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The Mechanism of Financial Accounting Integrity and its Governance

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Abstract: Under the background of our socialist market economy, strengthening the financial accounting credit construction is of vital significance to promote the development of Chinese financial enterprises. The problem of financial accounting honesty mainly refers to enterprises in the financial activities to manipulate and falsify accounting information, so that the prepared financial report can not reflect the actual financial situation of enterprises, also can not provide investors with true and complete information, seriously affected the social and economic order. Therefore, in order to improve the current situation of accounting integrity of financial enterprises in our country, we must work out the corresponding management countermeasures.

Keywords: Financial accounting; Credit problem; Producing mechanism; Governance

1. Mechanism of financial accounting integrity problem

1.1 The awareness of financial accounting integrity is not strong, and the phenomenon of violating financial laws and regulations is serious

Accounting personnel in many units have a weak sense of the legal system, and cannot strictly implement the relevant financial laws, regulations and systems of the state when dealing with specific economic business. In accounting, they do not handle accounts according to regulations, arbitrarily change accounting procedures or illegal operations, or arbitrarily alter accounting documents, books, statements and other materials, or even forge or alter them. Some units even from the person in charge of the unit to the cashier accounting personnel are involved in fraud. For example, the person in charge of some bank business outlets takes advantage of his position to provide false financial statements for the unit. Some financial institutions have serious "small Treasury" phenomenon, the "small Treasury" of the bank mainly refers to the "expenses" and "operating income" of the business outlets and other problems. Some units use false invoices to extract cash and set up private "small coffers"; Some units set up "small coffers" by transferring or withdrawing funds; Some units in the name of wages or bonuses indiscriminate subsidies^[1].

1.2 The quality of financial accounting personnel is low and professional skills are lacking

At present, the quality of financial accounting personnel can not meet the requirements of accounting work on the whole, which is mainly manifested in: first, insufficient staffing and unreasonable structure; Second, accounting professional knowledge aging, new business, new knowledge learning is not enough; Third, the age structure is unreasonable. The old, the weak, the sick, the disabled and women are the majority; Fourth, the overall quality of finance and accounting personnel is low, and the holding rate of accounting qualification certificate is low.

1.3 Problems exist in the financial accounting management system

First, the internal financial management system of financial institutions is not smooth, lack of scientific division of labor and restraint mechanism. At present, many financial institutions do not have a special financial department or financial personnel, let alone the implementation of a unified financial management system. Some financial institutions laissez-faire the financial management of their subordinate institutions, and some financial institutions do not carry out financial supervision of their subordinate institutions, or their financial supervision is weakened or even ineffective.

2. Management countermeasures of financial accounting integrity

2.1 Strengthen the publicity of accounting regulations and enhance the awareness of law-abiding

Accounting integrity is the foundation of accounting personnel. It is necessary to vigorously create an atmosphere of "honor of honesty

according to law and shame of cheating" in the whole society, and strengthen publicity and education of accounting integrity. First, newspapers, television, radio and other news media should be used to widely publicize the Accounting Law and other accounting regulations and financial discipline. Second, it is necessary to strengthen the education of accounting personnel and improve their awareness of abiding by discipline and law, so that accounting personnel can consciously be honest and trustworthy and standardize operation. The third is to strengthen the education of the person in charge of the enterprise, improve their consciousness of abiding by the law and managing money according to the law. Fourth, we will intensify the crackdown on violations of law and discipline, and seriously deal with those units and individuals who seriously violate the Accounting Law and financial and economic discipline. Fifth, accounting integrity education should be incorporated into the moral education of schools, and honesty and trustworthiness should be regarded as an important content of students' ideological and moral education. Sixth, we should give full play to the role of members of accounting societies at all levels, organize accounting personnel to learn relevant regulations and policies, strengthen professional skills training, so that accounting personnel can manage financial affairs and handle affairs according to law^[2].

2.2 Establish and improve the accounting system and improve internal control

Accounting system refers to the specific norms of accounting work, and is the source, form and basis of accounting information. Strengthening the construction of accounting system is to establish a set of accounting work rules and accounting methods in line with the law of market economy, so as to standardize accounting behavior and improve the quality of accounting information. In strict accordance with the "Accounting Law" and the provisions of the national unified accounting system, the establishment and improvement of the internal control system of the unit, the reasonable setting of posts, clear responsibilities and powers, so that they restrict and supervise each other. It is necessary to formulate feasible internal control system, especially for the accounting post responsibility system, authorization examination and approval system, internal audit system, financial revenue and expenditure examination and approval system must be clearly stipulated, so as to make them operable. Only by establishing a scientific and reasonable internal control system and strictly implementing it, can we ensure that the accounting information is true, accurate, reliable and complete. Otherwise, everything will be empty talk.

2.3 Establish integrity files and enforce moral constraints

Establish accounting integrity files to record the behavior of accounting practitioners in their daily work, and implement honesty records and punishment for dishonesty. The establishment of accounting integrity file is conducive to the formation of a virtuous cycle mechanism, can effectively improve the quality of accounting information. However, the establishment of credit archives should follow the principle of objective and just, and the accounting personnel's work results and behavior should be evaluated objectively. At the same time, the information of accounting personnel should be connected with their professional ethics and professional ethics when the accounting integrity record and the punishment of dishonesty are carried out. The moral quality is low, the sense of responsibility is not strong, to give necessary punishment. And the accounting practitioners with high moral level and strong sense of responsibility should be commended in the whole industry. Those who violate professional ethics or professional ethics and cause adverse consequences shall be punished accordingly. This can not only restrain the behavior of accounting personnel, but also make the accounting integrity file play a promoting role^[3] in improving the quality of accounting information.

2.4 Strengthen external supervision and establish credit mechanism

In order to effectively solve the problem of financial accounting integrity, we must strengthen external supervision and establish credit mechanism. From the current situation of our country, strengthening the external supervision of accounting credit is mainly to increase the inspection of auditors and strengthen the business training of accounting personnel. However, due to the influence of factors such as China's current economic environment and accounting environment, it is still more difficult to truly solve the problem of financial accounting integrity. Because in the current situation, the main means of effective supervision and restriction of bank management behavior are legal and administrative means. Therefore, our country should focus on strengthening the role of law, administration and industry self-discipline when solving the problem of financial accounting integrity. Secondly, we should establish and improve the accounting personnel management system, and regulate the accounting personnel's professional behavior; Thirdly, we should further improve the laws and regulations related to the financial industry, strengthen the supervision of financial institutions and practitioners, and improve the legal concept and self-discipline consciousness of financial institutions and practitioners.

2.5 Improve laws and regulations and increase punishment

To strengthen the construction of accounting integrity, we must first improve the accounting laws and regulations system. Laws and regulations are an important guarantee to ensure the quality of accounting information, which is the "criterion" for accounting personnel to engage in accounting work. Only with a perfect legal system can the quality of accounting information be fundamentally guaranteed. For the laws and

regulations that have been formulated, the enforcement must be strengthened to make them come into effect. Units and individuals who violate laws and regulations must be punished in accordance with relevant provisions and investigated for legal responsibility. At the same time, the penalties for violations of laws and regulations should be increased, such as those whose circumstances are serious and constitute a crime, criminal responsibility should be investigated according to law. Secondly, we should improve the corporate governance structure. There are serious defects in the corporate governance structure of Chinese financial enterprises, which are mainly manifested in unclear property rights, decision-making errors, lack of constraints, information distortion and so on. Therefore, improving the corporate governance structure is the fundamental way to solve the problem of accounting information distortion in financial enterprises.

References

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