

Improving the Conduct of Compulsory Auditing on the Basis of International Auditing Standards

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In the modern conditions of development of business entities, it is necessary to carry out non-governmental control over the activities of enterprises, namely, the organization and maintenance of accounting activities, the accuracy of tax records, legal assistance and other services. The task of performing the above describes the audit activity or audit. Auditing is the conduct of independent audits to express an opinion on the reliability of financial statements.

In the event of a pandemic, a compulsory audit of a company in crisis should be conducted to determine the status of the company's accounts. The functions of the audit of accounting transactions with suppliers and contractors include:

- check the legality of accounts payable and their timely repayment;

- verification of the correct organization of accounting with suppliers and contractors;
- study the reasons for unclaimed debt;
- To check the correctness of the measures taken by the management of the enterprise and the methods of reduction in order to reduce the obligations.

An audit is effective if it is organized wisely. For this purpose, there is a standard program for the audit of accounts payable, which can be adjusted depending on the goals and objectives of the audit, the scope of activities of the audited organization and other factors. The recommendations set out audit methods and procedures to determine the accuracy and reliability of the reporting information between the entity and its counterparties.

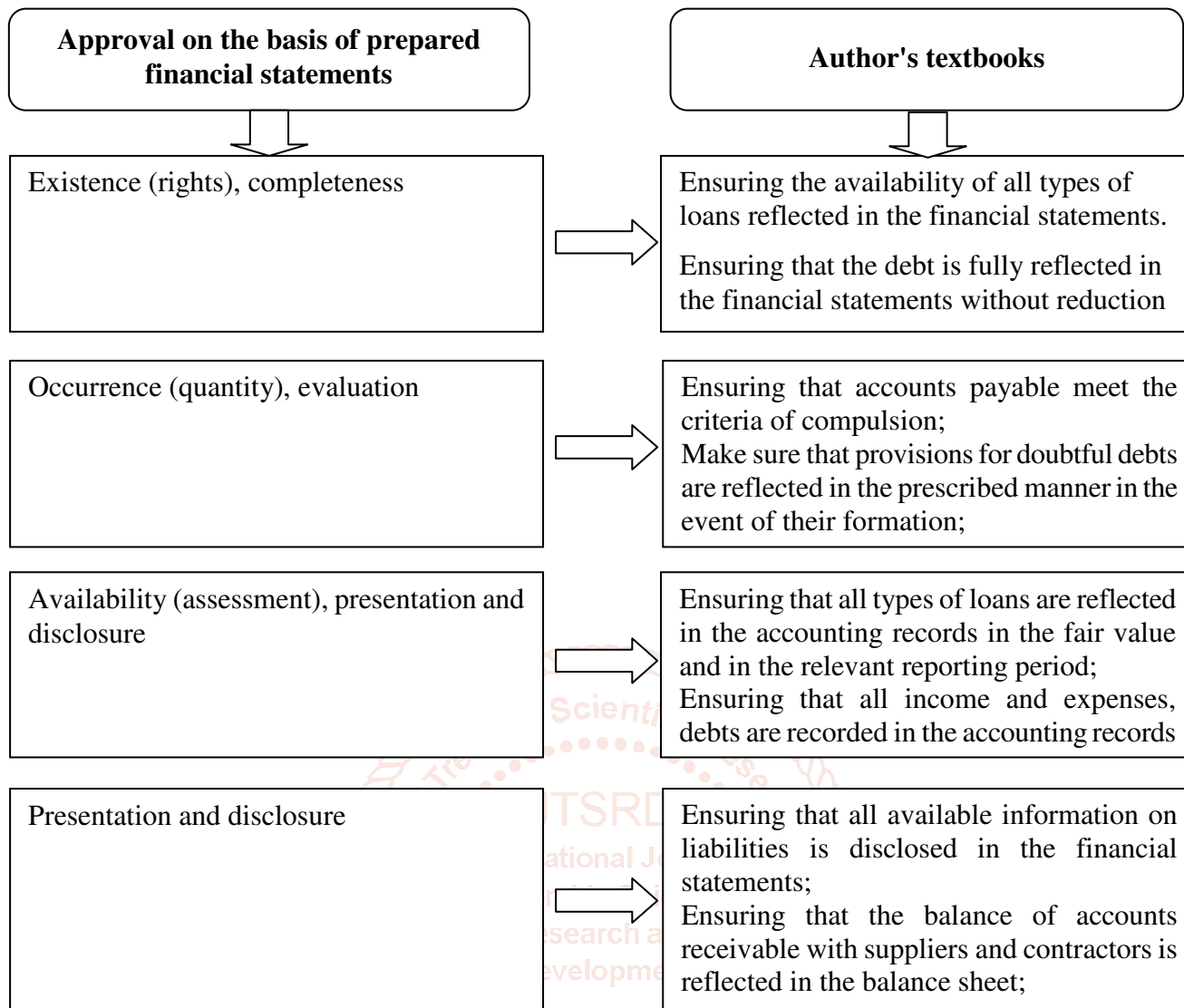


Figure 1 Accounts payable audit manual

One of the main tasks of the auditor is to obtain sufficient evidence to give an opinion on whether the audited financial statements are prepared in accordance with generally accepted practices and principles and that there are no deficiencies or inaccuracies. However, there is always a risk that deficiencies will not be identified: Audit risk is the amount of material misstatement that a subjectively determined auditor may receive in a financial statement that has not been identified after the audit has been verified. is likely to be recognized. Thus, the notion of materiality is the primary and primary source for determining the amount of error that can be made by the auditor and the scope of the audit, as well as for determining the form of the audit opinion (positive or negative).

The following list of audits should be used during a mandatory audit. Table 1

Table 1 List of analytical actions in the audit of obligations

No	Name of analytical operations	Description of analytical actions in the audit
1.	Checking the reliability (accuracy and completeness) of the documents on the receipt of inventories and the receipt of work and services	This analytical activity helps to determine the availability of inventory received during the reporting period and all the initial documents on the work received and services received. In this case, it is advisable to collect and obtain evidence as follows: transactions for the receipt of inventories should be verified by random or systematic selection, and data on the receipt of work and services by representative selection.
2.	Checking the timely registration of documents on the receipt of raw materials and services	The auditor should determine the reasons for the discrepancy between the dates of business transactions and the time of registration in the accounting records, as well as whether such facts are one-time or systematic. From the interview with the

		chief accountant, the auditor should determine when and when the documents received by the enterprise are processed, where and when the main streams of documents are recorded in a centralized manner.
3.	Checking the legality of the primary accounting documents on the occurrence of transactions for the accounting of liabilities	Indicating whether there is a document flow schedule for contracting with suppliers and contractors: whether it is for all key documents and whether this schedule is valid or not. If the documents do not have turnover schedules or are formally drawn up, then there is a risk that some key documents will be lost or obsolete, and they will be considered obsolete.
4.	Checking compliance with the document flow schedule	Indicating whether there is a document flow schedule for contracting with suppliers and contractors: whether it is for all key documents and whether this schedule is valid or not. If the documents do not have turnover schedules or are formally drawn up, then there is a risk that some key documents will be lost or obsolete, and they will be considered obsolete.
5.	Checking the completeness and accuracy of the registration of accounting registers	As a result of this analysis, the auditor obtains sufficient evidence that the 6 basic principles of accounting have been followed: that there are sufficient grounds for listing each document; complete listing of all documents used for verification; that all documents are reflected in accordance with the economic nature of the transaction and that accurate and quantitative data are transferred to the accounting records for all documents; timely registration of all documents; that all documents are recorded in the accounting registers corresponding to this business transaction; that each document is accepted once in the accounting account.
6.	Organizing the storage of documents and checking the organization of access to primary accounting documents	If the company does not have a clearly defined procedure for the storage of documents during the registration of documents and archiving of documents, then the risk of unauthorized access to primary accounting documents is high. This can lead to the loss of documents as well as the misuse of primary accounting documents.
7.	Checking the validity of accounts payable	This is done in order to ensure that the debts of the supplier and contractors and the debts of the enterprise to the counterparties are reflected in real terms in the accounting records. This analytical practice is one of the most important methods of auditing accounts with suppliers and contractors, as accounts receivable transactions and their repayment in cash can lead to fraud, fraud and breaches of financial statements. The auditor needs to know the usual ways to conceal such actions. Fraud can be the most important factor in purchasing transactions. The auditor should also ensure that, during the period under review, one counterparty's accounts payable are not identical to the accounts receivable of another. In addition, overdue accounts payable should be written off immediately from the entity's non-current income.
8.	Delivery without invoice Checking of invoices on delivery	With the help of this analytical procedure, it is checked that the transactions of acceptance of goods and materials from third-party enterprises, which were not confirmed by the initial documents in due time, are reflected in the accounting records. The absence of supporting documents is determined during the audit of the primary accounting system for this section. During the inspection, it should be borne in mind that the analytical account of the account 6010 "Accounts with suppliers and

		contractors" should be accounted for in terms of prices and conditions, ensuring the receipt of information on delivery without invoices. The auditor should make sure that the receipt of the documents for delivery without the invoice is carried out within the specified time in the enterprise.
9.	Verification of accounts receivable (issued) and accounts receivable on commercial loans	If the enterprise is engaged in its own calculations, it is necessary to pay attention to the fact that the auditor should provide access to information on bills, payments issued in the context of analytical accounts suppliers of accounts 6010, 6210. If the auditor is late, late, or overdue, the auditor should review the write-off in a timely manner.
10.	Checking accounts receivable	In examining such transactions, the auditor is assured that the claim has indeed been filed and that the amounts reflected in the sub-accounts 76 "Settlements with various debtors and creditors", "Settlements on claims" correspond to the values specified in the commercial act. In addition, it is important that the claim is filed in a timely manner, otherwise the court may refuse to grant the claim.
11.	Checking the exchange rate and amount differences	If the enterprise has non-resident suppliers, or settlements between resident counterparties are made in soums, and the amount is specified in the contract in foreign currency or in traditional units, there are differences in exchange rates and amounts in accounting. During the audit, the auditor should ensure that the exchange rate differences related to the entity's income and expenses are calculated correctly.
12.	Checking the correctness of the write-off of receivables from other expenses or from the account of doubtful debt reserves.	During this analysis, the auditor should determine whether the entity has created reserves for doubtful debts, and whether there have been instances of overdue or unrealistic receivables in the period under review.

During the audit, the following violations may be identified during the implementation of analytical activities.

Table 2 Classification of errors and irregularities identified in the audit of obligations

№	Name of possible errors and irregularities	Audit Analytical Action Number
1.	Establishment of primary accounting	1,1
2.	Arithmetic errors in the accounting of business transactions (in the measurement of quantity, weight, volume, etc.)	1,2
3.	Failure to provide timely information on business transactions.	1,3
4.	Failure to reflect the data on business transactions in the prescribed form	1,3
5.	Lack of required details in legally binding documents	1,3
6.	Irregularities in the registration of primary documents (completion of documents, long-term storage of unconfirmed documents)	1,3
7.	Lack of document flow schedule	1,4
8.	Errors in the presentation of documents (differences in the amount and quality of the transfer from document to document)	1,5
9.	Failure to reflect documents in the accounting registers in a timely manner (or the lack of information in the primary documents in the accounting registers)	1,5
10.	Irregularities in the archiving of documents	1,6
11.	Destruction of documents without a certificate of destruction of documents	1,6
12.	Repayment of the debt of one counterparty with advances given to another counterparty	1,7
13.	Not to write off overdue debts on time	1,7 , 1,9
14.	Refund of VAT on unpaid deliveries	1,8

15.	No adjustments have been made to inventories that have been written off as incurred, documented and incurred costs that are inconsistent with previously recorded figures.	1,8
16.	Refund of VAT for delivery of own bills issued by the company	1,9
17.	Failure to file claims by a large number of suppliers in a timely manner	1,10
18.	Arithmetic errors in calculating differences in exchange rates	1,11
19.	If there are provisions for doubtful debts, write them off through other income and expense accounts.	1,12
20.	Incorrect recognition of debt and write-off of it through doubtful debt reserves or other expense accounts.	1,12

One of the ways to draw conclusions about the reliability of accounting information about liabilities in enterprises is to conduct a test in accordance with the objectives of the audit. The following system of tests and questions should be used when checking accounts with debtors and creditors.

Table 3 A list of test questions used in the compulsory audit

No	Content of test questions	Note (recommendations)
1.	Are transactions related to the receipt and repayment of loans reflected in the accounting registers in a timely manner?	
2.	Checking the timeliness of data exchange	
3.	Will there be an inventory of accounts payable? At what time? How to make inventory documents? How are the results of the inventory analyzed and reflected?	
4.	Who concludes contracts with counterparties and who controls the execution of contracts?	
5.	Is there an analytical accounting system for settlements with creditors?	
6.	Are analytical accounting data validated with synthetic accounting data?	
7.	Do the company draw up acceptance and delivery certificates in settlements with counterparties? Is there a schedule for timely repayment of debts?	
8.	What measures will be taken to repay the debt on time? How does the company deal with various claims?	
9.	If the auditor is conducting an audit for the first time, the auditor should obtain the following evidence in accordance with International Standards on Auditing No. 510: - information on the initial balance of accounts payable for the period under review; Information on the balance of accounts transferred from the previous period to the beginning of the current period.	
10.	If the audit of the enterprise is not carried out for the first time, it is necessary to make sure that the amount of accounts payable in the financial statements at the beginning of the reporting period corresponds to the amounts in the financial statements prepared at the end of the reporting period.	
11.	Are abnormal operations performed? (For example, transactions that are performed without any logical or reason, in the auditor's opinion, operations that are performed without following the established procedures)	
12.	Verification of the accuracy of the transfer of synthetic and analytical accounting data to financial reporting forms (verification of the reliability of financial reporting data)	

Current legal requirements in the field of accounting and auditing were taken into account in developing the procedure for audits. The purpose of a compulsory audit is to provide a reasonable opinion and clarification on the reliability and completeness

of the information on accounts payable reflected in the financial statements of the enterprise.

Due to the need to assess the risk of providing substandard information during the audit, the methodological recommendations provide for the

procedure for assessing the internal control system, which should be taken into account during the compulsory audit. The audit shows the main principles of documenting the audit of the obligations of the enterprise in accordance with the requirements of the Republic of Uzbekistan and international standards for the preparation of working papers and reports.

Thus, the audit allows us to conclude that the amounts in the accounts are objective. The methods of obtaining evidence are based on analytical data obtained through accounting in the framework of accounting and analytical procedures. An effective system of accounting, analysis and auditing provides a reliable and timely database necessary for the management of financial and economic activities of the enterprise, as well as for the development of its development strategy. Thus, analytical data can be used for operational, tactical and strategic purposes. It is economical to combine functional systems into a single accounting and analytical system. is important in terms of enhancing data interactions. In a market economy, with the activities of enterprises of various forms of ownership, there is a need to create accounting and analytical information structures in accordance with the functions of management.

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