

Discussion on Accounting of Real Estate Development Enterprises

Li Li

Yunnan Technology and Business University, Kunming 650000, China

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Abstract: With the continuous development of social economy in our country, the real estate industry in our country is also developing rapidly. The real estate development enterprise has become a hot topic in recent years. The real estate industry has made rapid development, has become an important pillar industry of national economic development, and plays a more and more important role. The particularity of the real estate enterprise itself determines the complexity of its internal accounting. Moreover, its expenses are also increasing. In order to protect the economic interests of real estate development enterprises and improve the profitability of enterprises, it is necessary to carry out effective accounting. This paper briefly expounds the importance of accounting in real estate development enterprises, and analyzes the present situation. There are problems in the accounting of real estate development enterprises. In addition, put forward further improvement measures.

1. Introduction

In recent years, with the rapid development of urbanization in China, the real estate industry has made rapid development. Its development has led to the development of steel, cement, building materials and other industries, and has made important contributions to the development of the national economy. The characteristics of real estate industry, such as large investment, long construction time, many links in the construction process and high development risk, determine the complexity and particularity of real estate enterprises in accounting. At present, there are many problems in the accounting of real estate enterprises in our country, which need to be further improved.

2. The importance of Accounting in Real Estate Development Enterprises

Different from general construction enterprises, real estate development enterprises are engaged in real estate development and real estate management at the same time, through land expropriation, construction of houses, improvement of infrastructure, housing sales to obtain profits. On the one hand, from the point of view of profit acquisition, due to the fierce competition in the construction market, the operating cost of the enterprise is increasing day by day, and the profit of the enterprise is decreasing year by year. It is helpful for the real estate development enterprise to effectively reduce the cost and obtain the maximum profit by effectively accounting for the investment of the engineering project and the construction of the construction project. On the other hand, from the point of view of risk aversion, due to the engineering investment of real estate enterprises, the capital investment of the project is relatively large, and the real estate enterprise conducts land acquisition at the same time. The construction of house construction bidding and the sale of finished housing, the whole capital return period is long, involving many accounting links, once any problem occurs, the enterprise must bear the major economic loss, and even cause the enterprise with the disaster of destruction. Therefore, improving the accounting work of real estate development enterprises and improving the quality of accounting is the focus of real estate development enterprises.

3. The problems existing in the Accounting process of Real Estate Development Enterprises

It is difficult to determine the income of real estate development enterprises. The accounting method stipulates that all books of account shall establish before the year-end closing year. Such a development project has to record in several accounts, which is not conducive to investment analysis and increases the workload. The general commercial housing of real estate enterprises developed for themselves, and the general business involves from feasibility study, land expropriation, investigation, design, construction, sales to after-sales service. Business and other links, development time is long, investment funds are large. The funds of real estate development enterprises spent in the early stage of construction. How to obtain the funds of real estate development in the next step is the biggest problem that every real estate enterprise has to face. At present, the financing channels of real estate developers in our country are too few, through commercial bank loans. Due to the increase of state regulation and control of the real estate industry in recent years, the people's Bank of China has greatly raised the threshold for loans to real estate developers, making it very difficult for real estate enterprises to finance. This determines that real estate enterprises generally raise funds through pre-sale, generally speaking, the current regulations of our country As long as the house obtains a pre-sale license, you can start selling, sign a formal contract, and hand it over to the buyer after the formal acceptance of the house. Therefore, the real estate enterprise is the income has its particularity. it is difficult to use the accrual basis in the accounting standards to confirm the income, whether the income recognition is to confirm the income when the formal contract is concluded but the house is not delivered.

There are many standards of accounting system and incomplete accounting subjects. There are many existing accounting systems, which can be implemented in the real estate industry, such as "small enterprise accounting system", "industry accounting system" real estate development enterprise accounting system ", but there is no clear unified implementation standard in the real estate industry. There are many accounting methods in real estate development enterprises, which are not conducive to the accuracy of accounting. At the same time, only the real estate accounting system gives the accounting subjects and accounting methods specially used in real estate development enterprises. Because of the particularity of real estate industry products, the simple accounting subjects in other systems are for real estate enterprises. Accounting elements cannot fully account for, affecting the accuracy of enterprise accounting.

The performance of an enterprise can not be truly reflected through the index of income evaluation. Because of the long input-output cycle of real estate production, it reflected in the accounting annual report that there will often be large performance fluctuations and poor performance during the construction period, and when the house is accepted and sold the advance income will counted, which leads to the net profit index cannot truly reflect its operating situation. Even if the real estate development company does well, its net profit may still be very small or negative: and a real estate company with more construction in progress and good expected sale, excellent cash flow and strong profitability may be facing the risk of collapse. such as compensation caused by construction quality problems, broken capital chain, and so on. Therefore, real estate development enterprises In addition to accounting indicators, off-balance sheet risk is also more important.

4. Risk disclosure is inadequate

Real estate development enterprises face various risks in the development process, including policy risk, project development risk, land risk, project quality risk, etc. This high risk requires real estate developers to reveal risks more fully than others. At present, the CSRC allows real estate development enterprises to withdraw quality deposits and require disclosure of their accounting methods. but the risks disclosed by real estate development enterprises in the notes to financial and accounting reports are limited to the guarantee risks of mortgage loans; In addition. China's accounting system does not have relevant regulations on the extraction of real estate development

enterprise quality deposit, disclosed from listed company. In fact, the issue of quality margin not disclosed.

5. Measures to perfect Accounting of Real Estate Development Enterprises

Reasonable selection of standards and addition of accounting subjects to ensure the complete reflection of accounting information. Real estate enterprises must choose accounting system reasonably according to the characteristics of their own industry. Different accounting system standards are different, such as the state clearly stipulates that the number of employees cannot meet the number of employees at the same time, annual sales of more than 10 million yuan. In addition to the implementation of the new standards and "enterprise accounting system" in accordance with the provisions, must implement the "small enterprise accounting system". The existing joint stock limited company and the real estate development enterprise in the foreign-funded enterprise shall with the exception of the enterprise that implements the new standards in accordance with the regulations implement the Enterprise Accounting system. if the real estate development enterprise is a listed company or according to the requirements of the listed parent company If the new standards are adopted, the accounting system stipulated in the new standards shall be implemented.

On the premise that it does not affect the provision of unified financial reports to the outside world, real estate enterprises can independently add accounting subjects according to their own circumstances. because in the above accounting system, only the industry accounting system "Real Estate Development Enterprise Accounting system" gives the accounting subjects and accounting methods specially used in real estate development enterprises. and real estate development enterprises implementing other systems must add the following subjects: first, The subject of "development cost" is mainly the accounting of real estate development cost. Second, the subject of "development indirect costs", equivalent to "manufacturing costs" in industrial enterprises, accounts for the occurrence of products for the development of products Excluding all indirect expenses borne by the administrative department. Third, calculate the subject of "development products" of the real estate that has been developed and accepted as qualified. Fourthly, check the title of "leased development products" for land and houses used for lease operation but not yet converted into fixed assets. Fifth, calculate the subject of "turnover house" of house used by residents of resettlement and relocation.

Introduce the concept of planned sales price, so that sales revenue and cost ratio. It suggested that the concept of planned sales price should introduced, that is, when the developed house reaches a saleable state, the enterprise should make a planned sales price according to the factors such as cost, market, location, floor, orientation and so on, as the cost distribution standard.

The actual selling price cost rate method, that is, by multiplying the actual selling price by the actual selling price in the first two months of the quarter, is equal to the method adjustment of the sales cost at the end of the quarter. The specific operation sequence is as follows: the sub-ledger of the classification is set up according to the project setting account of the final accounts with the same or similar completion time; based on this category sub-ledger, the households with the same price as the planned price are set up, and the prices are set separately. The method is suitable for developing a large-scale real estate enterprise, and has the advantages that the workload can be reduced, and the defect is that a certain error can be generated in two months prior to the quarter, and more detailed cost information can not be provided in time and accurately.

The planned price cost rate method, that is, always according to the planned price multiplied by the planned sales cost rate carried forward. The cost of commercial housing can be determined according to the building, floor and unit. so that the commercial housing with the same construction area cost per meter can be classified into the same account, and the sales cost can be carried forward directly according to the room number of the account set up by the unit, and the sales cost can be obtained. The disadvantage of this method is that the carry-over workload is large, but it follows the principle of consistency, provides reliable and timely information, and can spread the carry-over cost workload in the daily work, which is suitable for general real estate development enterprises.

Expand the scope of disclosure of information. In order to reflect the operating performance of

real estate enterprises, enterprises must increase the amount of information disclosure. The quality guarantee system should establish to guarantee the quality of real estate commodities. However, in view of the long-term nature of real estate commodities, the quality margin of high-value real estate development enterprises is different from that of general industrial and commercial enterprises, the amount of margin is larger and the guarantee period is longer. Therefore, according to the specific conditions of the developed project, the enterprise can draw the quality margin to be included in the project cost in order to improve the ability to cope with the risk. The related risks should disclose in the accounting report and should not be limited to mortgage risk, that is, in real estate development enterprises. The disclosure of risks should be increased in the notes to the statement to explain the development risks, financing risks and land risks faced by enterprises in the development of land and engineering projects, etc., so as to improve the transparency of risk disclosure.

Because the land cost accounts for a large proportion of the development cost of the real estate enterprise, the degree of ownership and cost of the land reserve is to a certain extent the guarantee of the future development of the real estate development enterprise. It is necessary to increase the amount of land reserve and its cost composition in the disclosure, because the low land cost represents the huge profit of the enterprise project, and the information of these land reserves is not reflected in the total amount of land use right. Therefore, enterprises must disclose the amount and cost of land reserves to information users in their financial reports. Due to the high risk of real estate enterprises, such as construction problems may bring huge compensation. the guarantee has not yet been settled, large banks The real estate development enterprises must pay attention to the disclosure of risks in the disclosure of accounting information. and all kinds of risks should be fully revealed in the financial report, including financing risk, land risk, etc. to improve its transparency; at the same time, according to the specific circumstances, the quality margin must be drawn to strengthen the ability of enterprises to cope with risks.

Perfecting the Accounting system, promoting the Construction of Information accounting and improving the quality of Accounting personnel. In order to ensure their competitive advantage, real estate enterprises must effectively carry out accounting. After the selection of accounting system, real estate development enterprises should perfect the accounting rules and regulations according to their own situation and industry characteristics, ensure that the accounting work has rules to follow, ensure the authenticity of accounting materials, and promote the improvement of the accounting level of their own enterprises.

With the development of productive forces, modern real estate development enterprises often carry out multiple projects at the same time in the same time of project development, which not only increases the workload of enterprise accounting, but also, because there are more accounting projects and fewer accountants, it is very easy to have problems. Therefore, in order to adapt to the development of contemporary architecture, enterprises must promote the process of information accounting, establish the information system of enterprise accounting, and make use of centralized accounting to ensure that the accounting work of each project can be completed with high quality and high quantity. Through the establishment of accounting information system, not only the project on-site accounting and enterprise accounting can effectively connect. The accounting information of the center ensures that the project accounting information transmitted to the accounting department of the enterprise in the first time, and improves the efficiency of the accounting work. It can also improve the financial supervision ability of the real estate enterprise, supervise the whole process in advance, ensure the effectiveness of the budget implementation of the enterprise, and ensure the effectiveness of the use of the enterprise funds. At the same time, the enterprise accounting information system and the accounting computerization system can be connected to ensure the strict implementation of the national unified accounting system in the enterprise to ensure the authenticity of the accounting data, and to improve the quality and work efficiency of the accounting.

The information-based accounting system needs high-quality accounting personnel, accounting personnel should not only be proficient in accounting business, but also proficient in network knowledge. The cultivation of compound accounting talents is the guarantee of the effective implementation of enterprise accounting information construction, and enterprises can pay more

attention to the recruitment of complex talents when recruiting talents. Under the existing conditions, enterprises should allocate accounting institutions reasonably, pay attention to the investment in education and training of talents, and train and educate the existing accounting personnel to meet the needs of accounting in the new era.

6. Summary

The new century has brought new development opportunities to China's real estate industry. As an important investment field, the real estate industry has played a great role in promoting economic development. Perfecting the accounting of real estate enterprises is beneficial to the sustained and healthy development of the real estate industry, the realization of the expected economic goals, the provision of more employment opportunities, and the guarantee of the rapid and harmonious development of China's economy.

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