THE ROLE OF AUDIT IN INCREASING THE CORPORATE SOCIAL RESPONSIBILITY

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Abstract: Investors use information presented in integrated reports to assess the manner in which companies create value in the context of corporate social responsibility and their decisions are marked by the truthfulness and quality of information provided by companies. Consequently, financial auditors have the role to provide assurance and credibility not only on the financial information presented within the financial statements, but also on the non-financial information published by companies. Based on the knowledge they gain on the audited client, the auditors are qualified to evaluate the link between the way the business strategy is carried out, corporate performance sand the impact of non-financial information upon sustainable development and also the deriving consequences from the corporate social responsibility point of view.This paper aims to make an analysis of the way in which financial auditors contribute to increasing the corporate social responsibility of companies through auditing non-financial reports they issue.

JEL classification: M14, M41, M42

Key words: corporate social responsibility, integrated reporting, non-financial reports, financial audit, reasonable assurance

1. INTRODUCTION

The last decade has seen an increase in global consciousness regarding environmental, social and governance issues and consequently a significant increase in public awareness of companies 'social responsibility. For investors, environmental, social and corporate governance or non-financial factors have become integral to the investment decision-making process. A study conducted among institutional investors in 2018 by Ernst & Young [3] revealed that non-financial information is now critical to investor decision-making and that investors around the world expect broader, more useful reporting of material non-financial performance information, which they are increasingly using to assess the creation of long-term value by companies. The study found an increasing reliance on integrated reports that integrate financial and non-financial information and also on separate corporate social responsibility (CSR) or sustainability reports as being very useful or essential sources of information [3].

Integrated reporting is gaining importance as it benefits all stakeholders interested in an organization's ability to create value over time. The primary purpose of an integrated report is to explain to providers of financial capital how an organization creates value over time [6]. The International Integrated Reporting Council (IIRC), aiming to establish a globally accepted framework for communication by organisations of the value creation over time, published the first version of its 'International Integrated Reporting Framework' (<IR> Framework) in December 2013, offering guiding principles and content elements that govern the structure of integrated reports. A stated aim of <IR> is to support integrated thinking, which is described as "the active consideration by an organization of the relationships between its various operating and functional units and the capitals that the organization uses or affects" [6]. IIRC argues that "the cycle of integrated thinking and reporting, resulting in efficient and productive capital allocation, will act as a force for financial stability and sustainability" [6].

2. OBJECTIVES

This paper aims to make an analysis of the way in which financial auditors contribute to increasing the corporate social responsibility of companies through their implication in the verification of corporate social responsibility matters. Studies conducted by KPMG [9, 10] found that an increasing number of firms are actively disclosing CSR information to the public, either in annual reports or as standalone CSR reports. With this increase in CSR reporting, demand for CSR assurance services has increased, with more firms voluntarily purchasing CSR assurance to enhance the credibility of their reports (Simnett et al. [16]).

In Romania, studies have been conducted on the adoption of non-financial reporting practice of the companies listed on Bucharest Stock Exchange [12], on the compliance of sustainability reports of Romanian companies with GRI conceptual framework, [13] and on the implementation of the Directive 95/2014 in Romania, related to the preparation of non-financial reports [4]. We have conducted a study on the involvement of financial auditors in the verification of non-financial reports issued by companies in Romania.

3. METHODOLOGY

The paper uses in its first part, as methodology, a qualitative fundamental research based on documentation about the corporate social responsibility reporting frameworks and the audit missions through which financial auditors get involved in the verification of information related to corporate social responsibility. In the second part an applicative research is made by presenting the main non-financial reporting legislative requirements in Romania and studying the way in which financial auditors contribute to the increase of corporate social responsibility in Romania through the verification of non-financial information published by companies.

After analysing the requirements of the Romanian legislation on reporting and on auditing non-financial information and through a case study of the reports/non-financial statements of a sample of companies listed on the Bucharest Stock Exchange, we set ourselves to answer the following research questions:

1. Do the listed companies in Romania include their non-financial statements within the administrators' reports or do they publish separate sustainability reports?
2. In case they publish separate sustainability reports, do they obtain assurance upon them?

3. Which is the contribution of financial auditors in the verification of non-financial information published by listed companies in Romania?

Our research shows which is the option preferred by companies in Romania for publishing non-financial information, out of the options allowed by the legislation and what how financial auditors get involved in the verification of non-financial information published by companies in Romania, thus contributing to the increase of corporate social responsibility of companies in Romania.

4. ANALYSES

4.1. Corporate Social Responsibility - International Frameworks for Reporting

The notion of corporate social responsibility (CSR) has been defined from the point of view of the following dimensions: voluntariness, stakeholder, social, environmental and economic. The most frequently used definitions, according to *Dahlsrud, Alexander* [1] are the following definitions:

- "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis", provided by the Commission of the European Communities in 2001.
- "The commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life", provided by the World Business Council for Sustainable Development in 1999.
- "Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large.", provided by the World Business Council for Sustainable Development in 2000.

International guidance, frameworks and reporting standards have emerged for helping companies to report on their corporate social responsibility. These were developed by international organisations who sustain companies, investors, regulators and the public to take action towards a more sustainable economy and world. In its study published in 2016, *Global Trends in Sustainability Reporting Regulation and Policy* [10], in which growth in the role of nonfinancial or sustainability reporting instruments worldwide is analyzed, KPMG and its partners present a description of international frameworks and the organisations issuing them, synthesized below**:**

Table 1- International frameworks for reporting on corporate social responsibility

Issuing organisation	Framework designation and structure
Global Reporting Initiative (GRI)	GRI Standards on critical sustainability issues in the areas of climate change, human rights, corruption and many others
Sustainability Accounting Standards Board (SASB)	Industry-based sustainability standards on material information related to environmental, social and governance issues
United Nations Global Compact (UNGC)	Ten universally accepted principles derived from United Nations Declarations and Conventions, in the areas of human rights, labour, environment and anti-corruption
OECD Guidelines for Multinational Enterprises	Recommendations for responsible business conduct in areas such as employment and industrial relations, human rights, environment, information disclosure,

	combating bribery, consumer interests, science and technology, competition, and taxation
International Organization for Standardization (ISO)	ISO 26000, a guidance standard defining 7 ‘core subjects’: 1. Organizational governance, 2. Human rights. 3. Labour practices, 4. The environment, 5. Fair operating practices, 6. Consumer issues, 7. Community involvement and development.
Carbon Disclosure Project (CDP)	A global reporting system for companies and cities to measure and disclose their greenhouse gas emissions, climate change risk and water strategies.
Greenhouse Gas Protocol (GHG Protocol)	GHG Corporate Standard, an accounting framework for government and business leaders to understand, quantify, and manage greenhouse gas emissions
International Labour Organization (ILO) Tripartite declaration of principles concerning multinational enterprises and social policy	Core Labour Standards (CLS), the baseline standards for labour, including: freedom of association and the right to collective bargaining, the elimination of forced and compulsory labour, the abolition of child labour and the elimination of discrimination in the workplace.
UN Guiding Principles on Business and Human Rights	‘Protect, Respect and Remedy’ Framework of guiding principles on business and human rights applying to all states and to all business enterprises
The United Nations-supported Principles for Responsible Investment (PRI)	PRI Reporting Framework, made up of six principles for responsible investment, offering a menu of possible actions for incorporating ESG issues into investment practices across asset classes.
Climate Disclosure Standards Board (CDSB)	The Climate Change Reporting Framework, a standards-ready tool for companies to disclose climate change-related information in mainstream financial reports, relying on relevant provisions of Greenhouse Gas Protocol and the International Financial Reporting Standards (IFRS)

Source: Own processing

In the most recent study, published in 2020, on non-financial reporting policy at the global level [11], KPMG and its partners found further growth in the number of reporting provisions, and the deepening and sophistication in the level of what is required of reporters. This implies increases in the volume of disclosure required as well as enhancing the quality of information required. According to this study, “financial market regulators and stock exchanges are increasingly active in this area, while government regulators remain the dominant players”. Behind this development lies the need from data users and analysts for obtaining easily accessible information that is relevant, reliable and comparable, this category of stakeholder becoming more demanding in expecting information that is useful for decision-making [11].

4.2. Analysis of the Involvement of Financial Auditors in the Verification of Corporate Social Responsibility Reporting

Social and environmental issues might present a significant risk to companies, because they may cause the decrease of companies’profitability, significant business interruption or even business failure. Bad publicity could lead to customers choosing other products, boycotts and loss of market share. If the company is found not to be complying with legislation, it might be subject to fines, compensation and disqualification of key members of the organisation, which could threaten the ability of the company to continue in operation.

The management of the company is responsible for internal controls which must comprise a sound system to mitigate against risks to the business, including those deriving from environmental and social issues. Social and environmental values should be incorporated into the culture of the company, so that all employees are aware of the potential risks in these areas, and are vigilant for avoiding their occurrence.

Assertions made by companies in their corporate social responsibility reporting need to be checked and challenged, and financial auditors, as an independent profession, are the most entitled to review their assertions and give reasonable assurance on the statements issued by them.

Financial auditors comply with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is founded on "fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior" [7]. According to its requirements of the *International Standard on Quality Control 1 - Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and, they maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements [7].

Financial auditors exercise professional judgment in planning and performing an engagement based on relevant training, knowledge and professional experience. They perform a critical assessment of information provided by companies, including "questioning inconsistent evidence and the reliability of documents and responses to inquiries" [7] of staff and company management. Professional skepticism is necessary to the critical assessment of evidence. Financial auditors are required to maintain "an attitude of professional skepticism throughout an engagement, recognizing that circumstances may exist that cause information to be materiality misstated" [7]. This includes maintaining a "questioning mind, being alert to conditions which may indicate possible misstatement, and a consideration of the sufficiency and appropriateness of evidence obtained in the light of the circumstances" [7].

Financial auditors may be involved in the verification of corporate social responsibility reporting, by performing the following types of engagements to companies: social and environmental auditing, statutory audit of financial statements and assurance services on non-financial reports.

Social and environmental auditing is used to appraise corporate social and environmental performance by checking whether the sustainability targets and indicators as set by companies have been met. Social audits involve establishing whether companies have a commitment to engaging in socially responsible activity, identifying that social programmes are aligned with the mission of the company, assessing objectives related to these programmes and evaluating company involvement in such programmes. Environmental audits seek to assess how well the organisation performs in safeguarding the environment in which it operates, and whether the company complies with its environmental policies, legal requirements, international and national standards or key customers and suppliers criteria. Social and environmental audits are optional, which means that companies can choose whether to release the results publicly or only use them internally.

In ***the statutory audits of financial statements*****,** "the auditor's opinion on the financial statements deals with whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework" [7]. Therefore, the auditor's opinion relates to the financial statements taken as a whole and not to any specific aspect. However, corporate social responsibility issues are important to the auditor in the context of auditing the financial statements of companies as these issues can potentially impact on the credibility of information provided by the financial statements. Social and environmental issues can affect the audit of the financial statements at the planning stage (risk), while undertaking substantive procedures (impairment/provisions) and during audit reviews (going concern).

The International Auditing Practice Statement (IAPS) 1010, "The Consideration of Environmental Matters in the Audit of Financial Statements" [8], issued in 1998, emphasized that social and environmental issues impact upon the following audit domains: knowledge of the audited business, inherent risk assessment and compliance with laws and regulations.

As part of their knowledge of the audited entity, auditors must obtain knowledge of any environmental regulations the business is subject to, and any key social issues arising in the course of the business. Auditors obtain this by reviewing the firm's procedures or any documentation or environmental audits undertaken by the company. This information will then form part of the auditor's assessment of the inherent risk.

Auditors analyze the effects of social or environmental issues on the financial statements when planning audit procedures and when performing audit tests during the course of the statutory audit, which proves their contribution to increasing corporate social responsibility. Social or environmental issues may have an impact on the valuation or disclosure of information related to the following items in the financial statements:

- Provisions - may be needed to cover the expenses for soil remediation, soil decontamination, sites restoration, fines, compensation payments, meeting the standards imposed by legislation or other obligations related to environmental protection;
- Contingent liabilities - for example, in relation to pending litigation related to environmental and social issues;
- Asset values - environmental and social issues may determine the impairment of assets, of purchased goodwill or of company's products;
- Additional expenditure and development costs for new products caused by environmental and social issues;
- Going concern issues - environmental and social issues may impact the auditor's review of the ability of the company to continue as a going concern.

According to ISA 250,"Non-compliance by the entity with laws and regulations may result in a material misstatement of the financial statements. Detection of non-compliance, regardless of materiality, may affect other aspects of the audit including, for example, the auditor's consideration of the integrity of management, those charged with governance or employees" [7]. The auditor obtains a general understanding of environmental laws and regulations which, if breached, could reasonably be expected to result in a material misstatement in the financial statements, and of the policies and procedures used by the entity to comply with those laws and regulations. In obtaining this general understanding, the auditor is vigilant on the fact that noncompliance with some environmental laws and regulations may have a major impact on the entity's operations.

ISA 720 "The auditor's responsibilities relating to other information" clarifies the auditor's involvement with the verification of "other information" - whether financial or non-financial information, other than the audited financial statements, that is included in entities' annual reports. ISA 720 requires the auditor "to read and consider the other information because other information that is materially inconsistent with the financial statements or the auditor's knowledge obtained in the audit may indicate that there is a material misstatement of the financial statements or that a material misstatement of the other information exists, either of which may undermine the credibility of the financial statements and the auditor's report thereon. Such material misstatements may also inappropriately influence the economic decisions of the users for whom the auditor's report is prepared" [7].

Assurance services on non-financial reports are performed by financial auditors using the International Standard on Assurance Engagements (ISAE) 3000 - "Assurance engagements other than audits or reviews of historical financial information" issued by the IAASB. Assurance engagements according to ISAE 3000 [7] offer either reasonable assurance, or limited assurance about whether "the subject matter information is prepared, in all material respects, in accordance with the applicable criteria" [7]. Engagements follow the planning, risk assessment, and assurance evidence collection and evaluation procedures that have been proved effective by the professional accounting profession in auditing and assurance services. Procedures are performed as deemed necessary to obtain the evidence that is sufficient and appropriate to provide a basis for auditor's conclusions.

In case the company is being also audited by the same financial auditor, based on the work done for the purposes of their financial audit, which includes auditing the financial performance of the company, the auditors are qualified to evaluate the link between the company's financial performance and its non-financial performance. As they analyze, during their financial audit, the issues related to going concern of the company for the foreseeable future, the company's auditors assess the risks to which the company is exposed, including those from the corporate social responsibility perspective, and their deriving consequences if they materialize. Based on the knowledge they gain on the audited client in the course of auditing its financial statements, they are very well prepared to assess the impact of non-financial performance upon the company's sustainable development in the future.

4.3. Non-Financial Reporting Requirements in Romania

Published on 15 November 2014, Directive 2014/95/EU – also called the non-financial reporting directive (NFRD) – laid down the rules on disclosure of non-financial and diversity information by large undertakings and groups in the European Union. This directive amended the accounting directive 2013/34/EU and required large undertakings and groups to include non-financial statements in their annual reports from 2018 onwards.

Under Directive 2014/95/EU [2, 5], large companies have to publish reports on the policies they implement in relation to environmental protection, social responsibility and treatment of employees, respect for human rights, anti-corruption and bribery, diversity on company boards (in terms of age, gender, educational and professional background). Directive 2014/95/EU gives companies significant flexibility to disclose relevant information in the way they consider most useful. Companies may use recognised international frameworks, European or national guidelines to produce their statements and are offered a list of frameworks to refer to including: the Eco-Management and Audit Scheme (EMAS), and international frameworks such as the United Nations (UN) Global Compact, the Guiding Principles on Business and Human Rights implementing the UN 'Protect, Respect and Remedy' Framework, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the International Organisation for Standardisation's ISO 26000, the International Labour Organisation's Tripartite Declaration of principles concerning multinational enterprises and social policy and the Global Reporting Initiative (GRI) [2, 5].

Disclosure of the required non-financial information is made by using either one of the following two options: non-financial statement disclosed within the management report and published together with the management report, or presentation of a separate report, made publicly available within a reasonable period of time, not exceeding six months after the balance sheet date, on the undertaking's website (5 years), and is referred to in the management report [2, 5]. As far as audit of non-financial information is concerned, statutory auditors and audit firms should only check that the non-financial statement or the separate report has been provided. In addition, it should be possible for Member States to require that the information included in the non-financial statement or in the separate report be verified by an independent assurance services provider [2, 5].

Non-financial reporting as regulated by European Directive 2014/95/EU was partially transposed in Romania by the Ministry of Public Finance Order no. 1938/2016 regarding the modification and completion of accounting regulations [14]. Starting with 1 January 2017 "public-interest companies that, at the balance sheet date, exceed the criteria of having had 500 employees as the average number of employees during the year" [14] publish a non-financial declaration either within their Administrators' Report included in their annual financial statements, or by publishing a separate report.

According to the developments brought by Ministry of Public Finance Order nr. 3456/2018 regarding the modification and completion of accounting regulations [15], starting with the financial statements of 2019, the non-financial declaration will be published by any "entity which exceeds the average number of 500 employees during the financial year" [15], not only the public-interest companies.

4.4. The Implication of Financial Auditors in the Verification of Non-Financial Reports in Romania

For the case study we selected a sample of 15 companies and we studied their most recent reporting about corporate social responsibility performance, respectively the reports issued for 2019. The study is based on publicly available information in annual financial reports and stand-alone sustainability reports published by companies in Romania for the year 2019. The reports were obtained from the Bucharest Stock Exchange (www.bvb.ro) and from companies' websites. The findings are based on analysis of publicly available information only, and not on information submitted by companies to us.

Founded in April 2006, ResponsabilitateSociala.ro is the first Romanian CSR portal, its goal being to promote corporate social responsibility principles and best practices, in order to encourage companies to contribute to a Romanian economy capable of creating a more sustainable future for Romanian society and local communities. For the purposes of this study, we have identified the most responsible companies in Romania as researched and designated by ResponsabilitateSociala.ro, as a result of analyzing the CSR projects presented by Romanian companies. As many of these companies are not being listed on the stock exchange and consequently their most recent annual reports are not available on their web sites, we further narrowed the selection to the biggest and the most traded companies on the Bucharest Stock Exchange in the last year, for verifying their way of presenting the CSR reporting for the year 2019 and if assurance was presented on their CRS reports. We consider that the companies that we selected for the purposes of this research are the most representative for CSR reporting in Romania. The companies that entered in our selection are trading in the sectors of oil & gas (6 companies), banking (4 companies) and manufacturing (5 companies), being the market leaders in their fields of activity.

We found that the biggest (top 3) companies in the oil & gas industry presented separate sustainability reports for 2019. The reporting framework used by these for corporate social responsibility reporting is the Global Reporting Initiative (GRI) Standards. The reports structure and approach of topics are structured according to the principles and guiding lines set by the Global Reporting Initiative non-financial reporting standard.The reports also state that they meet the legislative requirements provided in the Orders of the Minister of Public Finance no. 1938/2016, respectively no. 2844/2016 on IFRS reporting, which provide that entities with an average number of more than 500 employees during the financial year should report information on the development, performance and position of the entity, as well as the impact of its business on environmental, social and staff issues.

Only one of the reports presents an independent opinion provided by an independent consultant from Romania. As a general overview of the report, the assurance provider states that:

• The report follows the Global Reporting Initiative (GRI) Standard Sustainability Reporting Guidelines and the associated Oil and Gas Sector Supplement, covering both General and Specific Disclosures;
• The company covers material aspects and indicators required, including management approaches and industry specific requirements and local context;
• Reporting principles of content and quality are well reflected in the report.

The other companies have benefited from the support of external sustainability consultants in drafting their sustainability reports for 2019. Related to assurance, the reports mention that the content of the report has not been audited by a third party through an assurance process and that the existence of this report was verified by the company auditor in accordance with MPF Order No. 2844/2016. However, we have noticed that most companies have obtained assurance at the group’s level within the European Union. They present independent assurance on the non-financial reporting of the group. Assurance is obtained on the non-financial reports of the group and assurance providers are financial auditors (audit companies). The next biggest companies in the oil & gas industry did not present separate sustainability reports for 2019. They presented their non-financial statement, according to this option allowed by the Romanian legislation, within the board of directors' reports.

Out of the companies selected from the banking sector, only one presented a separate sustainability report for 2019. The report was developed in partnership with an external sustainability consultant and in accordance with the GRI Standards methodology. It states that the content was not externally audited by an independent third party. The other banking entities did not present separate sustainability reports for 2019. They only presented their non-financial statements, according to the Romanian legislation, within the board of directors' reports. We have also noticed that most banks presented non-financial reports at the international level and have obtained independent assurance on them and the assurance providers are financial auditors (audit companies).

From the manufacturing sector, two companies presented separate sustainability reports for 2019. In drafting the reports, both companies have benefited from the support of external sustainability consultants. The reports were prepared in accordance with the GRI Standards methodology and their content has not been audited by a third party through an assurance process. Another company published a non-financial report for 2019 in accordance with the European Directive no. 2014/95 and Order no. 1938/2016, which completes the Directors Report for 2019. No assurance is presented upon the Non-Financial Report. The other companies selected from the manufacturing sector did not present separate sustainability reports for 2019. They presented their non-financial statements, according to the Romanian legislation, within the board of directors' reports.

The existence of sustainability reports and also the consistency between the non-financial information and the financial information included in the audited financial statements were verified by the statutory auditors of each company that we analysed, according to the legal requirements. In the audit reports issued, auditors declare that non-financial information have been provided by the companies under audit and in the administrators' reports they have not identified any information that are not consistent, in all material respects, with the information presented in the audited financial statements.

We conclude that the biggest and most responsible companies in Romania publish sustainability reports and these are being drafted according to the GRI international framework of CSR reporting. Their sustainability reports are usually drafted with the support of external sustainability consultants and, as a rule, they are not assured by assurance providers. Almost half of the companies that we analysed presented separate sustainability reports for year 2019. The rest of the companies observed the minimum legal requirements of the Romanian legislation, presenting their non-financial statements within the board of directors 'reports.

We notice the emergence of Romanian sustainability consultants, offering services of preparation and verification of sustainability reports, while financial auditors are not yet involved in providing assurance services on sustainability reports issued by companies in Romania. The publishing of non-financial information either as a separate sustainability report, or as a non-financial declaration included in the administrators' report is verified by the statutory auditors of the companies, who also certify that there are no material inconsistencies between these information and the financial statements or the auditor's knowledge obtained in the statutory audit. In this way, financial auditors contribute to raising the awareness and accountability of companies and to increasing the credibility of non-financial information presented by companies in Romania.

5. Conclusions

Services provided by financial auditors contribute to improving the quality of non-financial information published by companies, raise the degree of awareness and enhance accountability and transparency for the social and environmental dimension of the business, providing a support to integrated thinking, decision-making and actions that focus on the creation of value over the short, medium and long term.

The involvement of financial auditors enhances credibility and trust in the non-financial information provided by companies. Implication of auditors is appropriate, given the complexity of sustainability reports, such that an external party verification is needed. Financial auditors perform a critical assessment of information provided by companies and offer reasonable or limited assurance that the non-financial reports do not contain material misstatements. As a result, stakeholders obtain relevant and credible information and can better understand the business and its outcomes through using audited financial and non-financial information to ascertain the strategy, growth, performance and direction of companies. Auditors' involvement demonstrates companies' commitment to disclosure of non-financial information and will then lead to improved reputation and improved investor and stakeholder relationships.

The biggest and most responsible companies in Romania are following the global trend of publishing sustainability reports annually, GRI Standards being mostly used for preparing them. As far as assurance on sustainability reports is concerned, Romanian companies are still lagging behind the standard practice of large companies around the world. Consultancy services are provided by sustainability consultants, while financial auditors verify corporate social responsibility issues within their activity as statutory auditors, namely the audits of financial statements. Thus, financial auditors have a role in increasing the accountability of companies as far as social and environmental issues are concerned and in strengthening the credibility of published non-financial information.

As financial and non-financial reports are increasingly integrated by companies, our view is that financial auditors can use their knowledge on companies' operations to assess both their financial and non-financial performance and will become more and more involved in providing assurance on integrated reports, thus contributing to the increase of corporate social responsibility in Romania.

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