

THE ROLE OF FINANCIAL CONTROL IN IMPROVING FIXED ASSETS ACCOUNTING IN BUDGETARY ORGANIZATIONS

Ruziyev Shavkatjon Fakhridinovich

independent researcher

Annotation. The article highlights the importance of financial control in improving the accounting system of fixed assets in budgetary organizations. It analyzes the role of control in ensuring the efficient use of fixed assets, their proper accounting, and accurate reflection in financial statements.

Keywords: fixed assets, budgetary organizations, financial control, accounting, inventory, transparency.

In our country, enhancing the efficiency of budget-funded institutions, strengthening their financial discipline, and ensuring transparency in financial settlements are regarded as among the key priority areas of public sector reform. The fixed assets under the management of budgetary organizations constitute a significant portion of state property; therefore, their rational and efficient utilization, accurate valuation, and precise reflection in accounting records are considered essential prerequisites for effective economic governance. Proper management of these assets not only contributes to the preservation and growth of public wealth but also plays a crucial role in improving accountability, optimizing resource allocation, and supporting evidence-based decision-making within the public financial management system.

The proper maintenance of fixed asset accounting not only ensures a reliable representation of an organization's financial position but also contributes significantly to improving the efficiency of the utilization of available resources. At the same time, the establishment of effective financial control over this process enables the prevention and elimination of accounting errors, enhances the safeguarding of assets, and ensures the targeted and efficient use of budgetary funds. In this regard, robust accounting and control mechanisms serve as essential tools for strengthening financial accountability and promoting sustainable financial management practices within budget-funded institutions [1].

In recent years, the introduction of digital technologies, the continuous improvement of the state financial control system, and the development of accounting policies aligned with international standards have necessitated new approaches to fixed asset accounting. In this context, conducting an in-depth analysis of the role and significance of financial control in improving fixed asset accounting has become a pressing and relevant task.

The effectiveness and success of financial control largely depend on the level of its organization, the types and forms of control applied, as well as the methods used in its implementation. The main categories of entities responsible for conducting financial control include general state financial control, departmental (institutional) financial control, financial control at the household level, state financial audit and oversight, and independent financial control. Each of these forms plays a distinct role in ensuring the legality, efficiency, and transparency of financial activities within the public finance system.

General state financial control is carried out by public authorities, including the President, the Government, the Oliy Majlis (Parliament), the Ministry of Economy and Finance, the State Tax Committee, the State Customs Committee, and other relevant institutions. The primary objective of this form of financial control is to safeguard the interests of the state and society by

ensuring the lawful, efficient, and balanced formation and use of public revenues and expenditures.

Departmental (institutional) financial control is conducted through supervisory bodies and other structural units of ministries and government agencies, taking into account the operational activities of enterprises and organizations subordinate to these bodies. This type of control is aimed at ensuring compliance with financial regulations, improving internal financial discipline, and enhancing the effectiveness of resource management within the respective institutional framework.

Independent financial control is carried out by specialized entities, such as audit firms and other professional service organizations, which operate on the basis of contractual arrangements and in accordance with established legal and professional standards. This form of financial control plays a crucial role in ensuring the objectivity and reliability of financial information, assessing compliance with regulatory requirements, and enhancing the overall credibility of financial reporting.

Financial control can be classified according to several key criteria, including the regulatory framework governing its implementation, the timing of control activities, the subject matter of control, and the objects of management to which control procedures are applied. Such a classification approach facilitates a more systematic understanding of financial control mechanisms and contributes to the effective design and application of control systems in both the public and private sectors.

According to the rules governing their implementation, financial control can be divided into two main types: mandatory (external) and voluntary (internal). Mandatory financial control over the activities of legal entities and individuals is based on compliance with the requirements of financial and legal regulations and includes compulsory audits of financial and accounting statements conducted by external auditors, as well as oversight of the use of funds by budget-funded institutions.

In contrast, internal financial control, which is not directly mandated by financial legislation, plays a vital role in achieving both tactical and strategic objectives of financial management. By supporting informed decision-making, risk mitigation, and efficient resource allocation, internal control mechanisms contribute significantly to the sustainability and effectiveness of organizational financial governance [2].

In the process of implementation, financial control is carried out in three main forms.

Preliminary financial control is conducted prior to the execution of any financial transactions. Its purpose is to ensure that all planned operations are properly regulated from a financial perspective before they take place, thereby preventing potential violations, inefficiencies, and unwarranted expenditures at an early stage.

Current (or operational) financial control is exercised during the execution of financial activities. This form of control focuses on monitoring ongoing operations to verify their compliance with approved plans, budgets, and established procedures, allowing for the timely detection and correction of deviations.

Subsequent (ex post) financial control is aimed at assessing financial activities after they have been completed. It provides an evaluation of past performance, supports forward-looking planning, and ensures that financial processes have been carried out in accordance with predefined objectives, thereby contributing to continuous improvement in financial management practices.

Conducting a **preliminary financial audit** prior to any financial operation is crucial for preventing potential errors and ensuring the efficient use of funds. At the macroeconomic level,

this can involve establishing and approving financial plans for budgets of all levels, as well as extrabudgetary funds, based on forecasts of key macroeconomic indicators. At the microeconomic level, control measures may include the preparation of financial plans, credit applications, and the financial sections of business plans, along with projected balances. These measures collectively help to guarantee the effective and efficient allocation and utilization of financial resources.

Current (operational) financial control is applied during the execution of financial operations, including cash transactions, financial settlements, and the issuance of credits and subsidies. This type of control serves to prevent potential violations in the processes of receiving and allocating funds, supports the enforcement of financial discipline, and ensures the timely and accurate maintenance of financial accounts. Within this framework, accounting services play a pivotal role, providing the necessary support for monitoring financial flows and maintaining transparency in financial reporting.

Final (ex post) financial control involves the analysis and audit of financial statements and accounting documents to evaluate the efficiency of an economic entity's financial activities, assess the potential success of proposed financial strategies, and verify the accuracy and reliability of financial reporting and accounting data. This form of control provides essential insights for improving financial decision-making, ensuring compliance with regulatory requirements, and enhancing overall financial accountability.

Financial control can be further classified according to the entities responsible for its implementation. These include: **Presidential financial oversight**; financial control conducted by legislative bodies and local government authorities; control exercised by executive government agencies; **financial monitoring by credit and financial institutions**; **internal financial control within enterprises**; **financial audit oversight**; and other specialized forms. Each of these mechanisms serves a distinct role in ensuring the legality, efficiency, and transparency of financial operations within both public and private sector organizations.

Financial control can also be classified according to the objects under supervision. Key forms include **budgetary and financial control**, oversight of **extrabudgetary funds**, **tax-related financial control**, **control over foreign exchange operations**, **monitoring of credit transactions**, **financial control of insurance activities**, **investment activity oversight**, **money supply regulation**, and other specialized forms.

A variety of methods are employed in the financial control process, including **inspection**, **training**, **supervision**, **financial condition analysis**, **monitoring**, and **auditing**.

Audit examinations are conducted based on the specific characteristics of an entity's financial and economic activities, using auditor reports, balance sheets, and tariff documentation. During the audit process, any detected financial violations are identified, and appropriate corrective measures are implemented to eliminate discrepancies.

In practice, the review often covers certain aspects of the operations of enterprises and organizations. During the reporting period, the volume of completed work, as well as the use of materials, fuel, and energy, is monitored. Additionally, the scope of control can be expanded through investigative inquiries, observations, and further inspections, thereby ensuring a comprehensive evaluation of financial and operational performance.

Economic analysis, as a tool for financial management, is aimed at evaluating the results of economic activities, assessing the overall financial condition of an entity, and providing a basis for the efficient utilization of available resources. It also involves the analysis of periodic or annual financial indicators presented in revised financial statements, enabling management to

make informed decisions, optimize resource allocation, and enhance organizational financial performance [3].

Inspection is one of the most widely employed methods in financial management, aimed at providing a comprehensive assessment of the financial and economic performance of enterprises, organizations, and institutions. This process is conducted through the application of both factual and documented control methods.

Audit examination within this framework is designed to evaluate the appropriateness, rationality, and economic feasibility of financial operations, assess the state of financial discipline, and verify the reliability of accounting records and financial reports. During the inspection process, a primary task is the identification of existing deficiencies, regulatory violations, and potential risks within the operational activities of the entity. Such measures are critical for enhancing financial accountability, improving operational efficiency, and supporting informed decision-making within the organization.

Depending on the scope of coverage, inspections can be classified into several types: **full, partial, thematic, and in-depth inspections**. A **full inspection** encompasses all areas of the financial and economic activities of the organization under review, providing a comprehensive assessment of its overall operations. In contrast, a **partial inspection** is limited to examining specific departments or processes within the entity.

A **thematic inspection** focuses on a particular area or type of activity, aiming to identify typical deficiencies that commonly occur across similar entities. **In-depth inspection**, on the other hand, involves a thorough and extensive examination of all aspects of the organization's operations, including quality, labor, financial discipline, and the utilization of internal resources. Where necessary, relevant technical and technological specialists are engaged to evaluate specific aspects of operations, thereby enhancing the accuracy and effectiveness of the audit findings.

Inspections can be conducted in **comprehensive, selective, or mixed forms**, depending on the extent to which financial and economic operations are covered. A **comprehensive inspection** requires a full examination of all transactions during the period under review. In contrast, a **selective inspection** examines only a portion of the primary documents; if significant deficiencies are detected during such an inspection, it may be escalated to a comprehensive review. A **mixed inspection** combines elements of both approaches, with some operations being fully reviewed while others are examined selectively. This method is particularly effective for auditing organizations with large volumes of documentation, ensuring both efficiency and thoroughness.

The results of inspections are formally documented according to established procedures. Based on the findings, measures are proposed to eliminate identified deficiencies, calculate and recover material losses, and hold responsible parties accountable. This process contributes to enhancing the effectiveness of financial control and further improving the financial and operational management of the organization.

In budget-funded institutions, financial control plays a critical role in improving the system of fixed asset accounting. It ensures the **efficient use of assets**, the **accuracy and transparency of accounting records**, the **timely identification of deficiencies and violations**, and the **monitoring of the targeted use of budgetary funds**. The judicious application of various forms of inspections and audits enhances the reliability and accuracy of accounting processes, while the implementation of modern information technologies further strengthens control effectiveness. Therefore, improving financial control is a fundamental prerequisite for

maintaining fixed asset accounting at a high professional standard within budgetary organizations.

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