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## **MODERN PROBLEMS OF AUDIT DEVELOPMENT**

An audit is a relatively new type of financial control, which has become an integral part of a market economy. Determination of development trends of an audit in Ukraine today is a topical issue. It is due to the fact that the socio-economic situation in the country is not in place but constantly changing, thus causing changes in the audit activity.

Now many Ukrainian companies introduce the practice of compiling financial statements that not only complies with national legislation, but also international standards. This allows you to attract foreign funding, sell your assets internationally companies, as well as increase the trust of other market participants. An audit conducted in accordance with international standards, as a rule, contains more indicators that helps to see the real financial position of the company and protect itself from a number of possible risks.[1]

In this regard, the importance, significance of the audit difficult to overestimate; The responsibility placed on the auditing organizations that transform the reporting and confirm such a transformation is multiplying.

The purpose is to analyze the main problems of audit activity, identify the necessary measures and ways their solution, as well as the identification of possible directions perspective development of audit in Ukraine taking into account the process of transition of business entities to international standards of financial reporting. Economic science pays special attention to the problems of audit development. Of course that special attention on the development of audit in Ukraine in their works are drawn domestic scientists, namely: V. V. Honcharuk [1], L.V Hutsalenko [2], K. O. Pavljenova [4]. The above-mentioned auditors economists devote their research to issues development of audit activity, problems of quality control of audit services in Ukraine, search of ways improvement of audits, etc.

A new regulatory legal act regulating audit activity in Ukraine is the Law Of Ukraine "On Audit Activity" No. 3125-XII, adopted on April 22, 1993 (the latest changes adapted of January 6, 2018). According to this law, the audit is an audit of the accounting data and indicators of the financial statements of the

entity in order to express an independent opinion of the auditor on its reliability in all material aspects and compliance with the requirements laws of Ukraine, provisions (standards) of accounting, accounting or other rules (internal regulations of entities management) in accordance with user requirements [3]. In addition to the Law of Ukraine "On Auditing", the audit in Ukraine is governed by International Standards on Auditing that operate in Ukraine from 18.04.2003, and the Codex of Professional Accountants at IFAC.

The implementation of international financial reporting standards in Ukraine in full is a matter of time. Ukraine joins the European Union appropriate requirements for accounting and reporting. Already, changes are gradually being introduced in national standards, bringing them closer to international and international standards reducing the gap between the domestic accounting system and generally accepted European accounting practices, which will enable more thorough application of International Standards on Auditing.

Control over the quality of audit and audit services carries out the Audit Chamber of Ukraine, the main tasks of which are:

- Certification of intended persons engage in auditing activities;
- Approval of audit standards;
- Approval of the training program for auditors and with the approval of the National Bank of Ukraine, a training program for auditors carrying out will audit banks;
- maintenance of the Register;
- Control over the compliance of the audit firms and auditors with the requirements of the law of Ukraine "On Audit Activity", standards of audit, norms of professional ethics of auditors;
- Implementation of measures to ensure the independence of auditors in conducting their audit audits and organization of control over the quality of audit services;
- regulation of the relationship between auditors (audit firms) in the process of implementation audit activity and, if necessary, applying to them a penalty. [1]

In order for the audit work to be successful developed in Ukraine, first of all it is necessary to solve it a number of problems related to professional activity auditors and audit firms.

Hutsalenko L.V. highlights the following main aspects of the provision of audit services in Ukraine:

- 1) the imperfection of methodological and theoretical development of audit control;
- 2) auditors' non-compliance with the quality of the audit services;
- 3) the absence of fines and penalties for the unreliability of the auditor's report;
- 4) low confidence in the auditor;
- 5) lack of a clear mechanism for price formation audit services;
- 6) lack of methodological recommendations on issues computerization of audit [2].

Pavljenova K. O., in addition to the above, highlights yet several issues related to the development of audit in Ukraine:

- 1) significant negative impact of "shadow" business;
  - 2) the negative influence of verbal translation of foreign standards and concepts without taking into account the peculiarities of economic development of our country;
  - 3) the absence of standard forms of audit documents;
  - 4) there are no public professional accountants massive, therefore it hinders the process of discussing and solving problems of accounting and auditing practices [4].
- Considering the main trends of audit development in Ukraine, we can say that today the audit activity has a number of contradictions and problems. Since nondependent audit is a necessary element of the functioning of a market economy and a guarantee of effective activity enterprises, institutions and organizations to overcome existing ones. Disadvantages will contribute to improving the quality of the audit services of domestic auditing firms and auditors.

One of the main goals of creating common standards for financial reporting, the cornerstone of mental characteristic of financial reporting by IFRS is to provide investors and potential investors with reliable and comprehensible financial information. User who decides on based on the data of such reporting, should be maximized confident in its authenticity. This confidence can be provided only by an independent audit.

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## **THE IMPORTANCE OF COMMUNICATION IN BUSINESS MANAGEMENT**

A market economy can't exist without well-developed information infrastructure and business information. At the same time, such factors as information and communications play an important role. Management activity is based on certain information; it can be displayed as an integrated system of information interactions of the personnel of the firm.

The essence of management information is to provide an integrated reporting system, which gives each level of management the “necessary” information at the “required” time [1].

First of all, communication management is a component of the theory of management of economic systems. He studies the interaction in time and in the space of elements that effectively use all types of capital of economic systems, as well as the laws of the exchange of information, knowledge in the process of formation and development of the economic system [2].

Secondly, communication management is considered as an independent professional activity of the manufacturer, intermediary and consumer (subjects and objects of the economic system) for the implementation of the communication strategy, formed in accordance with the motives, interests and specific goals of each [3].