

On the Relationship between Government Accounting Standards and Government Accounting System

Liangmeng Wei

Economics & Management School, Jiangsu University of Science and Technology, Zhenjiang, Jiangsu, 223300, China

1457727919@qq.com

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Abstract: All the time, people used to casually mention the government accounting standards system, the specific meaning of the two words for the standards and system lack of accurate grasp, what is the accounting standards? What is the accounting system? As a component of accounting standards and accounting systems, the relationship between governmental accounting standards and governmental accounting systems is still in a scarce area of research. Therefore, this paper will make a detailed summary of the meaning of governmental accounting standards and governmental accounting system, and analyze the relationship between them, so as to provide a more systematic theoretical explanation for the future accounting work. More hope to provide researchers with the valuable reference basis to figure out the difference between government accounting standards and government accounting system, can be clear about the meaning of implementation of accounting standards in our country and its impact on accountants, certified public accountants and the new requirements^[1].

1. Introduction

To clarify the relationship between government accounting standards and accounting system, on the one hand, it can promote the implementation significance of accounting standards and implementation effect of government accounting system in our country. On the other hand, it is helpful for accounting practitioners to change their way of thinking about traditional problems in the process of work, so as to improve their quality level to a certain extent. In addition, it is conducive to the improvement of relevant theoretical knowledge.^[2] The most intuitive thing is to have a clear grasp of the relationship between governmental accounting standards and governmental accounting system, and no longer mistakenly think that the two are the relationship between inclusion and inclusion. This wrong idea will have a negative impact on academic exchanges and progress. Finally, the correct distinction between the standards and the system of the relationship between the two can also help the standards^[3].

2. Overview of the Relevant Theories of Government Accounting

2.1. Role of Government Accounting

The basic standards, specific standards and application guidelines of governmental accounting constitute China's theoretical system of governmental accounting, which is mainly responsible for recognizing, measuring, recording and reporting the financial revenue and expenditure of administrative institutions and the fulfillment of entrusted responsibilities. Government accounting consists of two accounting systems, and budget accounting and financial accounting, the two accounting systems are independent of each other, respectively implement the cash basis and accrual basis, the final generation of the final accounts and financial reports, for report users to provide accounting information with the relevant government units.

2.2. Government Accounting Role

Government accounting is set up in accordance with the types of government accounting business, which is conducive to objectively and directly reflect the performance of the government's financial fiduciary responsibility and meet the needs of the country for its macro management. There are three main functions of government accounting, which are the function of testing budget implementation, improving financial transparency, and evaluating government performance. These three functions range from monitoring the use of financial appropriations and related funds generated in the government accounting budget system to accounting and analyzing the relationship between government revenue and expenditure, project input and output.^[4]To provide relevant information users with information related to government performance, to help them make correct political, economic and social decisions and judgments.

2.3. The Constitution of Government Accounting

According to Article 3 of Government Accounting Standards -- Basic Standards, Decree No. 78 of the Ministry of Finance of the People's Republic of China, government accounting is composed of budgetary accounting and financial accounting. Among them, budgetary accounting is implemented on the cash basis, financial accounting is implemented on the accrual basis. Budget accounting mainly reflects the accounting information related to the budget revenue, budget expenditure and budget balance of government institutions, while financial accounting comprehensively reflects the five aspects of the financial information related to the assets, liabilities, net assets, income and expenses of government institutions. Finally, the former is to generate the final account report, the latter is to generate the financial report.

3. What is the Government Accounting Standards?

3.1. The Definition of Governmental Accounting Standards

Accounting standards, accounting personnel engaged in accounting work must follow the basic principles, is the accounting work of the norm. It refers to the specific accounting treatment of economic business provisions, in order to guide and standardize the accounting of enterprises, to ensure the quality of accounting information.

3.2. The Content of Government Accounting Standards

The system of government accounting standards in our country consists of three parts, which are the basic standards of government accounting, the specific standards of government accounting and the application guide. Government accounting Standards - basic standards, the basic standards of governmental accounting standards have been implemented since January 1, 2017, and mainly include seven parts, namely the scope of application, accounting system and accounting basis, the objectives and users of financial reports and final accounts reports, the quality requirements of accounting information, elements of government accounting, government final accounts reports and financial reports and accounting^[5].

Government accounting Standards - specific standards, the specific Standards of government accounting to be formulated in accordance with the "Specific Standards", the content mainly includes accounting elements: such as inventory, investment, fixed assets, intangible assets, etc.; Financial reporting: government financial statements, consolidated financial statements, etc.; Special transactions or events: contingencies, leases, etc.

Governmental Accounting Standards - A guide to application, the Guide to the application of accounting standards is an operational guide to guide accounting practice formulated according to the basic standards and specific standards. It is the organization of the number of relevant articles of the specific standards and provides operational provisions for the relevant key and difficult issues. It also includes the main accounting treatment of accounting subjects, financial statements and their formats, etc., to provide operational norms for enterprises to implement accounting standards.

3.3. The Nature of Governmental Accounting Standards

Normative: Accountants have a common standard to follow when carrying out accounting, accounting work in all walks of life can be carried out on the basis of the same standard. So that accounting behavior to achieve standardization, accounting information provided by accounting personnel has a wide range of consistency and comparability, greatly improving the quality of accounting information.

Authority: Accounting standards should be formulated, issued and implemented through certain authorities, which can be the legislative or administrative departments of the country, or the accounting professional bodies authorized by them. Accounting standards can be used as the accounting work must abide by the norms and the criteria for dealing with accounting business. One of the key factors is its authority.

Developmental: Accounting standards are formed by people's theoretical generalization of accounting practice under certain social and economic environment. Accounting standards have relative stability, but with the development and change of the social economic environment, accounting standards should also change, the corresponding modification, enrichment and elimination.

4. What is the Government Accounting System?

4.1. Overview of Relevant Theories of Governmental Accounting System

Accounting system is the norms and standards of accounting work, is the general term of accounting work rules, methods and procedures, is an important part of the economic management system. In our country, the "business accounting system" has been an important accounting system for a long time, but with the Ministry of Finance in 2006 issued the business accounting standards system, the importance of "business accounting system" is decreasing. The current main accounting system from the narrow sense is accounting standards (including basic standards and specific standards and grass-roots units themselves according to accounting standards to formulate accounting rules and regulations two parts. The government accounting system is a comprehensive and accurate record and arrangement of the number, nature, use, relationship and process of government revenue and expenditure procedures and methods, it is the objective and intuitive reflection of budget implementation.

4.2. The Content of Governmental Accounting System

Government accounting system is a comprehensive and accurate record and arrangement of the number, nature, use, relationship and process of government revenue and expenditure procedures and methods, it is an objective and intuitive reflection of budget implementation. In our country, accounting according to its business accounting, reflection and supervision object different, can be divided into two big categories: One is financial accounting, the other is budget accounting. The government accounting system is formulated on the basis of basic standards, mainly stipulates the government accounting accounts and its accounting treatment, statement system and preparation instructions. Compared with the current system, the government accounting System inherits the beneficial experience of the accounting reform of Chinese administrative institutions over the years, and reflects the internal needs and development direction of the current government accounting reform and development.

4.3. Functions of the Government Accounting System

Standardize the government accounting model: The accounting model of government accounting is that government accounting consists of budget accounting and financial accounting. The accounting mode of government accounting has realized the appropriate separation and interconnection between budget accounting and financial accounting, and fully and clearly reflects the government financial information and budget execution information.

Government accounting supervision system: The accounting supervision system refers to the

system under which relevant accounting institutions and accounting personnel supervise the accounting activities of their own units, mainly including the supervision of accounting documents, accounting books, financial accounting reports, material objects and payments, financial receipts and expenditures and other accounting matters of their own units^[6]. The government accounting supervision system refers to the system of examining and supervising the government accounting activities formulated by the financial department in accordance with the Constitution, laws, regulations and other government startup accounting and statement system.

5. Relationship between Governmental Accounting Standards and Governmental Accounting Systems

5.1. Accounting Standards Are the Basis and Premise for the Formulation of Accounting Systems

Governmental accounting system is closely related to accounting practice, which maintains the unity and stability of governmental accounting standards in the implementation process. Compared with governmental accounting standards, the content of governmental accounting system is more detailed and specific, which plays a complementary and perfect role in the framework of governmental accounting standards. Under the premise of governmental accounting standards, the government accounting system designs specific accounting execution methods to ensure the implementation of governmental accounting standards and the quality of accounting information.

5.2. Governmental Accounting Standards Enhance the Operability of the System

According to the establishment experience of the accounting standard system of Chinese enterprises, it is necessary to establish the government unit total accounting system while establishing the government accounting standards, which is in line with the practical needs of the government accounting. Government accounting standards from the perspective of accounting elements and business, focusing on the recognition, measurement and report of various accounting elements and accounting business, and accounting system from the perspective of accounting body and report body, focusing on the accounting records and report of all the business of the unit, accounting system is constantly improved according to the advancement of specific standards.

5.3. The Governmental Accounting System Provides the Basis for Testing the Operating Effect of the Standards

The government accounting system clearly stipulates that the amount of government revenue and expenditure, the content and nature of economic business, use, relationship and process are comprehensively, systematically and accurately arranged and recorded, and the financial statements are prepared at the end of the accounting period to provide objective and intuitive supporting materials for the implementation of the budget. In addition, the government accounting system is also an important way to verify whether the government accounting standards have been effectively implemented. According to the accounting information provided by the financial statements, it can also reverse test the rationality of the specific content of the government accounting standards, timely feedback of the deficiencies, for the further improvement and development of the government accounting standards to provide practical basis.

6. Conclusion

With the continuous development and change of the economy, the government accounting work has been constantly appearing new business types, the requirements for the government accounting work is also becoming higher and higher. At this point, if accountants can figure out the relevant theoretical knowledge of governmental accounting standards and governmental accounting system and clearly understand the relationship between the two, they can accurately locate the key point of the problem is the wrong understanding of the content of the standards or the wrong use of the system method when dealing with the difficulties of accounting business. In order to help the

government accounting practitioners more fully understand and grasp the connotation of the government accounting standards and systems, improve the level of accounting personnel, and work efficiency.

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