

Financial Auditing Facilitating High-Quality Development in the Insurance Industry: Theoretical Logic and Realistic Challenges in the New Internet Era

Zihan Wang

Nanjing Audit University, Nanjing, Jiangsu, China

Abstract: *This paper studies the impact of financial auditing on the insurance industry. First, it explains the meaning of financial auditing and its role in maintaining economic and financial security, promoting policy implementation, preventing and controlling risks, combating financial violations and improving regulatory effectiveness; secondly, it analyzes the differences and connections between Internet insurance and traditional insurance in terms of insurance channels, product design, cost prices, service models, etc.; then it discusses the necessity of conducting financial auditing in the context of the new era, and the importance of conducting financial auditing in the insurance industry to safeguard the nature of insurance companies, promote their development and improve the industry regulatory system; finally, it points out that current financial auditing faces problems such as incomplete scope and the need to improve personnel quality, as well as legal and regulatory risks, product risks, and information security risks in the Internet insurance industry, and proposes corresponding risk control countermeasures, aiming to provide theoretical and practical references for financial auditing to enable high-quality development of the insurance industry.*

Keywords: Financial Audit, Internet Insurance, Risk Control, High-Quality Development.

1. Introduction

With the continuous optimization of China's modern economic policies, the financial industry has gradually become the core pillar of the modern economy and plays an indispensable and key role in the development of contemporary society. As an important component of the modern financial system, the development trend of the insurance industry is deeply related to the progress of the entire society. In the social and economic field, the importance of insurance is not only reflected in promoting economic and social development, but also in accelerating the smooth circulation of monetary funds and protecting the basic lives of the people, thereby providing strong support for the sustainable development of the economy and the prosperity of the financial market.

With the in-depth popularization of the Internet and the general improvement of people's living standards, the traditional insurance model can no longer meet the increasingly diversified business needs of the people, and Internet insurance has emerged. Internet insurance refers to traditional insurance companies conducting sales and underwriting through online channels such as official websites, self-built APPs, and third-party insurance platforms. The ultimate underwriter is still the insurance company. This model has brought great convenience to the people. However, in the development of the insurance industry, various problems continue to emerge. For this reason, it is urgent for the audit authorities to intervene and propose adjustment countermeasures and measures for traditional insurance and Internet insurance through investigation and supervision of the industry, aiming to reduce potential risks in the industry, solve development problems, and promote the sustainable and healthy development of the insurance industry. The Party and the State have emphasized the important role of auditing in

promoting the development of the financial industry in many meetings, especially highlighting the key value of financial auditing in preventing financial risks. It can be seen that financial auditing has become an important topic worthy of in-depth study and research.

2. Theoretical basis and Analysis

2.1 Financial Audit

The meaning of financial audit is that the audit subject supervises, evaluates and proposes corrective measures on the financial revenue and expenditure, internal control and corporate profit and loss of the central bank and other financial regulatory agencies, state-owned or state-owned capital-holding controlling or dominant financial institutions in accordance with the provisions of relevant laws and policies and in accordance with certain audit procedures in order to achieve the audit objectives. In short, financial audit is an important means and way for audit institutions to participate in national governance, with the important goals of revealing systemic risks in the financial industry, evaluating financial policies and maintaining national security.

At present, China has entered a new stage of development. As a key component of the national audit system, financial auditing has played a significant and positive role in maintaining economic and financial security and stability and helping the financial industry achieve high-quality development. First, focus on the implementation of national economic and financial policies and measures, closely track the relevant implementation, and promptly discover the problems that exist in the implementation of policies in some regions or departments, so as to promote the more thorough implementation of national economic and financial policies and ensure that the policy effectiveness is fully manifested ;

second, always strengthen risk prevention and control awareness, deeply analyze the core characteristics and distribution of financial risks, and fully grasp the basic risk status of major financial institutions and various financial fields, so as to timely warn and reveal financial risk hazards. Thirdly, through audit supervision of state-owned financial institutions, we will seriously investigate and punish clues of illegal cases such as conducting business in violation of regulations and transferring benefits, reveal financial crimes involving the public, market manipulation and other financial chaos, thereby promoting the advancement of anti-corruption and the crackdown on financial violations ; then, through re-supervision of financial regulatory departments, we will urge these departments to perform their duties and carry out effective supervision in accordance with the law, promptly discover and point out possible problems such as lack of supervision, insufficient supervision, as well as blind spots in supervision, inadequate supervision systems, and poor operability, and promote relevant departments to continuously improve supervision efficiency and standards.

2.2 The Difference and Connection between Internet Insurance and Traditional Insurance

2.2.1 The difference between Internet insurance and traditional insurance

First of all, the channels for Internet insurance and traditional insurance are different. Internet insurance is almost entirely conducted online, and business is handled on the official website of the insurance company, self-built APP, other insurance platforms, etc., which makes insurance relatively faster and more convenient. The traditional insurance industry mainly handles it through offline outlets, relying on physical channels such as agents, brokers, bank outlets, and insurance company branches. During the sales process, there will also be agents who explain the products one-on-one and assist in completing the insurance.

Secondly, there are differences in product design between Internet insurance and traditional insurance. The root of these differences lies in the differences in service scenarios and user needs. Internet insurance focuses on simplification and standardization, and the terms are often concise and clear. This is because online sales rely on users' independent understanding. Complex terms will increase the decision-making threshold, reduce the purchase conversion rate, and avoid lengthy statements. Its products are mainly short-term and high-frequency, such as a million-dollar medical insurance with a one-year renewable period, and a short-term accident insurance of 1-30 days. There will also be products for specific scenarios, such as mobile phone screen insurance and pet medical insurance, to meet the flexible needs of users to purchase on demand. In terms of underwriting, Internet insurance mostly uses intelligent underwriting. After the user answers the preset questions, the system automatically determines the underwriting result, which is difficult to flexibly adjust according to individual special circumstances. The product terms of traditional insurance are more complicated, the details are more cumbersome, and often involve long-term protection. In terms of underwriting, traditional insurance supports manual underwriting. Agents can collect users' medical records,

physical examination reports and other information for review, and can adjust the underwriting conditions for special circumstances. They may provide standard underwriting or surcharge underwriting solutions.

Thirdly, in terms of cost and price, the operating links of the two are different. The operating cost of Internet insurance is relatively low, and the channel cost is almost negligible. There is no need to pay high agent commissions, store rents and offline promotion costs. It only needs to bear platform entry fees or traffic fees. The labor cost is not high either. Underwriting and claims settlement rely more on system automation, and customer service is mainly intelligent robots with less manual intervention. The lower cost makes the price of Internet insurance more advantageous, and the price of similar products is usually lower than that of traditional insurance. The cost of traditional insurance is relatively high. The channel cost includes agent commissions, bank channel fees, branch operating costs, etc.; the labor cost is also high, requiring a large number of underwriters, claims adjusters, agents and other staff, and the investment in manual services is relatively large. These costs will be added to the product pricing, resulting in relatively high prices for traditional insurance, but it also includes service costs such as manual underwriting and offline services.

Then, the service models of the two are different. The service model of Internet insurance is centered on self-service and highly dependent on intelligent tools. From browsing products and filling in information on the platform when insured, to answering health questions and quickly obtaining underwriting results through the intelligent system during underwriting, to submitting information online and tracking progress during claims, the entire process emphasizes user autonomy. Customer service mostly provides support in the form of instant response by intelligent robots or online consultation. Although it is efficient and responsive, it lacks pertinence and depth in the face of personalized needs or complex problems. Traditional insurance focuses more on manual services, from one-on-one explanation of products by agents and recommendation of plans based on user conditions when insured, to offline physical examinations and manual review of detailed information during underwriting, to dedicated personnel assisting in sorting out materials and following up on the process during claims. Especially when dealing with large claims or complex disputes, offline face-to-face communication and professional guidance can better reflect the warmth and professionalism of the service. However, the overall process is relatively cumbersome, and service efficiency will also be affected by manual operation.

In addition, when handling insurance business through the Internet, it is necessary to identify the authenticity of information and beware of false marketing and online scams. However, the Internet reduces the expenses of sales staff and venue restrictions, and the price of insurance products will be adjusted accordingly, which is not completely consistent with offline.

2.2.2 The Connection between Internet insurance and traditional insurance

Internet insurance and traditional insurance are essentially the

same. Both are insurance products. Their core function is to provide risk protection for users with the help of the risk diversification mechanism of “one for many, many for one”. They are essentially “risk management tools” and are regulated by the Insurance Law. They must abide by the basic principles of insurance contracts such as the principle of utmost good faith and the principle of loss compensation. In terms of supervision, they are all uniformly supervised by the State Financial Supervision and Administration Bureau (formerly the China Banking and Insurance Regulatory Commission), and the liability for claims is protected by law. At the same time, the two are highly complementary and gradually moving towards integration. Traditional insurance companies such as Ping An and China Life have laid out Internet channels to expand user coverage through online platforms. Internet insurance platforms have also begun to introduce offline services such as offline underwriting of complex products and medical accompaniment for high-end medical insurance to make up for the shortcomings of online services. The two are forming an “online + offline” OMO integration model. In addition, there is overlap in their risk protection scope, and the types of risks covered are basically the same. They all include health insurance, life insurance, property insurance, accident insurance and other categories, but they differ in product form and sales focus.

3. Importance of Conducting Financial Audits

3.1 The Necessity of Conducting Financial Audit in the New Era

First, in today's era of rapid development, the financial sector continues to innovate and expand, resulting in many new problems and challenges that impact the existing financial regulatory system. This requires that financial auditing, as the core of financial supervision, be continuously improved and improved to cope with new tasks and new situations, give full play to the important role of financial auditing, provide guarantees for the safe operation of various industries, effectively prevent financial and economic risks, promote the vigorous development of various industries, and promote the sustainable development of the national economy.

Secondly, financial audit is an important part of national audit, and its development and implementation is an important means to maintain national financial security. It is of great significance to seize the commanding heights of financial supervision. Through the performance of audit functions, the control of the development direction of the financial industry is conducive to the continuous improvement of the national governance system, and the weak links in my country's financial market are corrected in time, and illegal and irregular behaviors that affect social financial and economic security are severely punished, thereby prompting financial institutions such as banks, insurance, securities stocks, and trusts to optimize financial business and create a higher economic level.

3.2 The Necessity of Financial Auditing in the Insurance Industry

At present, there are three main forms of corporate organization in my country, namely sole proprietorship,

partnership and corporate enterprise. Corporate enterprises mainly include limited liability companies and joint stock companies. The two have different responsibilities and powers, but the common feature is the separation of ownership and management rights. Investors bear different degrees of responsibility for the company according to the amount of investment. Most shareholders do not participate in the company's business management, but manage the company by recruiting management personnel. The understanding of the company's business conditions and efficiency levels is mainly through the financial statements of the company's accounting department. As a third-party institution independent of various financial institutions, financial audit institutions play a vital role in the complete, reasonable and legal review and supervision of the business conditions and financial statements of insurance companies, which helps shareholders to have a certain degree of objective and rational understanding of the company's business and production conditions, and also helps customers analyze the reliability of the company, avoid economic losses, and protect the safety of customers' property.

With the advent of the new era, the insurance industry is facing more and more risks and problems, and the external environment has become complex and diverse. The insurance industry is a high-debt, high-risk industry. Having a stable and sound management system and management mechanism is an important guarantee for the steady development of the insurance industry. The continuous involvement of financial audits can effectively discover various risks in the development of insurance, and conduct objective and professional evaluations of the integrity of the basic framework and the implementation level of specific measures. The third-party professional evaluation will prompt insurance companies to improve their management capabilities and levels, and the improvement of management links will promote the improvement of the efficiency level of insurance companies. In addition, financial audits can also regulate and manage risks in a timely manner, point out the weak links in the internal development of insurance companies, and propose corresponding rectification measures.

During the audit process, we can find the insurance company's advantageous business, find the key points to drive the insurance company's benefits, and promote the insurance company's economic benefits. In the process of financial audit, we can find the unreasonable aspects of the company's taxation. On the one hand, the company can correctly declare the income tax amount and adjust its own improper tax treatment; on the other hand, financial audit can also reduce the risk of corporate tax inspections and ensure that the tax is correct and accurate during the audit process. Through financial audits, the company's managers can have an objective and specific understanding of the company's business situation, and can also improve shareholders' understanding of the company or enterprise. At the same time, the company can improve the internal environment, avoid favoritism and fraud by relevant personnel, and in the process of adjusting tax payments, find their own risks and improve the company's management system.

From the perspective of organizational structure, a sound insurance system requires supervision from three aspects,

namely, national supervision, industry self-discipline and supervision by the public. However, national supervision is the main force driving the construction of the regulatory system of various industries. State agencies have established special audit departments, created and continuously improved relevant laws and regulations, and supervised the insurance industry and insurance companies. The continuous advancement of financial auditing is conducive to the supervision and adjustment of insurance companies for the problems of insufficient information disclosure and relatively low reliability. The two complement each other and develop together.

4. Current Problems and Risks

4.1 Problems Facing Financial Auditing

4.1.1 Financial auditing is not comprehensive and has a narrow scope

In the context of the current era of rapid development, the problem of incomplete and too narrow scope of financial audit has become increasingly prominent, which seriously restricts its full play in maintaining the order of the financial market and protecting the public interest. With the continuous innovation and evolution of the financial industry, the objects of financial auditing, the means and measures adopted and the supporting laws and regulations need to keep up with the pace of the times and make corresponding adjustments and improvements, so as to effectively respond to the new changes and challenges in the financial field.

Taking the Internet insurance industry as an example, its unique online business model has completely changed the operating logic of traditional insurance, which makes it necessary for financial audits to supplement the content of online review. Insurance business and related economic transactions carried out on Internet platforms often present a high degree of opacity and non-disclosure. Due to the virtual nature of online transactions, customers can easily fall into various fraud traps without sufficient information screening capabilities. What's even more tricky is that when customers really need to settle a claim, they often face the dilemma that it is difficult to accurately connect with the insurance company, such as online customer service prevarication, or the complex and chaotic claim process. The existence of these problems not only damages the legitimate rights and interests of consumers, but also has many adverse effects on the effective performance of the financial audit function. In the face of this kind of online business, it is difficult for auditors to fully grasp the real trajectory of transactions and capital flows, and they are unable to accurately assess the risk management and control capabilities and compliance management level of insurance companies, which makes it difficult for audit work to touch on the core issues.

In addition, the narrow scope of financial audit is also reflected in the insufficient coverage of some emerging financial products and businesses. For example, various Internet lending platforms, digital currency-related financial activities, etc., often lack clear auditing standards and norms, and the depth and breadth of audit involvement are very limited.

To sum up, the problem of incomplete financial audit and narrow scope will affect the regulatory effect of emerging industries such as Internet insurance, and it is urgent to solve it through institutional innovation and technological upgrading.

4.1.2 The quality of financial auditors needs to be improved

In recent years, the pace of innovation in the insurance industry and other related financial industries has been accelerating, and various new financial products have emerged one after another, such as mutual insurance integrating Internet technology and personalized insurance products based on big data. New financial technologies are also widely used, such as the attempt of blockchain in insurance claims and the use of artificial intelligence in risk assessment. New financial business models are emerging, such as online and offline insurance services, cross-border integration of financial and insurance ecology, etc. In the face of these rapid changes, the difficulty and complexity of financial audits have also increased significantly.

The problem that the quality of financial auditors needs to be improved has become a key bottleneck restricting the high-quality development of our country's financial audit industry. Financial audit talents not only need excellent professionalism, but also long-term practical learning and training. As far as the current actual situation in our country is concerned, financial audit has a preliminary audit talent education and training system, which needs to be further improved.

In the actual audit team, a considerable number of personnel engaged in financial audit work have transformed from the accounting industry. Although accounting and auditing have a certain correlation in the financial field, there are many essential differences between the two in terms of work objectives, core functions and professional requirements. Accounting work mainly focuses on the accounting and supervision of enterprise economic activities to ensure the truth and accuracy of financial information; Financial audit needs to stand from a higher perspective and conduct a comprehensive and in-depth review and evaluation of the business activities, risk control and compliance of financial institutions, which not only requires auditors to have solid financial knowledge, but also needs to master the professional content of financial market operation laws, risk management models, financial laws and regulations and other aspects. Auditors with accounting backgrounds often have shortcomings in the professional thinking and skills of financial auditing, and it is difficult to accurately grasp the complex risk points in the financial field, which to a large extent forms the shackles of the development of financial audit in our country.

4.2 Risk Factors in the Internet Insurance Industry

4.2.1 Legal and regulatory risks

In recent years, false policy incidents have occurred frequently in the field of Internet insurance, which not only seriously infringes on the legitimate rights and interests of consumers, but also reflects many deep-seated problems in the current online business expansion process of the insurance

industry. With the vigorous development of online application platforms, Internet insurance products have quickly occupied the market with their convenience, but the information asymmetry between the two sides of the virtual transaction of online transactions is particularly prominent — consumers often find it difficult to fully grasp the true terms of the product, claim restrictions and the actual operation status of insurance companies, and insurance companies may also be unable to accurately verify the true information of policyholders due to over-reliance on online data collection, which lays hidden dangers for subsequent claims disputes and risk outbreaks.

In this context, the intervention and supervision of financial audit departments has become a key part of preventing financial risks. However, the laws and regulations based on the offline business model in the current traditional insurance regulatory system are inadequate in the face of online cross-regional, high-frequency and complex transaction scenarios, which not only cannot effectively solve new problems in the Internet insurance business, but also make it difficult to effectively protect the property safety of consumers.

4.2.2 Product risks

One of the core competitiveness of the Internet insurance industry lies in product innovation, which needs to provide accurate and differentiated insurance services for people of different ages, occupations and consumption habits, so as to meet the public's growing demand for multi-level, diversified and high-quality insurance products. However, behind this high-frequency product innovation, there are potential product risks that cannot be ignored, which have become an important factor affecting the healthy development of the industry.

In the design process of some Internet insurance products, the excessive pursuit of concise and easy-to-understand terms and market competitiveness of prices often quietly “shrink” in the scope of protection. When consumers apply for insurance claims, they find that the actual reimbursement amount is far lower than expected, resulting in a strong psychological gap of “more insurance and less compensation”, triggering a crisis of trust in insurance products and even the entire industry.

Although the intelligent innovation of the underwriting process has greatly improved the efficiency of insurance and allowed consumers to quickly complete the underwriting process without running offline, the over-reliance on the mode of self-declaration of health status by users has also brought new risks and hidden dangers. Since the health notification clauses of Internet insurance are mostly presented in the form of standardized questionnaires, some professional terms are obscure and difficult for ordinary users to understand, and it is easy to have misunderstandings or omissions. Some users may not truthfully declare relevant information due to unclear awareness of their health status or vague definitions of concepts such as “pre-existing conditions” and “specific diseases” in the terms. This situation is not easy to detect when insuring, but in the claims stage, once the insurance company finds that it has not been truthfully informed, it will often refuse to pay on this ground, causing a

large number of claims disputes. Such disputes not only consume consumers' time and energy, but also have a negative impact on the brand image of insurance companies and exacerbate the decline in industry trust.

4.2.3 Information security risks

The information security risks of Internet insurance are reflected in two aspects. On the one hand, there is information asymmetry between Internet companies and customers. Internet insurance relies on online platforms, and companies cannot review user information in a targeted and comprehensive manner. For example, if they rely too much on users to voluntarily report their health status, they may fail to disclose the information truthfully due to their incomplete understanding of the health disclosure terms. At the same time, users cannot fully understand the company's information. In order to attract traffic, some platforms may mislead consumers by exaggerating and vaguely expressing their products in the sales process, conceal the exemption clauses or renewal conditions of the products, and let users buy products that are not suitable for them without knowing it. On the other hand, there is the risk of information leakage. Due to the particularity of insurance, users need to submit real personal information, health data, etc. when they take out insurance online. They may face the risk of leakage due to technical loopholes or poor management of online insurance platforms, which will lead to privacy and security issues. Information leakage will reduce users' trust in the company, damage the company's brand image, and restrict its development in the Internet insurance industry. Therefore, all parties need to take precautions, and the participation of financial audit institutions is even more necessary.

5. Risk control strategies for Internet insurance from the perspective of financial auditing

5.1 Accelerate the formulation of laws and regulations for the Internet insurance industry

Financial audit institutions should accelerate the formulation of relevant administrative regulations for the Internet insurance industry, which is a key measure to adapt to the development of the industry and fill the regulatory gap. With its characteristics of online, cross-regional, and fast innovation, the Internet insurance industry has brought convenience to consumers, but also caused a lot of chaos due to the lack of special management norms. The promulgation of special management regulations can provide a clear basis and standards for audit work, so that auditors can have rules to follow when carrying out their work on the business processes, capital operations, information disclosure and other aspects of Internet insurance enterprises, so as to effectively improve the accuracy and authority of auditing.

Under the framework of improving the legal system related to Internet insurance at the central level, local audit institutions can also formulate targeted management regulations based on local characteristics and different actual conditions. With our country's vast territory, there are significant differences in the development degree and outstanding problems faced by the Internet insurance market in different regions. The

management regulations formulated by local audit institutions based on these actual situations can accurately target the pain points and difficulties at the audit level in various regions and take more effective regulatory measures. At the same time, the formulation and implementation of local management regulations are also beneficial to the improvement of the financial audit institution system and help improve the operational efficiency of the entire financial audit system.

It is worth noting that in recent years, the state has attached great importance to the auditing industry, especially the important role played by auditing in maintaining financial security and promoting the healthy development of finance, and has successively issued a series of policy documents to promote the reform and development of auditing work. Under the guidance of such a policy, financial audit institutions actively formulate management regulations for the Internet insurance industry, which is not only a specific practice in response to national policies, but also an inevitable requirement for performing audit duties and escorting the stability of the financial market, so that the audit work can be better integrated into the national financial governance system, and build a solid line of defense for preventing and resolving the risks of the Internet insurance industry and protecting the legitimate rights and interests of consumers.

5.2 Strengthen the cultivation of data technical quality of financial audit talents

At this stage, the complexity and particularity of the Internet insurance industry make it far from being able to meet the needs of practical work by mastering traditional audit knowledge. Therefore, this requires that in the process of cultivating audit talents, it is necessary to guide them to develop in the field of Internet insurance in a directional and purposeful manner.

On the one hand, colleges and universities can optimize the professional courses of financial auditing and integrate the knowledge and digital auditing skills teaching in emerging fields such as Internet insurance. Through systematic curriculum setting, practical training and career planning guidance, students majoring in financial auditing and other related majors can accurately focus on professional knowledge and skills in this field. On the other hand, auditors need to improve their Internet skills at the same time, such as being familiar with the operating logic of various online platforms, the application principles of big data analysis technology in insurance business, and the impact mechanism of emerging technologies such as blockchain on the transparency of insurance transactions, etc., and at the same time, they should also enhance their comprehensive quality, including the ability to interpret laws and regulations related to Internet insurance, the ability to communicate and coordinate online business disputes, and the keen insight to identify potential risks in the virtual environment. Relying on these professional and comprehensive capabilities, financial auditors are able to carry out in-depth, systematic and comprehensive audit reviews of Internet insurance.

5.3 Improve the technical level of financial auditing and build an online audit platform.

Improving the technical level of financial audit and building an online audit platform is an important way to cope with the unique challenges of the Internet insurance industry and strengthen audit efficiency. The traditional financial audit model based on account reconciliation and on-site inspection has been difficult to adapt to its online, cross-regional and fast-paced characteristics.

Specifically, with the help of cutting-edge technologies such as big data and cloud computing, a professional online audit platform can be built through the establishment of a wide range of databases and a well-functioning cloud audit system. This platform can break the time and space constraints, and obtain all kinds of key data of insurance companies in real time or on a regular basis, including not only traditional audit information such as financial statements and capital transaction details, but also the number of online transactions, transaction amounts, customer information, product sales data, claims records and other content closely related to the Internet insurance business. Auditors can use the data analysis function of the platform to conduct in-depth research and multi-dimensional analysis of these large and complex data, such as identifying abnormal transaction patterns through data comparison and assessing claim risk through algorithmic models.

The use of scientific and technological means to achieve reasonable and efficient control of risks can effectively ensure the implementation of various audit measures, and promote the financial audit supervision objectives for Internet insurance from passive response to active prevention and control. This means that the focus of the audit can be shifted from post-event supervision to ex-ante supervision and ex-post supervision, and the compliance of product design and the effectiveness of risk control measures can be evaluated through the platform before the Internet insurance business is launched. In the course of business, real-time monitoring of transaction dynamics, timely detection and prevention of violations, so as to give full play to the functions of financial audit in risk early warning, standardize market order, protect consumer rights and interests, etc. These measures can not only improve the accuracy and efficiency of Internet insurance audits, but also resolve various problems such as opaque information and lagging supervision that restrict the healthy development of the Internet insurance industry from the roots, and provide solid technical support and audit guarantee for the sustainable and stable development of the industry.

6. Conclusions

As an important cornerstone to ensure the high-quality development of the insurance industry, financial audit has ushered in not only the opportunity of model innovation in the Internet era, but also the challenges of technological iteration and risk upgrading. From the perspective of theoretical logic, it is deeply embedded in the governance system of the insurance industry through functions such as maintaining financial security and strengthening regulatory efficiency. From a practical point of view, the differences between Internet insurance and traditional insurance, as well as the lag in legal supervision, hidden dangers in product design, information security risks and other problems in the industry,

highlight the urgency of optimizing financial audits. In the future, only by continuously broadening the scope of auditing, improving the professional quality of personnel, and innovating technical means and system construction can financial auditing more accurately respond to new changes in the industry, play a greater role in risk prevention and control, protect consumer rights and interests, and promote the standardized development of the insurance industry, thereby providing a solid guarantee for the stability of our country's financial market and the sustainable and healthy development of the national economy.

References

- [1] Yang Hua. Exploration of the development of Internet insurance in my country from the perspective of financial audit[J]. Financial Economics, 2019(04): 53-54.
- [2] Sui Xueshen. Exploring financial governance from the perspective of financial auditing: Book review of "Research on Financial Auditing in Contemporary China (1983-2018)"[J]. Economic Issues, 2020(04):2.
- [3] Yang Hua. Discussion on risk control and countermeasures of Internet insurance from the perspective of financial audit[J]. Market Research, 2018(12): 65-66.
- [4] Hu Zhexin. The role of internal audit in risk management of insurance companies[J]. Accounting Learning, 2022(16):120-122.
- [5] Li Jian. Construction of financial audit supervision system under the new situation[J]. Contemporary Accounting, 2021(22):97-99.
- [6] Wu Rong. Research on financial audit prevention and resolution of financial risks[D]. Harbin University of Commerce, 2021.
- [7] Pan Bo. A new exploration of the concept of financial auditing: understanding financial auditing from the perspective of national governance [J]. Audit Research, 2012(5): 8~13.
- [8] Yang Xiaoling, Wang Jiahua. Discussion on the construction path of financial auditing profession in the digital era[J]. New Accounting, 2025, (03): 18-23.
- [9] Gao Yujie. Risk control and countermeasures of Internet insurance from the perspective of financial audit[J]. Industrial Innovation Research, 2024, (21): 95-97.
- [10] Zheng Xi. Research on risk control and countermeasures of Internet insurance from the perspective of financial audit[J]. Financial Forum, 2023, (03): 107-109.