

THE SIGNIFICATION LIMIT, DECISIONAL FACTOR IN FINANCIAL ACCOUNTING AUDIT

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Abstract:

In accordance with the Standard of Audit 320” The target of an audit of the financial situations is to permit to the listener to express opinions, adequated to it, the financial situations were written down taking into account all the essential aspects in accordance with a general financial identified frame. The adopted signification limit will consist in the value reported to the mistakes, the omissions and the errors identified in accounts, considerate individual or cumulated, indicates if those accounts offer a loyal, exact and complete image of the result of the financial situations and of the enterprise's actives. Generally, the signification limit is the level, the size of a sum which the listener considers that a mistake, error or omission can affect the regularity and sincerity of the financial situations and the loyal image of the result, of the financial situation and the enterprise's actives. In other words, the signification limit represents what in the Anglo-Saxon accounting is called „the materiality”, the errors level under which the understanding and the interpretation of the financial situations won't be affected significantly.

Keywords: signification limit, level, financial situations.

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