

THE MECHANISM OF STATE FINANCIAL CONTROL IN UZBEKISTAN AND ISSUES OF ITS FURTHER IMPROVEMENT

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ABSTRACT

Financial control serves to determine the extent to which a state's fiscal policy is progressing and the intended use of its monetary funds. Financial control promotes the proper flow of funds in budget organizations and businesses. This is important for the interests of the state and society. This article describes the essence of public financial control, its specific features and the relationship with further improvement.

KEYWORDS: *Financial System, Financing, Public Finances, Control, Financial Control, Cash Desk, Cash, Targeted Spending, Targeted Spending, Budget, State Budget, Expenses.*

INTRODUCTION

In any given country, measures in the form of financial control are an important and integral part of public fiscal policy. In fact, the economic processes carried out through financial control ensure the proper use, movement, optimal and fair distribution of funds, rational use of available material and technical resources, full preservation of production reserves and raw materials. In this regard, economic and legal relations in the form of financial control have a special significance in the field of financial management. [1]

Of course, the implementation of financial control involves a number of complex organizational and economic processes. First of all, it is important to determine the purpose of financial control. Depending on the goal setting, it will be convenient to implement its next steps. The definition of the specific tasks of the competent authorities and departments that carry out financial control also contributes to its effectiveness. [2]

Proper organization of financial control, on the one hand, is an effective use of administrative methods to achieve uniform funding of social services provided by the state to society through recipients of state budget funds, on the other hand, as part of GDP can be considered an important factor in ensuring public service. . Achieving the state use of these funds by state budget recipients for the purposes specified in their cost estimates is a key issue in public financial control, while financial control in business entities is the responsibility of enterprise managers to achieve efficient use of material, labor and financial resources in all economic processes. will focus on providing conclusions. Of course, it is important to organize and implement this process on a scientific basis. [3]

LITERATURE REVIEW

As soon as the state emerged as a socio-economic superstructure, a mechanism was formed to control the purposefulness and effectiveness of the funds spent by it in the provision of social services related to the management of society. Of course, in the process of proper organization and implementation of such public financial control, there is always a need to study its specific features on a scientific basis. Many economists have done some research in this area. These include S.Sha xray A.Blankenagel, N. Beluxa, D. Baxran, Sh.Soyan, A.Penchuk, T.Pereverzeva, S.Platonova, S.Shardan, M.Abduev, V. Burtsev, M. Vasileva, A.Krikunov, I. Khimichev, S. Shoxin and others¹. In particular, S. Shakhrai conducted research on the implementation of financial control in the world in the XXI century, A. Blankenagel in his research on the application of financial control in Germany, A. Penchuk gave scientific recommendations on improving public financial control in Russia. In her research, Vasileva focused on the effectiveness of financial control in the regions, while Sh. Soyana systematically analyzed the problems associated with the organization of public financial control. The essence of financial control, the principles applied in it and the forms of its implementation have been studied by T.Pereverzeva, S.Platonova, A.Krikunov, I.Khimichev. It should be noted that with the strengthening of economic integration in the world, the improvement of the system of governance in countries, the relationship with the financial control of the state will change, and in this regard will require new research facilities. [5-16]

Research Methodology

Research methods that are widely used in the framework of scientific research methodology are widely used in the implementation of research on financial control. While the analysis of the hierarchical organization of the process of financial control in the public financial system from bottom to top and vice versa is based on the deductive or inductive method, the analysis and synthesis method is used to analyze the organizational elements of financial control on a single system. The scientific-analytical study of scientific research on public financial control was based on such methods as dialectical, abstract, logical. In addition, scientific and practical proposals were formed based on complex analysis using logical and comparative, abstract-logical thinking and statistical methods.

Analysis and results

In accordance with the Action Strategy for Socio-Economic Development of Uzbekistan, practical measures have been taken to further improve public financial control as an important part of the financial system. First of all, the legal framework of the state financial control system has been improved, the activities of the bodies implementing it have been reconsidered, the purpose of which is to eliminate the existing shortcomings in this area and to achieve its effectiveness.

particular, it was approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated October 24, 2017 No. 870 [HYPERLINK "javascript:scrollText\(\)" "REGULATIONS ON the Main Department of State Financial Control of the Ministry of Finance of the Republic of Uzbekistan "](#) . and the need to use more modern methods in the implementation of public financial control.

In 2019, a new version of the Law of the Republic of Uzbekistan "On the Accounts Chamber" was adopted, according to which the main tasks of the Accounts Chamber are: examination of the draft law on the State Budget of the Republic of Uzbekistan, the budget of the Republic of Karakalpakstan conducting fiscal strategy analysis for the period; to audit the adoption of the adopted state programs and regional programs with funding sources; implementation of state control over the correct application of the requirements of the legislation on public procurement ; control over compliance with the procedure for ensuring the transparency of the budget process; study and control the completeness of revenues to the budgets of the budget system and other funds established in the prescribed manner, as well as the implementation of measures aimed at reducing the shadow economy; identification and mobilization of reserves to increase the revenues of the budgets of the budget system and other funds established in the prescribed manner; Organization and implementation of control over the full and timely implementation of decisions and instructions of the President of the Republic of Uzbekistan; External audit of monetary and exchange rate policy of the Republic of Uzbekistan, the state of assets and liabilities of the Republic of Uzbekistan, management of gold and foreign exchange reserves, as well as transactions with precious metals and precious stones, state share in public administration bodies Tasks such as the introduction of an internal control system to combat corruption in institutions and organizations with a percentage and more, as well as control over the implementation of measures for its effective operation [1,2].

It should be noted that the Decree of the President of the Republic of Uzbekistan dated August 27, 2021 " On measures to further improve the system of public financial control" PF-6300, as well as the task of the Chamber of Accounts to develop standards for *risk analysis in public financial control* also marked. The focus of risk analysis in public financial control focuses on a variety of negatively impacting processes, from organizational and methodological errors in conducting public financial control audits to the correct formulation of conclusions on financial control. [3]

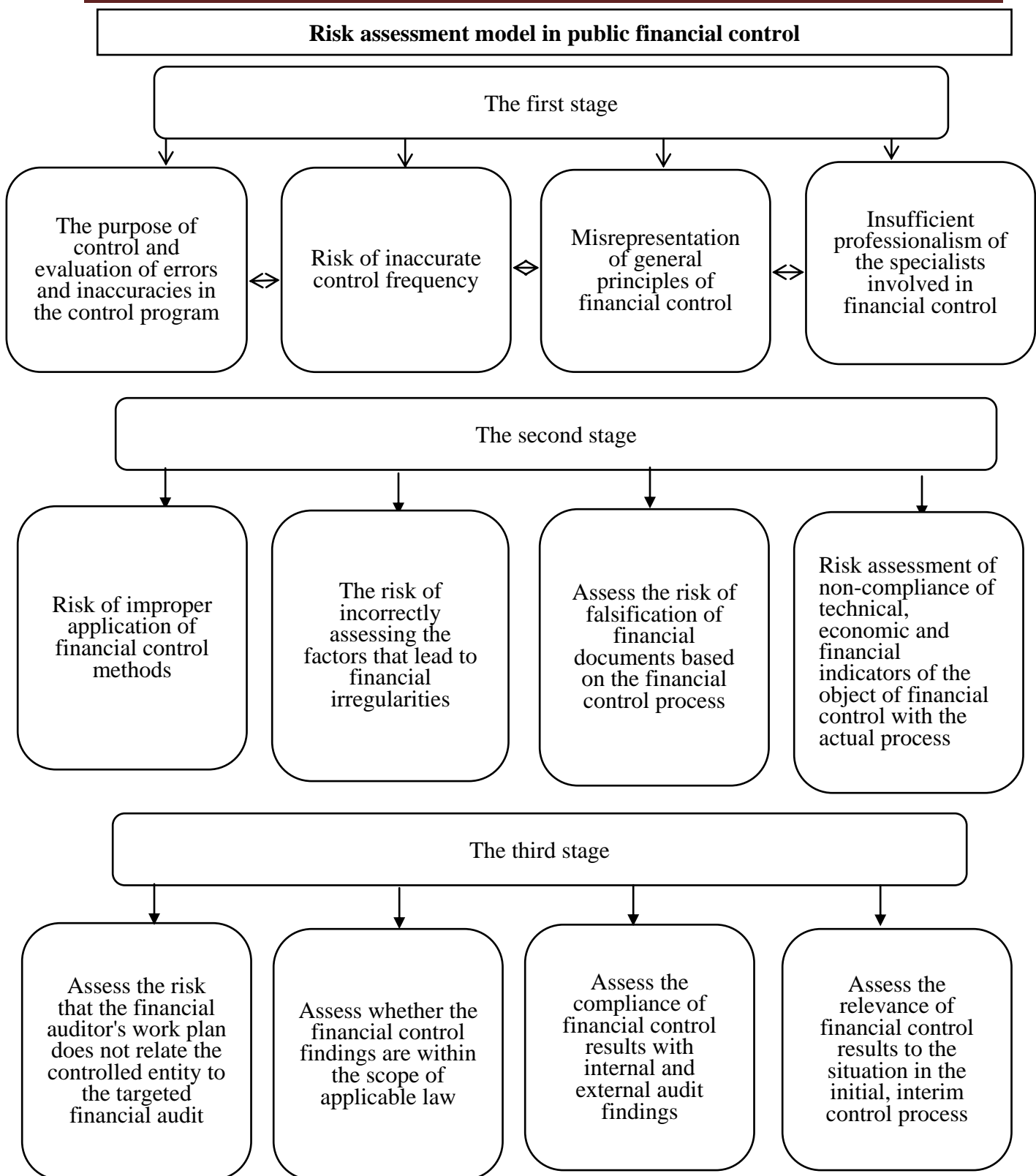


Figure 1. Risk assessment model in public financial control³

In accordance with the Decree of the President of the Republic of Uzbekistan dated August 27, 2021 PF-6300 "On measures to further improve the system of public financial control", from 2022 financial audit, which assesses the completeness, as well as the legality of financial transactions, verification and assessment of compliance with the requirements of regulations in the use of consolidated and attracted budget funds, public procurement, as well as ensuring the completeness of revenues and business processes and their compliance with government programs the effectiveness and efficiency of the audit, control and the object of control, the cost, subsidies, benefits and preferences in the object of control, the efficiency of the use of allocated funds, the established target blindness New tasks have been identified as important tasks of the Accounts Chamber of Uzbekistan, such as performance audit, which assesses and analyzes the implementation of vendors, the feasibility and effectiveness of projects funded by the consolidated budget and borrowed funds, as well as the funding of state and regional programs [4].

CONCLUSIONS AND RECOMMENDATIONS

The general conclusion of this article is that the legal framework of the state financial control system in the financial system of Uzbekistan has been improved, the activities of its implementing bodies have been reconsidered, the goal is to eliminate existing shortcomings and achieve its effectiveness, and this process is being further improved. .

At the same time, one of the important problems and tasks in the implementation of financial control in the financial system of Uzbekistan today is to assess the level of risk in financial control and increase the effectiveness of financial control on its basis. In our opinion, **it is expedient to do the following to solve this problem :**

First of all, at the organizational stage of risk analysis in public financial control, it is necessary to assess the purpose of the audit and errors and uncertainties in the audit program, assess the risk of inaccuracies in the periodicity of the audit, prevent misinterpretation of general principles of financial supervision. will be.

Second,d in the second phase of risk analysis in public financial control it is necessary to ensure the correct application of financial control methods, assess the risk of miscalculation of factors leading to financial irregularities, assess the risk of falsification of financial documents based on the financial control process, assess the risk of non-compliance of technical, economic and financial indicators.

Third,d In the final-third stage of risk analysis in public financial control, assess the risk that the financial auditor's work plan does not relate the object of control to the targeted financial audit, assess the compliance of financial control findings with applicable law, assess the compliance of financial control results with internal and external audits , assessing the relevance of the situation in the process of interim control, as well as the analysis of the above-mentioned factors in the dialectical relationship, which negatively affect its objectivity in the process of impartial conduct of financial control and making final conclusions, and this should be followed.

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