

Improving the Accounting of Credit Transactions and its Internal Audit

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Abstract: This article discusses the use of generally accepted accounting principles in the organization of credit accounting in banks, accounting by the double entry method; continuity; assessment of business transactions, assets and liabilities in monetary terms; accuracy; calculation; predictability (caution); predominance of content over form; comparability of indicators; neutrality of financial statements; profitability during the reporting period, the compliance of expenses with ; the actual valuation of assets and liabilities is widely covered.

Keywords: Accounting, assets, business operations, financial statements, revenue, credit, audit, foreign currency, business plan.

INTRODUCTION

Credit accounts and off-balance sheet accounts are used to account for transactions. At the same time, credit transactions are taken into account both one-time and using a credit line. To obtain a loan from the bank, a separate credit account is opened for each loan. The client submits a package of documents to the bank in accordance with the established procedure to obtain a loan. If the loan is deemed necessary by the decision of the credit commission, a loan agreement is concluded between the bank and the borrower. The loan agreement specifies the purpose for which the loan was taken, the term, amount, repayment procedure, loan payments, obligations, responsibilities of the parties, and other conditions.

Commercial banks of Uzbekistan provide loans to individuals and legal entities in national currency and foreign currency on the basis of relevant regulatory documents. Let's consider operations related to lending to individuals and legal entities in commercial banks, paying interest on a loan and collecting its principal amount.

A loan agreement is concluded between the bank and the borrower, and legal entities conclude a loan agreement with the bank where the main account is opened.

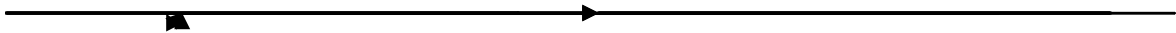
- A loan agreement with a legal entity must contain the following documents:
- Balance sheet and financial statements;
- Business plan;
- A document on granting a loan;
- If necessary (depending on the form of the loan), other additional documents may be required.
- A loan agreement with an individual must contain the following documents:
- A copy of the borrower's passport;
- Work certificate from the place of work;
- Salary certificate;
- And a certificate from the neighborhood about family members;

- A document on granting a loan;–
- If necessary (depending on the form of the loan), other additional documents may be required.

Guarantees received by the bank on loans issued are recorded in account 94503 of the accounting chart of accounts<<guarantees and sureties received as collateral>> during the entire term of the loan. Credit accounts are opened first of all after a decision is made on the allocation of a loan. By the nature of loan accounts opened by banks to individuals and legal entities, an asset is calculated for which an increase in cash, i.e. when issuing a loan and the remaining amount of the loan issued, is reflected by debit, and a decrease in cash, i.e. upon repayment of the loan, - on the credit side.

LITERATURE ANALYSIS AND METHODS

On the basis of a loan agreement, the credit department submits an order to the accounting department to open a loan account for individuals and legal entities. Loan accounts are bank accounts that open in the plan's asset numbers and consist of twenty digits. For example, a credit account opened to an individual to obtain a long-term consumer loan will look like this. Loans issued are repaid at the expense of funds held in their account, on the basis of a payment order from the borrower or a bank memorial order according to the schedule agreed in the contract, individuals can repay loans received from the bank from a salary account, a plastic card or in cash. When funds are debited from a reserve account formed on the basis of a decision of the bank's management, the following accounting entries are made. When closing loans to individuals at the expense of the bank's reserve. Commercial banks continue to keep records of the principal amount of loans and accrued but not accrued interest on off-balance sheet accounts, thus writing off also accrued but not accrued interest on loans.



Drawing. Stages of credit transactions in commercial banks.

1. Bankovskoe delo: sovremennaya sistema kreditovaniya. Uchebnoe posobie G`O.I.Lavrushin, O.N. Afanaseva, S.L. Kornienko; Pod red. O.I. 4.7. Lavrushina-4-e izd., ster. - M:KNORUS,2014 – 264 s.

Completion of the audit in banks, the audit report and the conclusion.

When initiating an audit of banking transactions, it is first necessary to determine the correctness of the last conducted inventory and the status of the reflection of their results on the account. Therefore, verification in the process of verifying the completeness and timeliness of the inventory of banking transactions and the reflection of its results in accounting, as well as confidence in its results, reduce audit risk. In order to determine the completeness of banking transactions, it is necessary to organize a comprehensive audit of certain types of banking transactions.

Depending on the obligation under this standard, audit documents are divided into mandatory and optional types.

Required documents include:

- Audit plan of a credit institution;
- Credit institution audit program;
- a completed internal banking risk assessment table;
- Completed control risk assessment table;
- A completed table assessing the degree of deviations in the balance sheet of a credit institution;

And when a credit institution makes transactions with securities, data on management risks, data on organized reserves for loss of value of securities.

The auditor's working documents should be organized, and the information in them should be easy to read and uniform.

Audit reports are an important basis for the preparation of an audit opinion. The main part of the audit is to identify the types, methods and sources of audit information. Neither the methods used by audit firms nor the grounds for their approval provide clarity in recognizing the reliability of the audit opinion.

3 Ilyasov S.M. Metodologicheskie aspekto` formirovaniya kreditnoy politiki banka G`G` Dengi i kredit. – 2013. - №6 – s. 23-25

DISCUSSION

The auditor must obtain sufficient audit evidence to form an informed opinion on the reliability of the financial statements. Thorough verification of the correctness of the reflection of turnover and balances in accounting;

- a) Analytical work;
- b) Verification of internal control.

The bank auditor should focus on what auditing practices are used to collect audit evidence in the audit program, and on their scope. There is no fixed amount of information for the audit. Based on his professional abilities, the auditor independently determines the amount of information so that the bank can give an opinion on the accounting statements. When determining how to obtain audit evidence, it is necessary to take into account that financial data may be deviated.

For an audit firm, the proof of an external audit is the most significant and reliable. Next comes the mixed and internal audit data. Audit evidence must be reliable and sufficient. Depending on the state of their sufficiency, the internal control system is determined depending on the assessment and the level of risk. The auditor must collect sufficient qualitative evidence to form an objective and reasonable conclusion. The evidence collected by the audit firm itself is usually considered more reliable than the data provided by the economic entity. At the same time, written documents are considered more reliable than evidence obtained orally. The evidence collected by the auditor should be reflected in Statements, forms, tables and protocols for evaluating the

accounting and internal control system. The obtained evidentiary information is used in the preparation of an audit opinion and reporting on the results of the audit to the management of the audited bank.

The sources of audit reporting data are: primary documents of the bank and third parties; accounting registers of the bank; results of analysis of financial and economic activities of the bank; oral data of the Bank and third parties; comparison of bank data with each other and with data of third parties; results of inventory of the bank's property; annual accounting statements and other documents. The quality of an audit report depends on the source from which it is received. For auditors, the most valuable are the results of the business operations they directly verify. The determination of the adequacy of audit reports depends on the degree of audit risk, the availability of witnesses from independent sources. If the auditor uses information from various sources, then the level of audit risk is reduced, and vice versa, if the information provided to the auditors by an economic entity is insufficient and it cannot collect sufficient information on any account or turnover, the audit firm should reflect this situation in the report (to management) and pay attention to this issue when drawing up an audit opinion according to bsri.

ANALYSIS AND RESULTS

The effective functioning of the banking system is a prerequisite for the development of market relations. In other words, the economic potential of the country, the sustainable development of the economy in certain sectors, as well as the strengthening of its position in the international market are also directly related to the positive changes taking place in the financial banking system. Modern development processes require the economist staff to be well acquainted with macroeconomic theory and the most modern macroeconomic concepts, to have the skills of macroeconomic analysis, and the ability to link theoretical knowledge with practice. For this reason, the study of the patterns of macroeconomic processes, macroeconomic problems, and ways to solve them with the help of macroeconomic policy is an urgent task, guided by a logical sequence through various models. A number of economic indicators are used to analyze the development of the country's economy, identify problems in the development of the national economy and develop measures for its further development.

² Getman T.A. Dopolnitelno`e riski pri kreditovanii v nostrannoy valyute G`G` Bankovskoe delo. – 2018. - №8. - s.72-74.

- Maximum customer orientation, in which the bank strives to meet the needs of each of its clients in financial services as much as possible and at the same time maximize profits from each set of customer relationships;
- Business diversification and introduction of new banking products, identification of the main business lines with a significant contribution to the bank's profit; an increase in the share of corporate clients in the structure of the bank's passive base, with the structure of the active base – an increase in high-yield components - loans to the population and small businesses;

CONCLUSIONS AND PROPOSALS

Optimization of processes in the bank, which increases the level of management, reduces costs, improves the quality of customer service; process optimization involves rethinking the main business processes and bringing working methods to a certain form on a large scale. At the same time, the bank's current activities are fraught with certain shortcomings, without eliminating which it is impossible to talk about realizing its development potential. These include:

- The low level of efficiency in using the bank's most important advantages in the competitive field: sales networks and customer base, which is due to insufficient organization of work with clients and insufficient development of sales potential;
- Automated banking system, it does not meet modern requirements;
- lack of established relations and cooperation with international financial institutions;

- Increased costs of practice due to the complexity of customer service quality control, increased risk of practice and further development of branch networks. As a result of the special attention paid to the development of the country's banking system and the creation of favorable macroeconomic conditions in the republic, significant positive successes have been achieved in the development and further reform of the banking system.

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