

METHODOLOGICAL FOUNDATIONS OF FINANCIAL LIABILITY AUDIT

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Abstract: *The article explains the nature and significance of financial liabilities, as well as their characteristics as objects of audit.*

Keywords: *audit, commitment, financial commitment, audit plan, audit program*

Аннотация: *Мақолада молиявий мажбуриятларнинг моҳияти ва аҳамияти, шунингдек уларнинг аудит объектлари сифатидаги хусусиятлари очиб берилган.*

Калит сўзлар: *аудит, мажбурият, молиявий мажбурият, аудит режаси, аудит дастури.*

Аннотация: *В статье раскрывается сущность и значение финансовых обязательств, а также их характеристика как объектов аудита.*

Ключевые слова: *аудит, обязательство, финансовое обязательство, план аудита, программа аудита.*

The global issue of resource scarcity demands the efficient use of financial assets. The need for financial assets in the global financial market is increasing daily. Therefore, considerable attention is given in international accounting practices to recognizing 'financial assets' as important accounting objects. However, current reports on financial conditions used in international practice often do not fully meet the information needs of users regarding the financial assets of companies.

Adapting financial asset accounting to international standards and effectively utilizing the experiences of developed countries at the national level remain among the most pressing issues for all countries.

According to Uzbek economist K.B. Urazov, liabilities are defined as debts of enterprises to other legal or physical entities. IFRS defines liabilities as present obligations arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

The conceptual framework of national accounting standards describes liabilities as the present obligations of enterprises to other legal or physical

persons—for example, amounts to be paid for acquired inventories and services. These liabilities arise as a result of past events when an asset has been received or an agreement has been made to acquire it.

According to international standards, contractual obligations that are not equally executed (e.g., orders placed but not yet received) are generally not recognized as liabilities in financial statements. The term 'contingent' is used to describe obligations that cannot yet be recognized because their existence depends on uncertain future events not wholly under the control of the enterprise.

The auditor's responsibilities in auditing financial liabilities include verifying the accuracy of accounts payable and related settlements shown in the balance sheet. The internal control system must ensure the reliability of these elements and their accurate representation in financial statements.

A properly established internal control system promotes contractual discipline, ensures timely settlements, enhances current asset turnover, and fosters long-term trust-based relationships with suppliers and customers, thereby improving the financial condition of the enterprise.

The audit process of financial liabilities typically involves the following six stages:

1. Evaluate the effectiveness and quality of the internal control system related to financial liabilities and settlements.
2. Confirm the existence of the liabilities and settlements reflected in the accounting and financial reports.
3. Ensure all liabilities are fully accounted for.
4. Verify the accuracy of arithmetic operations related to liabilities and settlements.
5. Assess whether liabilities are reflected at their true value in the balance sheet.
6. Ensure proper classification of liabilities in the balance sheet and verify completeness and accuracy of related disclosures.

The purpose of auditing financial liabilities is to determine the correctness of their accounting and to assess the reliability of reporting indicators and the compliance of financial liability-related transactions with Uzbekistan's legislation and regulations. This includes evaluating control structures, accounting systems, and associated risks.

Auditing both short- and long-term liabilities is considered a crucial component of auditing any economic entity, as untimely or inaccurate repayment may result in penalties or fines.

There is currently insufficient elaboration by national scholars on the content, purpose, and tasks of auditing financial liabilities according to international standards. The objective is to assess whether financial settlements in enterprises comply with applicable regulatory documents, the Tax Code, and other tax legislation, and whether they are correctly reflected in financial statements, leading to fair and impartial conclusions.

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