



**IMPROVING THE PROCEDURE FOR CONDUCTING AN AUDIT OF FINANCIAL
PERFORMANCE REPORTS IN THE FIELD OF INFORMATION AND COMMUNICATION
TECHNOLOGIES IN THE CONTEXT OF ECONOMIC MODERNIZATION**

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ABSTRACT

In this article, in the context of the modernization of the economy, suggestions are made for improving the procedure for conducting an audit of the financial results report in the field of information and communication technologies. Also, the problematic aspects of the audit of the financial results report were highlighted, and suggestions were made on them.

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Introduction

The transition to market relations in Uzbekistan, the fundamental reform of the activities of enterprises, ensuring their development in the conditions of the new economic relations that have arisen, is integrally dependent on the financial stability of enterprises. The financial stability of enterprises is related to the correct formation of the profit received during their activity. Because profit in enterprises is the main material source of material support of employees, expansion of production activities in enterprises, introduction of scientific and technical achievements and new technologies in production. In the context of the transition to a market economy, it is very important to correctly determine the profit indicator. Funds intended for special purposes, a reserve fund, capital investments are financed and social activities are carried out from this income.

Literature review.

The term profit has different meanings in economic literature. Economist T.S. According to Malikov's definition, profit is defined as "...an increase in the amount of capital as a result of running an enterprise" [1].

Economist I. T. As Abdukarimov noted, these data are "very important in assessing financial resources, the rationality of their placement, the efficiency of their use, maintenance and increase of own circulation and fixed assets, and the achieved results" [2] .

Well-known economist A.Kh. Pardaev according to the opinion: "... the financial result of the enterprise's economic activity consists of two parts:

1. Sales result: profit (loss) from product sales, performance of work and services;
2. Non-sales result: profit (loss) from processes not related to product (work, service) sale" [3].

Research methodology.

In the research, induction, deduction, systematic and comparative analysis, grouping, experiment, adaptive methods, integrative approaches, and documentation methods were widely used.

Analysis and discussion of results

The purpose of the financial statement is to provide information on the financial condition of the enterprise, its activities and financial results, which is necessary for a wide group of users to make economic decisions. As we mentioned earlier, the financial stability of enterprises directly depends on the correct formation of the profit received during their activity, the correct calculation of taxes and their timely transfer to the budget. Auditing of financial and economic activities of economic entities helps to ensure the continuity of their activities and is one of the factors ensuring their stable development.

In the audit of the financial report, the audit of the report on the financial results of the enterprise is of particular importance. It should be noted that regulatory documents and special literature cover the issues of the audit of the financial results report only in a general way. In our opinion, based on the information provided in the above sources, the process of conducting an audit of financial results can be defined as follows:

According to the article "Net income from the sale of products (goods, works and services)" (line 010), the income from the sale of products, goods, works and services is correctly indicated, including taxes (value added tax, excise tax) and the value of returned goods and finished products , it is checked whether the buyer's discounts are deducted from the selling prices. It is determined that line 010 is filled in according to the data of income accounting accounts (9000) from the main (operational) activity.

Enterprises whose main activity is property leasing reflect the amount of income for the current reporting period under the line "Net income from the sale of products (goods, works and services)".

According to the item "Period expenses, total" (line 040), the final amount is reflected on lines 050, 060, 070, 080.

is determined in accordance with the "Regulation on the composition of the composition and financial results of product production (performance of work, service) expenses added to the cost of products (work, services)" .

In order to control the correctness of the accounting of the period's expenses and the preparation of the statement of financial results, the auditor should check the following:

Taking into account period costs:

9410 – "Sales expenses";

9420 – "Administrative expenses";

9430 – "Other operating expenses";

9440-Ensuring timely, reliable and complete reflection on "expenses of the reporting period deducted from the future taxable base";

Regulations on remuneration and rewards for the work of administrative and management

employees, ensuring control over compliance with the established cost estimate of salaries of positions.

Entries in the debit of these accounts indicate the formation of period expenses. The auditor determines the formation of period expenses 5110, 6010, 4210, 6710, 5010, 6520, 0200, 1310, 6890, 9210, 6110 and checks through entries in other accounts (entries to the credit of these accounts).

The reasonableness and timeliness of the inclusion of the following expenses in the expenses of the period should also be determined by the auditor:

- advertising expenses (advertising in the press, broadcasting on radio and television, development and printing of advertising products, preparation of stands and sheets, showing videos and slide films, etc.);

- expenses related to the enterprise's participation in fairs and exhibitions in the territory of the Republic of Uzbekistan and abroad (preparation and delivery of exhibits, preparation of models and layouts, publication of literature and technical documents);

- expenses related to the export of products (works, services); fees for customs procedures;

- sums of commission payments paid to organizations mediating import transactions; customs fees, as well as fees for customs clearance related to the import of goods and other property;

- costs of purchasing and transporting material assets; representative expenses related to the enterprise's activities within the framework of established standards and estimates approved by the management (payment for the services of non-resident translators, expenses related to the official reception of foreign representatives during labor negotiations).

In this case, it is necessary to pay special attention to the validity of the expenses and the availability of supporting documents (bills, receipts from stores and restaurants, etc.).

Income from financial activities includes the results of the enterprise's activities in the stock market and financial market.

The income from financial activities is compiled in accordance with the Regulation "On costs included in the cost of products (works and services), production and sale of products (works and services) and the order of formation of financial results". According to the regulation, income from financial activities includes:

- royalties received and capital transfer;

- income received from participating in the activities of other economic entities in the territory of the Republic of Uzbekistan and outside it with the addition of a share, dividends on shares and bonds and income on securities belonging to an economic entity;

- income from long-term lease of property (receipt of lease payment);

- positive exchange rate differences on currency accounts, as well as transactions in foreign currencies;

- income from revaluation of funds spent (on securities, subsidiaries, etc.);

- other income from financial activities.

According to the article "Income from financial activities, total" (line 110) of the statement of financial results, the final amount is reflected on lines 120, 130, 140, 150, 160, and the auditor should check the accuracy of the information of each line, in particular, "Dividends when checking under the article (line 120) 9520-"Income in the form of dividends" account, it is considered that the income received from participation in the activities of other enterprises in the territory of the Republic of Uzbekistan and abroad, dividends on the shares and other securities owned by the enterprise are reflected

The audit of the company's financial results report under the item "Income in the form of interest" (line 130) consists of checking whether the income in the form of interest on long-term and current investments maintained in the account 9530-"Income in the form of interest" is correctly indicated.

In enterprises whose main activity is property rental (leasing), check on the article "Income from long-term rental (leasing)" (line 140) of the report on financial results, maintained in the account 9550-"Income from long-term rental", for long-term rental of property consists of an audit of the correct reflection of the income received from (leasing).

The report under the item "Revenues from differences in exchange rates" (line 150) of the report is kept in the account 9540-"Revenues from differences in exchange rates", including incomes from revaluation of currency items of the balance sheet on the date of the balance sheet, from differences in positive exchange rates on currency transactions.

Information on the company's income in the form of royalties, income from revaluation of securities and other income from financial activities is summarized in the article "Other income from financial activities" (line 160). In the course of the audit, the auditor should determine the correct reflection of income from revaluation of securities, income in the form of royalties and other income from financial activities maintained in the relevant accounts 9510, 9560, 9590.

The share of income from financial activities in the total accounting profit of enterprises has been growing somewhat in recent years. It is also known from the experience of developed countries that income from financial activities has a significant contribution to the total income of enterprises. It is a good thing that the share of financial activity income in the profit structure of enterprises in our republic is increasing.

According to the regulation, the costs of financial activities include:

– Payments for short-term and long-term loans, including overdue and extended loans, at the level of the account term and rates set by the Central Bank of the Republic of Uzbekistan and in excess of them;

– interest payment expenses on long-term property lease (leasing);

– losses on negative exchange rate differences related to transactions with foreign currency;

– losses from revaluation of funds spent (on securities, subsidiaries, etc.);

– expenses related to the issuance and distribution of its securities;

– other costs of financial activities, including negative discount.

According to the article "Expenses in the form of interest" (line 180), the check consists of the fact that the costs of paying interest on bank loans and debts, maintained in the account 9610-"Expenses in the form of interest", are correctly calculated and correctly indicated in this report.

According to the article "Expenses in the form of interest on long-term rent (financial lease)" (line 190), the account 9610-"Expenses in the form of interest" account reflects the costs of paying interest on long-term rent (lease).

The report on financial results of enterprises with foreign currency accounts under the item "Loss from differences in exchange rates" (line 200) is checked through the account 9620-"Loss from differences in exchange rates" it is determined that the differences are reflected.

According to the article "Other expenses for financial activities" (line 210), the data of accounts 9630-"Costs of issuance and distribution of securities" and 9690-"Other expenses for financial activities" are checked. Because these accounts are related to the issue and distribution of securities expenses and other expenses related to financial activities are reflected.

We can find out the result obtained by the economic entity from general economic activity from the article "Profit (loss) from general economic activity". According to the article "Profit (loss) from general economic activity" (line 220) related to the general economic activity of the enterprise, adding the amount of income from financial activity (line 110) to the amount of profit (loss) from the main activity (line 100) and the amount of expenses for financial activity (170) -line) shows the financial results determined by subtraction. This indicator is checked using arithmetic calculations.

It is also worth noting that the amount of profit from general economic activity is not a series of formation of the financial result, but a series summing it up.

The third component of the formation of financial results in enterprise activity is extraordinary profits and losses.

Extraordinary losses are unexpected expenses arising as a result of events or transactions deviating from the normal activities of business entities. This does not include past period expenses that should be reflected in extraordinary and period expenses.

In order for this or that substance to be reflected as extraordinary damages, it must meet the following criteria:

- not characteristic of the enterprise's usual economic activity;
- should not be repeated for several years;
- independence from the decisions made by the management officer.

When making decisions on whether or not to include the relevant substances in the category of extraordinary damages, it is necessary to take into account the conditions in which the works are carried out. For example, if the economic entity is located in particular climatic conditions, then downtimes due to climatic conditions cannot be considered extraordinary, since this item does not meet the criterion "should not be repeated within several years".

Contingency items have an unintended, random flavor It is an unexpected profit that occurs and is received as a result of transactions that deviate from the normal scope of the business entity's normal activity. It does not include extraordinary items of income or profits from previous periods that should be reflected in the section of other income from operating activities.

In order to make sure that the information on extraordinary profit (incurred) losses is correctly formed, the auditor examines the information of accounts 9710-"Extraordinary profit" and 9720-"Extraordinary loss". But the results of practical observations show that the probability of their formation is extremely short or low. Even if there is, it is only in the form of damage.

The amount of profit before tax payment of the enterprise is a line in the attention and monitoring of information consumers. The amount of profit (loss) before tax payment is determined based on adding the amount of extraordinary profit (loss) to the amount of profit (loss) from general economic activities, taking into account the +/- sign. The result of this line is the basis for the calculation of income (profit) tax.

One of the most common mistakes businesses make is miscalculating various taxes and fees on profits.

According to the item "Income (profit) tax" (line 250), the amount calculated from the beginning of the reporting period, recorded in the account 9810-"Expenditure on income (profit) tax" is shown. During the audit, the auditor should carefully consider the correct calculation of the taxable base, the presence of tax credits in the taxable base, and the correct application of the tax rate.

According to the article "Taxes and fees other than profit" (line 260), it is checked whether the amount of taxes and fees that the enterprise pays from its profit, calculated from the beginning of the year, according to the legislation, is reflected. The correct calculation of taxes and fees other than profit is determined.

One of the specific features of net profit is that it increases the amount of the country's national income, strengthens its material and technical base. Therefore, the most economical use of production resources in enterprises, avoiding wastefulness and wastefulness, as well as the right attitude to private property will have a positive effect on the amount of net profit.

Conclusions and suggestions

The effectiveness of the audit is directly dependent not only on its quality performance, but also

on the timely summarization of the identified results. Because the formation of the audit report and conclusion occurs in the process of summarizing the results of the audit conducted on all sections of the audit plan and program. Audit results may or may not be positive. However, such results must be reasonably proven by the auditor. The auditor uses various methods and forms of audit to fully fulfill the goals and tasks set under the contract. Its main focus will be on proving whether the operation of the inspected object is in compliance with the law. For these purposes, the auditor prepares documents summarizing the inspection process and reflecting the identified deficiencies. These documents can include: documents, references, explanatory letters, notices, notices and other documents.

If documents are drawn up based on deficiencies identified during the audit process, references can be drawn up when the law and regulations are not violated during the inspection process, and the activity complies with the accepted criteria.

Wide use of audit services in monitoring reporting indicators is considered appropriate. The audit of the financial report of economic entities and its composition, in particular the report on financial results, is one of the important objects of the audit. It should also be recognized that the issues of the audit of the financial results report are covered only in general terms in the regulatory documents and special literature. The suggestions we gave above helps to improve the process of auditing.

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