

## **THE DEVELOPMENT OF AUDIT AND INNOVATIONS THAT THE REFORM BROUGHT ON AUDIT IN THE PUBLIC SECTOR**

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### **Abstract**

The development of economic activities switching to a market economy in transition countries brought the expansion of space with the owner and investor. Over time, nascent joint ownership of the business by increasing the number of joint-stock companies. This reality was associated with increased investment needs and requirements. In this situation many transition countries have little tradition internal audit modern, while in developed countries where the market economies present audit service has now become a necessity for this type of service being invested large sums of cash financial. In the opinion is sued at the end of the audit mission, the head of the organization aware that internal control systems are functioning properly, stakeholders as holders of capital, financial companies, the general public take the right decisions for the future.

For the preparation of this study, we have tried to bring as many local and foreign material, and we have tried to bring everything that could be valuable to the audience and readers of this conference. In this study we have tried to provide a combination of theory and practical of audit, thinking that this study will help not only students, but also those who have already left studying. In this study besides the research side, a special importance has been the drafting of questionnaires and spontaneous conversations with many people and all their thoughts and suggestions are taken into consideration on our part. Also in this study was used the hypothesis in the form of assertions, the results of which served as the conclusions from our side. Audit is a new service to our country that got a wide popularity after 2007, a process which was associated with the change of the audit concept, changing the methodology and audit dependency structures. From our side it is important to understand that all this reform takes place within the context of economic, social and political development of the country, a factor that can advance or can block these changes. Accuring at a reflection of the environment in which reforms will be implemented internal audit has a significant impact on the continuity of the reform and support. It is worth mentioning that the environment assessment therefore wider context in which to implement this reform is the first element to be taken into consideration.

For the preparation of this study topic were used :

1. Knowledge of consolidated internal and external audit.
2. International standards of AB published by the IIA Union.
3. Law on Internal Audit in the public sector.
4. International Standards on external Auditing in public sector, published by INTOSAI.
5. The Institution Data were obtained from the Ministry of Finance and belong the period from 2000 to 2014.

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