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Advances in Finance & Accounting

Proceedings of the 1st WSEAS International Conference on
Finance, Accounting and Auditing (FAA '12)



Tomas Bata University in Zlín
Faculty of Management and Economics

Tomas Bata University in Zlín, Czech Republic
September 20-22, 2012



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Preface

This year the 1st WSEAS International Conference on Finance, Accounting and Auditing (FAA '12) was held at the Tomas Bata University in Zlin, Czech Republic, in September 20-22, 2012. The conference provided a platform to discuss business management, financial accounting, decision analysis, quality management, risk management and risk analysis, marketing etc with participants from all over the world, both from academia and from industry.

Its success is reflected in the papers received, with participants coming from several countries, allowing a real multinational multicultural exchange of experiences and ideas.

The accepted papers of this conference are published in this Book that will be sent to international indexes. They will be also available in the E-Library of the WSEAS. Extended versions of the best papers will be promoted to many Journals for further evaluation.

Conferences such as this can only succeed as a team effort, so the Editors want to thank the International Scientific Committee and the Reviewers for their excellent work in reviewing the papers as well as their invaluable input and advice.

The Editors

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Plenary Lecture 1

The Study and Use of Information Accounting under the Negative Influence of Global Economic Crisis



Dr. Lucian Patrascu

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Abstract: We live in a global economy but the political organization of our global society is completely inappropriate. We lack the ability to keep peace and to counter the excesses of financial markets. Without this capability, the global economy is exposed to erosion. Development of a global economy has gone in parallel with the development of a global society. Basic cell of social and political life remains the nation state.

In the context of the economic globalization and with the globalization of capital markets and growing competition, it appears that each country has its own practice and its own accounting system. For the user of financial statements, all this information is often contradictory, difficult to control and especially hard to compare. Accounting is concerned with providing valuable information in order to facilitate the process of decision making. According to the principles of accountancy, 'valuable' information is that which refers to the decision that is to be taken by its users. And these decisions vary from user to user. The purpose of this analysis is to highlight the combined effect of decisions regarding investments, operations and funding. At the same time, a parallel analysis of the balance sheet (at the beginning and at the end of a certain extent of time) and the profit and loss account of the same interval may lead to drawing sounder conclusions than analysed separately.

Brief Biography of the Speaker:

Academic Positions:

- Lecturer Phd., Department of Economics, Accounting and Computing Mathematics Socio-Human Sciences, „George Baritiu” University of Brasov, Romania.

Scientific activity:

- He has published a total of 8 books. Has participated in 1 national research projects, has published 55 various papers in conference proceedings or refereed journals (30 papers have been published abroad), has participated with 20 papers at the WSEAS Conferences.

Studies:

- Ph.D. in Accounting, Academy of Economic Studies of Bucharest, (2008);
- Licensed in Economy, Faculty Economic Sciences, specialization Accounting and Management Information Systems, at the „George Baritiu” University of Brasov, Romania (2004);
- Licensed in Law, Faculty of Law, specialization Law, at the „George Baritiu” University of Braşov, Romania(2007);

Experience:

- Lecturer Phd., Department of Economics at „George Baritiu” University of Brasov, Romania;
- Financial accounting manager at „George Baritiu” University of Brasov, Romania (2004-2006)..

Plenary Lecture 2

Objectivity or Subjectivity in Audit Sampling?



Professor Tatiana Danescu

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Abstract: In financial auditing practices, sampling is widely used to collect audit evidences that are indispensable in convincing financial auditor upon the compliance of financial statements with the financial reporting framework applicable for the audited entity, with the accuracy of conducting the audited business. Audit sampling technique is used both for auditing internal control elements and for auditing transactions and account balances. The responsibilities a financial auditor is held accountable for, provide importance to the audit decision-making process, especially in establishing the nature and the adequate quantity of audit evidence. This is the reason why many auditors express retention regarding the use of audit sampling. Their behavior is justified by the sampling risks, which can affect the efficiency and effectiveness of audit sampling, especially in situations when the financial auditor has not acquired sufficient knowledge regarding the audited entity. In addition, it may appear a temporarily doubt upon the objectivity or subjectivity in audit sampling, upon the undermining of professional judgment in applying audit sampling. Under these arguments, the use of an extensive research methodology on audit sampling, beginning with documentation, calculation, observation, analysis and synthesis, becomes really necessary to prove that sampling – an important decision tool for the financial auditor – must be objective, justified, free from suspicions and assumptions.

Brief Biography of the Speaker: Tatiana Danescu is an Professor Ph.D. of Financial Audit and Accounting at Faculty of Economic, Juridical and Administrative Sciences, "PETRU MAIOR" University of Targu-Mures, Romania and Ph.D coordinator within "1 December 1918" University of Alba Iulia. Shies area of expertise is financial audit and accounting. She authored 6 books and co-authored 17 books, monographs, materials for study. She wrote over 160 articles, papers presented at national or international conferences and papers published in international database indexed journals. Also she evaluated over 50 academic studies programs and she had the opportunity to be research fellow in over 23 projects under contract /grant.

Tatiana Danescu won 2 prizes and 1 medal for shies professional activity in accounting and financial audit.

Moreover, she has more professional certificates, for example: Internal auditor for public institutions, Practitioner in reorganization and liquidation Financial auditor, Chartered Accountant, Financial audit of the entities from the capital market , Investment Consultant, Fiscal consultant, Assessor of the quality of the higher education in Romania, Trainer CAFR financial audit, Member Scientific Board of the journal (Apulensis Universitatis, Series Oeconomica, University "1 December 1918" Alba Iulia, Universities study Petru Maior "series Oeconomica, Annals of the University of Petrosani, Economics Series).

She is a member of the National Council of the Romanian Financial Auditors' Chamber.

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