

Structure and organisation of the profession - key features - 2020 update

ROMANIA

- Capital: Bucharest
- Population: approx. 19,000,000
- Language: Romanian
- Part of the EU since: 2007

MEMBER BODIES:

- Chamber of Financial Auditors of Romania (CAFR) <http://www.cafr.ro/>
- The Body of Expert and Licensed Accountants of Romania (CECCAR) <http://ceccar.ro/ro/>



PROFESSIONAL BODIES

	CAFR	CECCAR
Membership	Mandatory	Mandatory in order to provide services specific to the profession
No. of members	4,570	33,278
Institute staff	41	251
Date of establishment	1999 by Government Ordinance no 75	1921 by Royal Decree of King Ferdinand
Local branches	5	42 branches established in each county of the country and the Headquarters
Subject to public oversight	No	No

Structure and Organisation of the Profession - Key features - 2020 Update

Public oversight authority	N/A (For qualified professionals: Public Oversight Authority for Statutory Audit Activity - ASPAAS)	N/A (For qualified professional accountants: Regulations on the Access to the Expert Accountant and Licensed Accountant professions are prepared by the Body of Expert and Licensed Accountants of Romania and approved by the Ministry of Finance and by the Ministry of Education, Research and Youth)
Involvement in Qualification and Market Access	CAFR	CECCAR
Initial education	No, but continue to perform the task as per law and obligations as IFAC member for all the other type of audits except statutory audits.	Yes
Examination	No, but continue to perform the task as per law and obligations as IFAC member for all the other type of audits except statutory audits. (Responsibility undertaken by ASPAAS)	Yes
Approval and registration	CAFR – approves members only upon approval/authorization order issued by ASPAAS. The Electronic Public Register of Authorized Financial Auditors is maintained by ASPAAS.	Yes
Continued Professional Development	No, but continue to perform the task as per law and obligations as IFAC member for all the other type of audits except statutory audits. Required and undertook by CAFR as per OUG 75/1999 Required and undertook also by ASPAAS as per L162/2017 Condition for annual visa issued by CAFR	Yes, according to the national Continuous Professional Development Program of the professional accountants (PNDPC) and according to the Professional Standard no. 38 regarding the CPD of the professional accountants, which represents the transposition of IES no. 7, issued by IFAC
Activities	CAFR	CECCAR

Structure and Organisation of the Profession - Key features - 2020 Update

Standard setting	No, but continue to perform the task as per law and obligations as IFAC member for all the other type of audits except statutory audits. (ASPAAS for statutory audits)	Yes
Quality assurance	Yes, limited to audit activities other than statutory audit (ASPAAS for statutory audits)	Yes
Disciplinary measures	As it is stipulated in the law governing the financial audit, other than statutory audit, in the quality assurance norms and in the Internal Operating Regulation of CAFR: - Audit activity is evaluated using the qualificatives A, B, C or D - All auditors who are evaluated with B, C or D must follow supplementary training courses and will pay an increased annual fee; - Auditors who receive a C or D qualificative will be reviewed within a year of the initial review, in order to verify whether they improved their activity and implemented remedy actions; - Other disciplinary actions may include public warning, suspending auditor's activity for a period of time from a year to 3 years or cancellation of membership in CAFR. (ASPAAS for statutory audits)	Yes

PROFESSION

Professions	Financial Auditor	Expert Accountant	Licensed Accountant
Professional body	CAFR	CECCAR	CECCAR
Protected title	Yes, Financial Auditor	Yes	Yes

Structure and Organisation of the Profession - Key features - 2020 Update

Reserved activities	<ul style="list-style-type: none"> • Statutory audit on annual and on consolidated annual accounts, in the conditions provided by the Romanian Law 162/2017-; • audit of annual accounts and consolidated accounts to the extent that is not statutory audit according to the Law. • Review engagements of reviewing annual accounts financial statements, of consolidated financial statements, as well as of interim financial statements; • Other assurance and professional engagements in compliance with international standards of audit, adopted by CAFR • Internal audit, other than internal public audit. 	<p>The expert accountant may, individually or as a company, provide the following services to natural and legal persons:</p> <ul style="list-style-type: none"> • organizes, manages, provides bookkeeping, verifies and oversees the accounting activity, prepares and signs financial statements and performs fiscal activities, such as calculating taxes and contributions, preparing and submitting tax returns, and representing the client in relation to the tax authorities, as part of an accounting services contract • provides specialized assistance for organizing accounting and bookkeeping; • undertakes forensic accounting engagements, including forensic accounting engagements with a fiscal component, required by judicial bodies or requested by natural or legal entities, according to the legal requirements and the CECCAR regulations. 	<p>The licensed accountant may provide the following services to natural and legal persons:</p> <ul style="list-style-type: none"> • bookkeeping for the economic and financial operations stated in the contract; • performing the preliminary work necessary for preparing the financial statements;
Included authorisations	<p>Financial auditors and audit firms may carry out other activities, such as:</p> <ul style="list-style-type: none"> • financial-accounting consultancy; • financial-accounting management; • professional training in the field; • accounting expertise, evaluation, judicial reorganization and liquidation, as well as tax consultancy. 	<p>The expert accountant may, individually or as a company, provide the following services to natural and legal persons:</p> <ul style="list-style-type: none"> • performs financial and economic analyses and valuations, for accounting and financial purposes, other than those defined by Government Ordinance no 24/2011 on certain measures concerning the valuation of goods, approved with amendments by Law no 99/2013, with its 	<p>Licensed accountants can perform activities related to the electronic staff records and payroll services.</p>

Structure and Organisation of the Profession - Key features - 2020 Update

In compliance with the provisions of the law, all the above activities may be performed only after the financial auditor has obtained the authorization as chartered accountant, evaluator, insolvency practitioner or tax advisor, as it be the case, and they have become members of the bodies which coordinate the respective liberal professions.

subsequent amendments and supplements, and which do not take the form of a valuation report prepared in accordance with the valuation standards adopted by the National Association of Romanian Authorized Valuers (ANEVAR). Such valuations may include, without being limited to, estimates of an entity's cash flow and financial position, revenue and expense measurement, estimating the level of provisions and value adjustments, as well as other valuations performed by expert accountants during their current activity;

- performs other financial-accounting activities, including maintaining electronic staff records, payroll services, administrative and IT organization activities, information, data and documents certifications;
- fulfils the tasks provided for in the censor mandate and financial proxy mandate, according to the legal requirements;
- provides specialized advice for the establishment and restructuring of companies;
- provides financial-accounting and economic performance management;
- provides internal management control and risk management for legal entities;

Structure and Organisation of the Profession - Key features - 2020 Update

	<ul style="list-style-type: none"> • provides financial management and accounting consultancy, performs management accounting and integrated reporting specific services; • provides professional services that require knowledge related to the activities stated in this article for natural or legal entities.
--	---

SUPERVISION

	Financial auditor	Expert Accountant	Licensed Accountant
Regulated profession	Yes	Yes	Yes
Supervision	Yes	Yes	Yes
Public oversight authority	ASPAAS on statutory audits CAFR for all engagements performed by the financial auditors, other than statutory audit.	Ministry of Public Finance	Ministry of Public Finance

QUALIFICATION

	Financial auditor	Expert Accountant	Licensed Accountant
--	-------------------	-------------------	---------------------

Structure and Organisation of the Profession - Key features - 2020 Update

<p>General initial education steps (without possible exemptions)</p>	<p>Natural persons may be approved as financial auditors when they cumulatively fulfil the following conditions:</p> <ul style="list-style-type: none"> • they have graduated a higher education institution or have an equivalent diploma; • they have completed a course of theoretical training organized or acknowledged by ASPAAS; • they have undergone a practical training, according to the provisions in Art. 11 of Law 162/2017; • they have passed an examination of professional competence, organized or approved by ASPAAS. 	<ul style="list-style-type: none"> • University economic studies graduate with diploma acknowledged by the Ministry of Education and Research • Admission exam for the initial professional development • 3 years of theoretical and practical training program • Aptitude exam for obtaining the expert accountant quality 	<ul style="list-style-type: none"> • High school, with a diploma acknowledged by the Ministry of Education, Research, Youth and Sports • Admission exam for the initial professional development • 3 years of theoretical and practical training program • Aptitude exam for obtaining the licensed accountant quality
--	--	---	--

STATISTICS

	Financial auditor	Expert Accountant	Licensed Accountant
No. of qualified professionals	4,570	30,384 (active 18,851)	2,894 (active 1,662)
No. of new trainees per year	There is no official statistic currently. Task undertook by ASPAAS. As per official information published, there are 138 trainees enrolled in the mandatory 3-year practical training period.	1,000	50
No. of people taking the	According to the official information published by ASPAAS on the admission exam organised in	507	14

Structure and Organisation of the Profession - Key features - 2020 Update

professional examination	September 2019, there were 160 persons eligible for examination		
No. of people passing the professional examination	According to the official information published by ASPAAS on the admission exam organised in September 2019, 67 were accepted (42% admission rate)	275	10

MARKET ACCESS – QUALIFIED PROFESSIONALS

	Financial auditor	Expert Accountant	Licensed Accountant
Registration required	Yes, only after ASPAAS authorisation and CAFR approval as a member	Yes	Yes
Competent authority for registration	ASPAAS (Public Register Evidence)	CECCAR	CECCAR
Cost of appointment/ registration	There is no fee for initial registration, but the annual membership fee for the first year is higher than the regular annual fee	€40	€20
Oath required	No	Yes	Yes
Insurance required	Yes	Yes, for all rendered services	Yes, for all accounting services
Professional address required	Yes (publication is made upon member's acceptance of data processing agreement)	Yes, residence or professional address is required	Yes, residence or professional address is required