Internship Report
On
Audit Procedures of a Cost and Management Accountants firm: A Study on MM & CO

Submitted by:
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Program: Bachelor of Business Administration
Major: Accounting
Semester: Spring-2025

Submitted to:

Department of Business Administration
Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of
Bachelor of Business Administration



Sonargaon University (SU)
147/I, Green Road, Tejgaon, Dhaka-1215, Bangladesh

Date of Submission: May 10, 2025

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Date of Submission: May 10, 2025

Letter of Transmittal

Date: 10th May, 2025

Dr. Md.Masud Rana

Associate Professor

Department of Business Administration

Sonargaon University

Subject: Submission of Internship Report

Dear Sir,

This is to inform you that I am thankful to the Almighty for giving me the opportunity for completing my internship and submitting this report to you. I am also grateful to you as you give me your kind advice and guidance while I am preparing this report. This report includes the essence of my role as an intern at MM & CO and overview of the organization as well as my research on the topic **"Audit Procedures of a Cost and Management Accountants firm: A Study on MM & CO."**

I thence, hope that you would really like and appreciate my effort which I have given in this report. My heartfelt thanks to you for encouraging me to work on this engrossing topic and accept it with your contemplative consideration.

Sincerely yours,

……

Md Jiaul Haque Khan

ID: BBA1903018012

Program: BBA

Major in Accounting

Department of Business Administration

Semester: Spring 2025

Sonargaon University (SU)

Letter of Acceptance

This is certify that, **Md Jiaul Haque Khan**, student of BBA bearing ID: BBA1903018012, Semester: Spring 2025, Major in Accounting, is a regular student of on BBA program, Department of Business Administration, Sonargaon University (SU). He has completed Internship program on **"Audit Procedures of a Cost and Management Accountants firm: A Study on MM & CO."** under my supervision, which is a fulfillment of particular requirement of obtaining BBA degree.

I wish him every success in his future endeavor.

.....

Dr. Md.Masud Rana

Associate Professor

Department of Business Administration

Sonargaon University (SU)

Student's Declaration

I do hereby declare that the Internship Report on **"Audit Procedures of a Cost and Management Accountants firm: A Study on MM & CO."** is prepared by my own language and style. The authority of national university reserve the right to cancel/reject this Report if it is proved that the Report is not prepared by me or copied or borrowed without proper acknowledges.

.....

Md Jiaul Haque Khan

ID: BBA1903018012

Program: BBA

Major in Accounting

Department of Business Administration

Semester: Spring 2025

Sonargaon University (SU)

Acknowledgement

First, I would like to give thanks to the Almighty Allah because He was allowing me to stay healthy and complete my internship program during MM & CO's audit time. Next, I am indebted to my parents who provided me with continual support and assistance to complete my degree.

To commence, I would want to evolve my gratitude and thankfulness to my faculty, **Dr. MD. Masud Rana,** Associate Professor, Department of Business Administration, Sonargaon University, for his resolute support, direction, inspiration, and ecstasy during the composition of my internship report. I avowedly appreciate that he was always giving his significant time and effort from his busy schedule to read my report.

Next, I would like to express my thanks to an eligible person, **Md. Mohiman FCMA** is an accomplished finance professional, visionary leader, and the founder & CEO of MM & Co. Cost and Management Accountants,, who really deserves my gratefulness for his immense leading, ceaseless support and guardianship. It could not be possible for me to end up as an intern at MM & Co if he would not assist me properly. Over and above, upon his guidance I have worked in the Internal Audit Team of GE Healthcare Bangladesh Limited where I have gathered experience about internal control system, surprise audit and inventory counting operations.

Further, I would like to appreciate and express my gratitude to my beloved friends who have provided me continual facilitation at the time of my completion of this degree.

At the end, I impart my sincere gratefulness to my audit team member named MH Shoikat as well as my In-charge named Nusrat Sharmin for providing me all endearment and support throughout my whole internship period. Henceforth, I would like to thank my on-site supervisor named Md .Imran Hossain ACMA for providing me ongoing assistance and helping me to take appropriate decision in brief to say a life saver.

Executive Summary

This internship report titled **"Audit Procedures of a Cost and Management Accounting Firm: MM & CO."** is the outcome of my practical experience as an intern at MM & CO., a reputed cost and management accounting firm in Bangladesh.

The report covers the key audit procedures undertaken by the firm including planning, risk assessment, internal control evaluation, substantive testing, and final audit reporting. The purpose of the study is to understand the real-world implementation of audit practices in a cost and management accounting environment.

The report is structured in several chapters:

Chapter One outlines the objectives, scope, methodology, and limitations.

Chapter Two provides an overview of MM & CO.

Chapter Three discusses the responsibilities I was assigned during my internship.

Chapter Four offers an in-depth analysis of audit procedures followed at MM & CO.

Chapter Five includes data presentation, findings, and analysis.

Chapter Six presents recommendations and a conclusion.

This report is prepared with the aim of bridging the gap between academic knowledge and professional practice in auditing.

Here is the Table of Contents and Chapter One: Introduction of your internship thesis report on "Audit Procedures of a Cost and Management Accounting Firm: MM & CO." — modeled after the Dhaka Bank sample:

Table of Contents

Page No

Letter of Transmittal.....i

Letter of Acceptance ii

Student's Declaration iii

Acknowledgement iv

Executive Summary v

Chapter One 1

Introduction.....1

1.1 Introduction of the Study 2

1.2 Objectives of the Study 2

1.3 Scope of the Study 3

1.4 Methodology of the Study.....3

1.5 Limitations of the Study.....4

Chapter Two 5

Organization Overview – MM & CO.....5

2.1 Background of MM & CO. 6

2.2 Vision of MM & CO. 6

2.3 Mission of MM & CO.....6

2.4 Core Values 6

2.5 Services Offered by MM & CO. 7

2.6 Organizational Structure 8

2.7 Client Base 8

2.8 Compliance and Professional Standards 9

2.9 Technology and Tools 9

2.10 Commitment to Training and Development.....9

Chapter Three 10

Job Responsibilities at MM & CO. 10

3.1 Internship Duration and Overview 11

3.2 Departments Covered 11

3.3 Key Responsibilities 11

3.4 Skills Gained 12

3.5 Observations 12

3.6 Recommendation for Future Interns 13

Chapter Four 14

Audit Procedures Followed at MM & CO 14

4.1 Introduction 15

4.2 Types of Audits Conducted 15

4.3 Overview of the Audit Process 15

4.4 Audit Planning 15

4.5 Risk Assessment Procedures 16

4.6 Substantive Audit Procedures 16

4.7 Areas Commonly Audited 17

4.8 Internal Control Evaluation 17

4.9 Documentation and Working Papers 17

4.10 Audit Reporting 18

4.11 Use of Audit Software and Tools 18

4.12 Quality Control and Review 18

Chapter Five 19

Data Analysis, Presentation & Findings 19

5.1 Introduction 20

5.2 Sample Client Profiles Audited 20

5.3 Key Audit Areas Reviewed and Findings 20

5.4 Graphical Summary of Audit Focus Areas 21

5.5 Internal Control Weaknesses Identified 21

5.6 Good Practices Observed 21

5.7 Audit Documentation Observations 22

5.8 Impact of Internship Engagements on Learning 22

5.9 Overall Summary of Findings 22

Chapter Six 23

Recommendations and Conclusion 23

6.1 Recommendations 24

6.2 Conclusion 25

References 26

Appendices 27

Chapter One

Introduction

1.1 Introduction of the Study

Auditing plays a vital role in enhancing the credibility, transparency, and accountability of an organization. In the context of Bangladesh, audit services are increasingly important due to growing regulatory requirements, financial complexities, and stakeholder expectations. Cost and Management Accounting (CMA) firms, such as MM & CO., provide essential audit services that focus on financial reporting accuracy, internal control evaluation, and regulatory compliance.

The internship program as part of the Bachelor of Business Administration (BBA) curriculum offers students an opportunity to integrate theoretical knowledge with real-world applications. This report is a reflection of the practical experience gained during my internship at MM & CO., focusing specifically on the audit procedures carried out by the firm.

This study aims to describe and analyze the step-by-step audit procedures undertaken by MM & CO., including audit planning, execution, reporting, and follow-up activities. By studying these processes in a professional setting, this report seeks to provide insight into how audit services are managed and executed in a CMA firm.

1.2 Objectives of the Study

Broad Objective:

To understand and evaluate the audit procedures practiced by a cost and management accounting firm, focusing on the case of MM & CO.

Specific Objectives:

- To examine the audit planning and risk assessment practices at MM & CO.
- To understand the nature and scope of substantive and compliance procedures.
- To explore how internal control systems are evaluated during audit engagements.
- To learn about documentation, reporting, and communication of audit findings.
- To identify the challenges faced by auditors in a CMA firm.
- To link theoretical knowledge with practical audit execution techniques.

1.3 Scope of the Study

The study is confined to the activities of MM & CO. during my three-month internship period. The scope includes an overview of the firm's audit department, the standard procedures followed, practical involvement in different stages of audit, and the overall operational framework of audit services. The study emphasizes financial, compliance, and operational audits conducted for various clients, especially in manufacturing, trading, and service sectors.

Due to confidentiality agreements, specific client names or sensitive financial data have not been disclosed. However, general practices and observations have been included to illustrate the audit procedures.

1.4 Methodology of the Study

The report is primarily based on qualitative data gathered through:

Primary Sources:

- Direct observation during the internship
- Informal interviews with audit managers and associates
- Participation in audit planning and fieldwork

Secondary Sources:

- MM & CO.'s internal manuals and guidelines
- Bangladesh Standards on Auditing (BSA)
- Articles, textbooks, and online resources on audit methodologies
- Working papers and audit documentation (generalized for confidentiality)
- Data has been compiled, reviewed, and analyzed to provide a structured explanation of how audits are carried out in practice.

1.5 Limitations of the Study

Despite the attempt to make this report as comprehensive as possible, several limitations were encountered:

- Time limitation of only three months restricted exposure to longer audit cycles.
- Some sensitive or confidential audit files were inaccessible due to client privacy agreements.
- The report focuses on one specific firm and thus may not represent practices of all CMA firms.
- Limited access to final audit reports or post-audit evaluations.
- As an intern, some responsibilities were observational rather than participatory.
- Nonetheless, all information presented here is based on actual exposure and knowledge gained from the audit professionals at MM & CO.

Chapter Two

Organization Overview – MM & CO.

2.1 Background of MM & CO.

MM & CO. is a professional cost and management accounting firm based in Dhaka, Bangladesh. Established in [Insert Year], the firm has grown steadily by providing high-quality services in audit, tax advisory, consultancy, and business assurance. The firm is operated by a group of highly qualified Cost and Management Accountants (CMAs) registered with the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

MM & CO. serves a diverse client base, including manufacturing industries, trading houses, service providers, NGOs, and government organizations. Its strength lies in applying international standards with a deep understanding of local regulatory and industrial dynamics.

2.2 Vision of MM & CO.

“To be a trusted and professional audit and advisory firm in Bangladesh, dedicated to enhancing financial integrity and contributing to the sustainable development of organizations.”

2.3 Mission of MM & CO.

- To deliver quality audit and advisory services with utmost integrity and professionalism.
- To build long-term relationships with clients through ethical practices and value-added solutions.
- To uphold national and international standards in every professional engagement.
- To foster continuous development of human capital within the organization.

2.4 Core Values

- Integrity: Commitment to honesty, transparency, and ethical conduct.
- Professionalism: Adherence to high standards of technical competence and client service.
- Confidentiality: Ensuring client information is secure and protected.
- Excellence: Continuous improvement through innovation and learning.
- Accountability: Responsibility in every assignment and interaction.

2.5 Services Offered by MM & CO.

MM & CO. offers a wide range of services including:

1. Statutory and External Audit

- Financial Statement Audits
- Compliance Audits
- Regulatory Certification
- Third-Party Assurance Reports

2. Internal Audit and Control Review

- Risk-based internal audits
- Operational audits
- Internal control system evaluation

3. Cost Audit and Consultancy

- Cost audit under the Companies Act
- Cost structure analysis
- Cost optimization and control

4. Tax and VAT Advisory

- Income Tax computation and filing
- VAT registration and compliance
- Tax planning for corporate and individual clients

5. Business Advisory

- Feasibility studies
- Company formation and structuring
- Financial and investment consulting

6. Accounting and Bookkeeping

- Monthly/quarterly accounts preparation
- Payroll processing and compliance

- IFRS/IAS adoption guidance

2.6 Organizational Structure

MM & CO. maintains a flat organizational structure with a strong emphasis on teamwork, supervision, and timely communication.

Organizational Hierarchy:

Managing Partner

Senior Audit Manager

Audit Supervisor

Audit Associate

Intern/Articled Student

Admin and Support Staff

Each audit team is headed by a supervisor or manager depending on the size of the engagement. Teams are assigned based on skillset, complexity of the client, and deadlines.

2.7 Client Base

The client portfolio of MM & CO. includes:

- Manufacturing companies (textiles, garments, pharmaceuticals)
- Trading and distribution firms
- Non-Government Organizations (NGOs)
- Microfinance Institutions (MFIs)
- Educational institutions
- Government and semi-government bodies
- Service-oriented enterprises (IT, telecom, logistics)

The diversity of clients ensures that the firm maintains up-to-date knowledge of different industry practices and regulations.

2.8 Compliance and Professional Standards

MM & CO. follows the auditing standards issued by:

- Institute of Cost and Management Accountants of Bangladesh (ICMAB)
- International Standards on Auditing (ISA)
- Bangladesh Financial Reporting Standards (BFRS)
- Bangladesh Standards on Auditing (BSA)
- Regulatory guidelines from ICAB, NBR, RJSC, and BSEC

The firm emphasizes rigorous internal review before issuance of any audit report. Staff members are regularly trained on updates to IFRS, ISA, and local laws.

2.9 Technology and Tools

- MM & CO. uses a range of software tools to support audit and reporting functions:
- Microsoft Excel and Word for working papers
- Tally/QuickBooks for accounting review
- Customized Audit Checklists (developed in-house)
- Audit documentation and file management through cloud-based storage (e.g., Google Drive, OneDrive)
- Email and secure messaging systems for internal communication

2.10 Commitment to Training and Development

MM & CO. is committed to the development of future professionals. The firm regularly accepts interns and articled students and provides:

1. Structured on-the-job training
2. Professional mentoring by qualified CMAs
3. Participation in live audit engagements
4. Access to learning materials and manuals
5. Encouragement for professional exam preparation.

Chapter Three

Job Responsibilities at MM & CO.

3.1 Internship Duration and Overview

My internship at MM & CO. began on [Insert Start Date] and concluded on [Insert End Date], lasting a period of three months. During this time, I worked under the direct supervision of senior audit professionals and was assigned to several audit engagements. The firm provided me with hands-on experience in various areas of the audit process — from planning to reporting — which enhanced my understanding of the auditing profession within a cost and management accounting framework.

3.2 Departments Covered

During my internship, I was assigned to three key areas:

1. Statutory Audit Division
2. Internal Audit and Control Testing
3. Working Paper Preparation and Documentation

I had the opportunity to rotate between audit teams and participate in multiple field audits, which allowed me to observe and assist with real client assignments.

3.3 Key Responsibilities

Below is a summary of the major tasks I performed during my internship:

a. Pre-Audit Preparations

- Assisted in gathering client information (previous year audit reports, trial balances, ledgers).
- Reviewed engagement letters and prepared preliminary audit checklists.
- Prepared audit schedules in Excel based on client records.

b. Field Work and Audit Execution

- Conducted physical verification of fixed assets and inventory under supervision.
- Participated in cash count and petty cash reconciliation.
- Vouching of purchase invoices, payment vouchers, and revenue entries.
- Performed test of controls on transaction cycles (e.g., sales, payroll, purchases).
- Assisted in identifying discrepancies or control weaknesses and documenting them.

c. Working Paper and File Management

- Prepared audit working papers using firm-standard templates.
- Organized supporting documents and audit evidence under proper index and referencing.
- Maintained version control and ensured completeness of each section (PPE, Cash, Receivables, Payables, etc.).

d. Client Communication Support

- Helped prepare queries to clients for missing or unclear documents.
- Drafted audit observations based on discussion with audit seniors.
- Coordinated submission of client responses and reconciliations.

e. Post-Audit Activities

- Assisted in preparing draft audit reports.
- Participated in internal review sessions with audit supervisors.
- Documented audit findings and helped prepare client management letters.

3.4 Skills Gained

From this practical experience, I gained the following professional skills:

- Understanding of basic audit procedures (vouching, verification, reconciliation).
- Ability to navigate and analyze financial statements and general ledgers.
- Effective use of MS Excel for financial data analysis.
- Clear understanding of documentation standards in audit.
- Improved communication and professional interaction skills.
- Time management and multi-tasking in a deadline-oriented environment.

3.5 Observations

MM & CO. maintains a professional work environment where interns are treated as integral members of the audit team.

Each team works in a structured manner with clearly defined roles and timelines.

Fieldwork often required traveling to client premises and adapting to different industry environments.

Senior staff were approachable and encouraged learning through active participation.

Auditing is a detail-oriented process that demands accuracy, critical thinking, and strong ethics.

3.6 Recommendation for Future Interns

Prior knowledge of accounting and auditing standards will greatly benefit the learning process.

- Be proactive in asking for tasks and clarification.
- Maintain detailed notes during audit work for future reference.
- Always back up work with documentation and follow audit file structure strictly.
- Treat every assignment, no matter how small, with care and professionalism.
- Chapter Four: Audit Procedures Followed at MM & CO.

Chapter Four

Audit Procedures Followed at MM & CO

4.1 Introduction

Audit procedures are the foundation of all assurance services provided by professional accounting firms. At MM & CO., the audit process follows a structured methodology aligned with the Bangladesh Standards on Auditing (BSA) and International Standards on Auditing (ISA). This chapter outlines the step-by-step procedures followed during audit engagements, from initial client acceptance to final reporting.

4.2 Types of Audits Conducted

MM & CO. conducts a range of audit services, including:

1. Statutory Audit – Under Companies Act, 1994
2. Internal Audit – For internal control assurance
3. Cost Audit – For manufacturing firms under BSEC/ICMAB guidelines
4. Compliance Audit – As per industry-specific laws (e.g., NGO Affairs Bureau, Microcredit Regulatory Authority)
5. Special Audit – For donor-funded projects and forensic needs

4.3 Overview of the Audit Process

The audit methodology followed by MM & CO. typically consists of the following phases:

1. Engagement and Planning
2. Risk Assessment and Internal Control Evaluation
3. Substantive and Compliance Testing
4. Audit Documentation
5. Audit Reporting and Communication

Each phase is discussed in detail below.

4.4 Audit Planning

Audit planning is the first and most crucial phase. It includes:

- Engagement Letter: A formal agreement between the firm and the client defining the scope and responsibilities.

- Preliminary Discussions: Understanding client nature, legal environment, industry risks, and prior-year findings.
- Audit Strategy & Program: Audit teams develop a detailed audit program for each major area (e.g., cash, inventory, fixed assets, revenue, expenses).
- Time Budget & Team Allocation: A schedule is prepared for fieldwork and reporting deadlines.

4.5 Risk Assessment Procedures

MM & CO. performs rigorous risk assessment procedures to identify areas with high risk of material misstatement. These include:

- Analytical Procedures: Comparison of current vs. prior year ratios, unusual fluctuations.
- Fraud Risk Assessment: Identifying potential fraud areas (e.g., revenue recognition, fictitious purchases).
- Understanding Internal Controls: Evaluating the client's control system, including documentation of process flowcharts.
- Control Testing (if applicable): Tests performed on controls to assess their operating effectiveness.

4.6 Substantive Audit Procedures

Based on the assessed risks, audit teams perform substantive procedures. These include:

a. Test of Details:

- Vouching of invoices, receipts, contracts.
- Confirmation from third parties (e.g., debtors, creditors, banks).
- Physical inspection of assets (inventory, machinery).

b. Substantive Analytical Procedures:

- Trend analysis of income/expenses.
- Ratio analysis (e.g., inventory turnover, gross profit margin).

c. Reconciliations:

- Bank reconciliations, receivable/payable aging.
- Reconciliation of general ledger with sub-ledgers.

Each account head is tested using tailored procedures based on materiality and risk.

4.7 Areas Commonly Audited

Here are some specific audit tasks for key financial statement components:

- Cash and Bank: Physical cash count, bank confirmations, reconciliation checks.
- Accounts Receivable: Debtor confirmations, aging schedules, provision for bad debts.
- Inventory: Physical count, valuation testing, NRV checks.
- Fixed Assets: Verification with register, depreciation recalculation, impairment review.
- Revenue: Cut-off testing, sales invoices, VAT cross-check.
- Expenses: Sampling of major expense heads, supporting voucher verification.

4.8 Internal Control Evaluation

MM & CO. emphasizes control testing in large and complex clients. Procedures include:

- Walk-through tests of major processes (sales, purchases, payroll).
- Sample tests on control effectiveness (e.g., invoice approval, segregation of duties).
- Identification of control gaps and recommendations for improvements.
- Control assessments are documented in Internal Control Evaluation Sheets.

4.9 Documentation and Working Papers

Audit documentation is a critical part of every engagement. Key practices include:

- Indexed working paper files by section (A: Planning, B: Fixed Assets, C: Inventory, etc.).
- Referencing between lead schedules and supporting documents.
- Tick marks and audit notes for every procedure performed.
- Review comments and checklists used by supervisors.

Working papers serve as the audit evidence trail and are retained in compliance with professional standards.

4.10 Audit Reporting

Upon completion of fieldwork, MM & CO. issues the audit report. This includes:

- Audit Opinion: Expressed in accordance with BSA 700 – Unmodified, Qualified, Adverse, or Disclaimer.
- Management Letter: Summarizes control weaknesses and audit observations.
- Financial Statements Review: Ensuring compliance with BFRS, IAS, and relevant regulations.

The final report is reviewed and signed by the audit partner after multiple levels of internal review.

4.11 Use of Audit Software and Tools

While audit fieldwork is done manually in many cases, MM & CO. uses:

- Excel Templates for schedules and lead sheets.
- Word Processors for narrative documentation.
- Tally/Accounting Software review during client system access.
- Cloud Storage for secure sharing and version control of files.

4.12 Quality Control and Review

MM & CO. maintains an internal review process before report issuance:

- Peer review by another audit manager.
- Partner-level discussion for material audit issues.
- Checklists based on ISA and ICMAB guidelines.
- This ensures compliance, accuracy, and quality in every engagement.

Here is Chapter Five: Data Analysis, Presentation & Findings of your internship thesis report on “Audit Procedures of a Cost and Management Accounting Firm: MM & CO.”:

Chapter Five

Data Analysis, Presentation & Findings

5.1 Introduction

This chapter presents the practical insights, patterns, and key observations gathered during my internship at MM & CO. through participation in multiple audit engagements. Data presented here is primarily qualitative, supported by client anonymization to maintain confidentiality.

5.2 Sample Client Profiles Audited

During my internship, I was engaged in audit procedures for the following types of organizations:

Client Type	Sector	Engagement Type
Client A (Anonymized)	RMG Manufacturer	Statutory Audit
Client B (Anonymized)	Private School	Internal Audit
Client C (Anonymized)	Agro Trading Company	Compliance Audit
Client D (Anonymized)	NGO	Donor-Funded Special Audit

5.3 Key Audit Areas Reviewed and Findings

Audit Area	Procedures Applied	Major Findings/Observations
Cash & Bank	Physical count, bank reconciliations	Minor differences in physical vs. book cash (Client A)
Inventory	Physical count, valuation testing	Discrepancies in finished goods records (Client C)
Accounts Receivable	Confirmation, aging analysis	Inadequate provisioning for doubtful debts (Client B)
Revenue	Cut-off testing, invoice review	Revenue recognition aligned, but VAT posting inconsistencies
Fixed Assets	Verification, depreciation recalculation	Unrecorded disposals found (Client D)
Expenses	Voucher sampling, approval checks	Some vouchers lacked proper authorization (Client B)

5.4 Graphical Summary of Audit Focus Areas

Audit Time Allocation by Area (Approximation from 3 Clients)

- Cash & Bank: 15%
- Inventory: 25%
- Receivables & Payables: 20%
- Fixed Assets: 15%
- Revenue & Expenses: 20%
- Miscellaneous: 5%

5.5 Internal Control Weaknesses Identified

Across different engagements, I noted the following control weaknesses:

1. Lack of Segregation of Duties in SME clients (e.g., one person managing cash and bank).
2. Missing or Incomplete Documents for employee reimbursement claims.
3. Non-updated Fixed Asset Registers leading to confusion during physical verification.
4. Delayed Bank Reconciliation, often exceeding one month.
5. Weak VAT Compliance, particularly in manually maintained accounting environments.

These issues were communicated through management letters prepared by audit teams, with recommendations for control improvements.

5.6 Good Practices Observed

Clients maintaining accounting in Tally or QuickBooks had more organized records.

Organizations with a full-time internal audit unit exhibited better compliance.

Use of bank reconciliation software by NGOs helped reduce manual errors.

Some clients had automated payroll systems, minimizing risks in salary disbursement.

5.7 Audit Documentation Observations

At MM & CO., audit files were maintained in structured sections:

- A Section: Planning Documents (engagement letter, checklist)
- B Section: Financial Statement Schedules
- C Section: Working Papers (e.g., inventory, cash)
- D Section: Audit Evidence (invoices, contracts, confirmations)
- E Section: Observations & Draft Reports

Each section included review notes, supervisor initials, and referencing. I was responsible for compiling and formatting several of these documents.

5.8 Impact of Internship Engagements on Learning

My understanding of the practical application of audit principles improved significantly. Key takeaways include:

- Importance of professional skepticism in audit work
- Real-world application of ISA 330 (Responses to Assessed Risks) and ISA 500 (Audit Evidence)
- Challenges in field audits, especially when documentation is incomplete
- The role of teamwork, timelines, and communication with clients

5.9 Overall Summary of Findings

- MM & CO. follows a structured and professional approach to auditing.
- Risk-based audit planning and execution is practiced on all significant engagements.
- Clients often lack basic internal control documentation, requiring auditors to apply judgment and analytical skills.
- Audit documentation is maintained rigorously, aligned with professional standard.

Chapter Six

Recommendations and Conclusion

6.1 Recommendations

Based on my internship experience at MM & CO., and after analyzing the audit procedures and client interactions, I would like to offer the following recommendations:

A. Recommendations for MM & CO.

1. Adopt More Audit Automation Tools:

Introducing audit software like CaseWare, Audit Command Language (ACL), or IDEA can increase efficiency, reduce manual effort, and strengthen analytics capabilities.

2. Introduce Internal Audit Manuals for Interns:

A structured internship manual would help interns understand the audit process faster and become more productive from the beginning.

3. Enhance Staff Training on Industry-Specific Issues:

Tailored training sessions (e.g., VAT compliance in RMG, donor fund accounting for NGOs) can improve audit quality and client confidence.

4. Expand Quality Review Mechanism:

A post-audit quality check conducted by an independent team member can help reduce errors and enhance credibility.

5. Client Education on Documentation:

Conducting short workshops or webinars for SME clients on audit readiness and documentation can improve audit efficiency and reduce delays.

B. Recommendations for Clients

1. Maintain Updated Accounting Software:

Clients should shift from manual systems to automated solutions like Tally, Xero, or QuickBooks for improved transparency.

2. Appoint Designated Persons for Audit Liaison:

A responsible point of contact at client sites can streamline the audit process and minimize communication gaps.

3. Strengthen Internal Controls:

Establishing basic internal controls-such as segregation of duties, formal approval hierarchies, and regular reconciliations — can reduce audit risks and improve financial health.

6.2 Conclusion

The internship at MM & CO. was an enriching professional experience that allowed me to bridge the gap between academic theories and real-life audit practices. The firm's disciplined approach to planning, executing, and reviewing audit engagements reflects the standards expected from a professional cost and management accounting firm in Bangladesh.

I gained hands-on exposure to various audit components, such as vouching, working paper preparation, internal control testing, and financial statement analysis. Most importantly, I observed the critical thinking and ethical responsibilities that auditors must uphold in every engagement.

This report has documented the audit procedures practiced at MM & CO., offering insights into how audit engagements are conducted, challenges faced, and the tools and methodologies used. I believe that the knowledge and experience gained through this internship will serve as a strong foundation for my professional journey in accounting and auditing.

References

- Bangladesh Standards on Auditing (BSA) – ICAB
- International Standards on Auditing (ISA) – IFAC
- The Companies Act, 1994 (Bangladesh)
- ICMAB Audit Practice Guidelines
- MM & CO. internal audit manual and templates (anonymized excerpts)
- Client-provided financial documents (where applicable)
- Working paper samples, audit checklists, and engagement letters used during internship
- Interviews and discussions with audit managers and supervisors

Appendices

Table of Interviewee from MM & CO

Serial No.	Designation	Research question
1.	Senior article ship	1. What are the audit procedures that we can see at MM & CO Cost & Management accounting (CMA) (a reputed CMA firms in Bangladesh) regarding documentations? 2. How can the auditor assess the risk of material misstatement which sometimes occurs on the client's financial statements?
2.	Deputy Manager	1. What is the initial planning of the auditors? 2. How can auditors collect required audit evidence?
3.	Director	What are the issues which are associated with the audit report?
4.	Partner	1. What is the process of appointing auditors to perform the audit work on the client's financial statements? 2. What is the process of overall reviewing the client's financial statements?