

## **Problem Solving During Internship**

I worked as an audit intern at SHINEWING (HK) CPA Limited in summer 2017. The internship was a great chance to apply the knowledge and concepts learned at CityU to the workplace. I also learned the importance of communication, teamwork, time management and thoroughness. These soft skills are useful for other jobs as well.

### **Technical Issues and Solutions**

The most difficult problem was understanding companies' accounting policies. One of our clients was a real estate company in mainland China. We had to find out where the material numbers came from in financial statements. For example, we were confused by the item "Finance cost." Why was the interest on some loans capitalized as inventory in B/S, but on others it was recognized as an expense in P/L? We got the answer from the client: before the date of construction and after the date of flat intake, the loan interest was recognized as expenses; during the construction and before the date of flat intake, the interest was capitalized as inventory. Other than the above example, there were a lot of figures that needed to be explained. The answers could vary with the practices of different companies.

After that, we had to conduct tests to see if the numbers were reasonable and fair based on our calculation. Taking the "Finance cost" as an example again, although we got the working papers on the loan interest from the client and knew how they calculated the amount, we were required to recalculate it using common methods. If the variance was significant, we had to ask the client to explain. As an intern, I had to know the common methods of loan interest calculation and other items.

We also had to analyze any numbers that showed large fluctuations between two comparable years. A common example was that a large increase in accrual salaries could indicate the start of a new construction. A more complicated example was the negative number of tax items associated with the different tax policies on the mainland. When facing such problems, it is important to find the most efficient and effective approaches to solve them.

To tackle the issues, we first made our judgments based on the descriptions of the journal and the business activities during the financial year. For some fluctuations, we were able to come up with reasonable explanations without asking the clients. This showed that we were well prepared and professional. It also helped to maintain a good business relationship with the client. We marked the unexplainable items on a list and asked the client at an appropriate time. Sometimes, it was efficient and effective that we asked for working papers of unknown items rather than spending too much time trying to find the answers by ourselves.

### **Time Management**

As an intern, there were a lot of ad hoc tasks that needed to be done before deadlines. Hence, setting priorities was vital to complete all of the tasks in time. My practice was to classify work into four categories, namely 1. "Urgent and Important," 2. "Urgent and Not Important," 3. "Not Urgent and Important" and 4. "Not Urgent and Not Important."

While I was updating the audit confirmation controls, which were "Not Urgent and Important," I was suddenly assigned to copy several documents, which were "Urgent and Not Important." Hence, I stopped what I was doing to handle the copying first.

I also needed to write courier slips for 20 audit confirmations in two days while at the same time dealing with file archives. For these two "Urgent and Important" tasks, I asked the other two interns on my team

to help because I knew their tasks were relatively “Not Urgent and Important.” Finally, both tasks could be finished on time with their help.

If there were two “Urgent and Important tasks” and I could not manage them at the same time, I would first ask my colleagues for help, as in the above example. However, if the others were busy as well, I would talk to my seniors directly. If I did not let them know my situation, they would expect me to be able to finish both tasks on time. Setting priorities not only helped to complete the tasks on time, but also avoided a ripple effect, enabling daily operations to run smoothly.

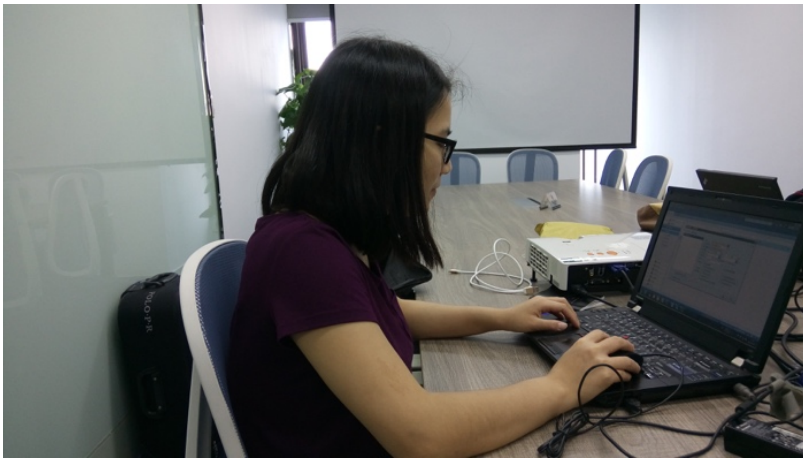
## Conclusion

Although there was a lot of administrative work such as copying, scanning and filing, such work is also important and can show how careful and serious you are about your job. Your seniors will let you try more difficult tasks if you do well on each small task. Therefore, treat your work seriously even when acting as an intern.

Another vital thing I learned about was efficiency. As Abraham Lincoln said, “Give me six hours to chop down a tree and I will spend the first four sharpening the axe.” When you know you have to do something repeatedly for the next seven hours, before you start, spend some time thinking about the most efficient way to achieve it. For example, sometimes using formulas like lookup functions to find data automatically is much faster than manually searching, but in some cases the opposite is true.



*Taken at ShineWing office on the last day of my internship. Middle: Senior manager of my team; Right: Another intern in the team*



*Three of my colleagues and I spent five days in a client's office in Foshan completing working papers*



*Group photo with the partners, managers and interns*



*Job briefing held by the manager of the Human Resources Department*