

ORGANIZING THE INTERNAL AUDIT OF BUSINESS SUBJECTS

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Abstract: This article discusses the organization of internal audit in business entities. At present, the importance of internal audit, ensuring the development of internal audit in economic entities is reflected as an urgent issue of today. The purpose, tasks and researches of internal audit are analyzed. It has been revealed that the effectiveness of internal audit in business entities will increase in the future.

Key words: business entities, audit, internal audit, accounting, international standards of internal audit, auditor qualification certificate, auditor activity.

Introduction. Internal audit plays an important role in the activities of economic entities. It helps to evaluate and improve the organization's internal control system, financial and management processes. The main tasks of the internal audit are as follows: - analyzing the organization's financial reports and ensuring their accuracy, analyzing the organization's management processes, evaluating their effectiveness and making the necessary proposals, identifying the risks in the organization and making recommendations to reduce them, internal control evaluating the system and developing proposals aimed at increasing its effectiveness, developing strategies to increase the effectiveness of the organization's activities, effectively organizing internal audit processes to achieve the strategic goals of the organization. Internal audit also helps to reduce costs of the organization, use resources efficiently and increase overall competitiveness. All of these are necessary to ensure the long-term success of the organization.

Literature analysis. Different scientists expressed a lot of different opinions on "internal audit": "It is a service organized by the enterprise for the purpose of checking and evaluating its own activity" – international internal auditors institute experts;

"Internal audit is a special system that monitors various links in the management system and the organization's activities based on internal documents, and its purpose is to help the management system," said V.V. Burtsev;

Russian scientists have defined that "Internal audit can be understood as internal control, but internal audit should be conducted independently and precisely, it should be able to conduct independent inspections at every link of the enterprise."

According to the "Regulation on Internal Audit Service in Enterprises": "Internal audit is the verification of compliance with the laws, founding documents and internal documents of the Republic of Uzbekistan by the executive body and structural units of the enterprise management and control and evaluation of their work by conducting monitoring, ensuring the completeness and reliability of the information reflected in the accounting and financial statements, the established rules and principles of the implementation of economic operations, the preservation of assets, and corporate the activity of the structural division of the enterprise (internal audit service) on the introduction of management principles is understood.

"Internal auditors assess management activities of organizations, firms, companies, etc. as independent experts. They present the results of analysis and assessment, information about the activity of the organization they check, their recommendations and advice to the main company that is carrying out the management," said Z. T. Mamatov;

"Internal audit is an independent expert service established to check and evaluate the activity of the enterprise," defined B. A. Khasanov.

Based on the above definitions, we have seen above that internal audit is a broad concept, and it can be approached in different ways. It is desirable to study the aspects of proper organization and improvement of internal audit in business entities and to put it into practice.

Result and discussion. Internal audit is one of the most important aspects for the activity of economic entities. Effective organization of enterprise management, operational and correct decision-making, internal audit increases the efficiency of work, identifies and prevents production defects in time. In addition, it leads to the correct and timely organization of accounting and work with documents. The purpose of the internal audit is to protect the interests of the owners of the resources of the business entities in the proper and efficient storage, effective use, and to provide them with accurate and reliable information for making management decisions. The tasks of the internal audit are determined by the management of the enterprise based on the management departments of the enterprise and the requirements of the enterprise:

- to control the state of assets and avoid losses at all;
- confirmation of execution of control actions in the system;
- analysis of the effectiveness of the internal control system and information processing;
- to assess the quality of information transmitted from the management information system.

Organization of internal audit of business entities includes the following main aspects:

1) Purpose and tasks of internal audit

The main purpose of internal audit is to evaluate the activity of the entity, improve its efficiency and manage risks. Internal audit performs the following tasks:

- Ensuring efficient use of resources.
- Evaluation of the internal control system.
- Identifying problems and making recommendations for solving them.

2) Principles of internal audit

Basic principles of internal audit:

- Independence: Auditors must be independent from the activities of the entity.
- Objectivity: Maintaining objectivity in the process of analysis and evaluation.
- Professionalism: Auditors must be qualified and experienced.

3) Audit process

The internal audit process is divided into the following stages:

- Planning: Creating an audit plan and program.
- Data collection: Process monitoring, document analysis and interviews.
- Analysis: Analysis of received data and risk assessment.
- Report preparation: Documenting audit results and making recommendations.
- Monitoring: Implementation of recommendations and monitoring of results.

4) Internal control system

Internal audit is related to the internal control system. The main elements of the system:

- Organizational structure: All departments and their tasks.
- Procedures: Procedures and rules defined for each process.
- Monitoring: Control and evaluation mechanisms.

5) Risk management

Risk identification and assessment is important in the internal audit process. Risk Management:

- Identifying risks: Identifying potential risks.
- Risk assessment: Assess the impact and probability of each risk.
- Take action: Make recommendations to reduce or eliminate risks.

6) Summary

The theoretical basis of internal audit of business entities includes effective internal control, risk management and audit process planning. Through these processes, the activity of the entity is ensured to be more transparent and efficient.

Conclusion. Internal control is one of the main functions of management, without which it is impossible to effectively manage an economic entity. It is an internal control that enables the development and implementation of solutions for efficient use of resources. The management system of any economic entity is inextricably linked with accounting and control systems. It should be noted that not all user groups have equal access to information generated by internal control and accounting services. Generally, the administration may have unrestricted access to and use of the information. Therefore, internal control should be organized at different levels of the hierarchy, with different requirements for its completeness, form and content, in order to provide the necessary information for management purposes.

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