

AUDIT RISK, MATERIALITY AND THE PROFESSIONAL JUDGEMENT OF THE AUDITOR

Author **Horatiu Rotaru**

N/A

Abstract:

This paper refers to the auditor's professional judgement concerning audit risk and materiality; the opinion the author would like to highlight contains interpretation of Statement on Auditing Standards (SAS) No. 107, Audit Risk and Materiality in Conducting the Audit; Staff Accounting Bulletin No. 99, Materiality; SAS No. 47, Audit Risk and Materiality in Conducting an Audit, document amended by SAS No. 82, Consideration of Fraud in a Financial Statement Audit. One aspect of importance, of this work, is represented by the materiality threshold, whose use arises from the auditor's judgment and the actions an auditor, CPA must follow besides a mathematical measurement.

Keywords: auditor's professional judgement, audit risk.

JEL codes:: M42, M59