Research on the Establishment and Accounting of Capital Construction Accounts of Colleges under the Government Accounting System

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Abstract: In early 2019, the new system has been basically implemented in universities. However, in the early stage of implementation, the problem of the integration of capital construction and business accounts is prominent, which directly affects the level of accounting and information quality. This paper summarizes the accounting setting of university infrastructure accounting under the new accounting system, and explains the special changes of accounting items. Based on the innovation of the accounting system of the new government, taking university as an example and combining the current situation of its infrastructure business management and reform needs, the combined practice and unified accounting practice of infrastructure accounting are designed, which is of great significance to the implementation of the accounting system reform.

1. Introduction

Due to deficiencies in the current budget accounting system, some assets are not mentioned in the final accounting report, including assets formed by capital expenditure and national natural resources. In addition, the operating cost of the government is not objectively reflected, the transparency of government information is insufficient, and although the system contents are numerous, there is no clear accounting standard system,[1]which makes the accounting work more difficult. The new government's accounting system has established and improved the government's accounting system, which plays an important role in promoting the improvement of the government's financial management level and is conducive to the sustainable development of the financial economy.

2. Establishment and Change of Accounting Subjects of the New Accounting System

2.1 Setting of Capital Construction Accounts

Before 2015, infrastructure has been adopt separate accounting system, accounting subject set up in accordance with the “sources” and “capital takes up class” Settings, respectively under the two categories set up the basic construction spending (detail course “construction and installation engineering investment” “equipment investment” “deferred investment”), [2]”money” “prepaid and receivables” and “construction appropriation” “basic investment loan” “borrowing” other “other payables” “capital income payable” such as “taxes payable” detail course; In 2015 in accordance with the requirements for the accounting system of institutions of higher learning will capital account into “big bill”, namely the original separate accounting system is still used, only the infrastructure accounting data in accordance with the corresponding coco eye “construction and installation engineering investment” “investment in equipment investment of” “other investment “, [3] reflecting the whole construction process of the actual cost of construction projects, and reflect the construction funds flow and balances situation and at the same time, etc.

2.2 Changes in the Accounting System of the New Government

One is the change in the basis of accounting. In the old version of the accounting system, the cash basis of accounting, but in some cases the cash basis is easy to make information deviation. The biggest difference between the new version of accounting system and the old version on the
basis of accounting is that the proportion of the accrual accounting system becomes larger and becomes the dominant method. [4] The biggest advantage of accrual accounting is that it is accurate and can reflect the various situations of colleges and universities more clearly, which is helpful for college administrators to understand more situations of colleges and universities according to accounting.

Second, the content of the accounting system changes. As the old accounting system has been developed and promulgated many years ago, there are many contents in it that are too old to adapt to the contemporary society, and many problems that have appeared in recent years have not appeared in the system. [5] Therefore, the new accounting system for many aspects of the changes and innovations, so that the system close to today's society, but also more comprehensive. The new system more clearly points out that the accounting needs to be more detailed, each work needs to be done carefully, can also improve the financial statement system. Due to the change of the specific contents of the system, the situation of the whole university can be fully and truly reflected.

3. Innovation of Government Accounting System

3.1 Redefine the Accounting Model

The relationship between financial accounting and budget accounting was not clear in the old system, some universities separated it completely, while others regarded the two as one job. This was radically improved in the accounting system of the new government. Financial accounting and budget accounting should be properly separated and connected with each other. Moderate separation refers to the separation of accounting elements, preparation basis and report types. Mutual cohesion refers to the use of parallel accounting methods to connect financial accounting and budget accounting. Although parallel bookkeeping will indeed make the work of the staff more difficult, but it can play a very important role in the establishment of the government comprehensive financial reporting system, is an indispensable part of the accounting work.[6]

3.2 Unify the Accounting System of Administrative Units

Under the old system model, the accounting system of each unit is not the same, although the development of accounting system for each unit can be more in line with the situation of each unit, but the system is too many types, management is not easy. So each administrative units under the new system of unified accounting system, in the subject setting, accounting statements and reports of instructions and accounting content was carried out in such aspects as setting, will be collected distinguish each unit before finishing, improve the efficiency of various departments work, also solved due to different system and bring some of the challenges in the past.

3.3 Strengthen Financial Accounting

Accounting budget did not get much attention in the old system model, but accounting budget is indispensable, and should be taken seriously.[7] In the new system, the importance of accounting budget is emphasized, the function of budget accounting is improved, and many related concepts are added. As a result, budget accounting has become a major subject, which includes investment expenditure, debt repayment expenditure and other subjects, while introducing accounting standards for enterprises and bad debt provisions and other concepts, which can more accurately meet the needs of budget and final accounts management.

3.4 Expand the Accounting Scope of Government Assets and Liabilities

Expanding the scope of government balance sheet accounting is also an obvious change in the new system. We will increase the amount of public infrastructure and government reserves, increase projected liabilities, accumulate surplus according to the source of net assets, and set up more accounts, so that all kinds of assets can be fully accounted for.[8]
4. Case Analysis of h University Capital Construction Accounting Establishment

4.1 Current Situation of Infrastructure Business Management in Colleges and Universities

The university implements the financial management system of “centralized accounting”, and the financial management office is responsible for the accounting and financial management of the university. According to the provisions of accounting, the financial management office has “comprehensive accounting section”, “infrastructure accounting section”, “logistics accounting section” and other departments. The comprehensive accounting section implements the accounting system of institutions of higher learning, and is responsible for the accounting work of such departments as school education, teaching and administrative management. The accounting division of capital construction implements the accounting system for state-owned construction units and is specially responsible for the accounting work of capital construction business. The accounting of logistics services shall be conducted by the logistics accounting section in accordance with the enterprise accounting system. At present, the infrastructure accounting department reports monthly reports to the comprehensive accounting department, which is responsible for the “balance sheet” of the financial accounts and infrastructure accounts of universities.

When allocating capital construction funds: school financial accounting debits the “capital construction funds” account and credits the “capital construction funds payable” account; The infrastructure accountant debits the “infrastructure appropriation receivable” account and credits the “infrastructure appropriation” account. In fact, infrastructure accounting only received “appropriation”, did not really receive funds, recorded as receivable; The funds are still in the financial accounting account.

Capital construction payment: the school financial accounting debits the “capital construction payable” account, credits the “zero balance use amount, bank deposit” account; The infrastructure accountant debits the “construction expenditure” account and credits the “basic infrastructure appropriation receivable” account to write off the infrastructure appropriation receivable.

Monthly balance sheet of infrastructure accounting and school financial accounting. Capital construction accountant transfers capital balance sheet, capital construction investment sheet, and subject balance sheet to comprehensive accounting section. Comprehensive accounting section prepares accounting entries according to the above three statements. The expenditure category of capital construction accountant is incorporated into the project in progress of school financial accounting, and the prepayment and hedging of the two sets of accounts are carried forward.

4.2 Formulate the Accounting Reform Objectives of h Universities' Infrastructure Business

In accordance with the system and accounting requirements, Universities will no longer carry out capital construction accounting after January 1, 2019. Capital construction businesses will conduct unified accounting in accordance with the relevant provisions of the government accounting system, and no separate accounts will be set up. The capital construction accounting section should complete the work that capital construction accounting information completely merges into school financial accounting information together with comprehensive accounting section, realize the amalgamation of two accounts completely, do a good job in the connection of old and new accounting subjects, ensure capital construction business fulfills the requirement of government accounting system accounting.

4.3 Combined Practice Design of Infrastructure Accounting

(See table 1) as the general ledger of infrastructure accounting in universities. According to the “capital occupation” and “capital source” two accounting elements set up accounting accounts, there is no enterprise accounting “owner's equity” or administrative and public institution accounting “net assets” accounting accounts.
Table 1 Establishment of General Ledger of Infrastructure Accounting in Colleges and Universities

<table>
<thead>
<tr>
<th>Course number</th>
<th>Course name</th>
<th>Subject property</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Construction and installation investment</td>
<td>Take up the class</td>
</tr>
<tr>
<td>102</td>
<td>Investment in equipment</td>
<td>Take up the class</td>
</tr>
<tr>
<td>103</td>
<td>Deferred investment</td>
<td>Take up the class</td>
</tr>
<tr>
<td>111</td>
<td>Payment using assets</td>
<td>Take up the class</td>
</tr>
<tr>
<td>201</td>
<td>Fixed assets</td>
<td>Take up the class</td>
</tr>
<tr>
<td>232</td>
<td>Bank deposits</td>
<td>Take up the class</td>
</tr>
<tr>
<td>233</td>
<td>Cash</td>
<td>Take up the class</td>
</tr>
<tr>
<td>242</td>
<td>Advance payment</td>
<td>Take up the class</td>
</tr>
<tr>
<td>252</td>
<td>Other receivables</td>
<td>Take up the class</td>
</tr>
<tr>
<td>301</td>
<td>The construction appropriation</td>
<td>Source class</td>
</tr>
<tr>
<td>332</td>
<td>Project payment payable</td>
<td>Source class</td>
</tr>
<tr>
<td>352</td>
<td>Other payables</td>
<td>Source class</td>
</tr>
</tbody>
</table>

Starting from 2019, Colleges and universities will implement the accounting requirements of government accounting system -- accounting subjects and statements of administrative institutions, and set up relevant accounting subjects in accordance with the supplementary and cohesive provisions of the government accounting system -- accounting subjects and statements of administrative institutions. “Governmental accounting system” asks the unit to highlight its own business characteristics in setting up accounting subjects. According to the financial accounting and budget accounting two sets of subject system, there are 8 accounting elements: assets, liabilities, net assets, income, expenses, budget income, budget expenditure, budget balance, a total of 102 accounting subjects. The original 46 accounts of capital construction accounting need to be mainly concentrated in the accounts of “zero balance account amount”, “bank deposit”, “engineering materials”, “construction in progress”, “fixed assets”, “accounts receivable”, “accounts prepaid” in the government accounting system. Based on the reality of our school's infrastructure business, the accounting model of “subject + project” is adopted to set up accounting subjects and infrastructure projects in the government accounting system.

4.4 Unified Accounting Practice

The basic business processes of university capital construction include fund raising, cost payment, deposit, deposit collection and refund, project payment, engineering materials, engineering equipment, project settlement, construction expenditure write-off, indirect expense amortization, clearing of transactions, project completion financial settlement, balance payment payment, etc. The government accounting system -- accounting subjects and statements of administrative institutions stipulates that the accountants of administrative institutions should prepare “financial statements” and “budget accounting statements” respectively to disclose the accounting information of the government. There is no requirement to prepare special “capital construction accounting statement”. However, in the “statement preparation - notes”, the provisions of the “construction in progress disclosure” requirements. The information of the unit's construction in progress shall be disclosed according to the project. The information disclosure format of construction in progress stipulated in the government accounting system (see table 2). In practical work, in order to better reflect the capital construction business of colleges and universities, college finance generally needs to disclose the capital construction business according to specific items and expenditure contents in the form of “project + accounting subjects”.

Table 2 Information Disclosure Format and Content of Construction in Progress

<table>
<thead>
<tr>
<th>project</th>
<th>At the beginning of the balance</th>
<th>Current accrual</th>
<th>Current reduction</th>
<th>period</th>
<th>The ending balance</th>
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<tr>
<td></td>
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<td>A combined</td>
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</table>
4.5 Measures to Strengthen the Accounting Work of Infrastructure Construction in Colleges and Universities

The financial personnel of university construction should improve their comprehensive quality comprehensively. On the one hand, we should learn to understand the relevant provisions of the “system” and design the business accounting process and method in line with the actual situation of our own units. For example, comparative analysis is carried out on different construction periods, the completion degree of the project, whether the project is completed or not, so as to make the accounting method conform to the reality and easy to operate and understand, and improve the work efficiency of infrastructure business processing. Management department must be in the system, did not specify the part of the set under the condition of the unit at the beginning of clear rules and regulations, such as explicit period of reconciliation, etc, it can not only improve the work efficiency but also early found to solve the problem in time, reduce the economic loss caused by the inconsistent accounting, the economic risk killed in the bud. In addition, reasonable reward and punishment mechanism will promote the management efficiency and work efficiency to improve greatly.

5. Conclusion

The accounting system of the new government has been advocated by the administrators of colleges and universities since it came into being. The government accounting reform is a reform with historical significance, but it will be of great significance for the reform of accounting system to take appropriate countermeasures in the aspects that need to be improved according to the situation of each university.

References


