

SCIENTIFIC BASIS OF IMPROVING THE AUDIT OF FINANCIAL RESULTS IN BUSINESS ENTITIES

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ABSTRACT

This article describes the necessity, importance and theoretical aspects of the scientific basis of improving the audit of financial results in economic entities.

Keywords. Subject, audit, financial result, quantitative analysis, factor analysis, profit, income, cost, opportunity.

INTRODUCTION

The audit of financial results is of particular importance in the audit of financial statements. Because the indicators of the financial results report positively concluded by the auditor provide users with the accuracy and reliability of financial information, to know how much profit the economic resources of this business entity have brought, to make appropriate decisions allows. In Uzbekistan, as in developed countries, the audit of the financial results report serves to ensure the transparency, reliability, and accountability of the report. However, our research shows that, along with positive changes, there are also problems waiting to be solved.

LITERATURE REVIEW

A number of foreign and domestic economists have published theoretical sources, scientific research results, and scientific articles on the issue. For example, in Sh.F.Ilhamov's "Practical Audit" textbook, M.Tolakhodjayeva, Sh.Ilhomov and others' "Audit" textbook, and in a number of foreign literatures, in particular, Friedman's "Аудит: контроль затрат и финансовых результатов при анализе качества продукции" the need to improve the scientific-methodical foundations of the audit of financial results is noted in the textbook. However, our research shows that there are not enough modern sources on the scientific basis of improving the audit of financial results in economic entities. Also, today's relevance and importance of researching existing problems in improving the scientific and methodical basis of

financial results audit in economic entities is reflected in the President of the Republic of Uzbekistan's "Additional measures for the transition to international standards of financial reporting" is also based on the adoption of Decision No. PQ-4611 dated February 24, 2020. In particular, "by accelerating the transition to international standards of financial reporting (hereinafter referred to as "IFS"), providing foreign investors with the necessary information environment and expanding access to international financial markets, as well as training accounting and auditing specialists according to international standards improvement of the system" is the demand of the time.

METHODOLOGY

The theoretical and methodological foundations of the audit of financial results in economic entities are studied using monographic observation, analysis and synthesis, calculation and logical thinking methods.

RESULTS

In particular, one of the main problems is the lack of a strong regulatory and legal framework for auditing, which leads to a change in the quality of audits conducted by different auditing firms. This variability, in turn, leads to inconsistencies in the quality and reliability of financial information, creating uncertainty among investors and stakeholders.

Another specific difficulty in organizing the audit of financial results is the lack of qualified auditors and the lack of attention to training. This not only limits the ability of audit firms to conduct a quality audit of financial results, but also leads to the limitation of audit technology and tools. From the study of these problems, it can be seen that these problems are of an organizational nature, and their existence also creates methodological problems. From this point of view, it is appropriate to develop consistent measures and activities in cooperation with the state and professional accountant-auditor bodies to provide a solution to these problems.

Our research shows that when conducting an audit of financial results, the indicators of the financial results report are mainly analyzed comparatively. However, the main purpose of the audit of the financial results of economic entities is not only to give the auditor's opinion about the reliability and transparency of the reporting indicators, but also to develop suggestions and recommendations on ways to further improve the financial results.

In this process, the use of factor analysis in the audit of financial results, not limited to quantitative analysis methods, is scientifically and methodologically effective. Because it is methodologically necessary to check the factors affecting financial results in the audit of financial results. It is clear from the analysis that income and expenses are the main element of formation of financial results. For this reason, in

the audit of financial results, we recommend a factor analysis of the cost structure as part of the factors that directly affect the financial results. From the analysis of theoretical sources, it can be seen that the cost is the monetary expression of expenses related to the production of products, sale of goods and provision of services, and the types and items of expenses arise from the activities of the economic entity. It is known that the costs of production entities mainly consist of raw materials, materials, fuel, and labor costs, while the main costs of trade organizations are the costs of purchasing, transporting, storing, and selling goods. The cost of the manufactured product depends on direct costs and rational use of resources. The more efficiently the material, financial and labor resources of the enterprise are used, the lower the cost and value of the manufactured products. This, in turn, has a positive effect on the financial stability and financial results of economic entities. Therefore, costs should be analyzed as the main influencing factor in the audit of financial results. Because as a result of the cost audit, internal opportunities to further improve the financial result and ways of rational use of resources are determined. In this case, the auditor must have the skills and qualifications to thoroughly examine the economic content, composition and types of expenses. Determining the cost of the product has a special place in the cost audit. When auditing the product cost, it is necessary to pay attention to the following:

- correct evaluation and accounting of raw materials and materials included in the cost of the product;
- compliance of the product cost and value with the company's accounting policy and Tax legislation;
- correct consideration of product cost;
- correct reflection of transactions related to the production process in accounting accounts;
- complete delivery of finished products and preparation for sale.

In the audit of the factors affecting the financial results, it is necessary to pay special attention to the business plan, production program, cost estimate, planned calculation of the product cost of the subject.

Factor analysis is one of the most important economic levers that identify ways to find internal opportunities to improve performance. Therefore, the main purpose of the factor analysis of financial results during the audit process is to calculate the positive and negative factors affecting the change of profit types and ratio, as well as to determine the amount of cumulative reserves for increasing the amount of profit and mobilize the ratio for production. . In the analysis, the absolute values of each factor in the change of net profit are determined. By assessing the changes in the system, the presence of internal opportunities for increasing profits in the enterprise is studied.

CONCLUSION

When talking about audit processes, it should be noted that the audit of financial results is not a small process, but is the main part of audit procedures, including the audit of financial statements. Because when the audit of financial results is carried out, not only the formation of the final profit, but in general all the factors affecting the financial results (revenues, expenses, production process, composition of assets and write-off of material wealth, movement of funds, capital structure and structure) etc.) would be appropriate if covered. In order to further improve the scientific and methodological foundations of the audit of financial results, systematic work is carried out in the field of legal and regulatory foundations of the transition to international standards of auditing, training of qualified specialists and improving their skills, improving the culture of independence of auditors, using methods of factor analysis of factors affecting financial results. it is recommended to do so.

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