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EFFECTIVENESS OF MANAGERIAL ACTIONS AND DECISIONS DURING THE STATE FINANCIAL AUDIT OF LOCAL BUDGETS

Summary

The article is devoted to the study of the effectiveness of managerial actions and decisions during the state financial audit of local budgets. The author notes that a promising driving mechanism for eliminating violations in the management of budget funds and state assets is the introduction of effective procedures for the system of public financial audit. Public financial audit should be understood as verification and analysis by the state financial control body of the actual state of affairs regarding the legal and effective use of state or communal funds and property, other state assets, correctness of accounting and reliability of financial statements, internal control system. It is generalized that the state financial audit of the local budget is aimed at conducting and analyzing the legality and efficiency of the formation and implementation of local budgets. The article highlights the correctness of accounting conducted by audited entities; reliability of financial and budgetary reporting of audit objects; functioning of the internal control system and the state of internal audit; the state of use of property, funds, land, natural resources that are in the communal ownership of territorial communities, villages, settlements, cities, districts, and objects of their common property, which are managed by district and regional councils. It is investigated that the distribution of control powers in the Ukrainian realities is as follows: the State Treasury Service of Ukraine carries out preliminary and current control in treasury servicing of local budgets, and the Accounting Chamber of Ukraine and the State Audit Office of Ukraine - subsequent (retrospective) control during external audits. Taking into account the norms of legislation in the field of control at the local level, the mechanisms of external state financial control (audit) at the local level include: audit carried out by the Accounting Chamber of Ukraine (financial audit and performance audit); state financial audit, which is carried out by the State Audit Office of Ukraine. In turn, budget managers represented by their heads conduct internal control and internal audit at the local level.

Keywords: state financial control, state financial audit, local budgets, effectiveness of management actions.

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