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ВПЛИВ ВНУТРІШНЬОГО КОНТРОЛЮ НА ЯКІСТЬ ОБЛІКОВОЇ ІНФОРМАЦІЇ

IMPACT OF INTERNAL CONTROL ON THE QUALITY OF ACCOUNTING INFORMATION

***Анотація.** Усі організації потребують інформації як основи для прийняття рішень. Інформація стала основним ресурсом для більшості організацій, як комерційних, так і некомерційних. В останні роки інформаційні системи бухгалтерського обліку стали системою, яка є дуже важливою в організації, оскільки вона генерує важливу для організації інформацію. Щоб запобігти та мінімізувати помилки та шахрайство при застосуванні інформаційної системи бухгалтерського обліку з метою створення інформації, внутрішній контроль необхідно застосовувати всередині системи. Метою цього дослідження є отримання доказів впливу внутрішнього контролю на якість облікової інформації.*

Було досліджено фактори, які впливають на успішність інформаційної системи бухгалтерського обліку та якість облікової інформації. Виявлено проблеми у внутрішньому контролі, що можуть виникати через погане регулювання та явище спотворення бухгалтерського обліку що призводить до низької якості облікової інформації та завдає серйозної шкоди зовнішнім користувачам.

У результаті дослідження встановлено, що цілі внутрішнього контролю вимагають ефективності та результативності господарської діяльності. Ефективна система внутрішнього контролю – це повний комплекс контролю за всіма сторонами бізнесу та всіма особами, які здійснюють діяльність з управління підприємством. Розумна та здійснена система внутрішнього контролю може забезпечити ефективну роботу підприємства та може розумно контролювати, координувати та оцінювати функції різних функціональних відділів та персоналу підприємства, щоб заохотити різні відділи та персонал підприємства виконувати свої обов'язки. Наявність чітких цілей, впорядковане та ефективне забезпечення виробничо-

господарської діяльності підприємства, дозволить підвищити цілісність та прозорість облікової інформації, що надається компаніями.

Abstract. *All organizations need information as a basis for decision making. Information has become a major resource for most organizations, both for profit and nonprofit organization. In recent years, Accounting Information Systems (AIS) has become a system that is very important in an organization because it generates important information for the organization. To prevent and minimize errors and frauds in applying accounting information system in order to generate the information an internal control needs to be applied inside the system. The aim of this investigation is to get the evidence the influence of internal control on the quality of accounting information. The purpose of this study is to investigate factors that affect accounting information system success and accounting information quality.*

Key words: *internal control, accounting, accounting information system, quality of accounting information*

Ключові слова: *внутрішній контроль, облік, облікова інформаційна система, якість облікової інформації*

Statement of the problem.

Accounting, as a source of information, is aimed at performing many tasks in the enterprise management system.

It plays an important role in the operational and permanent collection and processing of information about industrial, commercial, financial, investment and other activities.

Secondly, it provides interested users with useful information about the financial status and results of the enterprise. The quality of accounting information system should consider the basic nature of the information that is suitable to a particular organization. The methods used for the transmission are data and information, culture and shared values that exist within organization. All methods, organizational policies and procedures that ensure the safety of company assets, the accuracy and reliability of management data and other

management operations standards, it is known as internal control. The authenticity of accounting information specifically reflects the essential connotation of financial information. Moreover, the reliability of accounting information is the most important content of the quality of accounting information.

Analysis of recent researches and publications. Studies confirm that a number of classification features are presented in the scientific literature. Scientists express their own opinions about the classification and requirements for accounting information.

According to Azmi Fitriati Accounting information quality can be measured through the qualitative characteristics of accounting, namely: relevant, reliable, complete, timeliness, understandable, and verifiable [1].

Mengmeng Luo emphasizes in his article that the most basic feature of the accounting information is decision usefulness. In addition, the authenticity and reliability of accounting information is the basic premise and condition of ensuring accounting information users to make the right decisions. Successful companies expand due to the effective internal control [2].

Several factors that can affect the quality of accounting information are: manager competency and internal control effectiveness [3].

Yershov N.Yu. stated that the quality of accounting information is a set of essential properties of accounting information that characterize its compliance with its purpose and requirements, as well as the ability to satisfy the needs and requests of users[4].

According to I. Omecinska, the quality of accounting information is influenced by many factors that are not limited to the quality of accounting. The author believes that the quality of accounting information depends, first of all, on the organization of accounting, the competence of accounting employees, an effective system of internal control, and the quality of legal acts that regulate accounting. At the same time, an important niche in ensuring the quality of accounting information is also occupied by the company's management's awareness of the purpose of accounting, corporate culture, workplace organization [5].

From current situation, we can realized that accounting information is

difficult to achieve the quality standards highquality accounting information should have. And this situation of poor quality of accounting information is not accidental. There is a deep level reason. The causes of these conditions are both objective and subjective. First of all, the accounting system, accounting standards, the limitations of accounting technology itself is an objective factor that lead to accounting information be not sufficient and not true reflect business performance. Laws and regulations have been formulated or revised in recent years, these laws and regulations are formulated according to the specific circumstances of the political and economic environment in a certain period of time. Often with a certain lag and limitations, which makes the accounting staff in dealing with new economic business, often with greater flexibility, leading to the possibility of accounting information distortion. In addition, some of these laws and regulations there are some vague content, do not develop the appropriate implementation details and result in the practical work of poor operability. Second, the use of computer accounting brings some problems. The introduction of computers into the accounting work is an improvement, but because the computer literacy of accounting personnel generally is not high, although proficient in accounting business, but limited knowledge of computer knowledge, computer knowledge and accounting knowledge cannot be combined. So it is easy to cause accounting information

personnel in accounting information processing loopholes.

Setting a task. The aim of this investigation is to get the evidence of the influence of internal control on the quality of accounting information. The results show that internal control has an effect on the quality of accounting information system.

Presentation of the main research material. Coupled with the existing financial software security defects in general, the actual use of the process is also a lack of commonality and standards, making the use of computer units in the internal control there are of ten many loopholes. Some of the accounting for their own interests is likely to take advantage of this false accounting information in the false, thus affecting the importance of accounting information and authenticity and the problem because of its "invisible", the harm may be greater. Finally, the social audit supervision is also ineffective lead to another reason for the low quality of accounting information.

Due to the uneven level of certified public accountants, coupled with many people lack of professional ethics and poor management and other reasons, and cannot really play its due role. From the point of view of the information provider, the information provider has a motive for providing false accounting information for various purposes. The interests of enterprises in the accounting information related to the interests are

in the primary position. By providing false accounting information, an enterprise can defraud the trust of investors, creditors and the relevant authorities of the state, and thus obtain economic benefits such as investment, loan or reduction of tax expenses. The chief executives rely on the right to influence or force the accountants to gain the trust of the investors by making false accounting information, and thus gain the interests of positions, salaries, stock appreciation, etc.

Accounting personnel, as the direct producers of accounting information, also play an important role in the quality of accounting information. Some accountants cannot keep their professional ethics, cannot adhere to the principle of proper performance of their duties, fraud, forget their rights and obligations, and even for personal gain, knowledge and law, and leadership cheating, and thus pay, promotion, incentives and other benefits, but also to a certain extent, the loss of authenticity of accounting information protection. Therefore, in order to meet the needs of enterprise management, managers also require the production of real accounting information. This is sufficient to show that in practice, why some companies set up two sets of true and false accounts to meet the different needs of the business interests of the reasons. So that only through the perfect internal control and strict external supervision in order to better ensure high-quality accounting information.

Management performance of enterprises is based on some profit index as the main basis and is lack of comprehensive inspection of other related indicators. This mechanism formed a profit-oriented culture. Besides, the imperfect rewards and punishment mechanism has serious negative effect on the management authorities. Authorities excessively pursuit of profit, ignore improvement of enterprise internal process, optimization of the management and enterprise long-term development. Under the influence of profit orientation, there are adverse selection and moral hazard problems in enterprise management.

The objectives of internal control require the efficiency and effectiveness of business activities. Effective internal control system is a full range of control to all aspects of business and all individuals engaged in business management activities. Reasonable and feasible internal control system can ensure the efficient operation of the enterprise, and can reasonably control, coordinate and evaluate the functions of various functional departments and personnel within the enterprise so as to urge the various departments and personnel of the enterprise to fulfill their duties, clear objectives and ensure the enterprise's production and business activities in an orderly and efficient manner, thereby enhance the integrity and transparency of the accounting information provided by companies.

The objective of internal control requires the reliability of economic information and financial reporting. Effective internal control can ensure the confirmation, measurement, recording and reporting of accounting information accurately reflect the actual production and business activities, and timely discover and correct all kinds of mistakes, so as to ensure the authenticity and correctness of accounting information and to enable the accounting information provided by enterprises to accurately and promptly reflect the financial situation of enterprises, operating results and cash flow.

The internal control of enterprises has a great effect on improving the quality of accounting information. High-level internal control has the function of guaranteeing the reliability and relevance of accounting information for accounting information.

Enterprises should strengthen the optimization of independent director system, assist in strengthening supervisory management for the board of directors of executive directors and major shareholders, prevent the occurrence of violations of discipline, and gradually improve the accounting information quality system.

Enterprises should change the traditional organizational structure and establish a business process as the center, customer-oriented, flat organic organization structure. The advantages of the above organizational structure

are: promote the growth of grassroots managers, improve the democratization of decision-making, save management costs, easy to understand the situation at the grassroots level, speed up information transmission and reduce information distortion. In addition, enterprises should note in the authorization: on the one hand, before authorization, internal responsibilities are clearly defined and divided; on the other hand, in the authorization, the enterprise should authorize in accordance with the prescribed procedures, cannot skip steps authorization and authorized persons exercise their functions and powers within the prescribed scope.

The value of corporate culture has been recognized by people, it is the core of the enterprise. There are many well-known large enterprises are following the "culture is the soul of enterprise development" concept, shaping a culture with self-characteristics, enduring in the fierce competition. Enterprises should give full consideration to their own situation to speed up the pace of enterprise culture construction. On the one hand, to strengthen the education and guidance of enterprise employees' spirit, including the way of thinking, ideals and beliefs, professional ethics, values and so on. Enterprise should put respecting people, understanding people, caring for people, cultivating people, reasonable employment, improving the staff's overall quality as the main content of enterprise culture construction and form the cultural

atmosphere that is good for talents to stand out and use creative talents. On the other hand, formulate humanized rules and regulations. The more the systems of the enterprise are in line with human nature, the more able to inspire the work enthusiasm of the staff, the more they can promote the formation and dissemination of corporate culture. In addition, if employees are "bathing" in the enterprise culture atmosphere full of cohesion and centripetal force, their goals and beliefs will be more convergence and the implementation of internal control will be more effective. As a result, the quality of accounting information will naturally be guaranteed.

Internal audit can not only help enterprises to improve operational efficiency and supervise internal control system, but also help enterprises to reduce accounting information distortion and improve the quality of accounting information [6].

Internal audit can not only help enterprises to improve operational efficiency and supervise internal control system, but also help enterprises to reduce accounting information distortion and improve the quality of accounting information. On the one hand, enterprises should improve the independence of internal audit. Internal auditors shall independently conduct auditing accounting activities, supervise economic activities and evaluate internal control systems, and report

directly to the board of directors or the audit committee. On the other hand, enterprises should identify and adjust position of the internal audit activity. Enterprises should carry on the audit knowledge training to the enterprise management personnel and make them aware of the importance of internal audit to the enterprise. In addition, enterprises should strictly select, hire and train internal auditors, and provide adequate property for internal audit institutions so that the audit can be carried out properly. The external supervision departments should actively coordinate and rationalize the division of labor, clarify the scope of each other's functions and strengthen the exchange of information, so as to change the decentralized supervision into joint supervision and form an effective supervision force to carry out comprehensive monitoring of the internal control of enterprises.

Conclusions. With the development of economic globalization and the increasingly fierce market competition, accelerating the development of enterprises is a long and arduous task. In order to meet the needs of the development of socialist market economy, the real and reliable accounting information is very important. Highquality accounting

information plays an important role in the internal corporate governance structure, which enables the board of directors to make a correct judgment on the company's operating performance. High-quality accounting information reduces the degree of information asymmetry, enhances the liquidity of the capital market, thus reducing the company's cost of equity and contributing to the improvement of the company's performance. High-quality accounting information directly determines the effectiveness of the capital market and the allocation of social resources efficiency. At present, accounting information distortion is still quite serious, for many reasons; however, imperfect internal control and the poor implementation of internal control are the main reasons. Internal control is the control of the source accounting information. Effective internal control can eliminate the incentive to distortion of accounting information, a fundamental guarantee of accounting information quality. Therefore, enterprises need to start from the internal control, to seek the best solution. Through the continuous sound improving the internal control system, enterprises ensure the accounting information to be true and reliable.

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