



**IMPROVING THE AUDIT OF ENTERPRISES' FINANCIAL CONDITION BASED ON
INTERNATIONAL STANDARDS**

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Annotation: This article provides a detailed analysis of the theoretical and practical aspects of auditing the financial condition of enterprises based on International Standards on Auditing and improving the audit process. The role of auditing in ensuring the reliability and transparency of financial statements, as well as the importance of compliance with international standards in organizing audit engagements, is thoroughly examined. The article reveals the essence of the concept of financial condition, the role of audit methodology in its assessment, and the main problems arising in the audit process along with ways to address them.

At the same time, the possibilities of strengthening financial discipline within enterprises and reducing the risk of financial errors and misstatements through the application of International Standards on Auditing are analyzed. The necessity of aligning the audit system with international requirements in the context of Uzbekistan is substantiated, and scientific and practical conclusions and recommendations are provided to further enhance the effectiveness of the audit process. The results of the study contribute to improving audit quality in assessing the financial condition of enterprises.

Keywords: financial condition, audit system, international standards, audit engagement, financial control, financial transparency, audit methodology.

Introduction

In the context of globalization, the efficiency and sustainable development of enterprises increasingly depend on their financial condition. Financial condition represents a set of key economic indicators that reflect an enterprise's production capacity, the level of utilization of financial resources, its ability to meet obligations in a timely manner, and its investment potential. Therefore, the accuracy and reliability of information regarding an enterprise's financial condition are of significant importance not only for enterprise management, but also for investors, creditors, government authorities, and other stakeholders.

Under market economy conditions, the number and scope of decisions made on the basis of financial statements are steadily expanding. If the information presented in financial statements is inaccurate or distorted, it may lead to inefficient allocation of economic resources, increased investment risks, and the emergence of financial problems in enterprise activities. From this perspective, auditing serves as an important control mechanism for verifying and confirming the reliability of financial statements.

In international practice, auditing has been established as an independent institution aimed at ensuring the reliability of financial information. International Standards on Auditing define a unified approach to organizing the audit process and contribute to improving the quality of audit engagements. By ensuring auditors' professional responsibility, independence, and objectivity, these standards strengthen confidence in financial statements. As a result, auditing becomes not only a control tool, but also an important source of information that supports the improvement of enterprise management.

In recent years, the development of financial markets, the use of complex financial instruments in enterprise activities, and the increase in the volume of business transactions have further intensified the demand for auditing. In particular, for enterprises participating in international financial relations, the preparation of financial statements in accordance with international standards and their auditing has become a pressing necessity. This, in turn, requires the continuous improvement of the audit process.

Within the framework of economic reforms being implemented in the Republic of Uzbekistan, special attention is being paid to the development of the audit system and its alignment with international requirements. By assessing enterprises' financial condition based on International Standards on Auditing, it is possible to ensure financial transparency, improve the investment climate, and achieve economic stability. Therefore, the issue of improving the process of auditing enterprises' financial condition is of significant scientific and practical relevance, and these issues are comprehensively examined in this article.

Main Part

The process of auditing the financial condition of enterprises requires a multifaceted and systematic approach. Financial condition indicators depend on the enterprise's capital structure, level of liabilities, asset efficiency, and liquidity level, and their accurate assessment is carried out through the auditor's professional judgment.

International Standards on Auditing require all stages of the audit process—including planning, examination, collection of audit evidence, and formulation of conclusions—to be organized based on unified principles. By identifying risks, assessing the likelihood of material misstatements, and planning audit procedures accordingly, auditors ensure the reliability of financial statements.

Financial analysis plays a particularly important role in the audit process. Through the analysis of profitability, liquidity, solvency, and financial stability indicators, auditors are able to identify financial errors or potential misstatements. At the same time, evaluating the enterprise's internal control system helps auditors determine the reliability and accuracy of financial information.

Certain difficulties exist in the application of international standards within national audit practice. In some enterprises, financial statements are not sufficiently systematized, and the activities of audit organizations do not always fully comply with established standards. These factors negatively affect the quality of the audit process.

In modern auditing practice, the use of digital technologies increases the efficiency of the audit process. Through electronic documentation, automated analytical software, and big data analysis, auditors are able to achieve fast and accurate results. At the same time, studying international audit experience and adapting it to national practice enables a more objective assessment of financial condition.

The use of audit results contributes to improving enterprise management, strategically shaping financial policy, and ensuring efficient use of resources. From this perspective, improving the audit of enterprises' financial condition based on international standards requires a comprehensive approach, enhancement of auditors' qualifications, and the application of modern information technologies.

Conclusion

Auditing the financial condition of enterprises based on International Standards on Auditing plays a significant role in ensuring the accuracy and reliability of financial statements. Research shows that applying international methodologies in the audit process reduces financial errors and misstatements, increases transparency in enterprise activities, and improves the investment climate.



International standards require auditors to demonstrate professional responsibility, independence, and a systematic approach, which contributes to enhancing audit quality. Identifying risks, conducting an in-depth assessment of the internal control system, and using analytical procedures strengthen the validity and soundness of audit conclusions.

In the context of Uzbekistan, developing the audit system requires improving auditors' professional qualifications, adapting international standards to national practice, and widely implementing modern information technologies. Measures in these areas contribute to strengthening financial discipline, improving management efficiency, and ensuring the financial stability of enterprises.

Overall, improving the audit of enterprises' financial condition based on international standards not only enhances the quality of auditing activities, but also supports effective enterprise management and the stability of the national economy. The research findings and recommendations provide a solid scientific and practical foundation for reforms to be implemented in this field.

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