

Financial Auditing (1st YEAR, 2st SEMESTER)

No. of transferrable credits 5

Discipline status

Field-relevant discipline (prerequisite)

Course coordinator

Associate Professor Carmen Luiza Costuleanu PhD

Aims of the discipline (course and applications)

The Financial Auditing discipline provides the background of theoretical and methodological knowledge required by international standards and practice in order to: understand the concept of auditing; become familiar with the various types of financial auditing; acquire the terminology used in the auditing activity; acknowledge the social role of auditing; become familiar with the approach of the auditing mission; acquire the knowledge and skills to integrate the process of collecting evidence for the auditing mission; learn to interpret an audit report depending on the type of insurance service provided by auditing firms.

Contents of the discipline (analytic syllabus)

Course (Chapters/subchapters)
Financial auditing – definition, role and objectives of financial auditing, legal typology: Auditing – a brief history; Role of financial auditing; Objectives of financial auditing; Legal aspects of financial auditing.
Rules of conduct in auditing: Fundamental principles; Independence in auditing; Activities incompatible with the independent practice of auditing.
Accepting the auditing commitment. Orientation and planning of auditing.
Assessment of internal control
Inspection of accounts
Audit of financial situations Balance sheet audit; Audit of the profit and loss account
Contents of the Auditor's report and certification of the balance sheet; Types of opinions expressed by auditors
Types of documentation of the audit evidence: worksheets and questionnaires; The current audit file; The permanent audit file; Documenting auditing works
Quality control of auditing services

Project assignments
Case study on risks and planning in auditing
Case study on significance threshold, sampling and fraud
Case study on auditing evidence, tests and procedures
Case study on internal control systems and accounting
Case study on the auditing of components of financial situations: audit of intangible, tangible and financial assets; audit of stocks; inventory audit; third party reimbursement audit; financial audit regarding treasury; audit of the profit and loss account
Case study on: the engagement letter, statement letter, auditor's report, the current audit file

Bibliography

1. Domnişoru S. - Audit statutar și comunicare financiară (Statutory auditing and financial communication), Volume I, Editura Economică, 2011
2. Țurlea E., Roman A. G., Neamțu H. - Audit financiar. Misiuni de asigurare și servicii conexe (Financial auditing. Insurance missions and related services), Editura Economică, 2012
3. International Federation of Accountants, Chamber of Financial Auditors of Romania – International Regulations of Auditing, Insurance and Ethics. Financial Auditing 2008 (Vol. I + II), Editura Irecson, 2009
4. Dănescu T. - Proceduri si tehnici de audit financiar (Procedures and techniques of financial auditing), Editura Irecson, 2007
5. Brezeanu P., Poantă D., Brașoveanu I. - Audit financiar - repere metodologice, etice si istorice (Financial Auditing – methodological, ethical and historical landmarks), Editura Cavallioti, 2008
6. Loebbecke A. - Audit. O abordare integrate (Auditing, an Integrated Approach), Editura Arc, 2006
7. *** Government Emergency Ordinance no. 75/1999 of 1 June 1999 on the financial auditing activity (republished)(amended)
8. *** Law no. 26/2010 to amend and supplement Government Emergency Ordinance no. 75/1999 on the financial auditing activity, The Official Journal, Part I, issue no. 145 of 5 March 2010
9. *** Order no. 1286/2012 to sanction the Accounting regulations under the International Standards of Financial Reporting applicable to companies whose securities may be transacted on a regulated market, The Official Journal, Part I, issue no. 687 of 4 October 2012
10. *** Accounting regulations under the 4th Directive of the European Economic Community, part of the accounting regulations under the European directives, sanctioned through the Order of the Ministry of Public Finance no. 3,055/2009, The Official Journal, issue no. 766 bis of 10 November 2009

Final assessment

Assessment type	Assessment methods	Weight
Examination	Oral examination – presentation of a report	70%
Appraisal of student's activity during the semester	Appraisal of student's contribution during the semester, individual study suggested by the teacher, midterm examinations	30%

Contact person

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