
The relationship between the audit committee and decision- makers within an organization

Emilia VASILE,
Athenaeum University of Bucharest,
E-mail: rector@univath.ro

Daniela MITRAN,
"Athenaeum" University of Bucharest,
E-mail: danielamitran@yahoo.com

Abstract

Audit committees, governance type or otherwise, are a less common feature in EU Member States, where only few countries have extended audit committees or "governance"¹ or similar such committees².

Audit committees in the private sector focus on ensuring the reliability and the internal and external reporting, and therefore on the internal and external audit, the quality of internal control systems and risk management processes. For many countries applying this type of public sector audit committee may be too sophisticated, because there are no preconditions for its existence. The existence of audit committees does not automatically mean that organizations function properly and have no governance, internal control and external reporting problems.

Because of the importance of communication between the internal auditors and the audit committee, the paper addresses issues such as planning discussions with internal auditors, analysis and conclusions as a result of communication, questionnaire models for the addressed areas and planning the meetings with external auditors.

Keywords: Management, internal auditors, internal control, external auditors, audit committee, board of directors

JEL Classification: M42, M48, M49

To cite this article:

Vasile, E. and Mitran, D. (2016), The relationship between the audit committee and decision-makers within an organization, Audit Financiar, vol. XIV, no. 5(137)/2016, pp. 518-525, DOI: 10.20869/AUDITF/2016/137/518

Permanent link to this document:

<http://dx.doi.org/10.20869/AUDITF/2016/137/518>

¹ UK, Netherlands, Ireland and recently France.

² Audit committees were created by the Belgian federal authorities. In seven other European countries, audit committees are mentioned in the relevant legislation.