

Study on Countermeasures to Improve the Audit Quality of Economic Responsibility of State-owned Enterprises

Xiangyong Guo

Henan Polytechnic University, Henan, China

Abstract

High quality development is the theme of the new era. How to change the internal audit of State-owned enterprises' economic responsibility from "have" to "good" and "excellent" is the development direction and clear requirements of internal audit work in the new era. State-owned enterprise economic responsibility audit quality based on the clear connotation, on the basis of the combination of A State-owned enterprise leading economic responsibility audit implementation, analyzing problems and reasons, and puts forward some countermeasures to promote the development of economic responsibility audit quality and the suggestion, in order to promote the leading cadre takes office responsible, do bear for; Strengthen the restraint and supervision of power, promote the construction of party conduct and clean government; We will further improve corporate governance and boost high-quality development of enterprises.

Keywords

Economic Responsibility; Internal Audit; High Quality.

1. Introduction

Internal audit is the product of economic development to a certain stage. The economic responsibility audit of our country is accompanied with the reform of State-owned enterprises and develops continuously, and plays an important role in the economic development. In order to promote the establishment of a centralized, unified, comprehensive, authoritative and efficient internal audit supervision system, the State-owned Assets Supervision and Administration Commission of the State Council issued the Opinions on Deepening the Implementation of Internal Audit Supervision of Central Enterprises in September 2020. The 31st Session of the Standing Committee of the 13th National People's Congress passed the decision on amending the Audit Law on October 23, 2021. For the economic responsibility audit clear reform direction and development path.

2. The Connotation of High Quality of Economic Responsibility Audit of State-owned Enterprises

Audit quality is the evaluation of audit process and results, the concentrated embodiment of audit work level, and the life of audit work. Generally speaking, the audit of economic responsibility requires the audit conclusion to be highly consistent with the objective facts of the audited matters, and to promote the standardized operation of power and the effective implementation of responsibility. Keeping up with the pace of The Times and promoting high-quality development is the main melody of the future development of economic responsibility audit. Therefore, we must first think about what is the high quality of economic responsibility audit, this paper believes that it can be understood from the following aspects.

First, the economic responsibility audit that can supervise and urge main leading cadres to take responsibility. The audit of economic responsibility mainly starts from the operation of power and the implementation of responsibility. As the backbone of national economic development,

it is the basic requirement of the new era for party members and cadres to lead and promote the reform of State-owned enterprises. General Secretary Xi asked leading officials of SOEs to be "loyal to the Party, brave in innovation, effective in managing the enterprise, promising in developing the enterprise, honest and clean". Through the fulfillment of leading cadres' tenure responsibilities of audit implementation, evaluation and results, to promote the role and responsibility, bear as a leading cadres, seriously implement the party and the country's economic policies, guidelines, policy decisions, promote the development of economic and social undertakings, to manage public funds, State-owned assets, State-owned resources, prevent and control major economic risks, It is a powerful force for State-owned enterprises to build a new development pattern and promote high-quality economic and social development. Second, the audit of economic responsibility that fully, accurately and comprehensively implements the new development concept. In the first year of the 14th Five-year Plan, General Secretary Xi Jinping stressed on many occasions that the whole Party must fully, accurately and comprehensively implement the new vision on development. At present, the changing from the world in one hundred, the State-owned enterprise is faced with many new challenges and opportunities, to nurture new machine in the crisis, the change in the new bureau, must be driven by innovation, coordination as the means, green for the bottom line, open for path, sharing for pursuit, and it is embodied in the goal of economic responsibility audit, evaluation and application of the whole process of the results, Give full play to the value - oriented role of economic responsibility audit, and then give full play to the demonstration and leading role of State-owned enterprises in economic operation.

Third, ensure the unity of quality and efficiency of economic responsibility audit. How to continuously improve audit efficiency on the premise of ensuring audit quality has been a topic of long-term concern in both theoretical and practical circles. Entered a new stage of development, the international environment has become increasingly complex and uncertain factors in the economic development of all increase, State-owned enterprise economic responsibility audit responsibility bigger, task, more heavy, we must rise through efficiency and power solutions in the development of economic responsibility audit is not balance the problem of inadequate, strengthen the economic responsibility audit process and results of total quality management, implement "efficiency", To meet the higher needs of different stakeholders, only the highly unified economic responsibility audit with audit quality and audit efficiency is the high quality internal audit.

3. A State-owned Enterprises to Carry out Economic Responsibility Audit Implementation and Analysis of Problems

A State-owned enterprise is A provincial and local State-owned energy and chemical enterprise with numerous business segments, huge revenue scale, wide project divisions and complex ownership structure. At present, the main business includes coal industry, coking industry, nylon, new energy, new materials, finance and other businesses. In accordance with the state's regulatory requirements on the scope of economic responsibility and the standardized operation of power of the leaders of State-owned enterprises, the Group ensures that all policies and measures of the reform of State-owned enterprises are effective, and the company itself improves the level of enterprise management in order to cope with the urgent requirements of major risks. Maximize the value of capital to play a due role in leading and promoting, so that the decision-making more standardized and scientific, in order to make full use of its prevention, early warning, "immune system" role, through efficient and high-quality audit to promote the development of the group to successfully complete high-quality transformation and development. Group company supervision of subordinate company leaders to carry out the term economic responsibility audit, according to the guidance of economic responsibility

auditing standards, internal auditors that combines letter card procedures, inspection, investigation, interview method, considering the importance factor, an in-depth evaluation of audit risk, combine the economic responsibility audit goal of obtaining audit evidence, Ensure that all evidence meets the requirements of adequacy, sufficiency, reliability, etc. In addition, interview enterprise workers, the masses, just to understand the operation and management, the stability of the work of the workers. In 2020, the audit department of the Group carried out 85 audit projects on 63 units, and found 651 problems, involving 11.5 billion yuan. Among them, 42 have been audited for economic responsibility, 45 projects have been implemented, and more than 380 problems have been detected, involving an amount of more than 4 billion yuan. The following problems generally exist in the analysis of economic responsibility audit conducted by leaders of A State-owned enterprise.

3.1. The Audit Supervision System is not Sound

The economic responsibility audit mechanism and mechanism of State-owned enterprises are not perfect, and the independence and authority of internal audit work are constantly weakened with the decline of the level of audit departments. In particular, the internal audit department of A company exists the phenomenon of "internal standards, external protection". As a result of this protectionism, problems found in the audit, no matter what the outcome, are essentially internal problems, internal handling, minor issues, minor issues. There are many problems found in the leaders of State-owned enterprises, and there are fluke psychology in the knowledge deviation of the audited units and individuals. They are negative, resistant and deliberately conceal facts, and do not cooperate with the normal audit work, thus increasing the resistance and difficulty of audit, increasing the audit risk, and it is difficult to achieve high quality of economic responsibility audit.

At the same time A State-owned enterprise because the inspection mechanism and accountability mechanism is not perfect, lead to the heavy process light result of audit, audit result is not ideal, the leading cadre took effect, the leading cadres in making important decisions and carry out the group related decisions Strategy deployment situation evaluation, financial management and their own clean work, Become the key reference index that appoint or dismiss cadre inevitably. For major violations of laws or the group system, the audit results will also be transferred to the Discipline inspection Commission and other supervisory departments of the Group. However, in practice, the chairman of A State-owned enterprise was punished economically, and the audit results of internal economic responsibility of A State-owned enterprise did not play A role. A The internal economic audit rectification of State-owned enterprises is simple, and the follow-up tends to be formalized. For internal audit found that the economic problem, is the leadership of the audit work unit according to the audit report, only in accordance with the audit recommendations for financial problems were corrected, such as unreasonable financial invoice, submit an expense account without leading personnel signature, the condition of financial statements is not true, but the internal economic responsibility audit of the audit content is more, covering surface is wide, We can not just stay on the financial rectification, which will lead to "repeated repeated offences", without really from the system, mechanism rectification.

3.2. The Evaluation Index System is Imperfect

A There is no scientific and reasonable audit evaluation system for the economic responsibility of State-owned enterprises aiming at high-quality development. In the audit of the economic responsibility of lee, the leader of the company, it was found that there were various problems in the internal management and financial management of the company, but the final audit concluded that Lee had performed his economic responsibility well. Whether there is any inconsistency between the audit conclusion and the problems discovered. Only according to the subjective feeling of audit personnel, such as the result of evaluation is subjective evaluation of

the auditor, a leading cadre performance is very good, or performance is better, or a cadre can basically perform economic responsibility, but there is no scientific basis for how to evaluate, so for the evaluation of leadership has a strong subjectivity.

To audit the economic responsibility of the leaders of such enterprises, a scientific and reasonable index system should be set up, and then a number of indicators should be audited so as to understand the working status of the leaders and supervise them comprehensively. Evaluation index when the choice to be the main reference for State-owned enterprise economic responsibility audit to the major issues of the power and responsibility to carry out the situation, the implementation of financial revenues and expenditures, business enterprise of the real, legal and benefit situation, the reform of State-owned enterprises, etc., in the audit report issued by the link, the present audit evaluation focuses on financial performance, The focus is on investigating and dealing with irregularities and verifying the authenticity of financial statements. Most of the content of quantitative analysis focuses on assets, income and expense loss, etc., while the audit content of economic responsibility is limited. Although a lot of work has been carried out and a large number of reports have been issued, the quality is insufficient. The final audit evaluation is too one-sided and rarely involves the layout of development strategy and high-level competitiveness analysis, which cannot meet the requirements of the current high-quality development of national economy and society.

3.3. Low Level of Informatization Construction

The construction level of State-owned enterprises is low in informatization. In the audit of state enterprise A, it will be found that the affiliated company of enterprise A designs seven sectors of business, involving energy, chemical industry, equipment and finance, etc. There are several branches under the subsidiary company of giant level 2, and three and four subsidiaries. Illustrates such large State-owned enterprises, involving the range is wide, therefore, when to carry out the economic responsibility audit, we will strictly in accordance with the audit process, the first group organization department to apply for that, internal audit department issued after this audit entrust notice, then the economic responsibility auditing department in charge of the audit, Set up relevant departments to take part in a joint audit team, issued notice of the audit, the audit plan formulation, using the scientific method, abide by the laws and regulations, comply with the audit process audit, and generate the final audit report, these processes are manual processing, audit teams through direct selection, screening technology of data to be more efficient than traditional way and detailed operation and management of data, And have to spend a lot of time and manpower in the relevant departments to read materials, the necessary and effective improvement of work efficiency. Auditors cannot master the whole picture of the operation and management of the auditee within the limited audit time, which affects the objectivity of the audit results.

At present, the audit system can not connect with the financial system, personnel system and material procurement system, and the traditional audit method is used in the process of economic responsibility audit, which consumes a lot of manpower and material resources. In the digital and information age, complex economic businesses with special risks are difficult to deal with. Emerging technologies such as Internet, blockchain and artificial intelligence have become obstacles to high-quality economic responsibility audit.

3.4. Insufficient Capacity of Internal Audit Staff

The ability of internal audit staff in State-owned enterprises is uneven and it is difficult to meet the needs of current economic development and audit requirements. At the parent group level, combines the actual conditions of A State-owned enterprises, State-owned enterprises as the traditional State-owned enterprises in the transition period, the molecular company is more, the reform task, innovation and development is difficult, first because the group audit project, more complex business, audit responsibility, in A big task group lack the number of audit talents,

it is difficult to cope with the daily audit schedule. Secondly, the group's internal auditors are mainly college graduates with a relatively simple knowledge structure. Most of them have financial background and lack of legal, engineering and information technology personnel, which makes it difficult to meet the comprehensive and complex audit business. Finally, due to the slow progress of the group's informatization work, the construction of internal audit lags behind, the training and requirements of internal audit personnel are limited to the level of financial revenue and expenditure audit, the threshold of internal audit is low, the lack of internal and external communication and long-term training programs, and the channel for quality improvement is not smooth. Personnel training is seriously disjointed and it is difficult to meet the replacement of auditors under information technology.

At the level of State-owned enterprise A, State-owned enterprise A has an internal audit office. In reality, the audit office is an institution under the audit department of the parent group, with part-time staff and A serious lack of independence. Through the investigation, it is found that State-owned enterprise A, audit business and enterprise production, operation management, strategic decision-making disjointed, lack of regular real-time audit observation, dynamic monitoring, can not timely find problems plug loopholes, causing losses to State-owned enterprise A. Carry out special audit at the request of superior departments, and carry out special audit of major projects according to their own development needs. Routine audit includes financial revenue and expenditure audit, profit confirmation, year-end project and financial final accounts. The audit work seriously lags behind the personnel adjustment of the group organization, and it is difficult to arrange the plan even within half a year of the audit demand. The internal audit efficiency is low, and the economic responsibility audit that has been carried out is not of high quality, which cannot meet the requirements of high-quality development of State-owned enterprises.

4. Suggestions on Improving the Audit Quality of Economic Responsibility of State-owned Enterprises

4.1. Take Multiple Measures to Improve the Internal Audit Supervision System

Innovation should be carried out in all links of economic responsibility audit. Innovation audit can help enterprises find the key points of audit, and adopt appropriate audit methods to obtain higher scientific audit results, and finally put the results into practice in the development of enterprises, so as to promote the sustainable development of enterprises. In this way, the outgoing economic audit and tenure economic audit can be closely combined to ensure that all economic activities of enterprises are included in the audit scope.

In the outgoing economic audit work, the principle of transfer before audit should be followed, and the appointment and dismissal should be made after the completion of the audit work. Only in this way can the audit results be objectively and fairly evaluated and fully used. The audit results will become an important basis for enterprises to measure the work of the audited personnel, and also an important reference for performance appraisal, so as to improve the work enthusiasm of relevant departments and personnel.

Want to give full play to the role of the outgoing audit, to carry out planned stronger term of economic responsibility audit, at the same time of implementing Ren Zhongshen meter will departure audit is blended in among them, a better configuration audit resources, and to control the audit risk low, establishing all round audit system meet the demand of enterprise development, and from the audit time, audit plan and audit on the implementation of early intervention, Do nip in the bud, the "error" into "supervision" and "prevention", early detection of problems, the problem digestion in the bud, to avoid losses. Through more effective audit of economic, also ensure that the unity and the main problem rectification main, to track all the way, before any audit of leading cadres in the archives of leading cadres truthfully record the

audit results, convenient for leading cadres economic responsibility defined also helps to strengthen the management of leading cadres, the audit results will be the appointment or dismissal of cadres in the enterprise, promotion, performance the important basis of reward, To realize the principle of the Party in charge of cadres, enhance corporate governance capacity, prevention and punishment of corruption internal requirements and realistic needs.

4.2. Keep up with the Times and Perfect the Audit Evaluation Index System

Keep up with The Times and perfect the audit evaluation index system of high quality development. In the new normal, the world's first-class enterprises, the past pursuit of scale effect to change to quality and efficiency. Insistence on the world class leading management idea, management mode, management, technology innovation, take the quality as the core of State-owned enterprise management mechanism, give full play to the role of the benefit audit, and the factors such as innovation, green is blended in among them, make the enterprise managers can obtain high authenticity audit reports, provide adequate information support for the decision-making, Analyze the relevant evaluation factors.

For example, the total score of the assessment is set at 100 points, considering the goal of State-owned enterprise reform, aiming at the current situation of large but not strong State-owned enterprises, and the urgent requirement of improving quality and efficiency, on the basis of ensuring the authenticity of assets and liabilities related information, the profit and loss benefit is assigned 40 points, and the relevant financial indicators are assigned the weight assessment; Combined with the green development concept of safety production in the energy and chemical industry and the requirements of national macro control, 30 points were given to the implementation and deployment of safety and environmental protection and group policies, and weights were assessed on related indicators; New 20 standard points for operation and management standardization and driving force of scientific and technological innovation, 20 points for employee sharing of social responsibility and building party conduct and clean government. The evaluation indexes can be subdivided according to the evaluation content, and divided into class A indexes, class B indexes, etc., and given different scores for these indexes. The score assigned to different indicators is the weight occupied by these indicators in the overall evaluation. The weight can intuitively show the importance of indicators, as shown in Table 1. Through quantitative and qualitative analysis, it can show the real situation of managers and improve the comparability between vertical and horizontal. Give a comprehensive score to the audited leaders for each economic responsibility audit.

4.3. Top-level Design to Improve the Level of Audit Digital Information

In order to achieve high quality audit, it is necessary to optimize the existing audit system, innovate audit methods and means through Top-level design, and give full play to the role of information technology to achieve scientific and technological strong audit.

(1) Based on the information conditions of departments and units, expand the fusion and sharing of data sets. Build information platform, expand data fusion and sharing. Each business department, molecular company and application system to establish cross-department, cross-system, cross-industry data association analysis, real-time data collection. The financial information sharing center has been established to achieve standardized data and safety and quality management. Through the sharing platform, timely and complete basic data can be obtained in a safe, reliable and unified manner. Auditors follow up each process in real time, obtain data - analyze data - draw conclusions, and then provide the path to solve the problem, and truly achieve the quality and efficiency of economic responsibility audit.

Table 1. Economic Responsibility Audit and Evaluation System

Audit Content	Evaluation Index	Indicator Elements	Point Deduction Rules	Index Type	Scores
Quality of the benefit	Asset quality	Asset turnover Receivable recovery rate Operational target completion rate	Set the target proportion and deduct 1 point for each unfinished project	Quantitative	Out of ten
	Profitability	Operating profit margin Return on assets Cost ratio		Quantitative	Out of ten
	Debt Risk	Current ratio Quick ratio Asset-liability ratio		Quantitative	Out of ten
	Ability to grow	Operating growth rate Profit growth rate		Quantitative	Out of ten
Safety, environmental requirements and social responsibility	Environmental Protection	Energy conservation and emission reduction Violation of environmental Protection Green excellence completion rate	Points are deducted according to the amount of damage caused	Quantitative and qualitative combination	Out of ten
	Worker to Share	Growth rate of employee income			Out of ten
	Safety Management	Safety accident rate Security cost input			Out of ten
Financial revenues and expenditures	Compliance	Financial loss		quantitative	Out of ten
Science and technology innovation	Momentum	Application of new technology	Innovation and economic value added	Quantitative and qualitative combination	Out of ten
Clean from	Integrity and self-discipline	One ticket veto		Qualitative	
Audit corrective	Before problem	Penalty points are not corrected	According to the number of items	Quantitative	Out of ten

Note: A final score of 90 or more can be described as "well performing economic responsibilities" in the audit report; a final score of 80 or more can be described as "well performing economic responsibilities" in the audit report; a final score of 70 or more can be described as "performing economic responsibilities" in the audit report. The final score of more than 60 points can be described as "basically fulfilling economic responsibilities" in the audit report. Officials who score less than 60 points in the audit should be referred to relevant departments such as human resources for punishment and can be described as failing to fulfill their economic responsibilities in the audit report. The correspondence between the above score and the corresponding evaluation is based on the actual situation of A State-owned enterprise and the experience of relevant economic responsibility audit.

(2) Promote the digital audit mode. In the information age, big data tools can be used to expand the sample size to the total without limit, mining and analysis to achieve full data, no dead Angle audit, eliminate sampling risk, achieve full coverage of audit. Through the data docking of different systems, we can find the logical relationship between different departments, find business loopholes, break through the limitation of case-by-case, predict risks and manage in advance. For each department of the enterprise, different scope of work, linkage. Overall and partial, decentralized and centralized, background data and on-site audit seamless docking, enhance the flexibility and precision of audit, and truly achieve audit quality and efficiency through digital audit.

4.4. Combination of Introduction and Training, Enhance the Comprehensive Ability of Internal Audit Personnel

Strengthen guidance, actively carry out training, effectively enhance the internal audit personnel to find problems, analyze problems, solve problems of the comprehensive ability. With deepening of economic responsibility audit responsibility, State-owned enterprises should be combined with the audit professional development background, and the high quality of internal audit personnel's professional competence is more demanding, request to understand the audit, but also to understand the business and proficient in finance, under the environment of information technology, high efficiency to conduct economic responsibility audit work. In the aspect of professional ethics, auditors are required to strengthen the sense of mission and responsibility of high-quality development, maintain independence, and cultivate objective and fair political quality. This requires enterprises to actively guide and implement precision training, strengthening the construction of the internal audit personnel quality, through industry, money, whose fusion results oriented learning, training, updating the knowledge structure, the use of modern means according to the practical demand of the high quality development, combination of State-owned enterprises in the development of high quality decision deployment requirements, enhance the level of auditor's professional ability and information, Enable them to use advanced information tools to discover the problems of the enterprise, identify the factors causing the risk, and help the enterprise to promote high-quality development.

4.5. Information Sharing, Strengthen the Application of Internal Audit Results

"In the audit finding, corrective" problem is common, carried on the thorough research to the above phenomenon, enterprises want to improve audit quality will need to fundamentally solve the problem, realize information sharing in do it on the basis of comprehensive audit, establish strict audit accountability mechanism and improve dynamic all staff involved in the audit work.

(1) Establish and improve the result application system. In terms of the application of audit results of economic responsibility, we should establish and improve the application system of results, strengthen the application of audit results, and the management of results, adhere to principles, clarify responsibilities, set up time limits, and ensure quality. In the aspect of system, ensure the application of economic responsibility audit results into the department's daily assessment. After the completion of economic responsibility audit, the results shall be publicized in a timely manner. The audit department shall hold a joint meeting, and the specific requirements for the application of audit results shall be assigned to the joint department to coordinate and support, to ensure that each audit result has corresponding application procedures and achievement transformation.

(2) Establish the sharing mechanism of audit results and information. The auditee shall make rectification according to the problems found in the audit work, and assign the responsibility to specific employees. Meanwhile, the management personnel shall closely supervise the rectification situation and regularly report the rectification results, so as to improve the

efficiency of audit rectification. On the basis of the problems have been found, need to a detailed analysis of the cause of the problem, and take effective measures to strengthen and discipline inspection, to have a party, organize personnel to establish information sharing, Shared audit force, dig audit source problem, this "repeatedly to recidivism, and check the recidivism".

(3) Strengthen accountability. To strengthen the accountability of economic responsibility as a key breakthrough, management dereliction of duty, dereliction of duty and violations of the classified disposal. According to the regulations on the management of illegal operation of the group and the national financial and economic laws and regulations, the regulations on disciplinary measures within the Party shall make criticism within the group, written inspection, economic punishment, disciplinary punishment of the Party, even suspension and removal, and transfer the cases of bad nature directly to the judicial organs. To the violations, one to the end, the introduction of party discipline, political discipline, the application of judicial treatment of major problems, so that the head of State-owned enterprises from the ideological action really attaches great importance to, but also to improve the results of the main body to carry out the audit results of the use of the initiative and seriousness.

Really change State-owned enterprises are big but not strong, but not the present situation of the optimal, implement quality efficiency gains is dependent on the internal audit of quality guarantee, the quality of the audit will promote the internal audit from dot to line, from line to plane, from quantity to quality, not only focus on internal audit audit "have to", the key to good and "optimum" dimensions, By strengthening the overall quality control of internal audit process and results, we will improve the quality and efficiency of internal audit, improve organizational governance and achieve objectives, promote high-quality economic development, and promote modernization of national governance system and governance capacity.

References

- [1] Li F X. In-depth Implementation of the Spirit of the Fourth Plenary Session of the 19th CPC Central Committee to achieve high-quality development of internal audit in the New era [J]. China Internal Audit,2020(10):4-24.
- [2] Regulations on Audit of Economic Responsibility of Leading Party and Government Officials and Leading Personnel of State-owned Enterprises and Institutions, Issued by The General Office of the State Council of the General Office of the CPC Central Committee on July 7, 2019.
- [3] Zheng S Q. Audit evaluation of leading cadres' economic responsibility: Theoretical framework and Case Analysis [J]. Finance and Accounting Monthly, 2018 (21) : 139 -- 145.
- [4] Hu Z Q, YU D M. The orientation and Standardization of economic responsibility audit System -- Based on the spirit of reform of audit management System in the 19th National Congress of the Communist Party of China [J]. Audit and Economic Research,2018,(1).
- [5] Implementation Opinions on Deepening the Supervision of Internal Audit of Central Enterprise, Issued by State-owned Assets Supervision and Administration Commission of the State Council on September 28, 2020.
- [6] Decision of the Standing Committee of the National People's Congress on Amending the Audit Law of the People's Republic of China, Order of the President of the People's Republic of China, No.100, October 23, 2021.