

*Benha University*  
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Cash Flows Auditing in Economic Units as an Approach for Increasing the  
Efficiency and Effectiveness of the Auditor's Report to Serve the  
Objectives of the  
Egyptian Finance Market  
**"A Theoretical – Applied Study"**

An Abstract of Dissertation  
For the Degree of Ph.D. of Accounting

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## **Research Problem :**

1. The insufficiency of what auditing introduces for the list and financial reports' users in economic units especially concerning cash Flows, despite the scientific, practical and professional necessities which assure the importance of auditing the information of cash flows at the level which goes with its indication and importance of the Egyptian Finance Market.
2. The possibility of the auditor's using scientific techniques which help in the process of predicting cash flows for economic units.
3. The possibility of the auditor's using the information of cash flows in preparing samples of discriminant analysis to predict financial erisis in economic units.

## **Research objectives :**

The general objective of the research is represented in suggesting a comprehensive picture (map) for what the tests of auditing cash flows should be considering the increasing interests in accounting cash flows for the purpose of explaining the process of auditing to face the increasing needs in the Egyptian cash market and encouraging auditors to enter this field.

## **Research plan :**

1. **Chapter one:** Recent changes in the Egyptian finance market and their effects on the auditor's report.
2. **Chapter two :** Auditing cash flows as an entrance to increase the efficiency and effectiveness of the auditor's report.
3. **Chapter three :** The scientific rooting (originating) of auditing cash flows in economic units.

4. **Chapter four** : The responsibility of the auditor towards predicting cash flows.
5. **Chapter five** : the auditor's using the information of cash flows to judge the continuity of the economic units.
6. **Chapter six** : applied study.

### **Research findings :**

1. The auditor's report is affected by terms of declining standard and the extent of the social and economic progress and the changes that the finance market witness in the society.
2. The auditing of cash flows and reporting about them from the side of the auditor are considered one of the ways to develop and increase the efficiency and effectiveness of the auditor's report.
3. There are many professional, scientific and practical necessities which justify the need of auditing and reporting about cash flows in economic units.
4. The lack of interest in auditing cash flows – on the professional and scientific levels – which suits its importance and increasing of the accounting interest in it.
5. The auditor's using of the tools and measures of the analytical checking in the field of auditing the list of cash flows helps to save suitable amount of affirmative evidence (proofs) concerning the indication of this list.
6. The study proved that the auditor's usage of quantitative techniques – especially ARIMA's cointing technique – in the field of auditing cash flows predictions, helps to get predictive samples that have high cointing accuracy ranging from 65% to 97.4%.
7. The study proved that the indications of flows have additional analytical power as it is proved that the discriminate and predictive

accuracy of the pattern of the multi-changes discriminate analysis (MDAM) reached its summit 100% when the pattern included the indications of cash flows along with deserve indications.

### **Recommendations :**

1. The researcher recommends issuing an independent auditing scale which deals with the necessary rules and guidance for auditing and reporting about the cash flows information and the indications resulting from them.
2. The researcher recommends developing the accounting systems to include accounting procedures and reporting about cash flows.
3. The necessity of developing auditing scales to match the recent trends in the Egyptian finance market.
4. The researcher recommends the necessity of establishing a non-alliance auditing committee in each economic unit.
5. The researcher recommends encouraging auditors to use the tools and procedures of analytical checking in the field of auditing generally and in the field of auditing cash flows particularly.
6. The researcher recommends doing research studies to identify the needs and expectations of list users and financial reports from the services of the auditor.