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IMPROVEMENT OF METHOD OF AUDIT OF COMMERCIAL BANKS CREDIT OPERATIONS

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Summary. In this article the areas of audit of credit operations of commercial banks; based on a synthesis of auditing standards and auditing practices recommendations for improving audit techniques lending operations; content specified stages of the audit; established a list of circumstances associated with credit transactions that affect the auditor's report.

Key words: banks, credit transactions, auditing standards, audit, internal control, audit stages.

One of the main causes of financial difficulties and bank failures is poor quality credit risk management. Not enough qualified approach to the problem of the banks manifested in the absence of deliberate credit policy, weak development of procedural issues loans, inability or unwillingness to conduct a financial analysis of the potential borrower, providing low quality loans granted. This inevitably leads to the fact that much of their own and borrowed funds of banks located in high-risk lending, usually with a low probability of receiving interest and principal repayments. Overpriced and poorly controlled high credit risk becomes more critical to the future of banks.

Removal of material weaknesses in the credit banks should contribute to the work of the audit. In modern terms audits should be directed not only to confirm the reliability of financial reporting bank, but also in-depth analysis of its activities, the efficiency of the study, the construction of perspective projections.

The purpose of the article – based on a synthesis of the literature, regulations and practices of audit activities to identify features, objectives for the audit of credit operations, develop recommendations for improving its organization and method.

The theoretical and methodological basis of the study is a comprehensive systems approach, dialectical, comparative, functional methods used by science

in understanding social and economic phenomena. Methods of study based on the analysis of domestic and foreign theory and practice of auditing features on credit transactions.

The scientific novelty of the research is that consolidate and legitimize stages and audit schemes allow external oversight bodies and owners / senior management of any bank to use standardized methods for evaluating the effectiveness of the bank created a system of internal controls, and accurately identify “bottlenecks place “of the system.

The most significant results of the study are as follows:- Directions audit of credit transactions;

- generalization based on accounting standards and auditing practices recommendations for improving audit techniques lending operations;

- specified operating method of the study and evaluation of accounting systems and internal controls in the audit of credit operations;

- set list of circumstances associated with credit transactions that affect the auditor's assumption of continuity of the bank.

The practical importance of the study is defined by its focus on the formation of uniform system of phased audit of the bank, which will more correctly and quickly provide answers to queries of various external regulatory authorities.

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