

CORPORATE GOVERNANCE DISCLOSURE AND IMPLICATION IN THE FINANCIAL AUDIT OF BANKS IN ROMANIA

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Abstract

This paper aims to presents the relevant aspects regarding the implementation of principles and rules of corporate governance in the Romanian banking system. The purpose of the article is to investigate the theoretical and legislative basis which controls this area, but also research practical cases on this subject. Based on the review of national and international literature, the case study was based on a sample of 17 commercial banks from Romania. Using collected data from the official banks' websites, it was analyzed the details of chosen corporate governance elements: the management system, the shareholder and organizational structure, the financial control and audit, as well as if the banks offer disclosure for the applicable governance codes. The main conclusion which results from this study case is that, the information available to public provides details about the management structure and the audit department, but this information is not very detailed, the information about the professional experience of the members or the benefits that these credit institutions obtained from the application of corporate governance codes are not described, in some cases even missing.

Keywords: corporate governance, financial audit, disclosure, banking system, dual system, unitary system.

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