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**Audit of financial statements and its impact on the security of  
business transactions**

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**The summary of the doctoral dissertation**

The doctoral dissertation, „Audit of financial statements and its impact on the security of business transactions”, aims to provide a comprehensive assessment of the impact of auditing on the security of business transactions from the perspective of the audit firm, the audited entity, those supervising it as well as users of audit reports, including the regulator and the authority exercising public oversight of statutory auditors, in order to show a way forward to improve the security of business dealings.

The authors’ main motivation for writing a dissertation on the particular subject matter was the identification of a research gap: there has been no comprehensive qualitative and quantitative research on the impact of financial statement auditing on the security of business transactions in light of the establishment in 2009 of the Audit Oversight Commission. It is this area of academic exploration that sets the aim of the dissertation.

It is intended to analyse the institutional and legal conditions relating to financial statements auditing and to assess its impact on the security of business transactions. The aim has been achieved thanks to research conducted by both authors: Dorota Będziak and Andrzej Netter.

Through a theoretical analysis – mainly bibliographic research in Chapter 1, Chapter 2, Subchapters 2.1, 2.2, 2.4, 2.5, 2.6, Chapter 3, and Subchapter 3.6 – Andrzej Netter presented the relationship between the reliability of financial statements and the security of business transactions, as well as the effect of the quality of financial statements audits on the reliability of audited financial statements.

In Chapter 2, Subchapters 2.3, 2.7, Chapter 3, Subchapters 3.1, 3.2, 3.3, 3.4, 3.5, Chapter 4, Dorota Będziak presented the results of her theoretical research consisting mainly in analysing legislation, reports drawn up by public oversight authorities and institutions on the national level (the Audit Oversight Commission – KNA, the Polish Audit Supervision Agency – PANA, the Polish Financial Supervision Authority – KNF, the Polish Chamber of Statutory

Auditors – PIBR, Examination Committee for Candidates for Statutory Auditors) and on an international level (the European Commission, International Forum of Independent Audit Regulators – IFIAR, the Committee of European Audit Oversight Bodies – CEAOB, the International Auditing and Assurance Standards Board – IAASB, the World Bank) for the years 2009-2020. The research focused on the impact of the quality assurance system on the quality of financial statements audits, the effect of public oversight on the quality assurance system, as well as the role of auditing committees, the Examination Committee for Candidates for Statutory Auditors and international organisations in efforts to improve audit quality.

Based on the research work carried out, Dorota Będziak:

- 1) proposed an original classification of the actors that influence the quality assurance system for audit firms (i.e. direct and indirect influence actors);
- 2) presented and assessed the significance of the audit firm's internal quality control system, which the authors have found to be a key factor affecting audit quality;
- 3) outlined the role of public oversight in improving audit quality to ensure the security of business transactions;
- 4) analysed and evaluated changes in the Polish audit market between 2009 and 2020;
- 5) comprehensively presented and evaluated the activities of public supervisors: KNA, PANA, KNF in the period 2009-2020;
- 6) presented the role and evaluated the activities of the Polish auditors' professional association, PIBR in ensuring high quality of auditing (including in the qualification procedure for candidate auditors);
- 7) analysed and evaluated the auditing committees' activities in improving audit quality;
- 8) presented and evaluated actions taken by international organisations (EC, IFIAR, CEAOB, IAASB, World Bank) to improve the quality of financial statements auditing.

For the stated aim, the following main hypothesis was formulated: the activities of audit firms and the system of oversight of audit firms result in a high quality of financial statements auditing, which consequently improves the security of business dealings.

The authors also formulate nine supporting hypotheses and sixteen research questions.

Empirical studies carried out by each of the authors (presented in chapter five) among people belonging to nine categories of stakeholders, using latest IT tools (to the extent relevant to the issue addressed in the theoretical research), allowed all supporting hypotheses to be proved (with the exception of a hypothesis concerning the diversity of perceptions of the impact of auditing on the security of business transactions depending on the category of financial statements audit stakeholders, confirmed only partially), as well as the main hypothesis.

The authors therefore succeeded in demonstrating that the activities of audit firms and the system of oversight of audit firms ensure a high quality of auditing in Poland, which translates into greater security of business transactions.

The observed differences in assessment regarding the hypotheses among representatives of audit firms and other stakeholder groups, as well as differences in terms of qualifications held or experience in the profession or place of practice, confirm the need for further research into particular areas other than examination of the impact of the reliability of financial statements on the security of business dealings (confirmed by all stakeholder groups to a similar extent).

Another effect of the research conducted by Dorota Będziak and Andrzej Netter is the authors' original concept of the impact of financial statement auditing on the security of business transactions.

The conclusions drawn from the research, which also have a practical application, lend themselves to be incorporated into the system of oversight of auditors and audit firms and contribute to increasing the security of business transactions.