

INTERNAL AUDIT AS A MEANS OF IMPROVING ACCOUNTING AND CONTROL OF RECEIVABLES

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Under the existent in our country non-payment crisis when the receivables are enormous, its internal audit has great relevance because it encourages to a more thorough and regular inventory of such a debt and to active recovery of debts from defaulters in proper time.

Internal audit examines statements, accounts receivable and provides objective advice aimed at improving the organization, determines the direction of future development of an enterprise, and thus has a major impact on management decisions to achieve specific goals.

Internal audit of current receivables recommended the company to make the following steps:

The first stage. Planning of audit of current receivables, which includes the development of two documents: the overall audit plan; audit program; determining goals and objectives of the audit.

The second stage – the actual revision. Audit of current receivables starts from its inventory.

The third stage – the main stage of internal audit – is the implementation of audit procedures by audit program, which is a quality control audit of accounts receivable.

The fourth stage – the analytical procedure. After checking the current status of receivables on the qualitative aspects statements financial statements (existence, rights and obligations, availability, completeness, valuation, measurement, presentation and disclosure) internal auditor should conduct analytical procedures.

The fifth stage – final. Based on audit evidence sufficient internal auditor analyzes revealed violations, the results of analytical procedures, notify the management, decisions to eliminate violations agreement or disagreement with the identified violations, the methods used to prevent issues in the future.

These conceptual frameworks of internal audit of accounts receivable provided a logical sequence of steps and content of the audit. The main indicators of the state, dynamics and quality of current receivables are systematized.