

INDUSTRIAL TRAINING REPORT AT
MOHAMED AWANG & CO

BY

NUR JAMILAH UMRAN
BACHELOR OF ACCOUNTANCY

INDUSTRIAL TRAINING REPORT SUBMITTED TO

DEPARTMENT OF ACCOUNTING AND FINANCE
FACULTY OF MANAGEMENT AND ECONOMICS
KOLEJ UNIVERSITI SAINS DAN TEKNOLOGI MALAYSIA
(KUSTEM)

2004

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1100032981

PREFACE

This book provides a carefully balanced presentation of industrial training organization and internal control system. Written in a clear and understandable manner, it is appropriate for readers who have not had significant audit experience. The industrial training was held on 21st Mac 2004 to 2nd September 2004 at Mohamed Awang & co.

The approach is to integrate internal control system in accounting system. This book consists three chapters. Chapter one emphasizes the industrial training organization information. Chapter two deal with internal control system and obtaining weaknesses about the firm; they emphasize a risk-based approach to selecting appropriate auditing procedures. Chapter three present coverage of conclusion on chapter one and two.

ACKNOWLEDGEMENT

Thanks to Allah praise be upon Him for giving me strength and endurance to complete the practical training and its report.

I feel very grateful and very obligated to acknowledge the contribution for those who helped tremendously during my attachment at Mohamed Awang & Co.

I am deeply grateful to the manager of the firm, En Zulkifli bin Mohamed for his kindness for taking me as a trainee at his firm. Thanks a lot to my supervisor Wan Rozita Sanisah bt Wan Hassan. And to all those who involved during my practical training whose name I am unable to list down for reason of them being too many. I could only turn to Allah the Almighty to repay them in the best of His Wisdom.

Not forget to my lecturers, Pn. Fatimah bt Shahman as my head department of accounting and finance and **Pn. Noraihan bt Mohamed** and **Pn Wan Zanani bt Abdullah** as my coordinator for her guidelines and advices in finishing my report. Special for my parent for giving me using car to go to the office and some of money every month.

Thanks to all of you.

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DECLARATION

I, Nur Jamilah bt Umran hereby declare that the report for AKN 4799 is based on my original work expect for quotations and citations which have been duly acknowledged. Everything that has been written in this report is from my point of view based on the theory and my observation during the training. Faculty of Management and Economics (FPE) is not bonded with the contents of this report.

Signature



Name: NUR JAMILAH BT UMRAN

Date: 18 OKTOBER 2004

Acknowledged by:



MISS WAN ZANANI ABDULLAH

Supervisor from KUSTEM

On behalf of Chairman of the Industrial Training
Faculty of Management and Economics
KUSTEM

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CHAPTER 1

ORGANIZATION OF

INDUSRIAL TRAINING

1.1 INTRODUCTION

Practical training is the one of the programmed have obligation to the all accounting student in University College Science And Technology Malaysia (KUSTEM). Especially, for final year student in bachelor of accounting. Practical training will be going on the period one semester and it's about six month.

The main objective of the practical training will be give the student in a real work environment which could give a great benefit to them, after finished heir study. It's also can contribute he t improve and applied all the lesson and studied skill in real working compare to their learn I the class. For experience and knowledge in the practical training, can help lecture to evaluate how much the best training during do the work in the office to practice when make a presentation for coordinator of practical training.

Practical training also to manure student for making report as she doing their practical work. They can give information about labor's world that they were faces it after graduate. Every student will teach how to valued and improve the accounting system, which had used by company. In addition, given good suggestion compared with the latest system to upgrade their efficiency.

It also gives a benefit and advantages to the corporate organization, and also government to transfer their experience and knowledge to the practical students in the way to produce a professional person in the future according to the major course.

It also to established the relationship between KUSTEM and organization that involved through this practical training for their benefit especially through the interchange of the relevant latest information.

1.2 ORGANIZATION INFORMATION

Mohamed Awang & Co register 20 year ago on January 1977. The manager is Tuan Haji Mohamed bin Awang. Before this, he has to involve in auditing and accounting services in Bank Negara Kuala Lumpur about three years (1961-1963). After that, he transfer to Pulau Pinang (1964-1966), Johor Bahru (1967-1969), Sabah (1970-1971) and come back to Kuala Lumpur at 1972 until 1974. Before incorporate Mohamed Awang & Co, he has a partnership firm registered under Hashim Mohamad & Co. This firm at Jalan Ipoh, Kuala Lumpur. Hashim & Co incorporated at January 1975. The operation of a partnership until December 1976. Tuan Haji Mohamed b. Awang decided to dissolve because he want to come back to origin place Kuala Terengganu (1957-1976).

Firstly incorporate Mohamed Awang & Co, this firm is placing at :

71-B Jalan Paya Bunga

20200 Kuala Terengganu

After one year incorporate, on February 1978 this firm move at :

104/B – Bangunan PMINT,
Jalan Paya Bunga
20200 Kuala Terengganuj.

In 1980, he has auditing license. So, he can improved the business from recorded, taxation and secretary to auditing firm.

In Mohamed Awang & Co 1988, this firm move another place again at:

66/20 Tingkat satu,
Taman Seri Intan,
Jalan Sultan Omar,
20300 Kuala Terengganu.

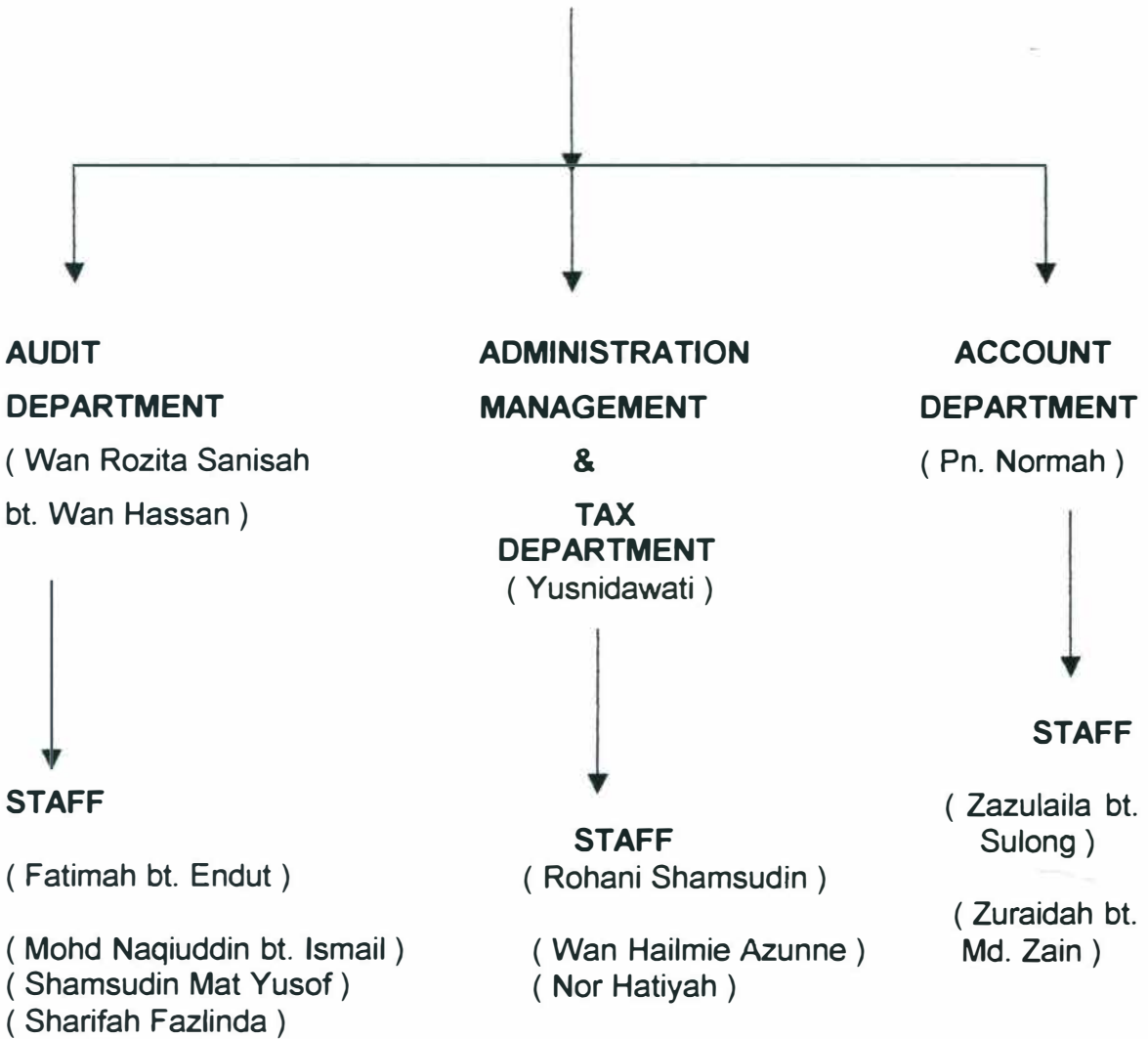
Tuan Haji Mohamed b. Awang was public accountant and independent auditor. He was the member of Malaysian Institute of Accountants (MIA) and Malaysian Association of Certified Public Accountant (MACPA). He also a member of Institute of Chartered Accountants in Australia.

In 2004, he got heart attack and deceased at 16 Mac 2004. Then, the son takes over this firm. Manager for Mohamed Awang & Co is En Zulkifli b. Mohamed. He hadn't a license for audit services for private limited company and public company. In August 2004, he applied the license and for last month that license approved by legal of accounting company. So, now he continued his father business.

1.3 ORGANIZATION CHART

MOHAMED AWANG & CO

MANAGER
(En.Zulkifli b. Mohamed)



1.4 KNOWLEDGE AND SKILLS TO BE LEARNED

These firms have three departments namely: Audit, Account and Tax management department.

1.4.1 AUDIT

In the audit scope, audited statements prepared are based on the procedures and guidelines that are ready fixed in the accounting system with the company or co-operation aim that, the account had been audited base on the accounting principle and also obey the law requirement. The firm axially concentrates the level of the audit, whether for private limited company or co-operation. The audit fee had to followed the procedure program because that was too easy and efficient.

1.4.2 ACCOUNTING

These firms have a client such as private limited company and private company. The method of accounting have to recorded exactly and accurately under the classes. Client must be sent invoices, voucher, bank statement and document is related to the company. The document in prepare account is vouching payment voucher and payment advise to prepare cash book. When cashbook complete the transactions in cash book will post to general ledger purchasing ledger, sales

ledger etc. After ledger complete, profit and loss account, income statement and movement of equity statement. When financial statements completed trial balance need to prepare. Then combined the trial balance cash and bank. Balance in ledger will transfer into the trial balance.

1.4.3 TAXATION

In taxation, Mohamed Awang & Co provide taxation management for tax computation. Tax computation have took from audit file the will related forms. Clients will be come to discuss about confusing profit or loss for their company to need pay the tax. When make tax computation, the trainee needs to fill form C and form R. In this forms have information about company profile and company financial statement information. This form is keep I firm; one copy and one original have to sent LHDN as reference. The trainee has prepared tax assessment for a few clients that different activity.