

ISSUES OF ORGANIZING INTERNAL AUDIT SERVICE IN ENTERPRISES

Mexmonaliyev Ulug‘bek Erkinjon o‘g‘li,

Kokand University “International Tourism and Economics ”

teacher, e-mail: u.mehmonaliyev@ferpi.uz.+998999972326

Abstract: In modern conditions, the organization of an internal audit service in a company allows the management of this company to provide the most transparent and reliable economic information on financial and economic activities for effective and accurate decision-making, a highly effective accounting system and prevention of violations, and confirmation of the objectivity and reliability of reports of structural units. , optimizes taxation.

Keywords: internal audit, organizational forms of internal control, internal audit service, internal audit tasks, internal audit effectiveness.

Introduction. Internal audit has become an important element in the management system, creating an opportunity for internal control and risk management, as well as an element and an important tool for analyzing and evaluating the extent to which the company's goals and objectives have been achieved.

The need to create an internal audit service arises from problems related to "economies of scale". As the scope of the company's activity increases, the need for analytical analysis of the management control system and the efficiency of the activity, which is separated into the administrative apparatus, is on the agenda. This creates a problem of information exchange and increases the likelihood of conflicting decisions by different management units. At the same time, control by top management becomes more difficult, which significantly increases the number of errors and abuses.

In order to better understand what internal auditing is, it is necessary to imagine the top management system in general. The main governing body is the Board of Directors, which is appointed by the general meeting of shareholders, approves the

business development strategy, supervises management activities and is accountable to the shareholders for this.

The Board of Directors is responsible for developing and executing business strategy, ensuring the day-to-day execution of operations, establishing control procedures and internal rules, and the results of the company's operations. An internal audit system is necessary to ensure that the audit committee of the board of directors is accountable and that established control procedures are being implemented and that risks are being adequately managed.

Analysis of the literature. Internal audit of business entities operating in the Republic of Uzbekistan is organized based on laws and regulatory documents. Decision No. PQ-475 dated September 27, 2006 of the President of the Republic of Uzbekistan "On Measures for the Further Development of the Securities Market" and the Decree of the Cabinet of Ministers of the Republic of Uzbekistan "On the Measures for the Further Development of the Stock Market" In accordance with the decision No. 215 of October 16, 2006 on measures to ensure effective management and accounting of state property at the necessary level, the balance sheet value of its assets is 1 billion.

In the official regulatory documents of Uzbekistan in the field of audit, internal audit is based on the following:

internal auditor— a natural person with an internal auditor's certificate;

internal auditor's certificate(hereinafter - Certificate) - a document confirming the professional qualification of an internal auditor to work in the internal audit service;

proficiency exam— an examination conducted by the qualification examination commission using information technologies in the form of a test, aimed at checking whether the applicant's level of knowledge meets the requirements set for the internal auditor;

applicant — a natural person claiming to obtain an internal auditor's certificate or to extend its validity period;

international certificate — "Certified Chartered Accountant (ASSA)", "Diploma in International Financial Reporting (DipIFR ASSA)", "Certified Public Accountant

(SRA)", "Associated Chartered Accountants (ACA)", "Certified Internal Auditor (CIA)" , "Certificate in Management Accounting (CIMA)", "Certified Financial Auditor (CFSA)", "Certified Public Entity Auditor (CGAP)" and "Certified Risk Management Assessor (CRMA)" certificate. [1], [2].

The International Institute of Internal Auditors defines internal audit as follows: "internal audit is the activity of providing independent and objective guarantees and advice aimed at improving the organization's activities. Internal audit helps the organization achieve its goals using a systematic and consistent approach to evaluating and improving the effectiveness of risk management, management and corporate governance processes. helps".[3]

In economic literature, the concept of internal audit is interpreted differently by domestic and foreign authors.

According to KBakhmadjonov, "Internal audit is a service organized by an enterprise for the purpose of checking and evaluating its own activities. Internal audit shows how far each department of the enterprise can achieve the tasks and plan indicators and this "checks and evaluates how effectively the indicator is being achieved." [4].

SMBychkova believes that "internal audit is an element of the internal control system established by the company's management to analyze accounting and other control data" [5].

From the point of view of AMBogomolov and NAGoloshchapov, "internal audit is an integral part of the general audit and the system of internal reliable control activity, which is regulated by internal documents on property protection, compliance with the established accounting procedure organized in the interests of its owners" [6].

Research methodology. The purpose of the study is to determine the nature of internal audit, its place and role as an element of internal control in the management system of the company, and clarify the functions and tasks of the internal audit service.

The main task of the internal audit system of enterprises is to find ways to increase production and reduce costs. The internal auditor should also give advice on increasing

the labor productivity and efficiency of the enterprise. Investigating the corruption of the economic system is a labor-intensive audit. In this, the main directions of financial and economic development of the enterprise are studied. Internal auditor can approve or disapprove this or that direction of development in the enterprise. The purpose of the internal audit is to control the compliance of the company's employees with legal documents, regulatory documents and standards of professional activity, to eliminate conflicts between the interests of the parties, to ensure reliability in accordance with the characteristics and scope of the operations carried out by the company, as well as to reduce risks in the company's activities. consists of

"Regulation on Internal Audit Service in Enterprises" was adopted in order to define the single requirements for the organization of internal audit in enterprises with a turnover of more than soums, as well as the methodological basis for the organization of its work. Currently, this Regulation is a regulatory document that specifies the procedure for organizing internal audits in economic entities.

Analysis and results. Internal control can exist in different organizational forms:

- in the form of a standing audit commission (auditor) elected and accepted annually at the general meeting of shareholders to approve annual accounts;
- reports directly to the head of the enterprise in the form of an internal audit department;
- in structural-functional form;
- in the form of a control group;
- in the form of a contract with an auditing firm for internal audit (outsourcing).

The control-audit commission is established in accordance with the requirements of the law on joint-stock companies, and its activities are mainly regulated by it. The internal audit service is organized by the decision of the top management, which defines the tasks for the department and makes decisions on personnel issues.

The justification and selection of the internal audit structure can be influenced by such factors as the organizational and legal form, affiliation to the industry, scope of activity, degree of freedom of movement in the market transition, financial and

economic development strategy, information support system, and staff qualifications. The most important factor in the success of the internal audit service is its relative independence. The internal audit service operates on the basis of the Charter approved by the top management and owners and provides them with information. Thus, there is no situation where, for example, the CFO can stop the implementation of the audit program by refusing to allocate the planned funds.

As a rule, the main goal of the internal audit service is to provide top management with objective and timely information on the activities of the company's management in order to achieve corporate goals and comply with business standards. In addition, the reliability of consolidated financial statements and accounting in the company, information on the activities of its functional and regional divisions is also important.[7]

The most effective and optimal mechanism for quick adaptation of an economic entity to constantly changing internal and external conditions is the integrated use of control and consulting functions of internal audit.

Consulting functions and internal audit include participation in the organization of accounting of the economic entity, in the implementation of various financial and economic operations for the employees of the management system, in various aspects of the regulatory and legal framework, in the development and implementation of employee development programs, and in solving many other problems. The main characteristics of internal audit are: independence and objectivity.

Independence in this case is an organizational concept, which is mainly determined by the level of subordination of the internal audit service in the company. Objectivity refers to the individual quality of the internal auditor - impartiality in evaluations and conclusions.

The essence of internal audit activities is to provide clients with internal audit guarantees and advice. At the same time, in recent years, the scope of assurance and consulting has expanded significantly and today includes the following areas: risk management, internal control, corporate governance.

Conclusions and suggestions. Specialists of the internal audit service are interested in improving the efficiency of the company: as its department, the internal audit service must constantly confirm its effectiveness. However, internal audit is necessary not only for the owners, but also for the management of the company. The task of managers is to manage the business, to achieve the set goals in the most effective way. The success of this task depends mainly on two factors:

Does the manager have the information needed to make sound management decisions?

Is there an effective system for monitoring the implementation of decisions?

Managers, whose business management is part of their daily work, cannot always assess the situation objectively. Even if a manager believes that he manages all processes effectively, he usually lacks the time and specific skills to collect and compile the relevant information. Internal audit, in fact, has information about all aspects of the company's activities and means of summarizing and analyzing data, so close cooperation with internal audit increases the effectiveness of management decision-making. This is an internal audit, which is a source of objective information that helps the manager to look at the company's activities in a new way and evaluate the quality of the implementation of management decisions. The general aspects of the organization of the internal audit department in Uzbek organizations are as follows:

First, it allows the Board of Directors or the executive body to effectively control the autonomous units of the organization;

secondly, targeted audits and analyzes conducted by internal auditors reveal production reserves and the most promising directions of development;

thirdly, internal auditors, along with control, often perform advisory tasks in relation to officials of financial, economic, accounting and other services in the main organization, its branches and subsidiaries.

In conclusion, it should be noted that modern conditions (financial crises) provide an opportunity for internal audit to demonstrate its wide capabilities and prove its

necessity to the owners and management of companies, while the management of companies can be a powerful tool for improving business efficiency.

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