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TODAY'S IMPORTANCE AND PROSPECTS OF AUDIT ACTIVITIES IN UZBEKISTAN

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ABSTRACT

In this article, we will dwell in more detail on the role of audit activity in the developing economy of Uzbekistan and its specific features. At the same time, we take a look at the opinions about the future of the auditing profession, which is becoming one of the hot topics of today.

The world is changing. New discoveries are being made every day, all the existing things are changing into different forms day by day, many processes in human life are becoming technological, that is, in a word, life in the human world is one it is getting easier and more complicated at the same time. Of course, such processes are also reflected in the world of economy. In particular, one of the most important factors in the development of the economy of any country is the changing and developing processes in the business world. Such processes are taking place at a significant speed in the economy of Uzbekistan. If we take a deeper look at these processes, such changes, which are rapidly implemented in the economy of Uzbekistan, clearly show the need for drastic changes in the management and accounting system of the economy.

In the world of business, we all know how to direct funds to the right place and get more profit. In today's fast-paced market economy, where even simple business ideas can become huge sources of funding, it's important to know where to spend your money. This is where auditing comes in handy. For those just entering the world of business, you can see the auditing profession as a consultant who can provide you with great help in deciding where and in which area to direct your money, and you will be able to see for experienced entrepreneurs, investors and large owners, respectively, as a source of information necessary for development of their business, as a reliable source of information about businesses that want to make an investment and as a person who can guarantee to a certain extent that they will be able to get the expected income from their investment, and as a source of reliable information about the state of the owners' properties under their care.

As we mentioned earlier, the world is changing and developing, and business is becoming more complex day by day. But is the audit ready for this? We call the 21st century the age of technology, and the role of technology in our lives is increasing day by day. As we all



know, the worldwide Covid-19 pandemic has significantly accelerated this process, and it has caused enormous difficulties and enormous changes in many areas. What did this process look like in the field of accounting and auditing? What changes has this process necessitated in the field of auditing, and to what extent will it affect the future of auditing? We will try to find answers to such questions below.

If we look at the world experiences, in the July 2019 report of PWC audit company¹, which is part of the Big Four, surveys conducted to predict the future of audit show that the expectations of auditor activities in the business world are increasing year by year, and the expectations of investors are increasing. There were discussions about the fact that now they will start waiting for opinions about the future of the business entities that are going to be audited, instead of just evaluating their activities before the audit.

As a proof of the points we made above, we can see information from the ISACA journal about the impact of the Covid-19 Pandemic on audit activities.

"The future of audit is no longer hypothetical. The future is here, and change is being accelerated by the COVID-19 pandemic, which is providing the impetus for more advanced technologies and innovations that will benefit the future of audit. Advances in technology create both challenges and opportunities for the future audit, but a few fundamentals remain unchanged:

- Competency is still relevant.
- Automated tools will help, but they cannot replace judgment.
- The audit function should remain independent and separated from other operations.
- Agility, the need of the hour, should be applied where it makes sense and is required.
- The right questions, the auditor's own creative insights, are still the essential tools for an initial audit assessment."²

'Business is getting more complex – are auditors trained to deal with it?'³ Controversial views on audit activity were held at the joint roundtable of ACCA and Grant Thornton companies organized under this question. From the result of the discussion, we can see that there are many changes expected from the audit activity in the future. For shareholders and investors, the audit report issued by the auditor at the end of the audit should become a powerful source of information about the past and future of the audited companies. And for this, auditors have a lot to do in the process of building their future.

These demonstrate that, audit is changing at an unprecedented pace as technology continues to evolve and clients increasingly expect more. These two intersecting trends mean that audit professionals must continually acquire new skills and up their game to meet the rising bar on audit quality.

Of course, every country on earth changes and develops in accordance with its economy, regardless of its field. If we rely above on the opinions about the auditing activity and its future around the world, below we will dwell on the changes that should be made for the

¹ The Future of Audit. Perspectives on how the audit could evolve. July 2019. PWC

² © 2022 ISACA. All rights reserved. www.isaca.org ISACA JOURNAL VOL 1. The Evolution of Audit in the Wake of the Pandemic

³ The Future of Audit. © The Association of Chartered Certified Accountants March 2016. Grant Thornton. An instinct for growth.



future of the auditing activity there in order to develop the economy of Uzbekistan and the accounting system.

Audit activities in Uzbekistan are significantly lower compared to audit activities in the developed countries mentioned above. summarizing the information we have mentioned above, for the future of audit activities in Uzbekistan, first of all, the development of accounting and auditing in Uzbekistan, the organization of the accounting system to meet the requirements of international standards in order to work together with the countries of the world, knowledgeable and increase of experienced personnel, and after that, necessary measures should be taken regarding the process of technologicalization, which has become a global problem in the field of audit today, and as a result, it is necessary to organize an audit infrastructure at a level that can meet the demands of shareholders and investors. Of course, this may be a somewhat complicated task, but as a result of such work, we will be able to see significant positive changes in the economy of Uzbekistan.

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