

## PLANNING AND ORGANIZATION OF AUDIT OF CAPITAL INVESTMENTS IN JOINT-STOCK COMPANIES

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**Abstract:** At "Uzbekkogzi" JSC, audits are conducted once a year based on the planned rules. We would like to share our thoughts on the procedure for formalizing the results of capital investments and improving its specific features while analyzing the company's audits. Since the investigation of the company's total capital investment is confidential, we have taken a general approach in order not to publicize.

**Keywords:** methodological problems in auditing, banking transactions, condition of assets.

In our opinion, it is appropriate to divide the existing problems in the operation of the results of audits in "Uzbekkogzi" JSC into 3 groups.

1. methodological problems in auditing;
2. technical problems;
3. other (organizational, material, moral, etc.) problems.

It is worth noting that we have difficulty classifying some financial issues. Because they can be correctly solved in relation to each other.

While we stop at the issue of classification of problems and their solution, we consider it permissible to express some of our suggestions. For example, the first proposal: problems related to securities (forward, futures, overnight problems, etc.) belong to banking transactions depending on their characteristics, and on the other hand, their importance indicator and the risk of auditor risk are undoubtedly directly related to the audit.

In this regard, the next proposal can be explained by the expansion of the object. It can be explained by the fact that the number and types of audit services in the market are increasing, and the problems that arise in them are increasing, even if they are not the same. For example, when audit service providers are faced with these problems, they will undoubtedly choose the type of service that has the highest profitability index of audit activity. This is the law of market economy. Therefore, the rest of the services remain problematic in themselves, waiting for their solution. Therefore, the problems that we will classify later are found in the audit activity of some sectors.

Our next suggestion is that auditing is related to the technical problems of auditing. They can be explained by the problems that auditors face directly in the process of conducting audits or providing consulting services to banks.

Other problems of auditing activity are related to new terms and phrases that appear in national standards that are being developed on the basis of international auditing standards. Because everyone, that is, any auditor or auditing organization, relying on their own experience, interprets these terms and phrases in their own way, which is definitely wrong. Therefore, it is necessary to introduce a new



audit dictionary of these terms and expressions in Uzbek. However, this problem is closely related to the methodological problem.

In our opinion, it is necessary to re-examine the problems listed above, and then it would be appropriate to apply them to the technical and other problems of the audit. This requires re-scientific research and work.

It should be noted that when classifying methodological problems of auditing, they are theoretical, organizational, economic, complex, etc. problems can be continued.

We believe that the solution to the problems listed above consists of five steps, and we explain them as follows:

1. Primary state of the problem, its setting and description;
2. Problem solving, solution plan, project;
3. Preliminary analysis to see ways to solve the problem at the level of possibility;
4. The principle of solving, solving;
5. A working solution to the problem, etc

The last stage involves the processing of methodical materials on the basis of regulatory documents that control and regulate audit activity.

Solving problems in the audit activity and the development of this activity is explained by the sequential implementation of the above stages.

In large enterprises, certain tasks of internal auditors are performed by audit groups under the accounting department subordinate to the chief accountant or financial director, but the scope of tasks of internal auditors is wider and includes:

control over the condition of assets: confirming that the information used by management in making decisions is accurate;

- confirmation of the implementation of control procedures related to the internal system;
- analyzing the effectiveness of the internal control system and working on information;
- assess the quality of information provided by the management information system.

If auditing has been known in Western countries for 150 years, then in Uzbekistan, as an independent field of activity, it began to form in the first years of our independence as a result of abandoning the state monopoly and transitioning to a market economy. Therefore, it is necessary to study the experience of countries with developed auditing activities. It is worth noting that the control and inspection of the economic activities of enterprises, organizations and institutions in our country has been carried out before.

**Table 1**

**Differences between audit and inspection**

№	Signs that make a difference	Audit	Inspection
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1	Objectives	providing opinions, providing services, assisting and cooperating with the client regarding the reliability of financial reporting	identifying shortcomings and punishing guilty persons in order to eliminate them.
2.	Description	business activity	executive activity, execution of orders
3.	Basics of mutual legal relationship	Implementation based on civil law, economic contracts	Implementation in accordance with administrative law, obligation, orders of higher organizations or government agencies
4.	Management communications	horizontal (-) relations, equal rights in relations with the client, reporting to him	vertical ( ) relations, appointment by the upper echelon, reporting to him on his performance
5.	Principles of payment for services	the payment is made by the customer-enterprise or the customer of the audit on the basis of the contract	payment is made by a superior or government agency
6.	Practical issues	improving the client's financial situation, attracting passive (investors, creditors), helping the client with advice	safeguarding assets, eliminating and preventing abuses
7.	Results	It ends with the creation of an audit report and an audit conclusion. The final part of the auditor's report confirming the reliability of the financial report can be printed	a document is an internal document in which all detected, even insignificant, defects are recorded. The document can be submitted to a higher organization or other agencies.

However, although the concepts of control and audit are close to each other, it is not correct to understand them as one thing. The development of market relations and changes in the form of ownership have led to significant changes in the conduct of audits.

The concepts of audit and inspection in a broad sense are methods of organizing economic control over the financial and economic activities of economic entities.

Standards and norms of auditor activity can be used in the audit of the compilation of financial statements, provided that certain comments are given. Auditing and auditing have many similar aspects, but there are also fundamental differences. Therefore, it is important to reveal the differences between audit and inspection in the development of forms and methods of economic control. Such differences can be classified according to the following characteristics (1-table).

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The above distinctions between audit and inspection are generally presented in some literature. Today, these can be considered as generally accepted views.

As we mentioned above, as a result of the liberalization of the economy and the change in the form of ownership in our republic, the audit took the place of the audit. However, the control will not completely disappear and will be preserved depending on the strengthening of the state regulation of the economy.

In order to implement the "Law on Auditing" of the Republic of Uzbekistan, to increase the role and status of audits, to ensure the accounting of audit conclusions by tax and other control bodies, the Cabinet of Ministers "On improving audit activity and increasing the importance of audits" on September 22, 2000 No. 365 He made a decision. In order to implement this decision, the Regulation "On the procedure for accounting audit conclusions by tax and other control bodies" (Appendix 1 to the Decision) was developed.

"Summary information on the results of summarizing the existing audit conclusions will be submitted to the Republican Council coordinating the activities of the supervisory bodies until October 1 of this year in order to draw up the future schedule of the inspection of economic entities by the control bodies in accordance with the procedure established by the tax authorities.

The following are the conditions for inclusion in the list of economic entities whose financial and economic activities are not audited by tax authorities and other control bodies at least 24 months after the last audit:

- availability of annual positive audit conclusions for the previous two years at the economic entity;
- absence of overdue debts for payments to the budget during the last two years;
- submission of positive audit conclusions for the period when the financial and economic activities of the economic entity are exempted from inspection by tax authorities and other control authorities.

An economic entity with a negative audit opinion must be included in the schedule of inspection of economic entities by the supervisory authorities in the prescribed manner.

If a copy of the audit report is not submitted to the tax authority within the specified period, the business entity must provide the tax authority with a written explanation of the reason for the absence of the audit report.

In order to reduce the risk of audit failure, auditors and audit organizations should have reliable criteria for evaluating prospective clients. Unsuccessful selection of the client without careful consideration can lead to large financial and moral costs, damage the reputation of the organization and the auditor. In the period of market formation in the Republic of Uzbekistan, due to the fact that most trading systems order accounting and reporting, it is especially important for audit organizations to have a system of carefully selecting customers.

An audit contract is considered an official document that limits the "client-auditor" relationship and does not differ from the contracts used in business activities in general terms. This document, like other contracts, legally regulates the mutually agreed interests of the parties, that is, the participants of the contract, here the customer-customer and the executive-auditor.

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