

ISSUES OF SUSTAINABLE DEVELOPMENT AUDITING

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Abstract: Financial auditing has traditionally been regarded as a tool for verifying the truthfulness of accounting statements published by organizations. Currently, accounting reports present not only financial, but also information disclosures, related to sustainable development of entities, which also require assertion assessments by the audit. The article presents the directions for the auditing of information on the sustainable development of organizations and the current problems related to them.

Keywords: financial statements audit, internal audit, sustainable development risks, strategic opportunities, IFRS-S standards

JEL code: M40

Research objectives: clarify the key directions of the audit related to sustainable development information in the financial statements of organizations.

Research novelty: the problems of auditing of sustainable development information in the financial statements of organizations were identified and the ways of their solution were proposed.

Introduction

The formation and development of audit activity has been a long process. In the initial period, and it was formed with control observations of the results of management. As for the term "audit", experts define it in different ways. The word audit is translated from Latin and means "listener". Even in the early Middle Ages, when the financial inflows and outflows of royal treasuries were under the control of monarchs, professional accountants periodically presented reports on the treasury's cash flows. regarding the tiuty, and the kings thus formed an image of the financial situation of their countries [1].

In another interpretation, the term "Auditor" is associated with the judicial process. The point is that since the early Middle Ages, when examining court cases in the financial and economic sphere, reliable independent experts were invited to the court, whose opinions became "audible" during the trial sessions, informing on making verdicts. Surprisingly, in the Middle Ages, the concept of "auditing" was also applied to the spiritual school, where teachers instructed the best students to "listen" to the feedback of other students. and give an unbiased opinion about the progress of the class.

Research results

To this day, the audit is first of all associated with an impartial opinion, which an experienced specialist voices for this or that client. Therefore, it is not by chance that the audit function is defined according to the features of impartiality, independence and professional quality.

It should be noted that, in addition to the financial sphere, at the end of the 20th century, audit occupied a special place in other areas of business. In particular, the administrative audit is currently

widely used, which helps to increase the level of efficiency of the management system used in organizations. runner. In this case, the audit is already transferred from the external field to the internal environment of the organization's business and performs its functions throughout the year and not only once a year, in the form of financial statements. to the shipping company. Managerial audit activities are by no means limited to financial sector audits, but cover a wider range of business, providing business owners with an independent and unbiased opinion. Giving information about the level of efficiency of the organization's management [2].

Currently, the culture of corporate management has made it a requirement to apply environmental audit in large joint-stock companies, the purpose of which is to convey an impartial opinion to the public about the extent to which the given organization is While pursuing the economic interests of its business, And if it is recorded in the published conclusions that any organization bypasses the environmental norms and only strives for "its greatness" profit, then the latter's business authorship is questioned. thereby reducing the level of attractiveness of acquiring shares.

Currently, the audit of entrepreneurial quality is also widely used in practice, when the non-financial results of the organizations' activities are continuously monitored. It is especially manifested in the field of services, when independent evaluation institutions publish scientific conclusions about this or that organization (universities, tourism, financial intermediaries and companies of other sectors) about the activity and quality of service delivery [3].

Thus, a number of conclusions can be drawn from the analysis of the audit development history. First of all, auditing, due to its independence and professional potential, primarily creates an

atmosphere of trust in the business community. In addition, nowadays it is no longer considered as a mere control tool, as it provides more expert evaluations than performs control functions [4]. And, finally, as a result of the regulation of auditing activities according to the current international standards, uniform procedures have been introduced everywhere, thus making each audit conclusion acceptable to both the internal and external stakeholders.

Currently, the organization of internal and external audits of sustainable development in enterprises is becoming a problem, when the IFRS-S international standards already require organizations to disclose information related to sustainable development in published financial reports. Moreover, these problems are formed in two directions: internal and external audit. If the internal audit of sustainable development aims to assess the organization's resources for the organization of sustainable business in the visible future, then the external audit sets itself the task of identifying and presenting the risks and opportunities of sustainable development to the users of financial statements (see Figure 1).

Information on the financial performance of the reporting entity helps users to understand the balance created by the entity as a result of the use of its economic resources. The information on the structure formed by the organization shows, how well the management of the organization has fulfilled its responsibilities in using the resources of the reporting organization effectively and purposefully [5]. Information about the changes and components of that component is also important, especially when assessing the uncertainty of future cash flows.

Information about the reporting entity's past financial performance and how management has performed its responsibilities is usually useful in predicting the entity's future performance from economic resources.

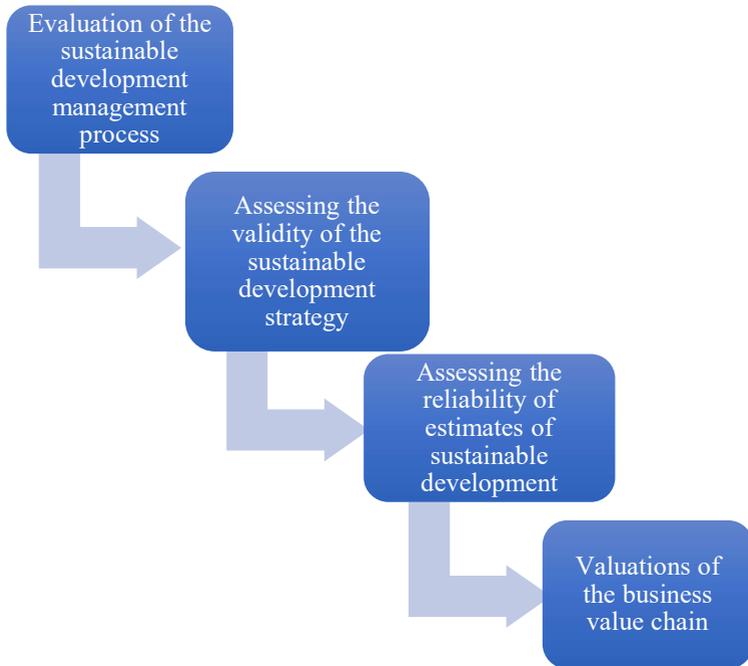


Figure 1. Priorities for conducting a sustainable development information auditing¹⁰

For sustainability-related financial information to be useful, it must be relevant and credible. The usefulness of sustainability-

¹⁰ Composed by author

related financial information is enhanced if the information is comparable, verifiable, relevant and understandable. These certainly increase the qualitative characteristics of useful financial information related to sustainability. However, in contrast to general purpose financial reporting standards, sustainable development standards require additional disclosures related to the management toolkit of sustainable business development, the sustainable development strategy adopted by the organization, the risks and opportunities of its implementation, as well as about the value chain of business, where the foundations of sustainable development are formed (Figure 1)

It is noteworthy, that the international standards for the preparation of sustainable development reports require the disclosure of management tools. Beneficiaries using information should understand how much the organization manages to make the process of sustainable development manageable, in what ways the process is monitored, what kind of management control and reporting measures are used.

The international standards of sustainable development reporting also emphasize the disclosure of the organization's sustainability strategy. The risks and opportunities that are formed during the implementation of the sustainable development strategy are especially highlighted [6].

In contrast to general purpose financial reports, which traditionally present information characterizing the internal situation of organizations, sustainable development standards require the disclosure of sustainable development outside the organization in other parts of the business value chain. The consequences of the acquisition, which arise as a result of changes in the economic management of the reporting organization. By

doing so, the beneficiaries are informed how much the reporting organization affects the sustainable development of other business organizations included in the business value chain.

Conclusion

Key points of accountability by sustainable development organizations are emphasized by international standards IFRS-S. Based on the requirements of the standards, the audit representing the credibility of the sustainable development reporting, such as:

- ✓ the management process, by which the audit is faced with the problem of assessing the effectiveness of the use of sustainable development management tools in the organization,
- ✓ the justification of the sustainable development strategy, by which the audit is faced with the problem of establishing the realism of the sustainable development strategy adopted by the organization.
- ✓ sustainable development risks and opportunities, by which the audit assesses the authenticity of sustainable development risks and opportunities presented in published financial statements
- ✓ the disclosures of the value chain of business, when the auditor's conclusion shows a reasonable opinion about the interrelationships occurring in the business chain of the organization.

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Սահականուշ Ավետիսյան

Հայաստանի պետական տնտեսագիտական համալսարան
տ.գ.թ.

Բանալի բառեր - ֆինանսական հաշվետվությունների աուդիտ, ներքին աուդիտ, կայուն զարգացման ռիսկեր, ռազմավարական հնարավորություններ, IFRS-S ստանդարտներ

Ֆինանսական աուդիտն ավանդաբար համարվել է կազմակերպությունների կողմից հրատարակվող հաշվապահական հաշվետվությունների ճշմարիտ տեղեկատվության հավաստման գործիք: Սակայն, ներկայումս հաշվապահական հաշվետվություններում ներկայացնում են ոչ միայն ֆինանսական,

այլև կայուն զարգացմանն առնչվող տեղեկատվական բացահայտումներ, որոնք նույնպես աուդիտի կողմից հավաստիության գնահատականներ են պահանջում: Հոդվածում ներկայացվում են կազմակերպությունների կայուն զարգացման տեղեկատվության աուդիտի իրականացման ուղղությունները և դրանց հետ կապված հիմնախնդիրները:

Աուդիտի կողմից կայուն զարգացմանն առնչվող տեղեկատվության հավաստիության առանցքային կետեր են համարվել.

- ✓ կառավարման գործընթացը, որով աուդիտի առջև խնդիր է ծագում գնահատելու կազմակերպությունում կայուն զարգացման կառավարչական գործիքակազմի կիրառման արդյունավետությունը,
- ✓ կայուն զարգացման ռազմավարության հիմնավորվածությունը, որով աուդիտի առջև խնդիր է ծագում հմնավորելու կազմակերպության կողմից որդեգրած կայուն զարգացման ռազմավարության իրատեսությունը
- ✓ կայուն զարգացման ռիսկերն ու հնարավորությունները, որով աուդիտը գնահատում է հրապարակվող ֆինանսական հաշվետվություններում ներկայացված կայուն զարգացման ռիսկերի և հնարավորությունների իսկությունը
- ✓ գործարարության արժեքային շղթայի բացահայտումները, երբ աուդիտորական եզրակացությունով ողջամիտ կարծիք է հայտնվում կազմակերպության բիզնես շղթայում տեղի ունեցող փոխկապակցվածությունների առնչությամբ:

Submitted: 10.10.2023; Revised: 14.10.2023; Accepted: 17.10.2023