The managers and directors were kind and friendly enough to listen to my problems and provide solutions. There was no power disparity between the top management and the workforce, despite the company's top-down management style.

Disliked Aspects:

Quite so many arbitrary assignments and not enough time to grasp a certain type of task:

Although the organization gave me actual tasks, I found it difficult to fully understand one type of task because after completing one, I was given another type of task before I had time to fully process the first one. As a result, I was unable to gain a thorough understanding of any of the

tasks I have completed so far. Because my supervisors would usually brief me on the work in a hasty manner as an intern, I found it challenging to comprehend the obligations fully.

3.2. How I Could Perform Better and How Cramstack Could Use Me Better

How could I perform better:

If I had been given assignments of a similar type for a little bit longer with an adequate briefing, I could have performed even better. An intern may be able to learn more about a certain activity and perform effectively with a more narrowly focused assignment for three months is not enough time to become proficient in all kinds of tasks at once.

How Cramstack could use me better:

In addition to having me generate cash flow statements and balance sheet, the company might have employed me too often to review cash flow files since it is connected to the statements that I prepared. They might have also given me the training of how to accomplish jobs as a proper staff accountant. In this way, I may have acquired specific expertise in this subject, and the company might also have gotten a quality output from me in this area.

3.3. Things that I Want to Keep Working on for My Next Position and Recommendations for Cramstack to Improve Its Internship Program

Things that I want to keep working on for my next position.

Office communication:

Communication skills are perhaps among the most important ones for a person to possess at work. Knowing the proper office etiquette may improve communication in the workplace. I would like to keep developing this newly discovered skill because it's essential in a work environment. I can build a network of professionals via excellent workplace communication, and they could even be able to assist me to find my next job. My chances of getting promoted in the future may rise if I continue to keep a good reputation inside the organization.

Teamwork:

Teamwork is a vital ability that every employee should have since it boosts output and promotes synergy. I have always preferred working alone versus working in a team before I started working at Cramstack. Yet after enjoying, I understood the advantages of teamwork and how crucial it is. I am inspired to enhance it in my future career.

Microsoft Excel, Word, and PowerPoint:

Microsoft Excel is a blessing for accountants because of its capabilities, which can handle huge and complex computations fast. I want to improve my MS Excel abilities to increase my value in the employment market. As Microsoft Word and PowerPoint are just as important in a workplace as MS Excel, I would likewise endeavor to get proficient in them.

Recommendations for Cramstack to improve its internship program.

Assign specific supervisors:

The interns should be matched with certain supervisors, and only those supervisors should have the authority to assign assignments to the interns. When the interns get directives from any supervisor, the entire work process devolves into chaos and indiscipline. Thus, the interns should only be allocated to certain supervisors.

Provide similar natured tasks:

Giving interns a range of tasks to do in a short period of time may confuse, pressurize, and lower both their production and the output of the business because interns are often recent graduates with no prior work experience. As a result, Cramstack should provide them with identical duties

to perform so that the interns may learn about them in-depth and have ample time to become proficient in them.

Proper and sufficient briefing of tasks:

The managers should not expect the interns to comprehend everything right away or make judgments using their professional judgment since they are fresh to the business environment. The supervisors should inform the interns of their assigned responsibilities at a slow, methodical pace to give them time to process the tasks before moving on to the next one.

Chapter Four: Personal Development Plan

4.1. My Next Course of Action and Career Plan

My next course of action:

I plan to pursue CPA abroad after finishing my undergraduate studies at ULAB, thus my first step will be to take IELTS classes and take the exam to get at least a 7.0 band score because nearly all international universities now accept IELTS 7.0 band scores for master's degrees. I want to make the most of my time by learning Advanced Microsoft Excel in addition to attending IELTS lessons, as this is an essential ability for the job market, especially for accounting employment. I will finish the procedures required for traveling overseas, such as applying to the desired university, renewing my passport, and completing other paperwork, in addition to getting the required qualifications.

Career plan:

I am interested in a career in CPA, and thus interested to enroll myself to one of the Big Four firms. I want to take the CPA after completing my BBA degree because it will increase my value as an accountant and in the job market. I want to continue working in a Big Four CPA firm's audit department after passing the CPA.

4.2. Technical and Interpersonal Skills that I will Develop at Present to Secure my Career

✓ Technical Skills:

Data analysis, data science, machine learning, and data visualization.

✓ **Interpersonal Skills:**

Planning, attention to detail, and research.

Part B

Executive Summary

Cramstack is one of the renowned software companies that deals with data mining and data analysis. It is a private company that also deals with international clients. It helps to search and analyze enterprise data through which one can look up to any specific information and also analyze it with visual assistive graphs. It provides a Google-like search experience for the company's vast data. I had the opportunity to learn how software companies manage their accounts.

They provide an enjoyable workplace culture where everyone is treated fairly. As long as their initiatives are successfully carried out, it is anticipated that they will continue to expand. The whole presentation has a dynamic positive pleasure that might lead to future wealth for our nation.

I tried to understand how a software company's accounting system works and how accounting procedures are employed from the perspective of a software company.

The research is divided into five chapters. In Chapter 1, I introduced my study subject, research aims, a brief overview of the research backdrop, and my research question. In Chapter 2, I examined the type, design, sources, data collection and analysis procedures, scope, and limits of my research. In chapter 3, I discussed their financial data, accounting standard data, and observation. In Chapter 4, I made recommendations on how to resolve the firm's issues. Finally, in Chapter 5, the concluding chapter of this investigation, I presented a conclusion.

Cramstack is now operating quite well, according to the data. They should continue to do what they are doing and ensure that every person within the company is on the same team and striving toward the same aspirations to attain their desired purpose.

Chapter One: Introduction

1.1. Introduction

An accounting system is a software or collection of programs that keeps track of and carries out accounting procedures in accordance with predetermined rules and regulations before instantly producing balance sheets and loss & profit statements. In a person's home, a store, a corporation, or a government organization, accounting is necessary everywhere. It is necessary to read books that list accounting transactions. Software makes journal keeping simpler for both large and small businesses by processing and accessing information independently and relieving the accounts department of repeated work. It also offers notifications for errors or shortcomings and helps in the examination of account information for smarter and more lucrative judgments. Software often includes billing, inventories, purchase orders, sales orders, accounts payable, receivables, and cash books. These are the fundamental components of Accounting Solutions, even though extra elements like payroll, costs, payment performance, debt collection, or outstanding debt may be included in bespoke sections. The goal of this study is to analyze and evaluate the Cramstack's accounting process.

1.2. Research Objectives

The primary purpose of the research is to better understand the concept of an accounting system for a software firm, how Cramstack regulated it at the corporate scale, and how it influences the

overall performance of the organization. The research will additionally tackle the following particular objectives in order to attain this fundamental goal:

- ✓ To assess the Accountancy mechanism of Cramstack.
- ✓ Examples of mobile app based electronic services include google search engine, online cloud-based inventory management services, electronic accounting services, electronic calculation services, an e-commerce platform, marketing services, and electronic and user-friendly stock auditing techniques.
- ✓ Centrally managed lay-by book, personnel administration, and an automated sales-expense report.

1.3. Methodology

The primary source of data or information for this research comes from conversations with the senior officer in charge of accounting at Cramstack, observation of the accounting practices at the software firm, and practical exposure to the business environment. I separated the entire endeavor into two sources in order to comprehend more and collect additional information for this study.

All information or data is gathered from these two sources. They are:

Primary Source

I would use both primary and secondary data collection methods. Primary sources offer information that is genuine, trustworthy, accurate, and important, making them preferred to secondary sources of information. I used the following approaches to obtain information from primary sources:

- Self-contemplation and on-the-job experience with Cramstack's bills, cash, receivables, and payables.

- Conversations with account executives one-on-one and in groups with other Cramstack Staff members.
- Experience preparing a number of internal reports on Cramstack's accounting procedures.

Secondary Source

Secondary data sources include, among other things, books, websites, journals, annual reports, and key government publications. As a result, while creating reports, there are a few distinct methods to employ, such as desk research, observation, interviewing, and library research.

To gather data from secondary sources, I did the following:

- Investigated Cramstack's various documents and files.
- The official website of Cramstack.

1.4. Scope

The accounting practices of a software corporation are the subject of my study. This study's main goal is to examine Cramstack's accounting method. I typically try to cover all operations and understand the Cramstack's regulations and processes.

1.5. Conclusion

We will assess the accounting procedure used by Cramstack for correctness. The management of inventory, accounts receivable, accounts payable, cash position, and current obligations is another area we inspect for problems. My working knowledge of the accounting system used by

the business would be useful in finishing my report. It is recognised as an extravagant opportunity for me to complete my apprenticeship in the real accounts process used by the company and gain a deeper grasp of corporate life. It will enable me to increase my knowledge, add value to my job, and promptly complete my internship report.

Chapter Two: Literature Review

2.1. Accounting Software Concept

Bookkeepers and accountants track and analyze a company's financial activity using accounting software. The characteristics of accounting software differ based on the product. Larger businesses may utilize a unique strategy that combines a lot of data from several departments. Small businesses frequently decide to shut down.

Software for accounting is a sort of computer application that aids accounting professionals in tracking and evaluating the financial activities of a business. Needs for accounting shareware vary depending on the business. Accounting software enhances the processing, understanding, and analysis of accounting activities. As accounting software decreases the need for paper records, which increases the cost of rent, less office space is required. Accessing historical accounting data for internal and external audits is made easier by accounting software. Oracle, SAP, Intuit, and Microsoft are a few companies that offer accounting software.

Accounting software is beneficial for contemporary businesses. Software allows for speedy reporting and analysis while also enabling complete monitoring of financial activity. Prior to the creation of accounting software, these processes needed extensive usage of transaction diaries and physical labor. Data access is also made simpler by accounting software. Employees are no longer needed to go through filing cabinets to get the data they require. Instead, users may just type in a search query to get the necessary results. Time is saved, and productivity is raised.

Audits can be conducted more simply now that accounting software makes accounting information available, especially those that call for looking up data from years ago. Internal audits and outside agencies like the Internal Revenue Service that may need to examine financial data for tax purposes might both benefit from this. Among the features that stand out are expenditure reports, LIFO and FIFO inventories disclosure, the point of sale interaction, batch governance, document management, and the recording of mega-currency transactions.

It's also important to think about the accounting software's location or method of storage, including whether it's on-premises, in the cloud, or offered as a service (SaaS). Every kind of company may. While some accounting software systems may be utilized straight away, others must be customized to fulfill the special requirements of a given area of industry or sort of corporation.

2.2. Concepts of Accounting

The essential rules, presumptions, and elements known as accounting values define the boundaries and restraints within which accounting is carried out. Accounting ideas are well-known accounting concepts that constitute the cornerstone for consistently compiling financial statements in their most fundamental form.

The commonly used accounting principles listed below are widely acknowledged.

2.2.1. Entity Concept

You may better comprehend how your firm is different from you by using the notion of an entity. You can presume that the owner and the owner of the business are two separate people. The constitution recognizes the thing as a composite person. The entity should independently generate a set of financial statements and shall accurately record all business transactions.

2.2.2. The Concept of Money Measurement

Only certain transactions are observed and reported in terms of money when using the concept of money measurement. Simply said, Money movements are documented in ledgers.

2.2.3. Periodicity Concept

According to the idea of periodicity, a company or institution must do accounting for a specific time period, generally a fiscal year. Financial statements may be generated on a recurring basis, or yearly basis, among other intervals. It aids in the tracking of any modifications that occur through period.

2.2.4. Accrual Concept

In compliance with accrual accounting, on a commercial basis. In other words, The transactions performed must be documented while they happen throughout the course of the appropriate time frame, rather than when cash comes in or goes out.

2.2.5. Matching Concept

The matching notion connects the principles of periodicity and accumulation. Based on the concept of matching principle, a company is just required to account for expenditures associated with the time period for which income has been calculated. Therefore, the business is required to record both revenue and expenses during the same time frame.

2.2.6. Going Concern Concept

The term "going concern" describes a company that will not cease to exist. As a consequence, the company's records of finances are put up in such a way that the firm may continue to run without interruption over an extended period of time.

2.2.7. Cost Concept

Pursuant to the "cost idea," each possession recorded by a corporation is required to be evaluated at its historical cost, which is the same as the purchase price.

2.2.8. Realization Concept

This subject has a connection to the concept of cost. The realization notion states that until an asset reaches its realizable value, it should be recorded at cost. In actuality, it is true that when a possession has been liquidated or given away, as may be necessary, business will record the asset's realized value.

2.2.9. Dual Aspect Concept

This is the foundation of the double-entry accounting procedure. According to the company, every transaction contains both credit as well as debit elements. Each transaction must be recorded by the company, and both the debit and credit portions must be used.

2.2.10. Conservatism

This conservative principle states that the entity must meticulously create and maintain its book of accounts. Conservatism does not account for projected future income but demands the organization to prepare for any expected losses or expenditure.

2.2.11. Consistency

The accounting principles are used consistently to achieve the goal of comparing financial accounts from different time periods, or more precisely, various enterprises.

2.2.12. Materiality

In accordance with the concept of materiality, any items that have a significant economic influence on the firm are permitted in financial statements. If the offered information has no significance to the entity's activities and recording it would be a waste of time, dismiss the other options.

2.3. Accounting Principles

The principles of accounting are the predetermined guidelines that firms must adhere to while recording and publishing cash flow information in their accounting writings, which are kept up to date in line with standards such as GAAP and IFRS. These standards allow firms to provide accurate and honest financial records. The main set of accounting regulations utilized in the USA is known as GAAP (Generally Accepted Accounting Principles). Despite the fact that these accounting standards may vary from one country to the next, they are generally the same in terms of appearance and structure. These specifications are presented in a form that makes them clear to understand and universally recognized.

As you progress in your career, it is critical that you have an in-depth expertise of these critical accounting fundamentals to master the subject. It goes beyond simply learning accounting ideas for an exam and promptly forgetting them afterwards. In the study of accounting, these ideas are crucial. After being familiar with the basics, almost all accounting problems will make more sense. One will be competent enough to make use of these ideas as a framework to address income, cost, and other types of issue combinations later in the study course.

List of Accounting Principles

Assumption of Economic Entity: The owners and the business are two separate entities with separate liabilities.

Recognition of Revenue: The accrual foundation of accounting should be used for revenue recognition.

Conservatism: When there are two viable alternatives for reporting an item, the accountant chooses the least advantageous one.

Consistency: Utilizing techniques and concepts regularly until a superior approach emerges ensures that it will be better.

Assets should be recorded based on their current or historical purchase prices.

Full Disclosure: In the financial statements or in a footnote, any information that is significant to users, lenders, or investors is provided.

Going Concern: The company may always continue and have goals for the near future without any intention of ending operations.

Matching Concept: The credit side and the debit side should match up.

Materiality: The financial statements should contain information that will be significant.

Monetary Unit: Only transactions with a monetary value and those expressed in terms of a currency need to be recorded.

Reliability: Only transactions with substantial supporting documentation should be documented.

Revenue Recognition: Regardless of when the transaction occurs or when the money is received, revenue should be recognized.

Financial statements should be reported on a regular basis, often monthly, quarterly, or annually.

2.4. Methods of Accounting

To disclose its revenues and expenses, a corporation is required to adhere to specific rules that are based on an accounting technique. The two most common accounting techniques, accrual, and cash, have certain traits but differ greatly in others. While a hybrid strategy is a possibility, it is not advised for small business owners with limited accounting knowledge. After selecting an accounting system, it must be utilized continuously up to the conclusion of the fiscal year, after which it may be altered if so desired. Depending on the chosen accounting system, various short-term profit amounts may be recorded. With time, the impact of the accounting technique decision on profitability decreases. The selection of an accounting technique also has tax ramifications. The IRS expects a corporation to consistently use only one accounting system, therefore a company cannot alter its taxable income by fiddling with its accounting system.

→ **Accrual accounting**

These two methods of accounting are the primary ones. The accrual basis requires that revenue and expenses be recorded as they are incurred. Accrual-based accounting is required for businesses that seek to have their financial statements audited as well as for publicly listed firms. It is believed to be the most precise way of accounting in theory, but because it necessitates a greater knowledge of accounting, smaller businesses are less likely to use it.

→ Cash accounting

The monetary foundation of accounting is the name given to the other primary accounting method. Cash-basis accounting is used to record revenue as it is received from consumers and costs as it is paid to suppliers. This strategy is more likely to offer fluctuating profitability over the course of any given period since a sizable inflow or outflow might have a big impact on earnings. Businesses must move to the accrual method of accounting if their revenue falls below a threshold specified by the IRS to report their taxable income.

→ Hybrid Accounting Methods

There are further variations of the accrual and cash accounting systems that are classified as hybrid accounting techniques. They could be appropriate in some circumstances, but they don't frequently offer financial statements that can be verified.

2.5. Accounting Information System

Accounting information system is used by auditors, regulators, tax authorities, managers, chief financial officers, consultants, business analysts, and accountants to evaluate, manage, process, gather, and report financial data for a company. The AIS solution consists of a software program that aids businesses in tracking their financial activities and a group of accountants who can offer assistance and guidance. Smaller firms that operate solely manually without integrating technology frequently use manual methods. The AIS doesn't need to be extremely difficult because of the company's small; all records may be maintained up to date manually. Legacy systems were widely utilized before advanced technology was developed. It lacks the flexibility and reliability that current technology can provide, although having certain advantages like the

ability to interpret past data from your firm and ease of use. Older accounting systems are thought to be far less user-friendly than contemporary, integrated solutions that run on Windows. Compared to traditional systems, they usually cost less, can be put into place faster, and have fewer issues.

Components of the Accounting Information System:

- ✓ **Individuals (Stakeholders):** An accountant is a person who maintains records of diverse financial information and makes it available to other parties, such as an owner, shareholders, creditors, and the government. A user adds data into the system, collects it, analyzes it, reports on it, etc. while another person (a stakeholder) requests data.
- ✓ **Data:** Every type of information, including P&L and balance sheets from financial reports, sales ledgers, customer accounts, vendor ledgers, cash flow statements, etc., can be regarded as data. The AIS will not keep records of information without a financial basis. It all has to do with various accounting transactions, events, and other financial matters.
- ✓ **Established Procedures:** AIS can run automatically or with input from a user. A range of tasks are carried out by AIS according to established processes and procedures, as specified in the description. One of the most important prerequisites for an AIS is consistency. This information must be provided to the person managing In the case of automatic structures, the data needs to be encoded into the mechanism.
- ✓ **Information System Infrastructure:** The term "information system infrastructure" (ISI) refers to a multitude of hardware, software, and accessory components used in IT and IS. Devices like computers, printers, scanners, and others serve as examples.
- ✓ **Internal Controls:** Internal controls are a vital component for every corporate organization. These are the instruments, controls, guidelines, and procedures that an organization employs to, among other things, ensure the veracity of financial data, prevent fraud and mistakes, and safeguard assets.

Because an AIS maintains and provides such important business data, reliability is important.

Security- The system and its data are only accessible to those who are authorized. Confidentiality is the process of preventing unauthorized disclosure of private information. Consumers' personal information is responsibly gathered, handled, and released. The timely, correct, and thorough processing of data that has been duly permitted is referred to as processing integrity.

Availability- To meet contractual and operational needs, the system is available.

2.6. Accounting Principles

Financial accounting procedures and practices are governed by the important guiding concept of accounting application. Accounting standards support financial responsibility while ensuring openness in financial reporting. In a corporation's financial reporting, an accounting standard should be considered. Accounting concepts that are often used include reporting segments, goodwill accounting, a permitted depreciation approach, corporation mergers, lease classification, a measure of shares in circulation, and recognition of revenue.

GAAPs were created in the United States and are the foundation of internationally recognized accounting principles for creating and publishing financial reports. The International Accounting Standards Board implements rule- and principle-based accounting guidelines for multinational corporations with operations outside the United States. The International Accounting Standards (IAS) seek to harmonize the meaning and methods of accounting. Accounting standards are heavily influenced by a country's tax and governance organizations.

Here is some International Accounting Standard checklist:

IAS No.	Title
IAS 1	Disclosure of accounting policies
IAS 2	Valuation of inventories

IAS 3	Consolidated Financial Statements
IAS 4	Depreciation
IAS 5	Information to Be Disclosed in Financial Statements
IAS 6	Accounting Responses to Changing Prices
IAS 7	Statement of Cash Flows
IAS 8	Changes in Accounting Estimates and Errors
IAS 9	Accounting for Research and Development Activities
IAS 10	Events after the Reporting Period
IAS 11	Accounting for Construction Contracts
IAS 12	Accounting for Taxes on Income
IAS 13	Presentation of Current Assets and Current Liabilities
IAS 14	Segment reporting
IAS 15	Information Reflecting the Effects of Changing Prices
IAS 16	Accounting for Property, Plant and Equipment
IAS 17	Accounting for Leases
IAS 18	Revenue Recognition
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 22	Accounting for Business Combinations

IAS 23	Borrowing Costs
IAS 24	Disclosures by Related Parties
IAS 25	Accounting for Investments
IAS 26	Accounting and Reporting by Retirement Benefit Plans
IAS 27	Consolidated and Separate Financial Statements
IAS 28	Accounting for Investments in Associates
IAS 29	Financial Reporting in Hyperinflationary Economies
IAS 30	Disclosures in the Financial Statements of Banks and Similar Financial Institutions
IAS 31	Interests in Joint Ventures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 34	Interim Financial Reporting
IAS 35	Discontinuing Operations
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement
IAS 40	Investment Property
IAS 41	Agricultural

Figure 01: Standards of Accounting

Chapter Three: Findings and Analysis

3.1. Financial Data

The fiscal year starts on July 1st and ends on 30th June every year. In this section an effort has been taken to analyze the financial data of the company.

<i>Components</i>	<i>30 June 2021 (Tk.)</i>	<i>30 June 2022 (Tk.)</i>	<i>Average (Tk.)</i>
<i>Non-Current Assets</i>	310,230.00	1,142,260.00	726,245.00
<i>Current Assets</i>	1,037,800.00	4,515,688.00	2,776,744.00
<i>Non-Current Liabilities</i>	1,701,676.00	1,857,221.00	1,779,448.50
<i>Current Liabilities</i>	987,565.00	1,052,899.00	1,020,232.00
<i>Total Equity</i>	(1,001,871.00)	2,979,566.00	988,847.50

Figure 02: Financial Data

3.2. Accounting Standard Data

The present status on the application of the Accounting Standards has been exhibited in the following Table:

No.	Title	Compliance Status
-----	-------	-------------------

		Complied	Not Complied
1	Disclosure of Accounting policies	✓	-
2	Valuation of Inventories	✓	-
3	Depreciation	-	✓
4	Statement of Cash Flows	✓	-
5	Intangible Assets	✓	-
6	PPE	✓	-
7	Employee Benefits	✓	-
8	Presentation of Current-Assets and Current-Liabilities	✓	-

Figure 03: Accounting Standard Data

3.3. Observation

Cramstack adheres to accounting standards since it is a start-up firm that is constantly developing and upgrading its internal sites. In that situation, Cramstack maintains its accounting system in pursuant to the International Accounting System, even though as a young firm, they must develop in many areas. They are a modest business, but they help local sellers enhance their financial reporting and other promotional sectors. Anybody may search any data from the past or present, it's the best way to de-clutter, look-up and make the most of one's company data in a short amount of time by utilizing Cramstack.

3.4. Findings

To the greatest extent of my understanding and judgment, I was able to get all of the facts and explanations required to meet the objectives of my report. I examined such accounts and concluded that the firm perpetuates accurate financial records in compliance with the law. The financial condition, Earnings and losses statements, as well as additional detailed revenue statements included in this report. The funds were used to support business activities.

However, analyzing financial records and other associated official documentation reveals:

- Employees receive paychecks once a month.
- Its accounting information system is not effectively organized or informed.
- They are inclined to cut costs, but no conventional cost-cutting strategy is used.
- Fixed asset depreciation policies are not uniform.
- They do not have a well-organized research and development cell. Nevertheless, because some projects are still in the works, actual research and development costs cannot be supplied.

Chapter Four: Recommendations

4.1. Suitable Recommendations to Cramstack:

Following are my recommendations to the difficulties mentioned:

- They must maintain a robust standard approach for managing all forms of finances and expenses.
- There must be a committed research and development team.
- They must collaborate with a different department.
- For long-term success, marketing initiatives are essential.
- They must adhere to the standards and principles of accounting.
- They should investigate cost-cutting measures for hiring staff.

Chapter Five: Conclusion

5.1. Final Remark:

Cramstack has a strong executive team and a talented workforce across the board. Key members of the team have a grasp on strategic management at both the global and local levels. They have technological competence as well as developers. They have the capacity to advertise their business, which will eventually allow them to use their knowledge in branding strategies. If they are successful, their current sales may grow. They should perhaps maintain service practices in order to continue being successful and progressing in the near future.

5.2. Limitation:

Due to time restrictions and corporate confidentiality, thorough investigations were frequently not possible. Furthermore, on the official business website, barely any of the data required for the study was available. Regardless of these challenges, I made every effort to complete the report quickly and effectively.

5.3. Research Implication:

I managed to learn about the Cramstack accounting process from their accounts department and covered it in my report.

References

- Epstein, D. (2018, January 30). *Benefits of Accounting Software: Examples of Leading Solutions Explained*. Financesonline.Com. <https://financesonline.com/benefits-accounting-software-examples-leading-solutions-explained/>
- Fuscaldo, D. (2023, January 23). *Features and Benefits of Accounting Software*. Business.Com. <https://www.business.com/articles/features-of-accounting-software/>
- Gestisoft. (2022, June 10). *Why Use Accounting Software? - Gestisoft*. <https://www.gestisoft.com/blog/why-use-accounting-software>
- Kenton, W. (2021, June 26). *Accounting Software: Definition, Types, and Benefits*. Investopedia. <https://www.investopedia.com/terms/a/accounting-software.asp>
- Morris, K. (2017, September 26). *What is the Purpose of an Accounting Software?* Bizfluent. <https://bizfluent.com/about-5300475-purpose-accounting-software.html>

Oracle. (n.d.). *What is Accounting Software?* | Oracle. Retrieved February 4, 2023, from <https://www.oracle.com/erp/what-is-accounting-software/>

Tally. (2022, December 9). *Accounting Software: Types, Benefits & Uses* | Tally Solutions. Tally. <https://tallysolutions.com/erp-software/accounting-software-and-its-benefits/>

Zoho Books. (2019, May 30). *Advantages of using accounting software—Zoho Books. Essential Business Guides.* <https://www.zoho.com/finance/essential-business-guides/books/articles/advantages-of-using-accounting-software-small-business.html>

5 Accounting Principles. (2022). Retrieved 15 August 2022, from <https://www.iedunote.com/accounting-principles>

10 Basic Accounting Principles & Key Assumptions - [2019 GAAP Guide]. (2022). Retrieved 15 August 2022, from <https://www.myaccountingcourse.com/accounting-principles>

Accounting Concept. (2022). Retrieved 13 August 2022, from <https://www.wallstreetmojo.com/accounting-concept/>

Accounting Principles. (2022). Retrieved 15 August 2022, from <https://www.wallstreetmojo.com/accounting-principles/>

Appendix I
Internship Proposal Form



INTERNSHIP PROPOSAL FORM

Name:	Mariah Arshad
ID:	182011031
Department:	Ulab School of Business (USB)
Supervisor's Name (Faculty):	Dr. Milan Kumar Bhattacharjee

Designation:	Professor
Organization's Name:	Cramstack
Internship Title:	Accounting Procedures of a Software Company-A Case Study of Cramstack

Mariah Arshad, 30.02.23

Student's signature & date:

Supervisor's signature & date:

Appendix II

Internship Confirmation Letter



Offer Letter

Date: 17/01/2023

Dear Mariah Arshad

Email: mariah.asha1996@gmail.com

Student ID:

Bachelor of Business Administration, Major: Accounting

Address: 169/1 shaptak haq heritage elephant road

Congratulations! We are pleased to confirm you have been selected to work for Cramstack Ltd. We are pleased to make you the following job offer:

- **Position** : Accounts (Intern)
- **Salary** : BDT 8,000 per Month
- **Working Hours** : 10 am to 6 pm (Sunday, Tuesday & Thursday)
- **Holidays** : As Per Company Policy
- **Reporting To** : Ashik mahmud, Operations & Accounts
- **Duration** : 3 months

We would like you to commence work from **January 22, 2023** as our **Accounts Intern**.

Please sign the enclosed copy of this letter and return it to us by **January 20, 2023** to indicate your acceptance of this offer.

We are confident you will be able to make a significant contribution to the success of our Company, Cramstack Ltd and we look forward to working with you.

Sincerely,

CRAMSTACK LTD
nazmus sakib
Managing Director



Mir Md Nazmus Sakib
Managing Director

I accept the offer as outlined above.

Date: 22.01.23

Mariah Arshad (182011031)

ORIGINALITY REPORT

9%

SIMILARITY INDEX

7%

INTERNET SOURCES

6%

PUBLICATIONS

8%

STUDENT PAPERS

PRIMARY SOURCES

1

financedocbox.com

Internet Source

5%

2

[Submitted to University of Johannesburg](#)

Student Paper

1%

3

oldror.lbp.world

Internet Source

1%

4

[Submitted to Association of Business Executives](#)

Student Paper

<1%

5

eprints.mdx.ac.uk

Internet Source

<1%

6

www.coursehero.com

Internet Source

<1%

7

tidescanada.org

Internet Source

<1%

8

storage.googleapis.com

Internet Source

<1%

9

pide.org.pk

Internet Source

<1%

10

www.yumpu.com

Internet Source

<1%

Exclude quotes On

Exclude bibliography On

Exclude matches Off