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АКТУАЛЬНІ ПРОБЛЕМИ ОБЛІКУ, АУДИТУ ТА ОПОДАТКУВАННЯ

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AUDIT PROCEDURES ASSUMPTIONS ERRORS AND FRAUD AND THEIR DETECTION

Distortions in accounting registers, errors, fraud, abuse are detected by practicing auditors in the process of performing audit procedures. The structure of audit procedures is influenced by the following factors: the peculiarities of the client's business, the auditor's assessment of the internal control system, the current system of state legislative and regulatory documents, the regularity and planning of inspections. Each audit control procedure is implemented for separate operations. Audit control procedures can be divided into several categories.

Data integrity control procedures are designed to ensure that all primary documents are reflected in the accounting records or to identify documents that are not reflected in them. There can be two options for implementing this procedure: in a computer data processing system and in a paper data processing system [1, 2, 3].

In a computer environment, data integrity control procedures are designed to ensure that either all primary documents from business transactions are accepted for computer processing or to identify documents that have not been processed. The initial registration of primary documents from business transactions often involves manual data entry into a computer.

In a paper-based data processing system, control procedures are developed to ensure that all primary documents from all business transactions are entered into a control document and registered, or that documents are lost or incorrectly registered [5 p. 35-41].

Regardless of the information processing tools, operations can be performed to detect errors and falsifications related to the data completeness control procedure: numbering of all business transactions and their accounting after numbering. Numbering of documents is an accounting procedure; the verification operation consists in ensuring that the data for all numbered documents is fully reflected; checking the processing of all data using the "checksum" method. In a computer environment, such an operation can be performed by grouping source documents and checking the number of documents in each group. In a paper-based processing system,

such an operation is performed by summing critical documents belonging to each group before and after data processing for transactions. It is considered that the data processing was carried out correctly if both amounts are the same. If the amounts are different, it is necessary to find the errors that caused the discrepancies; reconcile data from different sources. An example would be reconciliation based on the number of powers of attorney received and transactions carried out for the sale of goods; determine the reliability of information from all business transactions entered into documents; compare input data with indicators specified in other documents [6, 7, 9].

Accuracy control procedures are necessary to detect errors related to the fact that data from each business transaction may not be entered in full, not to the appropriate account, or not in a timely manner. In systems where calculations are carried out manually, the risk of error in processing data from business transactions is small; sometimes double-checking operations should be carried out with the involvement of persons who repeat the calculations. In a computer accounting system, the accuracy of data entry is checked to ensure that the data is accurately registered and entered into the computer, or to detect data that was not entered into the computer.

In the case of accuracy checks, control operations aimed at obtaining reliable data that business transactions are recorded in a timely manner are of great importance. Methods for determining the timing of transactions are used for these checks [8, 10].

Some of the methods used for the procedure for ensuring completeness of data can also be used for the procedure for controlling accuracy.

The procedure for controlling permissibility makes it possible to establish the fact (or to establish its absence) that the registered data on economic transactions really reflect real economic activities. There may be several such control procedures. The simplest of them is that the execution of economic transactions is allowed to individual officials of the enterprise within the limits of their powers provided for by the regulatory acts of the enterprise. In more advanced systems, the procedures for controlling the granting of permits are integrated into the system in such a way that the check for the presence of the expected consequences is carried out automatically.

The procedures for granting permits include: approval of economic transactions by an authorized official; preparation of expenditure reports; computer comparison of data according to the financial report and economic transactions; restriction of access to information. Control procedures aimed at detecting fictitious transactions should include the allocation of powers for data processing.

Control procedures are grouped according to the principle of restricting access to the assets of the enterprise by personnel who do not have the appropriate authority. The effectiveness of control depends on the correct distribution of responsibilities between officials. To prevent fraud, theft and other abuses, it is necessary to limit the availability of information that can be used to conclude a deal. First of all, this applies to operations and transactions with money, insurance and other highly liquid assets. Control procedures should ensure the protection of assets and accounts from physical damage [9 p.77-85].

In a computer accounting system, access to files should be limited to a narrow circle of officials. This is especially important in the conditions of using the electronic system "Client – Bank". In this system, money can be transferred using a computer, which is also of great importance for ensuring the security of the enterprise.

In particular, it is appropriate to include: manipulation of accounting records, intentional use of incorrect (incorrect) accounting entries or reversed entries; distortion of accounting and reporting data; falsification of accounting documents and records – preparation of knowingly incorrect or falsified accounting documents; inappropriate reflection of records in accounting registers – unintentional or intentional incomplete reflection of financial information in accounting systems, at an assessment that differs from accepted norms, etc.; "unusual transactions" and business transactions, payments that, at the auditor's discretion, are unnecessary or inappropriate. The enterprise's internal control system aims to: implement effective and purposeful activities; preserve property; high-quality documentation of operations; identify possible errors and fraud.

In practice, each internal control system can only reduce, but not eliminate the possibility of fraud, errors, abuse, reduce the level of undesirable risk in the client's business. The auditor also assesses the degree of risk that fraud, errors, abuse may not be detected. Thus, audit procedures are the auditor's actions carried out to collect and evaluate audit evidence, obtain information about the reliability of the enterprise's financial statements and its compliance with legislation and accounting standards. They include such methods as documentary checks, actual checks (inventories, observations), analytical tests, interviews and verification of mechanical accuracy [10 p. 85].

The main types of audit procedures are classified according to the following types: documentary procedures: checking primary documents, journals, reports to detect errors and distortions; factual procedures: checking the availability and condition of assets, observing processes (for example, inventory, work control); analytical procedures: analyzing financial reporting indicators to identify trends, anomalies and suspicious data; checking mechanical accuracy: checking the correctness of calculations in accounting records; counter-checks: confirming data by checking information in various sources or with the company's counterparties.

Research shows that audit procedures are carried out using: planning: the auditor develops an audit plan, determining the types and scope of procedures that are necessary to achieve the audit objective; collecting audit evidence: the auditor performs planned procedures to obtain sufficient and reliable evidence; evaluating evidence: the collected evidence is analyzed and evaluated by the auditor to confirm or refute assumptions about the financial statements; Forming an opinion: based on the evaluation of evidence, the auditor forms his opinion on the reliability of the financial statements and prepares an audit opinion.

The purpose of audit procedures complements their mission in the system of independent control. First, it is confirmation of reliability: checking the truthfulness and completeness of data in financial statements. Second, it is detection of violations:

identification of errors, fraud, non-compliance with the requirements of laws and accounting standards. Third, performance assessment: analysis of the effectiveness of the enterprise's economic activities. And finally, it is the provision of recommendations: proposals for improving the accounting system and internal control.

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