

The lag of my country's accounting annual report and its solution

Wu Rong

Nanjing University of Science and Technology, Jiangsu, China

Rong_w1107@163.com

Abstract. With social progress and rapid economic development, more and more companies use accounting statements for analysis to reflect the company's asset accumulation, cost structure, operating results and capital use in the past period of time to dig out problems and analyze them, solve problems, and continuously improve the internal management level of enterprises. However, in actual work, there are many problems in corporate accounting reports, such as the timeliness and authenticity of report data. This paper believes that there is a lag problem in the annual accounting statements, which will lead to managers unable to obtain the required effective accounting information from the accounting information system in time. The traditional accounting information system provides lagging information which not only affects the quality of the information but also reduces the It's relevant and is gradually losing its value.

Keywords: accounting statements; historical cost; fair value

1. Introduction

With the in-depth development of the market economy system, the importance of financial statements has gradually emerged. Enterprise accounting statements reflect the accounting status, operating results, cash flow and other financial information of the enterprise. Financial personnel provide decision-making basis for enterprise management and operation decisions through statement analysis, and also provide creditors, investors and other report users with the required information. The analysis of corporate accounting statements mainly refers to the use of various specialized methods to analyze the financial data in the business operation process based on the accounting statements, and to compare and analyze the current and past data, so as to provide scientific management suggestions to the business operators.

However, at this stage, the accounting statements of Chinese enterprises only reflect historical information and cannot reflect the future development of enterprises; they only reflect financial information and do not reflect information such as human resources, market competition status and coping strategies, which are difficult to obtain from the financial statement analysis system. At the same time, since the annual report is approved for issuance after the balance sheet date, which is the measurement and recording of historical information and etc. which makes some information in the financial statements lack real-time, which is a serious problem in the approval of financial statements. On the one hand, some assets and liabilities in the financial statements are measured historically, which makes some financial information lack fairness; On the other hand, financial report users cannot obtain timely and effective information, failing to make optimal decisions in line with the company's development, and hindering the company's development.

Therefore, perfecting and improving financial statements has an important impact on the judgment and decision-making of report users, which is an inevitable trend of the development of the times, and has far-reaching significance for the healthy development of enterprises and national economies. The article analyzes the current lag problem of accounting statements and proposes corresponding solutions. It is hoped that the research content of the article can provide some practical reference suggestions for relevant financial workers and scholars.

2. Analysis of the Reasons for the Lag of Accounting Statements

2.1 Accounting report reporting time lag

To a certain extent, the timeliness of financial statements determines the usefulness of the financial information they reflect. For the service objects of accounting information, when disclosing and transmitting accounting information, the faster the better, the main quality characteristic of accounting information is timeliness. At present, the accounting cycle is divided into months, quarters and years, which means that accounting data must be collected and processed by month, quarter, and year. The accounting report data in this state is not timely enough, and there is a strong data lag, especially in the annual report, the relevant national policies stipulate that the announcement should be disclosed no later than 4 months after the end of the previous year, which is obviously lagging behind and difficult to match the dynamic business development of the enterprise. It can be seen from this that the time interval for the disclosure of accounting information is too long and there is no timeliness, resulting in the lag of report data. This shows that, during the interval between the compilation of the annual report and the approval of the annual report, the company is still in operation, there will be transactions, and the financial statements will be reported late, which will lead to the inability of financial staff to make correct decisions.

2.2 Financial statements reflect historical data

Financial statements mainly reflect historical information. In the financial statements, some companies generally show their previous achievements, but after that, the operating conditions of the companies plummeted, causing investors to be "deceived" by the financial statements, and then suffered undue losses. This situation shows that, from the perspective of supply and demand, accounting information has a contradiction between supply and demand. The previous historical information makes it difficult for the main information given by the current financial statements to reflect the future financial status and operating results of the enterprise, and there is no information that has the main reference value for the future decision-making of users. Currently, only listed companies are required to disclose profit forecast information in their annual reports, while other companies are not required to reflect predictive and forward-looking information about future developments in their financial statements. Such information is generally not available in current financial statements. However, what many information users need is just the future development of the company. From a certain perspective, even if historical information can predict the future of the company, it is easy to make people blind.

Financial statements are information reflecting the financial status, operating results and cash flow of an enterprise for a certain period of time, and various data reflect the historical financial information that has occurred. Living in the social and economic environment, the accounting work of enterprises will naturally be affected by external factors such as national policies and exchange rate changes. For example, if the face value of the RMB changes significantly, the value of corporate assets will inevitably fluctuate in different periods. If the company has foreign currency transactions, the value fluctuates greatly, but only the value of the assets at the time of the transaction is reflected in the statement, which will lead to inconsistency with the real value of the current assets, and it is difficult to accurately reflect the current value of the company's assets. For example, the capital flow and logistics information in a business activity are collected by different personnel at different times, while accounting data is generally collected after the business occurs, which makes the traditional accounting information system reflect the general capital flow All lag behind logistics information.

2.3 Accounting statements are priced at historical cost

One of the basic principles of accounting is historical cost pricing, that the asset value reflected on the account is priced at the value when the asset was formed. For some assets with large and frequent cost fluctuations, it is difficult to reflect the real value of current asset. Therefore, historical cost reflects the value at the time of purchase. With market price fluctuations or changes in national

policies, the real-time value of assets is not reflected in the financial statements, which leads to the fact that the financial statements reflect the asset value in the statement with a lag and are overestimated or undervalued assets.

In addition, under the historical cost measurement attribute, expenses are based on historical book prices, while income is based on current market prices, resulting in unreal profit performance, not current real interests, and not effectively assessing the current real operating conditions of the company.

2.4 Difficulty in collecting information on accounting statements

The breadth and difficulty of information collection in enterprise accounting statements makes it impossible to pass the buck to each other once a problem occurs, resulting in a very low efficiency in the preparation of financial statements. In addition, from the actual situation of enterprise management, the connection between the preparation of accounting statements and other work is not very close. The coordination and linkage are poor, and the work is often disconnected, resulting in time lag of the data and materials adopted in the accounting statements, resulting in deviations in the data reflected in the accounting statements.

2.5 The lag of accounting management system

At present, the accounting management system of enterprises has not been adjusted in a timely manner with the promulgation of accounting standards, and there is a general lack of understanding of the newly promulgated standards. This has aggravated the outstanding problem of the lagging accounting management system, and it is even less able to fully implement the new accounting standards. The promulgation of accounting standards, but the failure to implement the accounting system in a timely and effective manner will also result in the fact that the actual financial data in the statement is not timely and effective.

3. Improvement measures for the lag of accounting statements

To solve the above limitations, users of the report are required to maintain a reasonable suspicion. If possible, comprehensive judgments and mutual corroboration should be combined with various factors such as account books, vouchers, the company's operating conditions and social evaluations to prevent the formation of misunderstandings.

3.1 Introducing scientific management software to effectively reduce the preparation time of accounting statements

In order to solve the historical and lagging problems of traditional accounting statements, shortening the reporting time should also be an important direction for innovative design and application development. Accordingly, enterprises should increase the input and support of financial accounting work, introduce advanced technology and equipment resources, and improve the work efficiency of accountants in the collection, analysis, extraction and output of financial data, so as to ensure that the value of accounting statements is consistent with the timeliness, which enables accounting work to adapt to the ever-changing market environment and enterprise dynamics. For example, the interactive accounting report system can be innovatively applied to enhance the interaction between the report system and other departmental systems of the enterprise, so as to realize the synchronous transmission of relevant data, and then under the functional support of the standardized report program, complete the real-time dynamic report data of the enterprise to improve the efficiency of report preparation, and enhance the timeliness of accounting information. It is also possible to build an online communication channel between report preparers and users by using electronic accounting statements as a carrier, thereby shortening the report submission time and reducing the lag in the reporting of financial statements.

3.2 Appropriately change historical cost to fair value measurement

Historical cost measurement focuses on the measurement of the price formed by past transactions, which will make the asset not meet the current market price, resulting in the final overestimation or underestimation of the asset, which is not in line with the prudence of the asset. Fair value measurement refers to the price that can be obtained to sell an asset or the price that needs to be paid to transfer a liability on the measurement date. Fair value can provide timely and useful information. Compared with the amount recorded in past transactions provided by historical cost, fair value provides economic changes in the current market. Assets under historical cost become no longer in line with the value of the current time over time, and the fair value can be truthful, which can reflect the assets, liabilities and cash flow of the enterprise, so that the data and information reflected in the accounting statements of the enterprise are more accurate, and more truly reflect the operating ability and solvency of the enterprise, so as to make financial analysis and improve the relevance and timeliness of information decision-making. In order to better and more accurately provide information on the business status, solvency and risks faced by the enterprise. In addition, the income and expenses under the fair value are calculated according to the current fair value. The benefits generated in this way are the real benefits of the moment, and the operating results can be truly reflected, so that the true operating conditions of the enterprise can be effectively evaluated.

3.3 Improve the efficiency of preparing accounting statements

In the rapid process of global economic integration, the financial data reflected in the reporting time of financial statements are generated by historical transactions. Formal financial statements are approved for publication 4 months after the end of the fiscal year. Such financial information is difficult to reflect the current financial situation of the enterprise, which will bring wrong information to the report users. As my country's financial reporting system is under enormous pressure from external competition, it has had to undergo transformative changes. In terms of timeliness, only relying on financial statements prepared on the basis of months and years can no longer meet the needs of report users. By establishing and improving a real-time reporting system, the problem of lagging financial information can be effectively dealt with, and investors can be provided with multi-faceted financial information useful for decision-making as soon as possible and in a timely manner. Periodic financial statements still exist and can be used as a basis in the allocation of financial results; in addition, in decision-making, the preparation of real-time statements can be used as a basis. According to the development of economic business, financial data should be recorded in real time, financial business should be solved in time, financial statements should be automatically generated and should be published on the Internet at the same time to form dynamic reports. Report users can grasp the information at the first time, so that the usefulness of information decision-making is improved.

Improving the processing progress of enterprise accounting business, whether the enterprise is manual bookkeeping or using accounting software, can issue accounting reports in an efficient and timely manner. While improving the efficiency of enterprise accounting reports, it can also quickly provide decision makers and management with various financial indicators required for decision-making, saving time and improving work efficiency. In addition, due to the late reporting time of financial statements, estimated financial statements can be prepared before the official financial statement approval date, the estimated financial statements can roughly reflect the current operating conditions of the enterprise and help enterprises make relatively accurate financial decisions. Before the official statement is officially approved for publication, the estimated financial statement shall be adjusted, the difference between the estimated and actual statement shall be reflected in the notes to the statement, and the reasons for the difference shall be explained. In this way, the financial status of the enterprise can be reflected in a timely and effective manner, and it is convenient for the report user to rationally use the financial information.

3.4 Attach importance to the cultivation of professional talents and build a professional accounting team

The promulgation of accounting standards will make the preparation of accounting statements more detailed, and the difficulty of operation will be improved. If enterprises want to improve their ability to prepare accounting statements, they must correctly interpret and apply the newly promulgated accounting standards. Therefore, enterprises should attach great importance to the training of accounting professionals within the enterprise and strengthen the construction of talent teams, so as to continuously improve the efficiency of enterprises in collecting financial information and preparing financial statements. Therefore, enterprises need to strengthen the study and training of financial personnel, enhance their understanding of the newly promulgated accounting policies, and enhance the accounting personnel ability to deal with and solve problems; clarify the responsibilities of accountants, refine the accounting statement preparation process, improve the efficiency of financial statement preparation, and reduce the lag of financial statements.

4. Summary

With the rapid development of private enterprises in our country, the analysis of enterprise accounting statements is playing an increasingly important role in the operation, and the application scope is becoming wider and wider. It has become an important tool for enterprise management. However, there are also some problems in the financial statements themselves, such as the lag of financial data. Financial analysis is the analysis of data to make accurate financial decisions for the better development of enterprises. If the report data lags behind and does not accurately reflect the financial status of the enterprise, it will lead to the users of the report not being able to obtain accurate financial information, which will affect their judgment and decision-making.

In the era of big data, the rational and effective application of big data, by building a data platform, provides information support for accounting work, improves the efficiency of financial information aggregation and sorting, shortens the preparation time of financial statements, and can help companies report financial statements in advance. At the same time, in order to play the role of management accounting in the era of big data, enterprises should increase the training of management accounting personnel, strengthen accounting informatization services, introduce scientific management accounting software and improve financial office efficiency, and shorten the reporting time of financial statements. In this way, significantly enhance the core competitiveness of the enterprise and promote the sustainable development of the enterprise.

Strengthen the reform of the enterprise accounting system, and through the continuous improvement of the system, the content and form of financial statements are becoming more and more standardized. At the same time, through the improvement of some fiscal policies, the preparation of financial statements can improve the efficiency of financial statement preparation and help financial work to make correct financial decisions.

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