MONETARY UNIT SAMPLING UNDER ISA 530: THEORETICAL FOUNDATIONS AND PRACTICAL IMPLICATIONS

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Abstract
Given the ever-growing volume of financial and accounting data, the use of sampling in a statutory audit mission becomes essential to obtain a reasonable degree of assurance without the exhaustive verification of the population under review. This paper aims to investigate the statistical implications of Monetary Unit Sampling (MUS) in auditing, according to the requirements of the International Standard ISA 530, a fundamental reference point on the design, selection and evaluation of samples. The research methodology includes the literature review of several relevant scientific papers and the practical application of systematic sampling by monetary units in a case study regarding the testing of a Romanian private organization's trade claims. In terms of findings, the study demonstrates the complete evaluation phase of the sample by projecting the identified misstatements, calculating the upper misstatement limit, and comparing it with the materiality threshold to formulate a well-founded audit conclusion. The conclusions underline the contributions of ISA 530 to improving the audit quality and transparency, as well as the need to strengthen the statistical skills of auditors for an optimal application of the professional standards.

Keywords
audit sampling, monetary unit method, International Standards on Auditing, ISA 530, statistical methods.

JEL Classification
C02, C83, M42.

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