



UNIVERSITI  
TEKNOLOGI  
MARA

Cawangan Terengganu  
Kampus Dungun

**FACULTY OF ACCOUNTANCY**  
**BACHELOR OF ACCOUNTANCY (HONS) - AC220**



**MOHD NOH & CO.**

( AF0462 )

Est 1980

Chartered Accountants & Business Advisers

**PAC671**  
**INDUSTRIAL PROJECT**  
**FIELD REPORT**

**PREPARED BY :**

<b>NAME</b>	<b>STUDENT ID</b>	<b>GROUP</b>
<b>NUR ADIBAH BINTI ABD RAZAK</b>	<b>2020828404</b>	<b>TAC220A</b>

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## TABLE OF CONTENTS

<b>Content</b>	<b>Page</b>
<b>a) Section A</b>	
Introduction– company, benefits provided by company & other relevant info related to training.	3
a. Summary of work done	4
b. Strengths & Weaknesses of Training	5
c. Self-Reflection	6
<b>b) Section B</b>	
a. 1 Issue in the accounting field.	7
b. Discussion of issues supported by relevant sources.	8
c. Recommendation	11
d. Conclusion, references and appendices	12-13

## **Section A**

### **Introduction**

The company I chose for my internship is Mohd Noh & Co, located in Senawang, Negeri Sembilan. The company was established to provide comprehensive support services to businesses, cooperatives, associations, and individuals. Over the years, the company has maintained its goal of delivering high-quality support services beyond its base in Seremban. Today, Mohd Noh & Co operates out of a modern office facility in Senawang Commercial Park, which is conveniently accessible via the Plus and Lekas expressways.

The primary reason I selected this company for my internship is due to its stellar reputation in the accounting and auditing industry. The firm is well-regarded for its expertise, integrity, and commitment to client success, making it an ideal environment for me to gain practical experience and enhance my professional skills.

My internship at Mohd Noh & Co spanned six months, starting on 4 March 2024 and concluding on 23 August 2024. This period provided ample time to immerse myself in various accounting and auditing tasks and to understand the operational dynamics of a professional services firm.

I was assigned to the Accounts and Audit Department, where I had the opportunity to work under the supervision of Puan Marlina Bt Mohd Noh, the company's manager and Managing Partner. Her guidance was invaluable in helping me navigate the complexities of accounting and auditing processes. Mohd Noh & Co offers several benefits to its interns, which greatly contributed to my professional development. One of them is practical exposure, I was involved in real-world accounting and auditing tasks, allowing me to apply theoretical knowledge gained from my academic study. The second one is mentorship as I worked closely with experienced professionals, including my supervisor, provided me with insights and practical advice that were instrumental in my learning process. Furthermore, the company encourages continuous learning and provides resources such as seminars and workshops to keep interns updated on the latest industry practices and standards. In addition to on-the-job training, Mohd Noh & Co places a strong emphasis on continuous professional development. Interns are encouraged to engage in self-directed learning and to participate in various professional activities. This holistic approach to training ensured that I not only gained technical skills but also developed a deeper understanding of the industry and its evolving trends.

### **a) Summary of Work Done**

During my internship at Mohd Noh & Co, I was involved in a wide range of tasks and projects that provided me with a comprehensive understanding of accounting and auditing practices. Some of the key activities I participated in included:

1. **Financial Statement Preparation:** I assisted in preparing financial statements for various clients, ensuring compliance with relevant accounting standards and regulations.
2. **Audit Assignments:** I participated in audit engagements, which involved examining financial records, verifying accuracy, and identifying any discrepancies or areas of concern.
3. **Client Meetings:** I attended client meetings with senior staff members, where I observed how they communicated findings and recommendations to clients.
4. **Internal Training Sessions:** I participated in internal training sessions conducted by senior staff, which covered various topics such as new accounting standards and auditing techniques.

These experiences allowed me to develop a solid foundation in accounting and auditing practices and to understand the importance of accuracy, attention to detail, and ethical standards in this profession.

## **b) Strengths & Weaknesses of Training**

### **Strengths**

One of the primary strengths of Mohd Noh & Co's training program is its comprehensive nature. The program is well-structured, providing interns with exposure to a variety of tasks and responsibilities. This holistic approach ensures that interns gain a thorough understanding of the profession. Additionally, the opportunity to work under the guidance of experienced professionals is a significant advantage. The mentors' willingness to share their knowledge greatly enhances the learning experience.

Another strength is the practical experience offered. Hands-on experience in real-world tasks is invaluable, allowing interns to apply theoretical knowledge in practical scenarios and understand the complexities of accounting and auditing work. The emphasis on continuous learning and professional development is also notable. The resources provided, including seminars and workshops, help interns stay updated on industry trends and best practices. Furthermore, the supportive and collaborative work environment at Mohd Noh & Co fosters a positive learning experience, with colleagues always willing to help and provide feedback, which is crucial for growth.

### **Weaknesses**

Despite its strengths, the training program has some weaknesses. One limitation is the exposure to certain areas. While the program is comprehensive, there were areas such as forensic accounting and advanced tax planning where exposure was limited, primarily due to the specific client projects assigned. Additionally, the high workload at times made it challenging to balance multiple tasks and deadlines. Although this was a valuable learning experience in time management and prioritization, it was also stressful.

Resource constraints occasionally posed challenges as well. Limited access to certain software tools or databases hindered the ability to perform some tasks efficiently. These constraints sometimes made it difficult to fully capitalize on learning opportunities and complete tasks effectively.

### **c) Self-Reflection**

My internship at Mohd Noh & Co was a transformative experience that significantly contributed to my personal and professional growth.

I developed a strong foundation in accounting and auditing practices, including financial statement preparation, audit procedures, and tax consulting. The practical experience gained during my internship was instrumental in enhancing my technical skills. In addition to technical skills, I also improved my soft skills, such as communication, teamwork, and time management. Interacting with clients and colleagues helped me build confidence and develop effective communication strategies.

The importance of ethical standards in accounting and auditing was emphasized throughout my internship. I learned the significance of integrity, accuracy, and confidentiality in professional practice. The internship also helped me clarify my career aspirations. I realized my passion for auditing and decided to pursue further qualifications and certifications in this field to enhance my expertise and career prospects.

Building a professional network was one of the valuable outcomes of my internship. The relationships I established with colleagues and clients will be beneficial for my future career. Overall, my internship at Mohd Noh & Co was an enriching experience that provided me with a solid foundation in accounting and auditing. The practical skills, knowledge, and professional relationships I developed during this period will undoubtedly contribute to my future success in the field.

## **Section B**

- a) Issue on accounting field.

### **The Impact of Artificial Intelligence on the Accounting Profession in Malaysia**

The use of Artificial Intelligence (AI) is changing the accounting profession in Malaysia. AI can make accounting work faster, more accurate, and less expensive by automating tasks like data entry, transaction processing, and financial analysis. This means that accountants will need to focus more on strategic and analytical tasks instead of routine ones. As a result, accountants will need to develop new skills to work effectively with AI technologies.

However, the adoption of AI also brings challenges. There is a risk that AI could replace some accounting jobs, especially entry-level positions. Moreover, relying on AI for important financial decisions raises concerns about who is responsible if something goes wrong and how transparent these AI systems are. Ensuring that AI is used ethically and complies with regulations is crucial to maintaining trust in financial reporting and auditing. Therefore, while AI has many benefits for the accounting field in Malaysia, it is important to address these challenges and ethical issues carefully.

b) Discussion of issues.

## **The Impact of Artificial Intelligence on the Accounting Profession in Malaysia**

### **Issue 1: Maintaining Professional Judgment**

#### **Decision-Making and Professional Skepticism**

Despite the advanced capabilities of AI, human oversight remains crucial in ensuring the accuracy and reliability of financial data. AI systems can process vast amounts of data quickly and identify patterns that might not be immediately obvious to human accountants. However, these systems lack the ability to apply professional judgment and skepticism, which are essential components of the accounting profession.

For instance, during my experience with accounting software such as the UBS system, I observed that while the system could efficiently generate reports, it could not identify certain nuances. A balance sheet might appear balanced even if incorrect accounts were used. For example, if a liability account was mistakenly classified under a different category, the system would not flag this error. This highlights the importance of human judgment in reviewing and interpreting AI-generated data.

Moreover, complex transactions such as loans often require nuanced understanding and interpretation that AI cannot provide. When a company receives a loan, the classification and accounting treatment can vary depending on the source and terms of the loan. Human accountants must evaluate these details and apply the correct accounting principles, which AI systems are currently incapable of doing without detailed contextual understanding.

Professional skepticism is critical during financial audits. AI tools, like Insight, can flag unusual transactions for further review. However, the final judgment on these transactions' validity still rests with experienced auditors. They must consider various factors, including context and potential external influences, which AI may not fully comprehend. Over-reliance on AI without adequate human oversight could lead to misinterpretations or oversight of critical nuances in financial data.



## **Issue 2: Ethical Considerations**

### **Data Privacy and Security**

The adoption of AI in accounting raises significant ethical concerns, particularly regarding data privacy and security. During my internship at an accounting and audit firm, I observed firsthand the vast amounts of sensitive financial data processed by AI systems. This included client invoices, personal bank information, and other confidential financial details.

Ensuring the security of this data is paramount to maintaining client trust and complying with legal and regulatory requirements. The Malaysian Personal Data Protection Act 2010 (PDPA) mandates strict guidelines for the handling and protection of personal data. Firms must implement robust security measures to prevent unauthorized access and data breaches, which can have severe repercussions, including financial losses, identity theft, and damage to the firm's reputation.

Cybersecurity threats are a major concern in AI systems. Cybercriminals continuously develop sophisticated methods to exploit vulnerabilities in AI systems, making it essential for firms to stay ahead with advanced security technologies and practices. Insider threats, whether malicious or accidental, also pose significant risks. Weaknesses in data handling practices, inadequate access controls, and insufficient encryption measures can contribute to data breaches.

Hence, the need of regular security audits, continuous monitoring, and comprehensive incident response plans are essential to mitigate these risks. Additionally, employee training programs on data privacy and security can help prevent accidental breaches and ensure that all staff members are aware of best practices and regulatory requirements.

### **Issue 3: Job Displacement and Skill Requirements**

#### **Automation of Routine Tasks and Emerging Skill Requirements**

AI has the potential to automate many routine tasks traditionally performed by junior accountants and interns, such as data entry and invoice processing. While this increases efficiency, it also raises concerns about job displacement and the evolving roles of accounting professionals.

For example, AI tools like QuickBooks Online can automatically categorize expenses and reconcile bank transactions, tasks that previously required manual input. This shift means that entry-level accounting roles are changing, with less emphasis on routine tasks and more focus on higher-level analytical and strategic responsibilities.

Accountants now need to develop skills beyond traditional accounting. Proficiency in AI tools and data analytics is becoming increasingly important. During my internship, it became clear that firms must adapt to these changes by offering training and development opportunities for their staff. Knowledge of data analytics and the ability to interpret AI-generated insights are now critical components of the accounting profession.

The Malaysian Institute of Accountants (MIA) emphasizes the need for continuous professional development to ensure that accountants remain relevant in a rapidly changing technological landscape. The integration of AI in accounting requires a workforce that is not only adept at using these tools but also capable of providing strategic insights and maintaining ethical standards.

c) Recommendation

**Balancing AI and Human Expertise**

To address the challenges and maximize the benefits of AI in accounting, firms should adopt a balanced approach that leverages both AI and human expertise. AI can handle routine and repetitive tasks, freeing up accountants to focus on strategic and analytical work. However, human oversight still remains crucial to ensure the accuracy and reliability of financial data.

**Continuous Professional Development**

Firms should invest in continuous professional development for their staff, focusing on skills such as data analytics, AI tool proficiency, and ethical standards. Training programs and workshops can help their accountants stay updated with the latest technological advancements and regulatory requirements.

**Robust Data Privacy and Security Measures**

Implementing robust data privacy and security measures is essential to protect sensitive financial information. Firms should conduct regular security audits, invest in advanced security technologies, and provide comprehensive training for employees on data privacy and security best practices.

**Enhanced Collaboration with AI Developers**

Accounting firms should collaborate closely with AI developers to ensure that the AI tools they use are tailored to their specific needs and comply with relevant standards and regulations. This collaboration can help in customizing AI systems to better handle complex accounting and auditing tasks and improve their accuracy and reliability. Furthermore, involving accountants and auditors in the development process can ensure that AI tools are designed with practical applications in mind and are user-friendly.

#### d) Conclusion

In conclusion, the impact of AI on the accounting profession in Malaysia is profound and multifaceted. While AI offers numerous benefits, including increased efficiency, accuracy, and cost savings, it also presents significant challenges that must be carefully managed. Maintaining professional judgment, addressing ethical considerations, and ensuring data privacy and security are crucial to the successful integration of AI in accounting.

By adopting a balanced approach that leverages both AI and human expertise, investing in robust data privacy and security measures, and fostering continuous professional development, accounting firms can successfully navigate the challenges posed by AI. Other than that, establishing ethical frameworks and preparing for future AI developments are also essential to ensure that AI is used responsibly and ethically.

As the accounting and auditing profession continues to evolve, embracing AI and adapting to technological advancements will be key to staying relevant and competitive. By addressing the challenges and maximizing the benefits of AI, the accounting and auditing profession in Malaysia can continue to thrive in the digital age.

e) References

- *About Us*. Mohd Noh & Co. (n.d.). <https://mnaccountants.my/about-us/>
- Accountancy Age. (2024, March 11). *How AI is Revolutionising Accounting*. <https://www.accountancyage.com/2024/03/12/how-ai-is-revolutionising-accounting/>

f) Appendices

- Online Training via Google Meet
  - **Subject:** Fw: Superior TimeCost Training - Mohd Noh & Co
  - **Date:** 2024-03-05 14:59