

**The supervisory role of the auditor
in a joint stock company and his responsibilities under Algerian law**
الدور الرقابي لمحافظ الحسابات في شركة المساهمة ومسؤوليته في ظل التشريع الجزائري.

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Abstract:

The accountant plays a key role in ensuring transparency in a joint stock company due to his effective contribution in guaranteeing the integrity of the company's financial statements, as well as ensuring that financial reports are presented correctly by examining accounting documents and their compliance with applicable laws and regulations, thereby enhancing confidence in the management and administration of the company. He is responsible for detecting irregularities and violations in the joint stock company, He also bears legal responsibilities, including civil, disciplinary, and criminal liability for any errors or negligence on his part.

Keywords: Accountant - Joint stock company - Control - Responsibility.

الملخص:

يمارس محافظ الحسابات دورا أساسيا في تحقيق الشفافية في شركة المساهمة نظرا لإسهامه الفعال في ضمان نزاهة القوائم المالية للشركة، الى جانب التأكد من تقديم التقارير المالية بشكل صحيح عن طريق فحص الوثائق المحاسبية ومدى مطابقته للقوانين واللوائح المعمول بها مما يعزز الثقة في تسيير وإدارة الشركة، فيكون مسؤولا عن كشف التجاوزات والانتهاكات في شركة المساهمة، كما أنه يتحمل مسؤوليات قانونية تشمل المسؤولية المدنية و التأديبية و الجنائية عن الخطأ أو التقصير الصادر منه.

الكلمات المفتاحية: محافظ الحسابات - شركة مساهمة - مراقبة - المسؤولية .

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Introduction:

Joint stock companies are considered the ideal model for financial companies, as they aim to raise funds for industrial and commercial projects. They are also considered a tool for economic development in the modern era, and have developed rapidly thanks to the pooling of capital (Amoura, 2009, pp. 231-232)

Therefore, these companies are important economic tools because they provide a safe investment environment for investors and enable the raising of large amounts of capital to launch large and complex projects. Its administrative structure also helps to organize companies more effectively and contributes to protecting investors. It is one of the fundamental pillars of modern economies because it allows for business development and economic growth. The auditor is one of the most prominent actors in the financial governance system within a joint stock company because of the essential supervisory role he plays in ensuring the transparency of financial information and the accuracy of accounting data through his careful examination of accounting and financial documents and ensuring their compliance with legal and regulatory standards.

From this perspective, the oversight exercised by the auditor is preventive and deterrent in nature, making it an effective tool for combating financial corruption and enhancing confidence in the investment environment. This calls for highlighting the legal basis for these tasks, their limits, the auditor's responsibilities, and their implications for the company's operations.

Importance of the topic: The importance of the subject of the supervisory role of the auditor in a joint stock company stems from the fact that he is the primary guarantor of financial transparency and accounting credibility within the company. Thanks to his supervisory tasks, he contributes to protecting the rights of shareholders, reveals financial irregularities, and enhances confidence in the financial reports on which important investment decisions are based.

Objective of the study: The objective of the study is to

- Identify the legal system governing the appointment of the auditor.
- Highlight the powers and obligations of the auditor and his responsibilities in the performance of his duties.

Problem statement: To what extent does the auditor contribute to financial control in a joint stock company, and what are the limits of his responsibility?

Methodology: To answer the question posed, a descriptive approach was adopted by analyzing the legal texts governing the profession of auditor and describing the aspects related to the profession of auditor, in addition to relying on a historical approach in part of the study when addressing the historical development of the profession of auditor in Algeria.

Structure of the study: To detail this data, we divide the study as follows:

First section: The conceptual framework of the profession of auditor.

Second section: The powers and responsibilities of the auditor in a joint-stock company.

First section: The conceptual framework of the profession of auditor.

The profession of auditor is one of the basic supervisory professions in the commercial and accounting field, as it aims to verify the accuracy and legality of accounts within joint stock companies. It arose historically with the development of economic activity. The nature

of the profession has also attracted considerable attention from jurists, and many jurists have attempted to determine its legal nature, given its extremely important implications.

First requirement: The concept of the auditor

In this requirement, we will examine the historical development of the profession of auditor in Algerian legislation, as well as the legal nature of the profession, as follows:

Section I: The historical development of the profession of auditor and its legal adaptation.

The historical development of the profession of auditor in Algeria has undergone several stages, beginning in 1969, when French legal texts continued to be applied until the issuance of Decree 69-107 containing the 1970 Finance Law, Article 39 of which stipulated that the Minister of Finance and Planning shall appoint auditors in national companies and national public institutions of an industrial and commercial nature. This was followed by the issuance of Decree No. 70-173 on the duties and obligations of auditors, which considered the auditor to be a financial controller for the management of public and semi-public institutions. Decree No. 75-59 on commercial law also addressed the regulation of provisions relating to the profession of auditor (Mousouni, 2023, p. 3618)

After 1988, the profession of auditor underwent a radical transformation as a result of the enactment of the law governing public economic institutions (88-01, 1988) , which subjected these institutions to the provisions of commercial law, restoring the profession of auditor to its external supervisory role. The profession was subsequently regulated by Law No. 91-08 on the profession of chartered accountant, auditor, and certified accountant) (91-08 L. , 1991) ,which was later repealed by Law No. 10-01 on the professions of chartered accountant, auditor, and certified accountant. and under Article 22 of the same law, (10-01) the Algerian legislator defined the auditor as any person who regularly practices, in his own name and under his own responsibility, the profession of certifying the accuracy of the accounts of companies and bodies and their regularity and compliance with the provisions of the legislation in force. This definition highlights the legal and professional importance of this function. The meaning of this text is that the auditor is an expert who monitors and audits the financial accounts of a joint-stock company, verifies their accuracy and compliance, and bears professional responsibility for the reports.

It should be noted that the profession of auditor is based on a set of principles, which are the foundations of a professional who performs the task of auditing and can be summarized as follows: the principle of integrity, i.e., being upright; the principle of objectivity; the principle of independence, i.e., being impartial and unbiased; and the principles of competence and confidentiality. (Chrique, 2012)

Section II: Legal classification of accountants in joint stock companies.

The Algerian legislature has entrusted accountants with the task of auditing the budgets of joint stock companies and examining their books in order to ensure the transparency of financial accounts and protect them from manipulation or errors, thereby strengthening confidence in the financial system. The legal classification of the auditor's position has raised many difficulties. One view is that the auditor is merely an employee of the company with a contractual or organizational relationship, while another view is that the auditor acts as a judge between the shareholders who have placed their trust in him and the reality of the company's accounts and the conduct of the board of directors. The Algerian legislature has

settled this dispute by considering the auditor to be merely an agent of the company, as stipulated in Article 682 of the Commercial Code, which states: "The extent and effects of the representatives' liability towards the company shall be determined in accordance with the rules the general public of the agency." The legislator then retracted this under Article 715 bis 14/3, which addressed the responsibility of the accountant without mentioning that he was an agent of the company (fedil, 2003, p. 336) . Referring to Article 27 of Law No. 10-01, we find that the Algerian legislator replaced the term "agency" with the term "custody," and the legislator used this term to avoid defining the nature of the relationship, as it is a complex relationship that even the French legislator was unable to define conclusively. In general, it is the set of legal provisions that allows for the determination of the legal regime of the auditor, thereby granting him independence so that he is not an agent of the partners. Furthermore, his dismissal is in accordance with the law, and his responsibility is to the company, third parties, and the body to which he belongs, unlike an agency, where the responsibility is only to the principal (Gamila, 2010-2011, p. 28)

Second requirement: Appointment and termination of the auditor.

The auditor is a key element in the supervisory structure of a joint stock company, and Algerian lawmakers have paid particular attention to the legal regulations governing the appointment of auditors and the conditions for performing their duties, in terms of professional qualifications, independence, and terms of appointment. It has also regulated the circumstances under which the auditor's duties may be terminated, either at the end of the legal term or by dismissal before the end of the term, which raises a number of issues relating to the balance between protecting the auditor's independence on the one hand and enabling the general meeting to hold the auditor accountable and terminate his duties in the event of a breach on the other. Therefore, it is extremely important to study the legal system for appointing the Auditor General and terminating his duties, especially in light of developments in the field of financial oversight and the need to update legal controls in line with transparency and accountability requirements.

Section 1: Appointment of auditors in a joint stock company.

The ordinary general meeting of shareholders shall appoint one or more auditors for a term of three years from among the professionals registered on the national register. If the General Assembly does not appoint auditors, or if one or more of the appointed auditors are unable to serve or refuse to serve, they shall be appointed or replaced by order of the President of the Court at the request of the Board of Directors or the Board of Managers this request shall be submitted by all concerned parties, and in companies that publicly resort to savings, an accounting representative may be appointed in the company: by the authority that regulates and supervises stock exchange operations (Ammoura, pp. 270-271).

Article 26 of Law No. 10-01 on the profession of chartered accountant, auditor, and certified accountant also stipulates that "the general assembly or the body responsible for deliberations shall appoint, after its written approval and on the basis of the terms and conditions, an auditor from among the certified professionals registered in the National Chamber's register." In addition, Article 27 of the same law stipulates that the term of office of the auditor shall be three years, renewable once. The Algerian legislator also intervenes in Article 3 of Decree No. 11-32 on the appointment of auditors (11-32, 2011) . where it is confirmed that the appointment of auditors shall take place within a maximum period of one

month after the end of the last session of the auditor's term of office. and that the board of directors, the executive office, or the competent body must prepare the terms and conditions for the appointment of the auditor by the general assembly. From the text of the articles, it can be seen that the Algerian legislature has ensured the first pillar of the auditor's independence by specifying the conditions for appointment (Laquiti, 2018, p. 35)

Section II: Barriers to becoming a chartered accountant.

Chartered accountants must be qualified in accounting or auditing and have sufficient experience to perform their duties accurately. To ensure the independence and impartiality of auditors, Algerian lawmakers have established legal controls to protect practitioners of this profession and ensure the credibility of their work. To this end, lawmakers have stipulated that persons in the following situations may not be appointed as auditors :) (laquiti, p. 35)

1- Relatives and in-laws up to the fourth degree, including managers and members of the board of directors and the supervisory board of the company.

2- Management personnel and members of the board of directors or supervisory board, and spouses of management personnel and members of the board of directors or supervisory board of companies that own one-tenth (1/10) of the company's capital, or if the company itself owns one-tenth (1/10) of the capital of these companies.

3- Spouses of persons who, by virtue of an activity other than that of an accounting representative, receive a fee or salary from the management, members of the board of directors, or the supervisory board.

4- Persons who have been granted remuneration by the company for functions other than those of an accountant for a period of five years from the date of termination of their functions, and persons who were members of the management, supervisory board, or board of directors for a period of five years from the date of termination of their functions.

5- Persons who were members of the management or members of the board of directors for a period of five years from the date of termination of their employment (bis4)

This text means that the Algerian legislator has set a bunch of legal barriers that stop people from getting into this job, with the aim of ensuring the integrity and transparency of those responsible for accounting oversight. These restrictions are part of the preventive measures adopted by the legislator to guarantee the independence of auditors and promote a culture of oversight and transparency in economic life.

Section II: Powers and responsibilities of the auditor in a joint stock company.

The auditor is one of the key players in the financial and accounting control system within institutions, as he is entrusted with ensuring transparency and credibility in financial statements. The latter has broad powers that enable him to audit accounting documents and verify their compliance with applicable laws and regulations, thereby contributing to strengthening the confidence of the company's stakeholders. In return for these powers, the comptroller bears legal and professional responsibilities, as he is accountable for any negligence or omission that could compromise his supervisory function or mislead interested parties. His role is therefore not limited to the technical aspects of accounting, but extends to include ethical and legal dimensions, placing him in the position of guardian of financial transparency within the company.

First requirement: Powers of the auditor

The powers of the auditor are the cornerstone of his supervisory role within a joint stock company. The Algerian legislature has given him an effective role in ensuring financial credibility and transparency, and his powers derive their importance from the nature of the tasks entrusted to him, which represent a legal means of protecting the rights of shareholders, enhancing investor confidence, and ensuring the proper and sound functioning of the company.

Section I: Powers of the Auditor

The powers of the auditor are one of the most important pillars of trust within a joint stock company, as the Algerian legislature has entrusted him with multiple supervisory and financial tasks aimed at ensuring discipline and transparency within the company.

The auditor's task is limited to monitoring the work of the board of directors, reviewing the company's accounts and books, and verifying discipline. Their permanent task, excluding any interference in management, consists of:

1- Investigating the company's books and financial statements and monitoring the regularity and accuracy of the company's accounts.

2- Verifying the accuracy of the information provided in the report of the board of directors or the board of managers, as the case may be, and in the documents sent to shareholders regarding the company's financial position and accounts.

3- Certifying the regularity and accuracy of the company's inventory, accounts, and budget.

4- Verifying that the principle of equality among shareholders is respected. The auditors may conduct any investigations or audits they deem appropriate throughout the year, and may convene a general meeting in urgent cases (bis).

Section II: Obligations of the Comptroller

In addition to the powers vested in the accounting officer, Algerian law sets out the obligations incumbent upon him under Article 715 bis 10 of the Algerian Commercial Code, requiring him to inform the board of directors, the board of managers or the supervisory board of the following matters:

– The audits and investigations they have carried out and the various procedures they have performed.

– The balance sheet items and other accounting documents that they deem necessary to amend, providing all necessary comments on the valuation methods used in preparing the documents.

-The violations and errors they discover.

-The results of the above observations and corrections regarding the results of the financial year compared to the results of the previous financial year.

The third paragraph of the above-mentioned article adds that in the event of no response or an incomplete response, the auditor shall be entitled to request the chairman of the board of directors or the board of management, as the case may be, to convene the board of directors or the supervisory board to discuss the facts observed, provided that the auditor is present at the meeting (Fedil, p. 335)

According to the text of Article 715 bis 11 of the Commercial Code, if it appears that these provisions have not been complied with, or despite the fact that the auditor has taken

decisions regarding the obstruction of exploitation that he has uncovered in the course of his duties, he may submit a report and urgently convene an ordinary or extraordinary general meeting to consider these violations.

On the other hand, if the auditor notices errors in the course of his duties, he shall bring the matter before the next general meeting. In addition, they are required to inform the public prosecutor of any offences they discover, in addition to maintaining professional secrecy with regard to the information and acts to which they have had access by virtue of their profession, as provided for in Article 715 bis 12 of the Code of Commercial Companies (Fedil, previous reference p 336)

Section II: The responsibility of the accountant in a joint stock company.

The role of the accountant is to monitor the company's financial accounts and ensure that they comply with applicable accounting and legal rules. The importance of the accountant's duties stems not only from his technical expertise, but also from his legal and professional responsibility to detect and report irregularities. If he breaches his duties or fails to perform his role, this may result in serious damage to the company, its shareholders, and even the general economy, which requires him to be held civilly and disciplinarily accountable, and sometimes even criminally. In this context, the question arises as to the limits of the responsibility of the accountant in a joint-stock company, the nature of his obligations, and whether his responsibility is based solely on professional misconduct or includes mere breach of his duty of supervision.

First requirement: Civil and disciplinary responsibility of the auditor in a joint stock company.

In accordance with the powers and obligations incumbent upon the accountant, he shall be civilly and disciplinarily liable for any excesses, violations, and errors committed in the performance of his duties.

Section 1: Civil liability of the accountant in a joint stock company.

Article 715 bis 14 of the Commercial Code stipulates that "accountants are liable to the company and to third parties for damages resulting from errors and negligence committed in the performance of their duties, but they are not civilly liable for violations committed by managers or members of the board of directors, as the case may be, unless they fail to disclose them in their report to the general meeting or to the public prosecutor despite being aware of them." In the same context, Article 61 of Law No. 10-01 on the professions of certified public accountant, auditor, and certified accountant stipulates that "the auditor is liable to the audited entity for errors committed in the performance of his duties, and shall be jointly liable to the entity or to third parties for any damage resulting from his violation of the provisions of this law. He shall not be relieved of his responsibility for violations in which he did not participate unless he proves that he fulfilled the normal requirements of his job and that he informed the board of directors of the violations, and that they were not dealt with appropriately at the next general meeting after he was informed of them, and in certain cases of violation, it is proven that he informed the public prosecutor at the competent court.

Article 59 of the same law also stipulates that "the auditor shall bear general responsibility for the performance of his duties and shall be committed to providing the means without the results."

Based on the provisions of these articles, we can determine the conditions for the civil liability of the auditor, which are represented by error and damage, and the causal relationship between the error and the damage.

First: Conditions for civil liability of the auditor.

A. Error: Failure to do what should have been done or doing what should have been avoided, without intent or causing harm (Oshan, 2016, p. 97)

An error committed by the auditor refers to a breach of the obligations set forth in Article 715 bis 4 of the Commercial Code, as well as Articles 23 and 24 of Law No. 10-01. This concerns the investigation of books and financial statements and the verification of the accuracy of the information provided in the board of directors' report, and the regularity and accuracy of the accounts of the joint stock company.

The accountant is responsible for any mistakes he makes while doing his job, as well as any damage to the company or others. He can't be let off the hook for violations he didn't take part in, unless he proves that he fulfilled the normal requirements of his job and that he informed the board of directors of the violations, and that they were not dealt with appropriately during the nearest general assembly after it was informed of them. In the event of an inspection of the violation, this shall be proven by informing the public prosecutor at the competent court (61, law no 10-01 cited above).

There is a difference of opinion in jurisprudence regarding the nature of the civil liability of the auditor, between those who consider it a contractual liability and those who consider it a tortious liability, which is the prevailing opinion on the basis that the source of his obligation to audit the company's documents and accounts is the provisions of Law No. 10-01 and the provisions of commercial law, The wording of these provisions suggests that this is a matter of public economic order, as the legislator has eliminated any role for the principle of freedom of contract once the auditor has accepted appointment by the company's general meeting. Furthermore, the auditor cannot be considered an agent of the partners and cannot be subject to the agency regime (Akasha, 2014)

B-Damage: The civil liability of the auditor does not arise except in the event of damage to the company or to third parties (61/2, Law no10-01) , and it is incumbent upon the claimant to prove the damage, which must be actual and assessable, i.e., damage of a material compensatory value that affects the rights of the company or third parties (Jamila, 2010-2011, p. 117)

In other words, the damage caused by the accountant consists of the financial loss incurred by the company or third parties dealing with it as a result of his failure or negligence in performing his duties. For the damage to be grounds for liability, it must be certain and direct and involve a violation of an acquired right, as stipulated in Article 182 of the Algerian Civil Code (Akasha B. , p. 340).

C. Causal relationship between the error and the damage:

The causal relationship between the error and the damage is the third condition for the civil liability of the accounting officer. If the damage is attributable to an external cause, there is no causal relationship. It also ceases to exist even if the error is the cause but was not the cause of the damage or was not the direct cause. On this basis, the accountant's liability does not arise unless the plaintiff proves the existence of a causal relationship between the damage he suffered and the error attributed to the accountant (Jamila, p. 118). This is due to his

breach and negligence in the investigation of the company's accounts, which constitutes a breach of the obligation to inform and damage to shareholders or others.

Section II: Disciplinary responsibility of the auditor in a joint stock company.

In addition to the civil liability incumbent upon the accountant, he is subject to disciplinary liability in the form of penalties imposed on him as a result of breach of professional duties or violation of laws and regulations, which are primarily aimed at protecting professional ethics.

Accordingly, the accountant bears disciplinary responsibility for any errors he commits as a result of breaching his duty of impartiality and independence, disclosing information, or working outside the legal and regulatory controls of the profession. He bears disciplinary responsibility before the Disciplinary Committee of the National Accounting Council, even after resigning from his duties, This applies to any violation or technical or ethical breach of professional rules in the course of performing their duties.

The disciplinary penalties that may be imposed on the auditor, in ascending order of severity, are: warning, reprimand, temporary suspension for a period of six months, and removal from the register. However, the auditor may appeal against these penalties before the competent judicial authority in accordance with the applicable legal procedures (10-01 A. 6.).

Second requirement: Criminal liability of the auditor.

Within the legal framework governing joint stock companies, the auditor is one of the key pillars ensuring the integrity of financial transactions and the transparency of accounting reports. He exercises strict oversight over the company's accounting and financial operations and is expected to be completely independent and impartial, thereby protecting the interests of shareholders and contributing to strengthening the confidence of financial market participants. However, practical experience has shown that some accountants may violate their professional duties, either intentionally or as a result of negligence, which may lead to the concealment of serious financial irregularities or contribute to misleading shareholders and regulatory authorities. In such cases, civil liability is not sufficient, and responsibility extends to the criminal sphere, as their actions may constitute financial crimes affecting the economy.

The Algerian legislature's tendency to establish rules of criminal liability for accountants is evident in various provisions of the amended Penal Code No. 66-156 and Law No. 10-01. and Decree No. 75-59 relating to the amended Commercial Code criminalize the acts committed by the auditor. In this context, we will examine some of these crimes as follows:

Section I: Accountants' liability for crimes related to the practice of their profession.

First – Illegal practice of the profession.

The profession of accountant is one that requires rigorous academic and professional qualifications and is subject to strict legal controls aimed at ensuring the competence, independence, and integrity of its practitioners. However, in practice, there have been cases of illegal practice of the profession through the exercise of the profession without meeting the legal requirements.

In this context, Algerian lawmakers have stipulated that anyone who practices the profession of certified public accountant, auditor, or certified accountant illegally shall be punished with a fine ranging from 500,000 to 2,000,000 dinars. In the event of a repeat offense, the perpetrator of this violation shall be punished with imprisonment for a period of

six months to one year and the fine shall be doubled. (above) The meaning of this text is that it prohibits any person who is not registered in the chamber's register from practicing the profession, in addition to the conditions stipulated in Article 8 of Law No 10-01 sets the main conditions for practicing the accounting profession in Algeria. To be authorized, a person must be an Algerian national, hold an appropriate professional certificate, enjoy full civil and political rights, and have no criminal record. In addition, the accountant must obtain approval from the Minister of Finance and be officially registered with one of the national professional organizations. These conditions aim to ensure professionalism, competence, and integrity within the accounting field.

Secondly, impersonating an auditor.

Algerian law regulates the practice of auditing with a set of legal conditions and controls. However, some individuals falsely claim to be accountants in order to perform supervisory tasks without legal authority, which constitutes a serious crime that undermines the confidence of stakeholders and undermines the credibility of financial reports, as it harms the national economy and violates professional regulations.

In this context, Algerian lawmakers consider anyone who is not registered in the register or who has been temporarily suspended from registration or removed from the register to be an illegal practitioner of the profession of accountant. Anyone who impersonates this profession or uses the names of an accounting firm, accounting firm, accounting company, or any other title that aims to create similarity or confusion with these names and titles is also considered an illegal practitioner of this profession (10-01 S. a.).

The Algerian legislator also intervenes in Article 243 of the Penal Code, considering that anyone who uses a title related to a legally regulated profession or an official certificate or title for which the public authority has specified the conditions for granting it, or who claims any of these without fulfilling the conditions imposed for holding them, shall be punished by imprisonment for a term of three months to two years and a fine of 500 to 5,000 dinars, or by one of these two penalties.

Through its regulation of the profession of auditor, the Algerian legislature seeks to protect it from intruders and to exclude anyone who does not meet the legal requirements for the protection of public order. (Feninikh, 2011-2012, p. 14)

Section II: The auditor's responsibility for breach of his supervisory duties.

In this section, we will examine the crime of divulging professional secrets and the crime of providing false information.

First: The crime of divulging professional secrets:

Professional secrecy is one of the fundamental pillars of professions based on trust, foremost among which is the profession of accountant, who plays a highly sensitive supervisory role in the financial and accounting situation of a joint-stock company. The Algerian legislature has recognized the seriousness of professional secrecy breaches due to the threat they pose to the confidentiality of a company's commercial data and has deemed that accountants and their assistants are bound to respect professional secrecy with regard to the acts, deeds, and information they have access to in the course of their duties (above S. a.-0.).

If they fail to do so, they are subject to criminal penalties, as it is a fundamental obligation that helps to strengthen the foundation of trust and integrity in commercial

transactions. The Algerian legislator has also emphasized its commitment to this in Article 830 of the Commercial Code, which states that “the provisions of the Penal Code relating to the disclosure of professional secrets shall apply to accountants.” This refers to Article 301 of the Penal Code, which stipulates that for the crime of disclosure of professional secrets to be established, three elements must be present: the person entrusted with the secret, who is the accountant; the disclosure of the secret; and criminal intent, as this crime is considered intentional. Therefore, an accountant who is found guilty of this crime shall be punished with imprisonment for a period of one to six months and a fine of 500 to 5,000 dinars (Akacha, p. 345).

Second: The crime of providing false information.

The profession of accountant is one of the most prominent regulatory professions in the economic environment due to the responsibilities it entails. From this perspective, the credibility of the information provided by accountants is the cornerstone of their ability to perform their duties with efficiency and integrity.

However, in practice, accountants sometimes knowingly provide false information about the financial and accounting status of a company in reports submitted to the board of directors or board of managers, as the case may be, or to the supervisory board. The material element of this crime is providing false information about the company's situation. The information must be accurate, regardless of its type, and not mere speculation. It is not required that the information be provided publicly, and it is equally valid to provide the information to shareholders, directors, or others (jmila, previous reference). The moral aspect is represented by the accountant's intention to commit the act by providing or confirming false information, such as falsifying dates to conceal accounting irregularities or fictitious transactions, or participating in the preparation of an incorrect budget, etc. (Qarmash, 2015)

In this regard, Algerian law punishes any accountant who deliberately gives or confirms false information about the company's situation with imprisonment for one to five years and a fine of 20,000 to 500,000 dinars, or one of these two penalties only. (law) , in addition, if the president of the joint-stock company and its managers or the auditor who deliberately provided or approved the incorrect data contained in the reports submitted to the general assembly called to decide on the cancellation of the shareholders' preferential subscription rights, they shall be punished by imprisonment for a term of six months to two years and a fine of 20,000 to 500,000 dinars, or by one of these two penalties (code).

Conclusion:

This study shows that the auditor is not merely a financial controller in a joint stock company, but is legally responsible for his obligations and actions and for any breach in the performance of his duties. Based on this, the following conclusions have been reached:

1- The powers of the accountant are considered one of the essential mechanisms for achieving financial control within a joint stock company. The Algerian legislator has given him a pivotal role in monitoring the company's financial position and ensuring the accuracy and transparency of the accounting statements, which reflects his position as a key player in ensuring financial governance and protecting the rights of shareholders.

2- The auditor is civilly liable for any damage caused to others as a result of his negligence or misconduct. Recognizing the sensitivity of his position within the company,

strengthening this liability is an essential preventive measure to ensure discipline and transparency within the economic environment.

3- The accountant is also criminally liable for acts punishable by law, such as forgery or condoning serious violations. This liability is a real guarantee for protecting the interests of shareholders and enhancing the credibility of the profession.

4- The disciplinary responsibility of the auditor in a joint stock company is one of the fundamental guarantees for the proper functioning of the company and the protection of the rights of shareholders and parties dealing with it. From this perspective, the regulation of the legal framework for this responsibility and its effective implementation reflect the Algerian legislator's commitment to transparency and corporate governance.

Proposals:

1- Strengthen the professional independence of the auditor to protect him from pressure and ensure his impartiality in the performance of his duties.

2- Intensify training and continuous qualification by organizing training courses to ensure that developments are kept up with, in addition to imposing deterrent penalties for obstructing his duties.

3- Update the legal texts relating to the responsibility of the auditor in line with financial and technological developments to facilitate supervisory tasks and ensure greater accuracy in detecting financial irregularities, in addition to supporting cooperation between the auditor's tasks and other supervisory bodies.

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