
STUDYING THE COMPANY'S ACTIVITIES AND ACCOUNTING DURING THE AUDITOR'S INSPECTION.

Turumova Dildora Abdumannonovna

*Teacher of the "Economics and Management" department of Jizzakh Polytechnic Institute
dildoraturumova1985@gmail.com*

Rayimqulova Muxlisa Oybek qizi

*Student of Jizzakh Polytechnic Institute
rahimqulovamuxlisa@gmail.com*

Abstract. Audit service - firms that impartially check the state of the financial and economic activity of the enterprise. The employees of these firms are experts who have the right to engage in auditing activities in the prescribed manner and are included in the audit professional list (registry), and are called auditors. In this article, we will talk about the importance of auditing in the study of enterprise activity and accounting.

Key words: study of audited client activities, study of accounting organization, accounting policy of the enterprise and its study, internal control system, control environment, control actions, internal control system evaluation standards.

Introduction

The planning of the audit begins with a detailed study of the activities of the audited enterprise. The auditor aims to study the company's activities for two purposes:

1. facilitating and improving audit quality;
2. providing practical consulting assistance aimed at improving the economy of the audited enterprise.

For this, it is necessary to collect information about internal and external factors that affect the company's activity.

Internal factors affecting the economy of the enterprise, which the auditor should pay attention to first of all, include the following: the form of ownership and management structure, the purpose of the organization of the enterprise, the main transactions carried out in the enterprise's activities, finances, employees, accounting policy, relations of the enterprise with third parties. External factors include the industry in which the client operates, the economic situation in the country.

It is necessary to analyze the goals of the audited enterprise, allowing a better understanding of its transactions, to form a correct opinion about the audited report. If, during the planning of the auditor's work, it is determined that the owners of the property want to liquidate the enterprise, then it is necessary to prepare a comment on the auditor's report that he does not apply the principle of the operating enterprise to the enterprise's report.

Information about the client's transactions helps the auditor to correctly assess his risk situations, to create an effective audit program and to save time spent on its implementation. Knowing the financial structure of the enterprise helps the auditor to determine the enterprise's demand for funds and their sources of income, the real solvency of the enterprise, and at the same time to determine whether it will be able to carry out its transactions in the future.

Knowing the accounting policy of the audited enterprise allows the auditor to develop effective methods of checking various accounts. To understand the accounting policy, it is necessary to consider the following:

- the procedure for adopting the accounting policy;
- making changes to the accounting policy;
- the changes expected to occur in the enterprise's activities that may be required;
- compliance of the accounting policy with the current legislation, specificity of the accounting policy for this industry.

In considering the company's relations with third parties, the company's claim, as well as existing and possible lawsuits against it; that the company's property and liabilities are insured; it is necessary to analyze the tax status of the enterprise (tax benefits, etc.).

The auditor should be able to imagine what kind of dangerous situations he will encounter in the network and the ability to solve the specific problems of this network, and the involvement of relevant specialists is required to solve unfamiliar and complex issues. To do this, he must prepare the conditions of competition in this industry (list of main competitors); studies changes in prices, conditions that lead to a decrease in production in the network.

The auditor should collect information in ways that are understandable to him.

By asking the management and chief specialists of the enterprise, the main problems, in particular, competition, tax issues, the financial situation of the enterprise, large transactions of the enterprise, changes in business, management, ownership forms, the organizational structure and methods of internal control, management the auditor may identify specific issues that he or she wishes to focus on. By going to departments, production sites and warehouses, the customer can get an idea of the transactions and the availability of production stocks. Also, in its report on the enterprise's activities (accounting reports and analytical records; minutes of meetings of the board of directors, management and shareholders; reports of the internal auditor and the audit commission, job instructions), external sources of information (publications published in the press, database, analytical publications, legislative and other regulatory bulletins) should analyze the information provided.

The auditor writes down the received information and formalizes it in the form of a special record divided into sections, describing the factors affecting the enterprise and the identified dangerous situations.

Before starting the audit of the financial and economic activity of the enterprise, the auditor should study how the accounting is organized and maintained. In doing so, he examines and evaluates the control tools used in the enterprise, determines the content, scale and costs of the audit actions that are estimated based on them.

Most importantly, the auditor should make sure that the current accounting system reliably reflects the economic activity of the audited entity and to what extent it can rely on the existing control

tools in the audited enterprise. Also, it shows the accounting system, i.e. the structure of the document circulation plan, how the duties of the accounting staff are distributed, what account correspondences (interconnections) are adopted to reflect the main transactions of the enterprise, and what account registers are used. It is necessary to state the issues.

Many auditors have a misconception that the methodology of accounting and management is standardized, centrally regulated, and therefore there is no need to disclose it. They do not pay enough attention to this part of the audit planning based on this idea. Such an approach is unacceptable, because a centralized system leads to the fact that various enterprises hide not only their characteristics, but also their mistakes under the name of model accounts and registers. For example, there are many cases of reflecting the balances on the 1010-1090 "Materials" accounts in the balance sheet. Under the note in the accounting policy that "production stocks are accounted for according to their average purchase price", not only different methods of calculating average amounts, but also directly from them waivers and write-offs of materials at rates most favorable to the enterprise and the like may be concealed. Accounting staff may consider turnover statements and the like maintained in the enterprise as journal-orders and confirm that the account is maintained in the form of journal-orders.

- The description of the accounting system may include the following documents: the organizational structure of the enterprise's accounting with the surnames of the main employees that the auditor plans to obtain information from;
- description of duties and responsibilities of each employee specified in the organizational structure;
- document circulation schedule for important sections of the account cycle;
- statement of transactions on sample transactions in the direction of account cycles;
- one-time transactions and transactions with a high probability of error;
- a statement of correspondence of accounts for "own" companies, contracts, commission and consignment contracts, joint activity contracts, leasing);
- deviations from the norm in the accounting policy or in the rules for maintaining certain accounts;
- control sheet for verification of report data.

The last document is drawn up by the client at the request of the auditor. It asks whether the report is ready to be checked in whole or in part, and to what extent the customer can technically provide this check.

The auditor uses the following when checking the organization and status of accounting and reporting:

Law of the Republic of Uzbekistan "On Accounting", Civil Code of the Republic of Uzbekistan, National Accounting Standards show) the Regulation on the composition of expenses and the procedure for forming financial results, instructions of higher organizations, Regulations and instructions; Accounting policy of the enterprise. In addition to the regulatory documents of the government, financial and statistical bodies, special importance is attached to the founding documents that express the characteristics of the audited enterprises in the studied field.

In this regard, the auditor should check the following:

- Guidelines and instructions on the organization and maintenance of accounting, the correctness of the application of the chart of accounts; compliance with the rules for maintaining the

account, which is used from the automated forms of the journal-order or table; timely arrival of preliminary documents to accounting and organization of documents; timely and correct use of accounting registers, matching of synthetic accounting data with analytical accounting data: application of automated processing methods to primary documents (salaries, materials, production costs, etc. etc.);

- the correctness of accounting for production costs; the correctness of taking into account the expenses of the period;
- the correctness of the assessment of the materials used for production;
- proper organization of the inventory of all items on the balance sheet;
- as well as the timely and complete reflection of the inventory and its results in the accounts and reports: control over the legality of the use of materials, financial and labor resources, the organization and maintenance of accounting accounts by the chief accountant; correctness of accounting information in the balance sheet and other reporting forms submitted to banks, tax authorities, shareholders and others;
- correctness and timeliness of calculations with the budget;
- correctness of profit (income) determination;
- the correctness of the distribution of profits and the creation of reserves.

In addition, the auditor should check the following:

- the correct organization of the work of the accounting apparatus;
- availability of job instructions for accounting staff;
- that each employee is responsible for the work performed, and the duties are distributed among the accounting staff;
- approval of the schedule for the submission of preliminary reports and documents by the management of the organization (firm) performing the work, warehouse managers, mechanics, etc., control over compliance with the schedule and disciplinary measures against guilty persons who violate it, and application of other measures;
- in accounting, the deadlines for the execution of certain types of work are indicated, the existence of a document circulation schedule (salary calculation statements, summary statement of the movement of tangible assets, depreciation calculation statement for fixed assets and intangible assets, preparation of final (annual) reports of account registers);
- that the accounting staff is provided with relevant manuals, instructions and calculation tables necessary in the current work process;
- implementation of the financial control rights fully granted to him by the chief accountant, orders of the chief accountant on accounting and reporting, as well as, in particular, the formalization of financial and economic transactions and the submission of required documents and information to the accounting department, all employees of the enterprise the management of the company being audited will be fined or rewarded (within application of deprivation measures (partial or partial);
- the correct establishment of mutual relations between the accounting staff and other departments, the chief accountant in cooperation with the heads of other departments, the financial and economic accounts of the audited enterprise, reports analysis based on the data;
- inventory of basic materials, funds and accounting items of the balance sheet;
- compliance with the procedures and deadlines established in the Regulation on accounting reports and balance sheets;

- the conducted inventory and its quality, ensuring the accuracy of all balance items as a result of the inventory;
- the organization of accounting and control ensures the prevention of shortages, shortages and illegal spending of funds and material assets, as well as other deficiencies and abuses, quality preparation of initial documents and careful control over their reliability;
- periodical inventory of economic transactions, availability and storage of funds and property

Each auditor, even if he is fully involved in one audit, in the existing system of accounting regulation and taxation, any business entity may make errors at one level or another in the accounting (financial) reporting. he understands that it is very difficult not to put it.

When the auditor discovers such errors, he must solve the following tasks:

- write a statement of errors in the accounting report;
- clarifying the features of how the audit organization behaves when it is discovered that the rules of accounting and reporting are unknowingly or intentionally violated by the employees of the economic entity;
- distinguishing the responsibilities of the business entity and the auditing organization due to the fact that the errors affecting the reliability of the accounting report have been identified by the auditor;
- to determine the risk factors of distortion of the accounting (financial) report.

Often, during an audit, the auditor tries to find out for what purposes errors were deliberately included in the accounting (financial) reports, and tries to take on functions that are not characteristic of him (perhaps malicious purposes to mislead users of accounting report information may be intended).

The auditor must take into account that only the authorized body can make a conclusion about the deliberate actions (or indifference) of the employees of the economic entity, which lead to the appearance of errors in the accounting report. It is also important for the auditor to determine whether the identified errors are material or not.

Each auditor, based on his own experience, having a clear idea of which sections of accounting are the most dangerous for a particular audited enterprise, should do his work carefully in planning the audit in such a way as to avoid drawing up and presenting an incorrect audit opinion. reduce the risk as much as possible. If, based on the results of the information provided to the management, no changes have been made to the accounting report, then the auditor must include in the auditor's report information about the distorted facts in the accounting report identified during the audit.

Both the auditors and the management of the audited business entity should not forget that for the occurrence of intentional or unintentional violations of accounting reports; for not taking measures to prevent such errors; the employees of the economic entity are responsible for not eliminating them or correcting them late.

The audit organization is responsible for providing an objective and well-founded opinion on the reliability of the accounting report in the audit report and auditor's conclusion, which is submitted in writing to the management of the business entity.

The auditor should analyze the following during the audit of economic activity:

- implementation of the company's chartered activity and economic program;

- the correctness of the organization of the authorized capital and its use in accordance with the goals of its activity;
- organization of reliable and quick accounting of the fulfillment of contractual obligations for the supply of products in the enterprise, compliance with the procedure established by the employees of the enterprise, taking into account the fulfillment of obligations for the delivery of finished products;
- losses incurred as a result of non-delivery of products in full and on time (fines, penances, damages, etc.);
- implementation of planned measures to update the released products; product quality indicators, damage caused by delivery of broken and low-quality products;
- production rhythm, causes of non-rhythmic work, damages caused by non-fulfillment of daily schedules;
- rational use of raw materials, materials and production waste;
- the system of goals of the enterprise team, the reasonable distribution of tasks to each employee;
- a labor remuneration system that ensures the economic interests of all employees (from the worker to the CEO) in achieving both economic and social goals;
- that the information of the report on the production and sale of products corresponds to the information of accounting and preliminary documents;
- that unfinished products are not included in the product report during the reporting period, and other additions and confusions are not allowed in the reports.

References

1. Tuychiev A., Ko'ziev I., Avlokulov A., Sherimbetov I., Avazov I. Audit. Textbook. - T.: "Economy-Finance", 2019. - 620 p.
2. The Law of the Republic of Uzbekistan "On Auditing Activities" of February 25, 2020.
3. Ko'ziev I., Tuychiev A., Khojiev M., Yakubov M. Internal audit. "Economy-Finance", 2019. - 421 p.
4. Турумова, Д. (2022). Банк назоратида ички ва ташқи аудит ўтказишининг аҳамияти. *Science and Education*, 3(12), 1013-1022.
5. Турумова, Д. (2022). Банк кредитлари аудитини такомиллаштириш масалалари. *Science and Education*, 3(10), 640-645.
6. Abdumannonovna, T. D. (2023). WAYS OF DEVELOPING THE INTERNAL AUDIT SERVICE IN BUSINESS ENTITIES. *JOURNAL OF EDUCATION, ETHICS AND VALUE*, 2(8), 37-40.
7. Turumova, D. A., & o'g'li Tolibboyev, Q. G. (2023). AUDITORLIK FAOLIYATIDA TANLAB TEKSHIRISHNING MOHIYATI. *Educational Research in Universal Sciences*, 2(6), 234-240.
8. Turumova, D. A. (2023). O 'ZBEKISTONDA ICHKI NAZORAT TIZIMI–AUDITORLIK TEKSHIRUVI JARAYONINING ASOSIY ELEMENTI. *Educational Research in Universal Sciences*, 2(4), 608-612.
9. Abdumannonovna, T. D. (2023). AUDITORLIK TEKSHIRUVIDA MUHIMLIK DARAJASI. *SCIENTIFIC ASPECTS AND TRENDS IN THE FIELD OF SCIENTIFIC RESEARCH*, 2(14), 60-62.

10. Abdumannonovna, T. D. (2023). AUDITING MOLIYAVIY BOZOR UCHUN ZARURLIGI. INNOVATION IN THE MODERN EDUCATION SYSTEM, 3(34), 290-294.
11. Abdumannonovna, T. D. (2023). AUDITORLIK TEKSHIRUVINI REJALASHTIRISH. INNOVATIVE DEVELOPMENTS AND RESEARCH IN EDUCATION, 2(22), 243-248.
12. Abdumannonovna, T. D. (2024). IMPORTANCE AND ROLE OF INTERNAL AUDIT IN ENTERPRISES. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 6-9.
13. Abdumannonovna, T. D. (2024). DEVELOPMENT AND USEFUL ASPECTS OF AUDITING ACTIVITY IN UZBEKISTAN. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 15-18.
14. Abdumannonovna, T. D., & Abdurasul, A. D. (2024). FORMATION OF STATE FINANCE AND AUDIT ACTIVITY IN THE EARLY PERIODS IN UZBEKISTAN. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 34-37.
15. Abdumannonovna, T. D., & Sherzod, K. S. (2024). SIGNIFICANCE AND ROLE OF INTERNATIONAL AUDITING STANDARDS. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 57-60.
16. Abdumannonovna, T. D. (2024). FRAUD DETECTION IN AN AUDIT. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 136-140.
17. Abdumannonovna, T. D. (2023). AUDITORLIK DALILLARINING AUDITORLIK TEKSHIRUVIDA DOLZARBLIGI. In " ONLINE-CONFERENCES" PLATFORM (Vol. 1, pp. 469-473).
18. Abdumannonovna, T. D. (2023). AUDITORLIK TEKSHIRUVINI REJALASHTIRISHNING AFZALLIGI. In " ONLINE-CONFERENCES" PLATFORM (Vol. 1, pp. 474-478).
19. Abdumannonovna, T. D. (2023). AUDITORLIK TEKSHIRUVIDA EKSPERT ISHLARIDAN FOYDALANISHNING MUHIM JIHATLARI. In " ONLINE-CONFERENCES" PLATFORM (Vol. 1, pp. 483-487).
20. Abdumannonovna, T. D. (2023). AUDITORLIK XULOSASIDA ASOS BOLUVCHI MALUMOTLAR-AUDITORLIK DALILLARI. In " ONLINE-CONFERENCES" PLATFORM (Vol. 1, pp. 494-498).
21. Abdumannonovna, T. D. (2024). THE AUDITOR'S PROFESSIONAL ETHICS ARE THE BASIS OF THE AUDITOR'S ACTIVITY. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 225-229.
22. Abdumannonovna, T. D. (2024). AUDITOR ISHI SIFATINI NAZORAT QILISHDA AUDITORLIK STANDARTLARINING UYG'UNLIGI. INNOVATION IN THE MODERN EDUCATION SYSTEM, 4(37), 265-270.
23. Abdumannonovna, T. D., & Habibullo G'anijon o'g, A. (2024). The Role of International Audit Organizations in the Transition to International Standards in Uzbekistan. American Journal of Public Diplomacy and International Studies (2993-2157), 2(2), 1-6.
24. Abdumannonovna, T. D. (2024). An Understanding of the Auditor's Professional Ethics and its Importance in the Auditor's Work. American Journal of Public Diplomacy and International Studies (2993-2157), 2(2), 7-11.
25. Yaxyayevna, R. B. (2023). The Role of the Neighborhood in Preparing Young People for Family Life. AMERICAN JOURNAL OF SCIENCE AND LEARNING FOR DEVELOPMENT, 2(3), 37-40.
26. Yahyoyevna, O. F., & Alexandrovich, A. A. (2024). THE ROLE OF FINANCIAL MANAGEMENT IN IMPROVING THE FINANCIAL CONDITION OF ENTERPRISES. JOURNAL OF EDUCATION, ETHICS AND VALUE, 3(1), 44-47.