

Risk Prevention and Effective Control of Enterprise Financial

Accounting

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Abstract: Financial activities are an essential and key part of business operations, and the decisions made by enterprises in financial activities have a very significant impact on their operations and development. Financial risk is the most important risk that enterprises need to prevent and avoid in their financial activities. In financial accounting the content is mainly around the process of the financial activities of the enterprise's financial situation, is the way the enterprise's financial activities run. In financial accounting in China, most enterprises are unable to apply scientific standards to their operations and thus various problems arise, in terms of financial data, accounting methods and settlement methods, there are no prescribed steps, which creates hidden risks that may affect the operation of the enterprise. Accounting and finance are able to operate against the risks encountered by these enterprises, and require risk control through relevant measures, in order to ensure that enterprises reduce losses and develop steadily.

Keywords: Corporate Financial Accounting; Risk Prevention; Effective Control

Introduction

Enterprises in the process of fierce market competition, summed up the relevant information involved in the institutionalization and activities to assist the way of summary, financial accounting way, is for the enterprise financial activities of the record and account management and the emergence of the way. In financial accounting, the repeated accounting and collation of the financial situation of the enterprise can facilitate the financial assessment of the enterprise, allowing the business operators to make rational decisions and promote the development of the enterprise. Financial accounting, in business, enables financial management to be recreated, thus giving an accounting basis for business decisions. Business operations need to be narrated for commerce, management and finance, etc., when financial accounting loopholes are encountered and the financial risk situation caused. In the process of financial accounting, should be the measures to prevent risks, to refine the management, in order to be able to let the enterprise handle the financial accounting, more orderly, to ensure that the enterprise can avoid market risks in the battle, can well deal with each link, smoothly through each economic more nervous key moment, to avoid the emergence of risk.

1. Overview of financial accounting risks

1.1 Financial accounting risk content

The way in which accounting is used as a basic reference to carry out data recording and analysis of the financial aspects of a business is the way in which financial accounting is carried out. The prerequisite for the financial assessment of enterprises in the field of accounting is multidimensional accounting data. Accounting data that has been reasonably processed has a facilitating effect on the managers of the enterprise, and can help the enterprise to carry out scientific development, so as to reduce the losses of the enterprise and carry out relevant risk avoidance measures, in order to be able to make financial accounting work^[1]. The larger the enterprise, the more financial accounting is needed for financial management. The economic market situation is complex and volatile, it is difficult for enterprises to deal with various risks, these risks if not pay attention to, will sow the seeds of devastating disasters for enterprises, need to carry out risk prevention measures before they occur, to arrange, so as to reduce or avoid the occurrence of risks brought about

by the phenomenon of loss.

1.2 The importance of financial accounting risks

In financial accounting, enterprises need daily financial accounting work to support the other work of the enterprise, whether financial accounting in the enterprise is healthy, related to the probability of financial risk occurrence. Social and economic development environment, industry competition intensified, the comprehensive strength of enterprises must be strengthened, financial accounting risks, need to give attention to, and the arrangement of relevant preventive measures, in order to enable enterprises to develop fast and stable. In the economic society, the concern for finance, is as the core points, research and discussion. Corporate financial accounting is a key link in the steady development of enterprises and even social harmony. In the financial system, financial accounting is monitored in a rational way so that financial risks are kept away from enterprises. The whole arrangement of risk prevention and control measures is combined with the actual operating conditions of the enterprise and the relevant measures are adopted, all from the perspective of the optimization of the financial accounting system, the need for professionalism of the financial accounting personnel, so that the financial accounting system can be extended to develop and promote the further harmonious expansion of the enterprise.

2. Overview of enterprise financial accounting risks

2.1 Financial accounting risk

After many years of standardised development, financial accounting has already had an independent management system, and through the introduction of international management standards, new accounting standards have been introduced as the standard for the production of financial accounting. The new accounting standards for financial accounting are where there are relevant details and differences in requirements in the production of statements. The financial accountants, who carry out the process of measuring the value of the business, do so by calculating the fair value. The accountants make data selections based on whether market value is required or not, sometimes using established financial market data for statistics and sometimes having valuation models for calculations^[2]. Access to standard data in financial accounting is required to ensure the quality of the data if reasonable judgements are to be obtained. The fair value of corporate assets is also compared in different ways, through different companies, and comparable financial information about companies directly influences subsequent strategic management; the two are continuous and complementary to each other. The quality of accounting information is directly improved by the computerised approach to accounting.

2.2 Financial accounting settlement risk

Settlement risk is that accountants can make mistakes in the calculation process of financial activities, which are the consequences of irregularities. Settlement risk requires a perfect system and strict internal supervision and management in order to reduce the probability of risk occurrence. Enterprise accounting management system on the settlement process and work, there is no strict regulations, for the provisions, which brings the consequences of financial risk to increase the possibility of occurrence.

3.1 Control financial accounting supervision risk

Accounting and supervision, which must be the main content of financial activities, should be given more attention by enterprises. In the supervision and management work of enterprises, the content of the projects operated by enterprises, the supervisors are unable to supervise the non-compliance in them, thus resulting in the supervision function cannot be performed. Supervision and management also need to be orderly, and the development and implementation of the enterprise's audit system should be combined with performance and the management of the effectiveness of implementation^[5]. When the enterprise's performance appraisal, integrated into the record of the audit and supervision staff, the enterprise staff will be more willing to comply with the standards. Audit and supervision staff, but also the actual implementation of the situation, the financial supervision of possible risk situations, the establishment of preventive measures in advance, to avoid the internal supervision of the management of unfavourable situation. The internal job structure of the company should be such that the relevant responsibilities are assigned to the person in charge of the work. The auditing mechanism of the enterprise should therefore be based on the separation of positions caused. Auditors directly constrain the arrangement of internal risk control measures of enterprises, the policy of separation of posts, in the supervision of auditors, should pay attention to the situation of supervision, and report abnormal and serious violations of the situation.

3.2 Improve the accounting system

The new accounting standards in finance play an important role in the Chinese economic market. In the process of accounting for the value of the enterprise, the accounting standards are not up to standard in many enterprises. Therefore, it is necessary to carry out the relevant departments to carry out the relevant elements of accounting, so that the financial accounting system can be established as soon as possible to international standards integration mechanism. Accounting departments in the basic check, it is difficult to pass the requirements of the market development, so need to carry out the new standards of. The way in which fair value analysis is carried out in the accounting situation of enterprises, from domestic to international accounting, is not exactly in accordance with national standards, but rather in the form of replication, but rather in the form of an innovative system that needs to be more in line with the actual situation in the country, and this process of standardisation of the international convergence system is a normal policy development.

This process of standardisation of international standards is a normal policy development process. Chinese accounting standards, when combined with the actual situation, also achieve financial risk reduction through borrowing. There are already more stable policies and environments abroad in the accounting for fair value analysis of profits. Accounting with Chinese characteristics is carried out on the basis of extensive market research. In imperfect financial market conditions, market research in the relevant conditions, through accounting managers to carry out financial public instruments in the investigation, financial reporting examinations need to be adjusted to the same way, combined with the characteristics of the various stages^[6]. market pricing information and accounting aspects, are in need of further development. In the verification, if there are market data, financial statements are not in line with the operating information, it is easy to bring losses, the accounting of the company also has the impact of easy to lose trust. In the computerised accounting at the time, the development of the degree enterprise still has a great standard, while being able to play the computerised accounting system, so that the enterprise's must start from the actual, which also gives the internal environment of the enterprise in the financial risk avoidance, play an important role. According to the accounting and financial standards for the calculation of arithmetic way, the actual situation of financial accounting, a more objective analysis of the development.

4. Conclusion

In conclusion, in the development of financial accounting, the process of internationalisation has made the policy of financial accounting, has changed in many ways. The practitioners of financial accounting, too, have specific functional differences and professional requirements. In the decision making of business managers, correct data on financial accounting is required, which is the basis for accurate decision making. Financial accounting risks, therefore, require a series of measures to be taken in order to be able to avoid them.

References

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