



## IMPROVEMENT OF ACCOUNTING AND AUDIT OF FINANCIAL RESULTS

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**Annotation.** This article highlights the purpose, objectives and specific features of improving accounting and audit of financial results. The article also presents the problems of accounting and audit of financial results and ways to eliminate them. In particular, an algorithm for conducting accounting and auditing of financial results has been developed and put into practice. Methodological issues of improving accounting and audit of financial results are described.

**Keywords.** Financial results, accounting, auditing, analysis actions, audit general plan, audit program;

### Introduction

It is currently one of the main tasks of achieving economic growth, macroeconomic and financial stability in the conditions of development and liberalization of the economy in our republic. After All, The President Of The Republic Of Uzbekistan Sh.M.Mirziyoev: "we all understand well that any reform and change cannot be achieved without a stable economy. We have started a wide range of work on this over the past year. But there are still many tasks ahead of us to strengthen our national economy and bring our country among developed countries" [1]. In this case, in its place, the promising development of the activities of economic entities, the implementation of sayable actions aimed at improving the efficiency. And efficiency finds its expression in the financial results of the activities of economic entities.

Financial results are an indicator that reflects all aspects of the activities of the economic entity, the amount of which is influenced by the size and quality of the product, the type of product, the level of cost and a number of other factors. In turn, the financial result does not fail to affect the enterprise's own working capital, solvency. The indicator that represents financial results is, in turn, the level of profit and profitability. By now, the role and importance of profit is growing even more. Because it remains the only source of expansion, technical and technological development and modernization of the activities of economic entities.

### Discussions

Studying world templates and successfully passing through them, in addition to obtaining the most worthy of economic management, the need to develop an individual road based on its approach is emerging, in the conditions of further development of the economy, an assessment of the financial situation of enterprises is made based on the results of an audit of the activities of enterprises. In turn, practical recommendations for ensuring financial stability are developed.

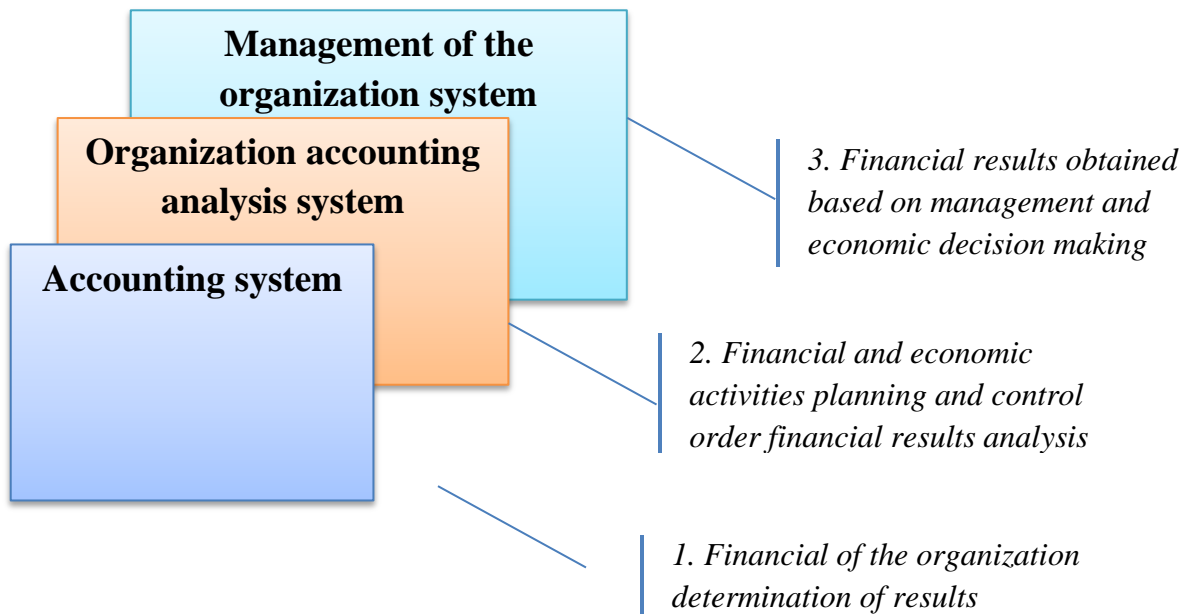
The main indicator of the financial and economic activity of an enterprise is the financial result, which reflects the growth (decrease)of the value of private capital during the reporting period. Therefore, it will be necessary to achieve economic efficiency in the business entity, an important task in its development, to master the methods of effective management of income and expenses by the management in the operational, financial and investment activities of the enterprise.

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Effective management of profit formation provides for the establishment of an organizational and methodological system of the management process, knowledge of the main mechanisms of profit formation, the use of modern methods in its analysis and control. An important aspect of the formation of a report on financial results is the amount of indicators designed to meet the needs of users, which are reflected in it. The increase in the amount of these indicators gives users more information, while revealing the conditions for their occurrence. A decrease in the amount of indicators will be convenient to read them, but will not fully reveal the conditions for the formation of benefits and losses, giving less information.

Today, attention is paid to the transparency of information and its acceptability for all. Therefore, the structure of the report on financial results is based on the classification of income and expenses by type of activity. This approach to the formation of reporting indicators of financial results is characteristic of all developed countries. But the main issue in the formation of the report is the volume of indicators presented.

The categories "income" and "cost" are fundamental concepts of accounting. These categories are important in achieving the main goal of the enterprise, maximizing financial results and making management and economic decisions to report users. The main task of reflecting income and expenses in accounting is to determine their amount.



**Draw 1. Organization management, accounting analysis and caught financial results in accounting systems position.<sup>1</sup>**

<sup>1</sup> Developed by the author

The impartiality and validity of the assessment of the amount of income and expenses is influenced by the uncertainty of economic transactions. This is expressed in the fact that the time of recognition of income and expenses depends on the distribution of accounting information about income and expenses between reporting periods. It is worth noting that the categories "income" and "cost" play an important role not only in accounting, but also in the management of the entire organization.

So, the presence of expenses for the coming period does not negate the reliability of the report. Therefore, in the explanatory letter of the financial statement, it is advisable to inform about the composition of the costs of the coming period and the procedure for their write-off. This provides users of the report with useful and reliable information.

The Auditor should effectively use analytical actions in improving the quality of the results of the audit carried out on financial and other reports related to it in economic entities. This will prevent the auditor from reducing and or not occurring the risks that may arise during the audit. The standard of ISA No. 520 "Analytical actions" details that the analysis and evaluation of the data obtained by the auditor, the study of important financial and economic indicators of the economic subject being investigated in order to determine the facts of economic activity, which are erroneously and incorrectly reflected in accounting, and the reasons for such errors and confusion, are analytical actions.

Table 1.

Analytical operations	comparison of the indicators of the financial statements of the business entity with its indicators in the plan.
	comparison of the current indicators of financial statements with the forecast indicators set by the audit organization.
	comparison of financial reporting indicators with current legislation and regulatory documents or regulatory documents established by the economic entities themselves.
	comparison of financial reporting indicators with indicators that are not part of financial reporting.
	comparison of financial reporting indicators with the average data of the network.
	analysis of the changes in financial reporting indicators over time and the relative coefficients associated with them.

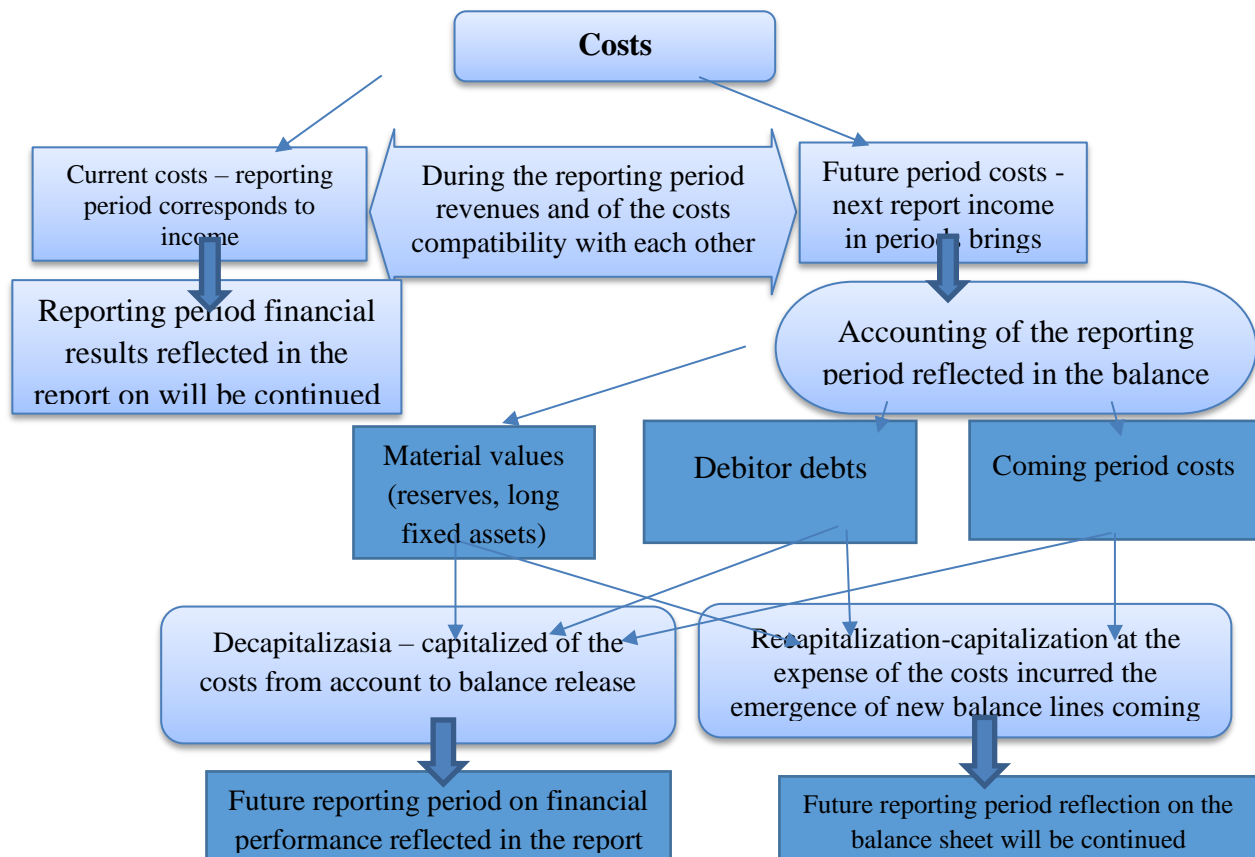
**Types of analytical actions.<sup>2</sup>**

The type of analytical actions will depend on the purpose of their transfer, the possibility of achieving the information necessary for their transfer and compliance with it, the type of activity of the business entity. When applied for planning purposes, analytical practices allow the auditor to study the features of the client's financial activity. Also, when significant changes come, it will be possible to identify schets with an error saldo. In this case, the auditor will be able to conduct a high-quality audit examination by paying great attention to exactly these problematic points in the process of examination.

In the formation of profits, the facts of economic activity are involved in accounting, which are characterized as income and expenses. But not all of them can be reflected as income or expense

<sup>2</sup> The table was compiled by the author on the basis of scientific sources.

that applies to the same reporting period. The distribution of information on income and expenses related to the current and future reporting periods largely depends on the observation of a professional accountant (when there is no clear relationship between income and cost).



**Draw 2. The procedure for the operation of the principle of coherence of income and expenses in the reporting period<sup>3</sup>**

In the process of checking whether the financial results are correctly formulated and the correct use of profit, the auditor must solve the following issues:

- to determine if the profit(losses)from the sale of products, fixed assets and other property is correctly determined and reflected in the account;
- to verify that it has used the profit correctly to pay various taxes and fees;
- legal and correct from net profit to pay dividends.

Such expenses are added to the value of reserves, long-term assets, and can also be in the form of receivables or expenses of the coming period. If the costs incurred on material values lead to an increase in assets, then the costs are capitalized. And the procedure for debiting the costs of the coming period should be indicated in the accounting policy of the enterprise. The presence of

<sup>3</sup> Developed by the author

expenses of the coming period can lead to an increase in profit and a decrease in receivables. But it should be noted that the report is considered reliable if the costs of the coming period occurred within the framework of regulatory requirements.

The following outline provides the procedure for the principle of coherence of income and expenses in the reporting period.

So, the presence of expenses for the coming period does not negate the reliability of the report. Therefore, in the explanatory letter of the financial statement, it is advisable to inform about the composition of the costs of the coming period and the procedure for their write-off. This provides users of the report with useful and reliable information.

From the above, it can be concluded that in accounting, the compliance of income and expenses of the reporting period and the observance of the principles of prudence plays an important role in improving the accounting of financial results.

**Conclusion.**

Financial, as in all accounting facilities also an account regarding the accounting of the formation and distribution of results the desire to build their work on the basis of modern requirements, shak undoubtedly serves to barataraf the problems in this regard. As a result of the study and analysis of the accounting and audit of financial results, the following conclusions were drawn:

1. To the surface of financial results when drawing up a financial report direct to the output and formation count line it is necessary to specify the linkage. Of financial results. The financial report on the formation is concentrated only information should be reflected. Their surfacing position and shape in the explanations to the consolidated conditional financial statements on should be given.
2. Also, the report on financial results as a base of comparison of the level of the previous year in its data we can't get it. The reason is that they are not brought to the basis of mutual comparison. This in the sense, the data on the same period of the past year by year as a cumulative indicator, in this period of the reporting year and keeping their data in the order of indicators by quarter is targeted. This makes analysis work much easier and provides their interconnectedness.
3. Summarizing the benefits (harms) of the reporting period the indicator is the cost of the product, which does not apply to it in determining the circumstances of the addition, as well as the object of taxation determination of the miscalculated profit checked in order.

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