

Accounting attachment report

Business



1. 0 INTRODUCTION 1. 1 The objectives of the Industrial attachment The purpose of industrial attachment is to bridge the gap between the theory and the practise of coursework learnt in the University of Botswana.

It is meant to give students a clearer perspective of concepts learnt in the academic environment and in turn prepare them for the work environment upon completion of the degree programme. Internship is also aimed at give students a chance to apply the material learnt into a practical environment and get to know the work industry.

In applying academic material, it is understood more and in familiarising with the work environment, a career option can be chosen. Part of the attachment was for students to create networks. networks are useful in securing jobs and getting information about the industry.

1. 2 Methodology The industrial attachment was conducted over the period between May 10th and July 27th 2012. This period amounted to a total of 10 weeks over the school holidays. It was after the third year of study in the degree. Each student, with the help of the internship coordinator had to find a company of their choice in the relevant field of study to work in.

A place was to be secured through an application letter accompanied by a copy of a transcript, a letter of acknowledgement of student status from the University.

A letter of acceptance would then be sent to the university by the company that agreed to attach a student and the area in which the student will work. Students were expected to work in various sectors of the company, but within their course of study while under attachment. The students were also

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to keep weekly log sheets which were to be signed by the supervisor with the work they had conducted. ? 2. 0 BACKGROUND OF THE ORGANISATION .

1 History of Great Advisory Services Dotaka Investments (Pty) Ltd was incorporated in Namibia in the year 2005. It has two businesses operating, an insurance brokerage called Coverage Insurance and an accounting business called Great Advisory Services. The company has two directors namely Alex Munday and Gracia Hunde. Mr Munday is a non-executive director while Miss Hunde is an executive director. The insurance brokerage was the first business to be registered by the company in 2005 and has since grown to be one of the most renowned insurance broking firms in Namibia.

The business headquarters are situated in the Windhoek International Finance Park while another branch operates in the Caesar International Office Park.

This is because all insurance companies are found in the Caesar Office Park, making it convenient to get quotes upon request or to make an inquiry quicker. Having become a success and seeing the need for better accounting practise for the smaller businesses, the company diversified into the accounting field and registered a business named Great Advisory Services.

The role of Great Advisory Services is to assist entrepreneurs to sustain their businesses by upholding proper and consistent accounting ethos. Great Advisory Services was registered in September 2011 and has been in operation since then. Not only does the business deal with accounting but it also in company secretarial and consultancy.

It registers companies, sits as a director on the board and act as agents on submitting applications for permits. The staff includes Gracia Hunde, Elaine Chatonga and Palesa Mosa.

Gracia Hunde is the executive director having gained all her knowledge from experience and is currently pursuing a degree in the University of South Africa. She mainly deals in company secretarial and business consultancy. Elaine Chatonga is the head accountant, having graduated with an Honourary degree in accounting and is pursuing chartered accountancy. She draws up the financial statements and calculates the tax returns due for all the clients and for the business as well.

As head accountant, it is also her duty to supervise the work of the cler and make necessary changes.

Palesa Mosa is the accounting clerk, having acquired an AAT qualification. As a clerk she does the day to day recording of accounts for the business and for the clients. She is also in charge of the petty cash book, answering calls, submitting tax returns and miscellaneous work. MISSION The mission of Geat Advisory Services is to provide accounting services to small, medium and large enterprises.

In providing accounting services, the aim is to also influence the practise of proper accounting ethos and to improve the running and quality of business in the country.

This is will be accomplished by building a relationship with the clients and explaining accounting procedures to them. By building relationships with clients and keeping a small number of clients, the company is able to focus <https://assignbuster.com/accounting-attachment-report/>

on each client and not do a rush job. By targeting smaller businesses, the company is also able to probe into the finer details. Clientele These consist mainly of small businesses with very few employees as these are the main target of the business.

Most of the clients are in the motoring industry and have just been contracted; hence there is not much history that has been built.

The range of clients runs from auto mechanics to caterers, and interior designers. Clients are drawn in through word of mouth and through networking, as the company barely advertises itself. The biggest client of the firm is its own spear header- Coverage Insurance Brokers. Most of the clients are for accounting services as opposed to the other branches of the business. The business started with a small clientele base of 4, and has since increased to over 10 contracted clients in the accounting branch.

3. 0 MANAGEMENT, TRAINING AND EMPLOYEE INFORMATION 3. 2 Supervisor assistance

I was also debriefed on other office duties that I would be taught which would have nothing to do with schoolwork but were skills needed in the office for example, filing, photocopying, faxing, filling bank cheques and deposit slips and going to the bank. I was also told that I would not have any specific responsibilities but work would come up as and when needed which I would be given a briefing on how to do what at that moment. 3.

3 Qualities and skills possessed and developed The job called for speed, teamwork capabilities, versatility, fluency, flexibility and grasping concepts quickly.

This I had no problem with, having gone through internship before and being a member of clubs that required teamwork. Being tossed around between jobs, and not knowing what to be doing when you get to work in the office ensured that I was always on my toes. As the job went by, I learnt to be quick but thorough, to ask questions; to be accountable- work was tossed from one person to the other. If I was capturing information, I had to be thorough so that the next person, in this case the accountant, would be able to use the information.

If I gave her the wrong information, it would mess all the accounts up.

I also had to learn to be responsible ? 3. 0 MANAGEMENT, TRAINING AND EMPLOYEE INFORMATION 3. 1 Job orientation A brief meeting was held on the first day of work in which an assessment of my course work and accounting knowledge was made. The information available on the transcript and curriculum vitae was used for the assessment.

This same meeting was also used for the purpose of giving me a tour through the company, debriefing on company history and the services offered by the company. I also got the opportunity to familiarise with the business environment and the rest of the staff around.

The next step was to test the skills I had I stated that I had. I was shown how to capture information from a receipt, change it, delete it and create a file for a company in the accounting software. After a series of examples, I was asked to do the same. I went through a series of tests in using the accounting system, which in this case was called Quick books.

Having shown adequate knowledge, I was informed that I would assist in that part of the job. The main job was capturing, but some more office jobs were to be done, which I was kindly briefed on.

I was to be the extra hand in the office; hence I would be tossed around everywhere, having been given a short tutorial prior to execution of a task. There were no specific responsibilities that were given to me; most of the work to be done would be broken down before being done. Having been briefed on the jobs to be done, I was shown the office space that I would use.

A few minutes later I was assigned to my primary role for the week- filing, organising documents prior to capturing, checking if transactions had been captured properly and at the correct amounts and banking.

In between the small jobs, I was to familiarise myself with the software and practise before I could be given any work concerning that. 3. 2 Supervisor assistance My supervisor adequately explained all duties and responsibilities before I undertook them. The first question before doing anything was an enquiry as to whether I had done any such thing. If I answered in the negative, I was shown how to do it.

I would then attempt the same job under her watch until I had perfected my work. In cases where computer use was required, a different document altogether would be opened for the sake of demonstration.

A supervisor was always ready to help if I did not understand anything. As this is a small company, help was easy to find as my slowing down would also affect the other operations. My supervisors were quick to explain and guide through new processes especially those that involved going to NURS, <https://assignbuster.com/accounting-attachment-report/>

going to clients and going to Company registration. I would receive office calls whenever I spent more time than usual.

During the first days in the office, I would also get momentary calls just to check on progress or if everything under control

3. 3 Qualities needed and qualities gained

Versatility and flexibility were needed to succeed in this position as I would be tossed into any work. This meant I would have to be a receptionist, or an accountant, or the driver so adaptation and was needed. There was much work to do in the office so I had to be quick to catch onto the job as I would often receive crash courses to do a new task. In a job where there were had no fixed duties, and work to do decided on each morning, it was critical to grasp the concept quickly. The job also called for an ability to work without supervision as there was a lot of work to be done between the three services offered by the company.

There was a need to be organised and to ask questions to do with more clarification to get an understanding as soon as a task was given in order to curb backlog. The amount of work to be done was much so that made round the clock assistance rather impossible. Time keeping was also very critical. We all depended on each other as one person's slow delivery affected everyone. There was a need to pay attention to detail when doing accounts so as to come up with the correct financial statements and prevent reworking which would waste time.

Ten client companies would expected their returns to be calculated every second month so each company had specific time slots for doing their books

which had to be maximised in order to prevent a rush job being done or eating into another company's time.

Fluency in English and articulation was a needed quality because there were clients to talk to, going to the Registrar of Companies and calls to be answered when the clerk/receptionist was not around. Qualities gained during the process included the ability to think on my feet, tenacity, responsibility and team working.

Concerning the ability to think on my feet, jobs done outside the office required decisions to be made quickly if things did not go according to plan this needed one to exercise discretion and take control without having to call the office first. Thinking on one's feet required the ability to reason carefully and objectively. Over time, I developed tenacity. It became apparent that not only did the job call for work to be done, but to be completed on or before time.

Working after hours became normality and not burdensome and neither was it something to complain over.

The key was to understand the importance of completing a task before the next day, regardless of working hours. Honesty and responsibility came with the job. Whenever personal resources were used in incurring company expenses, they had to be accounted for. This called for keeping of receipts and disclosing the corrected amounts actually spent in order to qualify for a refund. These expenses also had to be incurred wholly towards the company and not be mixed with personal expenses.

Every business can only achieve its goals through teamwork.

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Work was passed from one person to the other as processes were interlinked. The clerk and I did most of the primary work- capturing and organising files and it had to be understood by the next user of the information. Having done my part for the day, I would not sit around as others worked but pitch in to also help in order for the task to be completed. ? 4.

0 SPECIFIC JOB INFORMATION 4. 1 Daily Responsibilities There were no specific daily responsibilities given as work arose as and when needed but there were things that became routine, for example filing, faxing and photocopying.

The other jobs included capturing invoices and receipts into the accounting system, checking if receipts and invoices had been entered into the system, helping to separate receipts into different expenses and banking. Accounting Capturing accounting information from invoices was a daily task. Expenses had to be separated into cost of sales, company expenses and capital expenditures. That done, a list of all transactions entered would be printed and cross-checked with the corresponding receipts as an internal check on capturing all expenditure and at their correct amounts.

Every month end, tax return forms were filled out and withholding tax charges calculated. For those companies which took the liberty to calculate their own taxes, their figures would be matched with those in the tax tables to ensure consistency. The difficult part of this was working with companies that pay employees through commission as they had a different way of calculating applicable charges. Bank reconciliation at the end of each month was a required duty.

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The task was to go through a monthly bank statement, reconcile the figures with those in the cheque book, adjust for unpresented cheques, account for stop orders and total the bank interest charges for the month.

After that the money drawn out for personal use would be calculated for drawings. Filing The first thing upon receipt of files from a client was to sort them out in chronological order. This made it easier to account for the dates on transactions as the date would not be changed with each receipt, it also made it easier to find a missing receipt or to look for a query on the receipt if they were in order.

The filing work included the tax returns that would come from NURS, documents from the clients in the form of bills, contracts and agreements made between the client and the firm. For withholding taxes, each company had a separate filing place for rental withholding taxes and employee withholding taxes.

Printing, copying and faxing Accounting involves a lot of printing, faxing and photocopying. The responsibility assigned was to do exactly that. It was of utmost importance to make sure that the company had one file while the client also had another copy. Banking

This involved drawing up cheques for clients, having been given the due amounts, fill in cheque deposit slips whenever a client made a payment via cheque, signing and accounting for the cheque in the company books before going to the bank to deposit it. This also involved cashing some cheques and depositing them in the respective employee accounts at the end of the month for salaries. 4.

2 Other responsibilities Messenger Jobs that were done outside the office included fetching files with client's receipts and invoices for the month and returning them, submitting and collecting returns forms to NURS, getting clients to stamp taxes due forms.

Being a messenger also involved following up on company or business name reservations with the Registrar of Companies. The other tasks at the Registrar of Companies were submission of forms for the change of directors and the transfer of ownership of a firm. All paperwork generated from this would be copied and sent to the concerned client Office jobs Part of the office odd jobs was answering the phone when the person responsible was not available. This would involve taking messages and answering for where the required person was, putting through phone calls and answering whatever questions a client had about the business.

When clients arrived before their appointed time had to be attended and entertained until their attendant returned.

This was achieved by preparing refreshments and chatting up the client, sitting them comfortably and continuous reassurance that the required person would be with them. Ensuring office security involved locking up doors and cabinets, closing windows, switching off the air conditioners by the last person to leave the office. 4. 3 Knowledge from course work Three years of in the University of Botswana has come with grasping many skills and concepts.

Some proved necessary, other premature and some skills use stood out more than others.

Knowledge from Accounting Information Systems learnt in BIS309 was the most used and hence the most helpful. It offered a foundation to be able to use any accounting software. BIS309 also helped because it dealt with the daily running of business and how to enter daily transactions into the books of accounts, the separation of bills and invoices and how to create a debit or credit note. BIS309 also included how to account for a refund, how to add an account into the list of accounts.

Most accounting now is done by software so the ability to use software and the knowledge of the way around the software was an added advantage. Knowledge of basic accounting and bank reconciliations was taught in Financial Accounting I (ACC100) and it offered know how on entering costs into books of accounts and drawing up bank reconciliations and treating unrepresented cheques.

Some clients, being new, lacked adequate accounting information. This amounted to missing receipts and invoices, misnumbered invoices, missing bank cheques or narrations to the cheques.

In order to deal with this one had to work backwards from the bank statement to find missing figures and asking for rough estimates for jobs done. Incomplete Records taught in Financial Accounting II (ACC200) was a useful resource. For the purpose of separation of business costs into cost of sales and expenses Introduction to Cost Accounting (ACC201) was very useful. Some business incurred expenses that had to be charged to their cost of sales, not costs of running the business, for example the cost of delivery, the cost of assembly, etc.

One company was a delivery company and conducted trade by going to South Africa and taking goods for delivery into Namibia, the cost of the job did not only include fuel to travel to South Africa but it included the driver's accommodation and food and the cost of toll gates. Dealing with these expenses was learnt in Management accounting applications ACC303. Final accounts are drawn at the end of each month and they have to be drawn up according to the formats in the accounting standards.

Knowledge of accounting standards and presentation formats was acquired in Auditing I (ACC301) and Financial Accounting II (ACC 300.) Upon the calculation of taxes for individual employees, calculating the gross taxes, doing a bank reconciliation, comparison of figures, checking if all receipts had been entered Microsoft Excel was used.

BIS 205 dealt with the primary use of computers and plugging in formulae. General Education Courses dealt with the use of computers and communication.

Businesses require a lot of communication and etiquette. GEC 121, introduction to Computers was useful for the purpose of using email, Introduction to Communication (GEC111 and 112) helped in articulation and Introduction to Rhetoric and Public Speaking (GEC 364) helped in building confidence and addressing people. For the sake of company registration, the difference between a company and a business grasped in Introduction to Company Law (LAW351) was a critical tool in knowing the difference, lest the two be wrongly interchanged.

This difference was also critical whenever capturing expenses, keeping in mind that sole traders were not separated from the business and withdrawals made were charged as drawings.

4. 4 Beneficial things to have learnt It would have been very helpful to have gone through an introductory lesson in tax so as to understand the format, the applicable tax figures had and to fill in a tax form with understanding. Most of the workings in tax were done out of memory, having been briefed on before but with no adequate understanding as to why they were done that way for example amounts exempt from tax and the calculations of allowable deductions.

Cash flow Statements are part of the final accounts drawn up at the end of the month. This was also something learnt on the job but without full comprehension of what exactly to be done and what to be done. 4.

5 new skills acquired The reservation of a company name and creation of a shelf company is one of the stand out skills I acquired on the job. A lot of companies open new branches, since Botswana is a developing country and there is positive economic growth, many businesses and companies are being opened as a result and know how in reserving a name and registering a business has become a crucial tool that one may use as an agent.

In learning how to reserve company names and creating shelf companies, it was inevitable that I had to learn how to change directors of a company. Some companies do not immediately operate upon been granted approval or even fail to start, these companies can then be taken over by other persons.

Forms for changes in directors of a company are retrieved from the Registrar of Companies' website.

The website hosts many forms that can just be downloaded and printed without necessarily collecting them from their offices. I learnt how to collect a tax return form. These forms are collected directly from NURS.

A tax return form has two types, one being for VAT and the other being income tax. The person collecting the tax returns forms has to have knowledge of their Tax Identity Number. Other small skills acquired include:-

- Calculation of PAYE.

Pay as You Earn tax is calculated using the tax tables. Each income has a specific tax matched to it and those that go beyond the normal amount have a specific extra amount to apply. •How to register a company for tax. The form is collected from NURS and it contains various areas to be filled out including the type of business, the name of the business.

The bank needs to also certify that an account by that person exists.

- How to fax and photocopy. This was part of daily office work. No knowledge of such skills had been possessed before.
- How to use Quickbooks. This was the accounting software used by the company. Knowledge of Pastel Accounting and the use of Microsoft in Accounting were the only prior knowledge.

Most companies use Quickbooks so this is a relevant skill upon job search at the completion of the degree. •How to use office stationery properly. There is some stationery designed for office use that we fail to use properly.

Documents need to be filed neatly and in an orderly manner. That said, learnt how to align a paper before punching, refill staples and to use the various types of files. ? 5.

0 Conclusions and recommendation 5. 1 Career goals versus industrial attachment The Industrial attachment surely did bring some perspective. The daily work in accounting is significantly different from the theory learnt in school. Day to day accounts is routine and very simple. Within a short period of time, one begins to know the routine of recording and creating financial statements at the end of the year.

That said, I realise now that accounting needs to be supplemented with other courses, for example ACCA, CFA, CIMA, etc. These professional courses give one the ability to review policies placed by the business in their accounting. They also help one to become more marketable in the industry and prevent the boredom inherent in most office jobs with routine tasks. Looking at the clientele of the business, there is a dire need for accountants and for people to learn to be 'accounts smart'. Most companies do not even have a clerk and most small businesses do not have an accounts department as the owner does everything and the results end up being very poor.

I have also come to realise that the lack of consultancy and knowledge of cost versus revenue makes some businesses fail or not realise their full potential as much is taken from the business without replacement via drawings. That said, my career goals really have changed and I would not want to end up sitting in the office, day by day, drawing accounts for people, but instead to give advice on running a business and creating strategies that work. I would like to move into explaining accounts to business owners and <https://assignbuster.com/accounting-attachment-report/>

creating strategies for the purpose of cost reduction and ensuring longevity in a business.

Clients constantly complain about the return on their taxes, some do not even know what it means or how it is calculated and are always disgruntled when they see an accountant coming through. Clients therefore need tutorials in the accounting field so that they just do not accept anything or begin to distrust their accountants.

5. 2 derivations from the attachment Two stand out lessons were derived from internship, the first being that university education alone does not fully equip one for the work environment; one needs a bit of experience.

The second lesson being, there is a lot of ignorance concerning accounting in Namibia, to the point of business owners doing their own book-keeping. This comes from a lack of appreciation of the role of accounting in business. Concerning the equipping by the University, there is not enough room for doing accounting practically.

There are too many courses from other faculties that students are encouraged to take up in their first year, which leaves little room for proper accounting courses in the degree.

The result is that most accounting is taught in a rush manner without adequate understanding and the result is that students cram without grasping concepts fully. This became apparent on the calculation of a business' daily expenses. In the examples given us in school, the figures are already summed up and apparent, most of the work involves drawing final accounts, but in businesses, final accounts are drawn up only once a month.

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The recording of a business' daily expenses is critical and needs to be given attention in the foundation courses of the degree.

Concerning ignorance of accounting , most businesses have no accountant and do not keep the relevant information used in drawing up accounts.

The use of interns is also a wide spread normality among those who wish to have some form of book-keeping in their business. However, interns are fresh from university and often make mistakes. This results in backlogs during work as some of the books have to be redone. 5. 3 most significant learning experience The most significant learning process was that on the importance of teamwork.

Business processes are intertwined that each person relied the other person.

Slacking was therefore intolerable as it affected everyone else's progress. That said, I learnt to rely on other people, and to become a person to be relied upon. I also learnt to value the contribution of other people and the vitality of making a significant contribution in a team. 5.

4 self-evaluation The key strengths I possessed for this job were adaptation and quick-learning. I understood whatever work was assigned to me in a very short space of time. There was a lot of tossing around involved in the job as I had no specific responsibilities, this meant I had to be versatile and ready for anything.

The ability to think quickly and summon best judgement in a rash situation was very useful when running errands and things would not go according to

plan or clients were late. This required changing things or rearranging with a client on my own without calling the office first.

The ability to work without supervision and being self-motivated was an added advantage. Because of the lack of space, I shared the office with the other company branch of Dotaka Investments called Coverage Insurance. This meant I had no round the clock supervision in my work. I however managed to complete all my work before time or on time.

Being reliable is another quality I possess that the executive director would allow me to run errands for her with her car while she would be in the office. She relied on me to represent her well wherever she sent me on her behalf.

Dress was no problem for me as I made sure I was clad formally and presentable each day. Articulation and fluency in English was an added quality as well that enabled me to win over clients and explain to them adequately what we required of them. im formal. time keeping My time keeping in the morning was not the most efficient.

Most of the time i was not punctual to work and i would arrive a little bit after time.

I however compensated for this shortfall by personally working during lunch or working late. 5. 5 recomendations for improvement in the organisation Great Advisory Services needs bigger office space. During this period of attachment, there were five employees sharing two rooms. This meant that the main office had three employees which is too large a number for a small space.

The room became crowded to the point that clients would notice and either mention in a joking manner or just showed unpleasantness.

The company vision has to be printed and stuck on the wall and be used in company stamps. I only knew the vision when I had. A company vision helps in boosting employee morale by showing them that whatever they are doing is contributing to the achievement of the vision. Grievances in the company need to be addressed. There were matters that were swept under the carpet even though they were important.

There were times where there would be some tension in the office or gossip over another person over things that were not properly stipulated yet could be solved with a sit down meeting.

There needs to be an investment towards the training of employees. An accounts consultant was employed by the firm for enquiries' sake. However, his availability was after hours which could go on till midnight this was not an efficient way of working. The problem can be overcome by putting one of the accountants through an ACCA program. Also the clerks' work was not up to standard as most of it had to be redone.

Employee training should also be in answering calls, using appropriate register as there was a tendency for employees to use an incorrect tone or a colloquial term in a formal set-up.