

IMPROVEMENT OF THE INTERNAL CONTROL SYSTEM OF ECONOMIC ENTITIES

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Abstract

The article studies the experience of the country and foreign countries in this area, the development of scientific proposals and practical recommendations on the wide implementation of the country's enterprise management system on the basis of international standards. Actual problems related to organizational and economic fundamentals have been identified, and scientific proposals have been developed to solve them.

Keywords: Internal control system, Audit department, financial control, SMS banking, Internet banking, Internal audit system.

Introduction

The modern economy is defined by "disruptive innovation." Such innovations require adaptation not only for scientific professionals studying new trends, but also for businesses. Businesses must change their internal structures, feeling changes in resources, capital, and labor markets first. The internal control system (INT) plays a crucial role in this process and is aimed at ensuring the efficiency of the enterprise. While there has been a lot of scientific research on the subject of internal control (IN), the need for continuous development and improvement of control functions remains relevant. One of the important features of the organization of the system of internal control is its installation and implementation in isolated areas, which raises difficulties associated with multi-level control, territorial location and specific activities of departments. There is a problem of ensuring control over the organization of digital activities of enterprises and measuring the effectiveness of current automated management methods.

Due to insufficient development of the current legislative framework in the process of improving the activities of joint ventures around the world, duplication of internal control and internal audit tasks is widespread. According to a study by the International Institute of Internal

Auditors, approximately 34% of internal auditors participate in consulting projects and 42% of internal auditors assess the quality of strategic risk management, indicating a fragmentation of internal audit functions. Therefore, the relevance of the topic is due to the following factors: lack of clear distribution of rights and responsibilities between internal control and internal audit units, underdevelopment of internal audit functions in most business entities, methodology for assessing the internal control system. In order to increase the investment attractiveness of joint ventures in Uzbekistan, special attention is paid to improving the internal control system of joint ventures.

Literature Review

The issues of organization of internal control and audit in enterprises, as well as the differentiation between internal control and responsibility of internal audit are considered in the works of foreign scientists Q. Gaosong, Y. Leping, Kobozeva, N.V. Kotlyachkov, O. V., Krivetskaya, T.P., Morera Borroto, E.V., Sheremet, A.D.2. In the Republic K.B. Akhmedjanov, A.Z. Avlokulov, R.D. Dusmuratov, Sh.I. Ilkhamov, A.A. Karimov, N.F. Karimov, S.U. Guestov, A.Kh. Rardaev, M.M. Tulakhodzhayeva, A.N. In the scientific works of Turaev, B.K. Hamdamov, B.A. Hasanov, I.N. Kuziev and other economists, some aspects of internal control and internal audit improve the audit system are partially emphasized.

At present, the issue of internal control and organization of internal audit in the management of the enterprise has not been sufficiently studied in the scientific literature. The definition of shortcomings in the management system of the enterprise and the reasons for their occurrence, the non-compliance of internal control and internal audit methods with international standards influenced the choice of the topic of the thesis. In addition, the identification of existing problems in the activities of internal control and internal audit in the management system of enterprises, the study of the experience of foreign countries in this area, the development of scientific proposals and practical recommendations on the basis of international standards for wide implementation in the management system of enterprises of the country determines the relevance of the topic of scientific research.

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Research Methodology

Methods: statistical grouping, induction and deduction, peer estimation, comparative and trend analysis were used in the performance of the research. Despite the fact that the provision of control services in enterprises has been developing over the years, it cannot be said that there are problems in the further development of these services, it is advisable to use methods of analyzing their practical state.

Common scientific methods of cognition were developed during the course of education: systematic approach, interpretation and generalization, deduction and induction, jadval va grafic interpretation.

Results of the Study

In joint-stock companies and large LLCs, in particular, in manufacturing enterprises, there is an increase in demand for products in the last days of the reporting month, which follows the recruitment of hourly employees without documentation, the employment of hourly employees without orders, the documents necessary for the financial statements of enterprises are not submitted in time and are prepared much later than requested. Based on the introduction of "Electronic document flow associated with financial statements", the system of internal control has been improved.

On the implementation of internal control, a model of distribution of tasks was introduced, which allowed to significantly increase the efficiency of the control function.

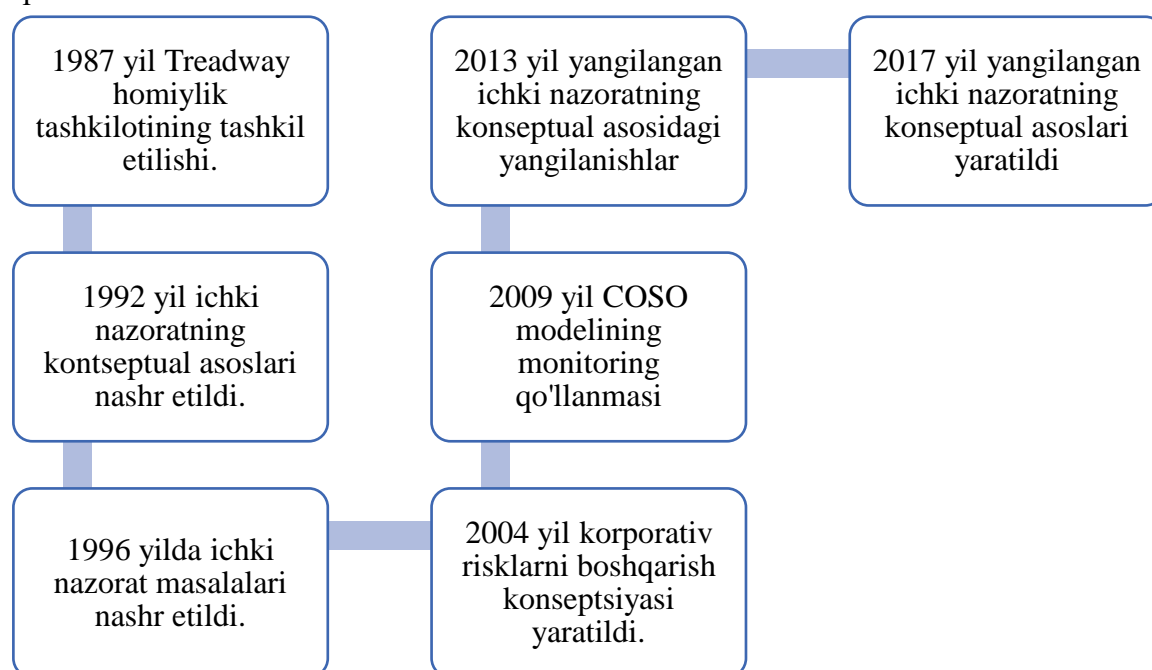
The results of the general assessment of internal control are mainly of an informational nature, since the results of the assessment for individual components of internal control must be taken into account in order to take corrective measures. Transparency of INT is achieved by introducing this scientific innovation into practice.

It is very important that checkers are used to optimize and improve the efficiency of the production audit process. And the introduction of scientific innovation ensured that production auditing was taken to a new level.

Work from the basic scientific principles and recommendations can be applied in practice by various branches of industry, large manufacturing enterprises. Research materials can be used in the areas of internal control, audit and risk management.

On the basis of the manifestation of the real economy and the manifestation of the new shackles of doing business, it is necessary to adapt the function of the economy to the market value of the economic entity, to adapt the function of the economic entity to the interchangeable sphere, but also to achieve the tasks set by the internal economy.

The adequacy of this system and the continuous supply chain has been determined by international trends: over the past five years, radically modern methods of corporate modernization have been widely manifested. The most common example is the Japanese canbán system, which measures the continuous performance of the commodity and therefore the optimum rate of continuous production over the quality of the product. Innovation and legislation are being promoted at the methodological level: the concept of internal legislation has been continuously refined in recent decades, of which the main stages have been implemented in Phase 1.



1 rasm Stages of development of the internal nervous system

Manba: From the muallif side. Work No. 1 – Development of the concept of COSO internal pump

In understanding the function of control, it is usually associated with an internal control system. Many see control internally as an internal process or set of processes, so they argue that internal control is not isolated only by actions or high management policies, but as elements of a related system.

This chapter examines two common concepts of internal control:

1. COSO is an internal control model developed by the Treadway Commission's Committee of Sponsoring Organizations;
2. COBIT is the Information Technology Management Goals standard developed by the Information Systems Audit and Control Association (ISACA).

The common model of an internal control system in enterprises consists of five main components:

Control environment. An organization includes the environment in which its employees work and the corporate culture. This includes corporate standards, management style, bylaws, and job descriptions. The corporate environment is the basis of an internal control system, because without formal and informal rules, the effective functioning of an enterprise is impossible. A separate block of the supervisory environment is represented by corporate standards, code of ethics and rules of corporate conduct in the field of anti-corruption activities. This block is important for the success of the enterprise, because without rules to prevent dishonest behavior, all other areas of the organization's activities will be at risk. For example, fraud by stealing assets hinders an organization from functioning effectively and exposes it to legal and reputational risk.

Risk assessment. It involves a process to identify the level of risk that may affect the achievement of an organization's goals. At this stage, as a rule, there is a interaction between the different departments: planning, legal, tax departments, accounting. Risks of business activities are inherent to each business entity and they are an integral part of business. In a broad sense, the concept of "risk" includes not only a possible decrease in profits, but also an increase in return or other positive change for an economic entity. In other words, there is a possibility that the occurrence of a phenomenon will exceed the expected results, which will have a positive effect on activity. For example, in financial mathematics, the risk of a financial transaction means that profitability deviates from the mean value in any direction, meaning that the investor may incur additional profit or loss as a result of exposure to risk.

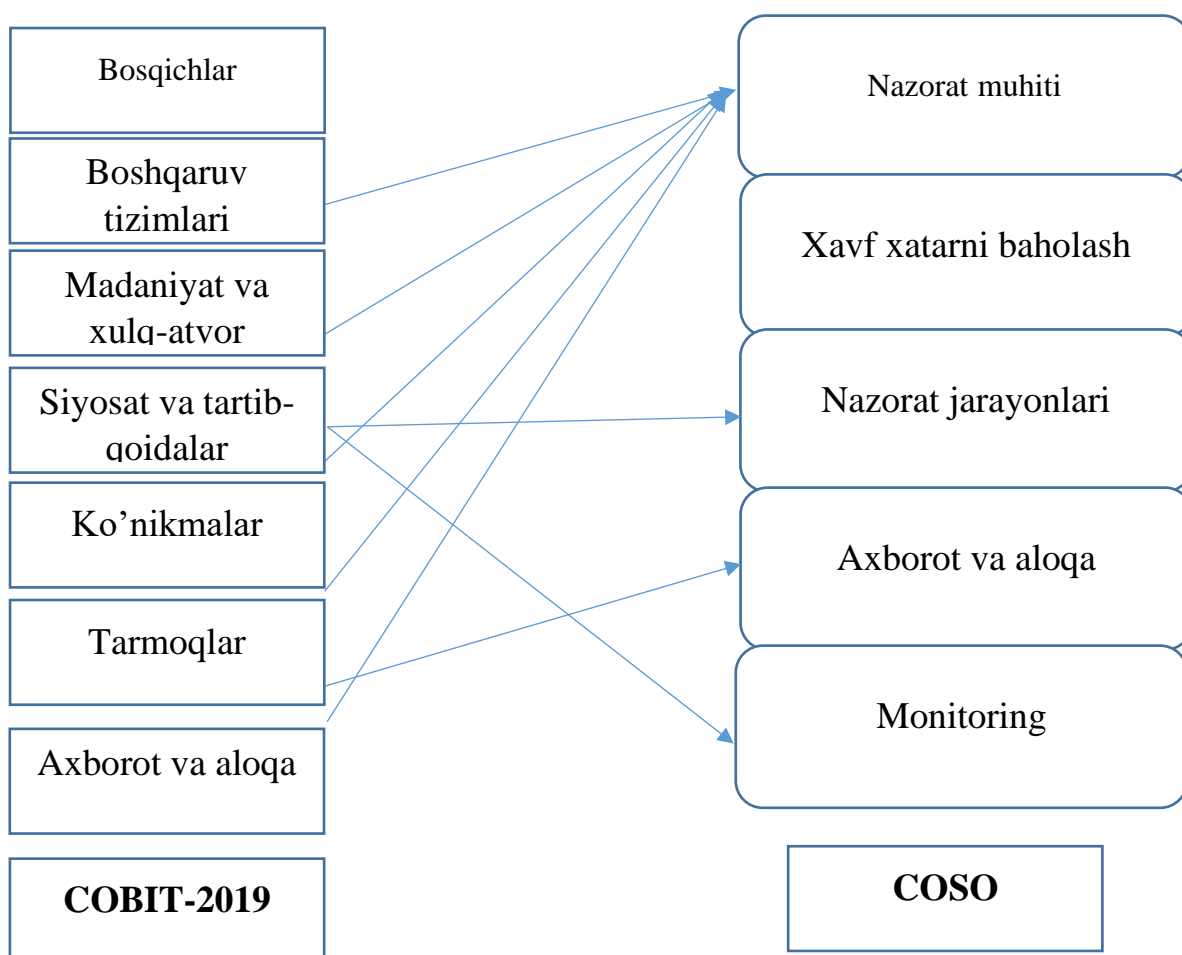
Information and communication. This element allows information exchange between the employees of the company. Monitoring to assess the quality of internal control systems. According to the COSO concept, the design (how the internal control system is designed, whether its configuration is aimed at detecting deficiencies) and the effectiveness of the internal control system (the level of indicators ensures that the operation of the internal control system complies with the established regulatory documents) is assessed. The COBIT concept emphasizes the effective use of information and technology to maximize value for an organization's stakeholders, optimize resources for business transformation, and assess and mitigate business risk. Internal control, as defined by the Information Systems Inspection and Control Association, is a set of policies, procedures, practices, and organizational structures designed to achieve an enterprise's business goals and provide reasonable confidence to prevent or detect and correct unforeseen events.

- Processes are a structured set of practices and activities aimed at achieving specific goals.
- Organizational structures are the main subjects of decision-making in the organization.
- Guidelines and standards that outline subjects' expected behaviors.



- Information flows – refers to the information required for effective governance in the context of COBIT.
- Culture and behavioral actions of subjects.
- Technologies and applications used to manage infrastructure.

The components of the two concepts can be compared. Figure 2.



Objective: Comparison of the components of COBIT-2019 and COSO

The conceptualization of the concept is a body that is used to ensure the implementation of the internal structure of the higher other, i.e., it provides for the following executive functions:

- Providing complete and reliable information about the risks to the acceptance of the other's decisions;
- To increase the capacity of the economic entity to increase its own function;
- To prevent the spread of the virus and to reduce the flow of goods and to reduce the flow of goods and services.

At the same time, the function of the economy should not be limited to the internal structure of the executive body: in a dynamic economic environment, it must include the reliability and compliance of the reporting with the strategic element of the economic entity. The Role of Internal Audite in the Enterprise The Internal Auditor Institute, developed by the Institute of Internal Auditors, has been developed by the Institute of Internal Auditors, and the rules can be

summarized as follows:

- To make other corporate-like actions, to make a statement from the same sentence, to make a statement, to improve the development of the axborot almashinu;
- the ability of the enterprise to diversify the economy, the compliance of the enterprise with its mission, the ability of the enterprise to harvest and make the necessary equipment for the diversification of the company, the ability to assemble and carry out the necessary equipment for the diversification of the company;
- Baholash va baholash orqali samarali samarali internal nazorat to saqlamama.

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