

Organization Of Labor Remuneration Accounting And Audit

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Article History	Abstract
Received: 14 th March 2026 Accepted: 11 th April, 2026	The article examines the theoretical and practical aspects of organizing labor remuneration accounting and its subsequent audit in modern enterprises. The primary focus is placed on the methodology of calculating wages, bonuses, and social insurance deductions in accordance with the current regulatory framework. Furthermore, the study outlines the essential stages of the payroll audit process, including the verification of primary documents, compliance with labor laws, and the assessment of internal control systems. The author suggests improvements for enhancing the accuracy of payroll records and minimizing financial risks related to personnel costs.
Keywords: Labor remuneration, payroll accounting, audit procedures, internal control system, wage calculation, social security contributions, financial reporting, labor legislation, payroll taxes, auditing of personnel.	

Introduction

In the context of the modern market economy, the management of labor resources and their effective compensation is a critical factor for the sustainable development of any enterprise. Labor remuneration is not only a primary source of income for employees but also represents a significant portion of an entity's operational expenses. Therefore, the organization of labor remuneration accounting requires a high degree of precision, transparency, and strict adherence to the ever-evolving legal and tax frameworks.

The complexity of payroll systems-encompassing various forms of payment, social security contributions, and diverse tax deductions-increases the risk of errors and financial irregularities. This highlights the vital role of auditing. An effective audit of payroll serves as a tool for verifying the accuracy of financial statements, ensuring compliance with labor legislation, and identifying potential internal control weaknesses.

This work aims to analyze the current methodologies for accounting for personnel costs and to develop structured audit procedures. By improving the integration of accounting and auditing processes, enterprises can minimize financial risks, enhance labor productivity, and ensure fair compensation practices.

Main Part

The organization of labor remuneration accounting is a complex mechanism that integrates financial reporting with human resource management and tax compliance. It begins with the precise documentation of labor inputs through timesheets, production orders, and employment agreements, which serve as the legal basis for accruing wages under various payment systems, such as time-based or piece-rate models. Beyond simple calculation, the accounting department is responsible for the rigorous management of statutory deductions, including personal income tax and social insurance contributions, while ensuring that all personnel expenses are accurately allocated to the enterprise's cost centers. This systematic approach not only ensures that employees are compensated fairly and timely but also provides a transparent reflection of labor costs in the company's balance sheet and income statement, which is vital for calculating the overall cost of production and operational efficiency.

The audit of labor remuneration serves as a critical oversight function, aimed at verifying the integrity and legal compliance of payroll transactions within the enterprise. The process initiates with a thorough evaluation of the internal control environment to ensure a clear segregation of duties between the authorization of payments and the actual disbursement of funds, thereby minimizing the risks of financial fraud or clerical errors. During the substantive testing phase, auditors meticulously cross-examine payroll registers against primary source records to confirm the accuracy of hourly rates, bonuses, and holiday pay in accordance with the national labor code. By identifying discrepancies in tax withholdings or unauthorized salary adjustments, the audit process provides essential assurance to stakeholders that the enterprise is mitigating financial risks and adhering to the regulatory frameworks governing labor relations and fiscal responsibilities.

Conclusion

In conclusion, the effective organization of labor remuneration accounting and its subsequent audit are indispensable components of an enterprise's financial integrity. The research highlights that a well-structured accounting system, based on accurate primary documentation and compliance with labor legislation, ensures the fair treatment of employees and the reliability of financial statements. It is evident that the complexity of payroll taxes and social contributions necessitates a high degree of professional competence and a robust internal control environment to prevent errors and financial mismanagement.

Furthermore, the audit process serves as a vital mechanism for identifying systemic weaknesses and ensuring that the enterprise operates within the legal framework. The integration of modern accounting software and automated payroll systems significantly enhances the precision of calculations and provides a transparent audit trail. Ultimately, improving the methodology of both accounting and auditing in this area leads to minimized financial risks, optimized labor costs, and increased overall operational efficiency for the enterprise.

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