

The quality level of the internal audit service and its role in the financial audit process

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Abstract: This article provides suggestions and recommendations on further increasing the role of the internal audit service in the financial audit processes of budget organizations.

Key words: independence, impartiality, internal audit, professional ethics, budget funds.



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INTRODUCTION

Resolution No. 416 of the Cabinet of Ministers of the Republic of Uzbekistan on August 1, 2022 "On the approval of the model regulation on the internal audit service of ministries and agencies" was adopted in connection with the organization of the internal audit service in budget organizations and the effective use of budget funds through this, and the following The main purpose of the internal audit is to strengthen budget discipline in ministries and agencies and to prevent violations of budget legislation, to evaluate the effectiveness and efficiency of budget expenditures, and in the field of internal audit activities. is to ensure the execution of documents.

Literature review.

Internal audit service and state financial control are interdependent, ensuring financial transparency and the rule of law in state bodies, as well as effective management of resources in state bodies, and implementation of the state's goals and objectives. work collaboratively to contribute and complement each other. They represent important components of the control and management system in the public sector.

Tyurina and Bratko (2023) stated that the purpose of the internal audit is to assess the reliability of the implementation of regulatory legal documents in the field of budget procedures by the employees of the institution, the compliance of the accounting methodology and budget reporting with the established requirements, and the organization of financial management.

Kolesnik (2018) found that it is possible to minimize the unfair behavior of officials by increasing the organizational independence of internal audit units, providing internal auditors with the necessary methodological tools aimed at minimizing the possibility of seizing assets from state property as a result of the risk of corruption. emphasizes.

Some scientists associate the difficulties in the work of the internal audit service with the lack of personnel. According to them, management does not pay enough attention to the needs of the internal audit service, as a result of which quality control of activities is not fully implemented (Fan, 2020).

Research methodology.

The research used induction, deduction, systematic and comparative analysis, grouping, experiment, adaptive methods, integrated approaches, analysis and approval of international experiences on the issues of asset impairment calculation and improvement of methods.

Analysis and discussion of results

The process of assessing the level of reliability of the internal audit system is a somewhat complex process with its own characteristics.

In the financial audit process, it is appropriate for the auditor to determine the level of reliability of the evidence provided by the internal audit service based on the reliability requirement of the audit evidence, and this directly requires the internal audit service to determine the quality level

In this thesis, in order to use the work of the internal audit service in financial audit processes, the quality level of the internal audit service is determined based on the following formula:

$$C_A = \sum_{i=1}^n \left(\frac{B_{X_i}}{B_{M_i}} \times B_{B_i} \right)$$

in which:

Sd — quality level;

Bh is the sum of points given to the questions in each direction in the questionnaire;

Bm is the sum of the highest points that can be given to the questions in each direction in the questionnaire;

Bv is the weight assigned to the assessment areas listed in the questionnaire;

i — the relevant sequence number of the directions listed in the questionnaire;

n is the number of directions in the questionnaire.

It is appropriate to assess the quality level of the internal audit service as follows:

90 percent and above — high;

from 70 percent (including 70 percent) to 90 percent - medium;

Less than 70 percent — low.

In the evaluation process, in order to obtain detailed information about the activities of the internal audit service, it will be possible to conduct meetings with other structures of the ministry and the office, employees of the internal audit service, and internal audit facilities, as well as conduct a survey at the internal audit facilities where the internal audit event was held.

Conclusions and suggestions .

In order to ensure that the determination of the quality level of the internal audit service is comprehensively truthful and objective, in order to increase the level of reliability of the evidence, a formula for determining the quality level of the internal audit service is proposed, and it is considered appropriate to develop a questionnaire for determining the quality level of the internal audit service.

this quality level determination questionnaire, effective assessment of the internal audit service in budget organizations serves to increase the reliability of the information and documents provided by the organization during the financial audit processes.

The table below shows the questionnaire used to determine the quality level of the internal audit service. (Table 1)

Table 1

Sample questionnaire of feedback of internal audit object¹

¹Developed by the author

SAMPLE QUESTIONNAIRE of internal audit object opinions				
	The name of the internal audit object			
	Name of the person completing the questionnaire			
	The date			
№	Questions	Expressed opinion - comments		
		good (yeah)	satisfactory	unsatisfied (none)
I.	General questions			
1.	How do you evaluate the performance of the internal audit service?			
2.	How do you assess the knowledge and experience of internal audit service employees?			
3.	How do you evaluate the advice given by internal audit service employees regarding your activities?			
II.	Questions about internal audit activities			
4.	Were you notified before the start of the internal audit event?			
5.	How do you assess the knowledge and skills of the internal audit service personnel on the internal audit activity?			
6.	Did the employees of the internal audit service act in accordance with the rules of ethics during the internal audit event?			
7.	Was the internal audit activity carried out in the directions indicated in the program?			
8.	Was the internal audit activity conducted within the specified period?			
9.	To what extent were you satisfied with the suggestions and recommendations given by the internal audit service to the errors and deficiencies identified during the internal audit event?			
10.	Are the suggestions and recommendations given by the internal			

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