

INTRODUCTION

1. Rationale

After the equitization of mechanisms and financial policies, accounting activities at Civil Engineering Construction Corporations has many differences compared to the previous models such as the relationship of ownership, financial investment relations, responsibility for preparing the consolidated financial statements. Organizing scientific and rational accounting work, closely monitoring, providing clear and transparent information of enterprises is really vital for management activities at both macro and micro levels, particularly for Civil Engineering Construction Corporations (CIENCO) under the Ministry of Transport which are economic organizations with specific and complex characteristics... However, the organization of accounting work at these units exists many inadequacies and inconsistencies. From the theoretical and practical basis, the PhD student decided to choose the thesis topic *"Improving the accounting work at Civil Engineering Construction Corporations under the Ministry of Transport"* as a PhD thesis in economics.

2. Overview of related research on the thesis topic.

2.1 Related research in the world

The research conducted by Christine Windbichler (2010) mentioned European Union regulations on the organization of activities in economic groups and business organizations; The study carried out by Colpan A. and Hikino T. (2010) investigated the basis for the formation of economic groups from a traditional and modern point of view; The research done by Malcolm J. Morgan listed research in management accounting in a modern manufacturing environment.

2.2 Related research in Vietnam

2.2.1 Studies on the organization of the accounting apparatus in enterprises operating under the model of holding company.

In his research project, Doan Xuan Tien has studied the basic theory of parent company-subsidary model and the organization of enterprise accounting in this model; Dr. Nguyen Tuan Anh's PhD thesis in Economics has systematized and analyzed the basic theoretical issues of economic groups and organization of accounting work in economic groups; Dr. Nguyen Thu Huong's PhD thesis in economics clearly described the process of formation and development of the parent-subsidary company model in Vietnam and in the world.

2.2.2 Studies on the organization of accounting information.

Dr. Hoang Van Ninh's Ph.D thesis in Economics has systemized the general theoretical basis and analyzed the organization of the accounting information system for management activities based on the current regulations of the Internationals and Vietnam; Hoang Thi Phuong Lan's Ph.D thesis has defined the content of accounting work in accounting units including the appropriate and scientific organization of accounting apparatus; organization of acquiring information through the original document and source document system; Pham Thi Tuyet Minh's Ph.D. thesis in Economics studied and analyzed the factors influencing the organizational structure, organization of production and assembly process as well as the organization of management accounting work in enterprises under Vietnam.General Corporation of Automobile Industry.

2.2.3 Studies on the organization of accounting inspection

Ph.D theses in economics of Ngo Van Hau, Ngo Thi Thu Huong, Pham Thi Minh Tue discussed the organization of accounting inspection from different points of view.

2.2.4 Studies on the organization of application of information technology to accounting work.

Thai Ba Cong's Ph.D. thesis in Economics, and Ph.D thesis of Nguyen Dang Huy dicussed the organization of accounting work in conditions of information technology application in pharmaceutical manufacturing enterprises and importing companies...

2.3 Conclusions drawn from the research.

Through the study of published works in the world and in Vietnam related to the parent company-subsidiary model and organization of accounting work, the author draws some conclusions as follows:

- * There is no official regulations on the organization of the general accounting apparatus for enterprises in the world. Depending on the size of each group, the requirements for organization of financial information by sector, division, geographical areas, appropriate accounting apparatus can be proposed. The construction of the consolidated financial report is very complex, therefore the accounting system for preparing the report is the major concern of enterprises.

* In Vietnam, the research on organization of accounting has had remarkable achievements, however, the published works have not gone into details of the following issues:

- Content of the study: When studying the organization of accounting work, the topics mainly focused on the followings: source document organization, organization of accounting accounts, organization of accounting book system and Organization of constructing reports.

- Subjects of study: Published research projects focused mainly on professional treatment techniques, not properly recognized the advantages and disadvantages of organizing accounting work and organizing the accounting apparatus. Organization of accounting work at the Civil Engineering Construction Corporations has not been studied in depth.

- Research methodology: Research is based mainly on inference, not focused on surveys. Some of the studies have conducted surveys but the questionnaire is sketchy, the respondents were not senior managers based on the level of satisfaction and mainly provided by accountants.

3. Research aims

- *Theoretically*: To systematize and clarify the theory of accounting organization in construction and installation enterprises operating under the model of parent company - subsidiary in the view of financial accounting and some contents of management accounting.

- *Practically*: To study, analyze and evaluate the real situation of accounting work in terms of financial accounting and some contents of management accounting at Civil Engineering Construction Corporations (CIENCO) under the Ministry of Transport. The author consulted the organization of accounting work in some developed countries in the world and to draw lessons for Vietnam. On that basis, the thesis proposed solutions to improve the organization of accounting work at Civil Engineering Construction Corporations under the Ministry of Transport

4. Research subjects and the scope of the research

4.1. Research subjects

The subject of the thesis is the theoretical issues of organizing accounting work in the model of parent company - subsidiary and the

practical issues of accounting work under this model in financial accounting and some contents in management accounting, in which Civil Engineering Construction Corporations operating under the parent company - subsidiary model are used as illustration.

4.2. The scope of the research

- Research space: Studying the organization of accounting work at the Civil Engineering Construction Corporations (CIENCO) under the Ministry of Transport including 06 corporations whose business fields are in construction and operating under the parent company-subsidiary model consisting of CIENCO 1, CIENCO 4, CIENCO 5, CIENCO 6, CIENCO 8 and Thang Long Construction Corporation.

- Research time: Conducting surveys, studying the situation of accounting organization at Civil Engineering Construction Corporations (CIENCO) under the Ministry of Transport since 2014.

- Research content: The thesis studies accounting work organization from the perspective of financial accounting and some contents of management accounting Civil Engineering Construction Corporations under the model of parent company - subsidiary to provide information for management

5. Research methodology

The methodology of dialectical materialism and historical materialism, theoretical study is combined with actual investigation and surveys. Theoretical issues are based on concepts, principles, methods adopted and applied in Vietnam as well as in the world. In completing the thesis, the authors used the method of analyzing, comparing and synthesizing information as the basis for making the assessment and evaluation of the current situation of the organization of financial accounting and management accounting at units, branches at Civil Engineering Construction Corporations (CIENCO) and at the same time proposed appropriate solutions. The author used qualitative methods in the study of practical issues

6. Research questions

To fulfill the research objectives, the thesis focuses on analyzing and solving the following issues:

- How can the characteristics of construction activities affect the organization of accounting work in construction enterprises?

- What is the content of organization of accounting work in construction enterprises operating under the model of parent-subsidiary company?

- Analysis of experience performing accounting work organization in a number of developed countries in the world (US, Japan, France), based on that to draw lessons for Vietnam?

- What are factors affecting the organization of accounting work in the construction businesses operating in the model of the parent company - subsidiary?

- What are organizational characteristics of production, technology processes; organizational characteristics of the management Civil Engineering Construction Corporations?

- What is current situation of accounting work at Civil Engineering Construction Corporations? What are the advantages, limitations, causes of the restrictions in the real situation in these enterprises?

- What are the solutions to improve the organization of accounting work in these corporations? What are the conditions for implementing such solutions?

7. Contributions of the thesis

- *Theoretical contributions:* The dissertation has presented general system and theories on organization of financial and management accounting in the construction and installation businesses operating under the model of parent company - subsidiary .

Practical contributions:

- + Research has identified the factors affecting the organization of financial and management accounting at the Civil Engineering Construction Corporations.

- + Conducting practical surveys on the organization of accounting work at Civil Engineering Construction Corporations. Reflecting and assessing the current situation of accounting work at Civil Engineering Construction Corporations, thereby identifying the strengths and limitations of organizing accounting work at these corporations.

- + Based on the limitations in accounting work at Civil Engineering Construction Corporations combined with the research on development orientation of Civil Engineering Construction Corporations, complete solutions are proposed.

- About the application in practice: The thesis has proposed solutions to complete the organization of accounting work in accordance with the characteristics of organization and management and organization of production and business activities at Civil Engineering Construction Corporations.

8. The structure of the thesis

Chapter 1: The literature review of organization of accounting work in the construction enterprises operating under the parent company-subsidary model and practical experiences of other countries.

Chapter 2: The current situation of accounting work at Civil Engineering Construction Corporations under the Ministry of Transport.

Chapter 3: Some solutions to improve the organization of accounting work at Civil Engineering Construction Corporations under the Ministry of Transport.

Chapter 1

LITERATURE REVIEW ON THE ORGANIZATION OF ACCOUNTING WORK AT CONSTRUCTION ENTERPRISES OPERATING UNDER HOLDING COMPANY MODEL

1.1. Characteristics of construction enterprises operating under the model parent company - subsidiary affecting the organization of accounting work.

1.1.1. Views on the parent-subsidary model

According to the International Accounting Standards (IAS), a parent company is a legal entity that has at least one subsidiary. A subsidiary is a legal entity controlled by its parent company. *Controlled* here is referred as: (1) directly or indirectly holding more than 50% of the votes; or (2) owning 50% of the votes or less but holding more than 50% of the votes in agreement with other shareholders; or take control of the company's financial or production policies and is governed by the charter, agreement or contract.

In this thesis, "parent company - subsidiary" is understood as a corporation, in which: parent company, as well as subsidiary company is established and registered in accordance with the law; At the same time, the parent company is a legal entity powerful enough to control and dominate the subsidiaries of the consortium and to be supported by such

subsidiaries. Subsidiaries are companies which a parent company governs and controls and voluntarily certain principles and practices.

1.1.2. Perspectives on organization of accounting work

According to one view: *Organization of accounting work in enterprises must solve 2 aspects: organization of implementation of accounting methods, accounting principles, methods and techniques to achieve certain objectives of the accounting work and the organization of the accounting apparatus is to link accountants to well perform the accounting work of the enterprise [Luu Duc Tuyen and Ngo Thi Thu Hong, 2011].*

The view is that: *"Organization of accounting work in a business refers to two aspects: Organization of implementing accounting methods principles and techniques in order to achieve certain objectives and Organization of an accounting system pricing and aggregation - balance sheet "[Nguyen Thi Dong, 2009].*

Another view is that: *"Organization of accounting work is the relationship of elements that make up the nature of accounting, accounting records, counterpart accounts, pricing and aggregation - balance sheet "[Nguyen Thi Dong, 2009].*

The above viewpoints have different approaches and interpretations on accounting organization in which the author agrees with [Luu Duc Tuyen and Ngo Thi Thu Hong, 2011] in defining the term: *Organization of accounting work is a scientific and rational organization of accounting department to achieve two main objectives: the organization of the accounting apparatus to help accountants coordinate, perform well in the unit and on the basis of combining science and the general principles and specific features of business activities to organize the application of principles and accounting methods to provide economic and financial information for economic management at the company.*

1.1.3. Production and management characteristics of the construction enterprises affecting the organization of accounting work.

*** Characteristics of organizing construction activities:**

Construction is an industrial production, contributing to building the material and technical infrastructure of the economy. Construction activities include: new construction, expansion, restoration,

reconstruction, or modernization of works in all sectors of the national economy (such as transport, irrigation, industrial zones, defense works, ...).

*** Characteristics of construction products:** Construction products are construction works, architectural objects ... of large scale, complex structure with a single unit, each product has a different process of production and distribution, costs

***Characteristics of costs and classification of construction costs:** costs of construction and installation are usually generated in large quantities, and materials used for construction and installation belong to various types (iron, steel, cement, brick , stone, gravel sand ...), in different models and quality.

***Characteristics of the contracting mechanism within construction enterprises:** Construction companies currently apply the management method of contracting construction products for construction enterprises and teams. Therefore, enterprises must pay more attention to the volume, quality and progress of construction.

***Features of the payment mechanism for construction and installation costs with the investor:** Depending on the characteristics of each construction and installation work, the construction contract between the construction enterprise and the investor may stipulate the method of payment. Construction costs are made in one of two ways.

1.2. Factors affecting the organization of accounting work in construction enterprises operating under the model of parent-subsidiary company

Organization of accounting work in construction enterprises operating under the model of holding company is influenced by the following factors:

1.2.1 Internal factors: Characteristics of management organization, qualifications of the accounting staff, requirements and ability to apply information technology.

1.2.2. External factors: Characteristics of business environment, accounting legal environment, development of accounting and auditing services at the present and in the future.

1.3. Principles and content of organizing accounting work in construction and installation enterprises operating under the model of parent company and subsidiaries

1.3.1. Principles of organization of accounting work in construction enterprises operating under the model of holding company

Principles of organization of accounting work in construction and installation enterprises operating under the model of parent company - subsidiary companies must be systematic, scientific and rational, that is: Suitable for economic integration, international integration of accounting; Organization of accounting work at construction enterprises must comply with and follow the provisions of the Law on Accounting, accounting standards, regimes and system of legal documents issued by the State; Organization of accounting work must be in line with the characteristics of management organization, production and business activities, suitable to the professional level of the managerial staff and accounting staff of the unit; Organization of accounting work must ensure the consistency between accounting and management, providing timely, honest and complete information about production and business activities for management requirements; Organization of accounting work must ensure the practical and effective principles.

1.3.2. Content of the accounting work in construction enterprises operating under the model parent company - subsidiary

There are many different views on the organization of accounting work, from which the economists formulate the content of accounting work on different perspectives.

Although there are different views on the content of the organization of the accounting work, but generally these views are characterized by the organization of accounting work in the enterprise including organization of source documents, accounts, books, accounting report systems and accounting system organization. According to the author, the content of the organization of accounting work in the enterprise must be resolved on both sides including to implement the accounting methods, principles and techniques to achieve achieve certain objectives and accounting organization can link the accountants to perform well in the accounting work in the business. Therefore, in the thesis, the contents of the

organization of accounting work are presented according to the accounting process.

Contents of accounting work organization include: Organization of accounting apparatus; Organization of accounting information: including the collection, processing, provision and analysis of accounting information; The accounting inspection organization consists of internal unit auditing and accounting auditing of subsidiaries; Organization of the application of information technology to accounting work.

1.3.2.1. Organization of accounting system in construction enterprises operating under the model parent company - subsidiary

The organization of the implementation of the functions, tasks and content of accounting work in the company is undertaken by the accounting department. Therefore, the organization of the reasonable and comprehensive accounting structure operating effectively is an important condition to provide accounting information in a timely, honest and complete manner, useful for The users of the information while promoting and improving the professional level and efficiency of the accounting staff. The contents of the accounting apparatus include: (1) selection of the organizational structure of the accounting apparatus, (2) organization of financial accounting and management accounting activities.

1.3.2.2. Organization of accounting information in construction enterprises operating under the model parent company - subsidiary

(1) Organizing the collection, systematization, classification and processing of accounting information in construction enterprises operating under the model of holding company and subsidiary.

(1.1) Organizing the accounting system of source documents: The source document system applied to the parent company and each subsidiary company should be selected uniformly and at the same time stipulating and guiding relevant sections to properly record accurate elements on accounting source documents; (1.2) Organization of the system of accounts: The accounts shall be opened for each accounting subject with separate economic contents. A set of accounting accounts, a unified accounting system is an important component of accounting, including consistent account regulations, account numbers, symbols, and notes for each account; (1.3) Organizing the accounting book system:

Accounting books are the means to record and systematize detailed accounting information in enterprises. In order to effectively manage the economic and financial activities in the enterprise, the good organization of the accounting book system is a prerequisite. Therefore, it is necessary to build the structure of the book systems in accordance with the order and methods of systematizing specific accounting information in each enterprise. Economic transactions are recorded in the accounting books according to certain principles. Accounting books include general accounting books and detailed accounting books. General accounting books shall be written according to general economic criteria or detailed accounting books should be used for systematization of information according to specific economic criteria.

(2) Organizing the preparation, analysis, submission and disclosure of accounting reports

(2.1) Organizing the financial reporting system including: separate financial statements; Consolidated financial report.

(2.2) Organization of management reporting system: For management accounting reports, the parent company base on the specific requirements to draw up the form and at the appropriate time in order to meet the requirements for providing information for the management. Management accounting reports may be constructed periodically or regularly. Information content and structure of management accounting reports are diverse, including various types suitable with the internal management requirements of each part of the unit.

(2.3) Organization of financial statement analysis: After preparing the financial statements, especially the consolidated financial report, the important task of accounting is to organize the analysis of these reports in order to provide useful information for the whole management of the parent company - subsidiary

(2.4) Organization and submission and disclosure of financial statements: Financial statements of member units, consolidated financial statements of the parent company and consolidated financial statements of the year, and mid-year consolidated finance reports must be submitted to owners and management agencies and must be publicly available within 120 days from the end of the annual accounting period. Subsidiaries and parent companies which are public-interest entities in

the securities sector and have to submit consolidated and public financial statements in accordance with the law on securities.

1.3.2.3. Organization of accounting inspection

Specific contents of accounting inspection include: Examination of the organization of the accounting apparatus and accounting staff; Checking the implementation of the content of accounting work; Inspecting the organization of the management and operation of accounting service business; Checking the observance of other compliance and provisions of law on accounting.

The objective of the inspection is to ensure the proper implementation of the financial management regimes and policies given by the State as well as the specific regulations of the subsidiaries and corporations.

1.3.2.4. Organizing the application of information technology in the accounting work in construction enterprises operating under the model of holding company

Modern accounting information system must be system that uses information technology. Under the autonomy of human organization (accounting staff), applying professional accounting skills, using computerized systems and accounting software to perform the functions of receiving, processing and archiving and transmission of economic and financial information to constitute an accounting information system.

1.4. Organization of accounting work in enterprises operating under the model parent company - subsidiaries of some countries in the world and lessons for Vietnam

1.4.1. Organization of accounting work in enterprises operating under the model parent company - subsidiaries of some countries in the world

Through research and field surveys in developed countries, the author found that Vietnam can learn from the experiences of countries like Japan, USA, France.

1.4.1.1. Organization of accounting work in economic groups in Japan

1.4.1.2. Organization of accounting work in economic groups in America

1.4.1.3. Organization of accounting work in economic groups in France

1.4.2. Lessons learned about the organization of accounting work for Vietnam: *Firstly*, the organization of accounting work in economic groups and corporations in particular usually includes the contents of organization of accounting accounts, accounting books and general accounting reports; *Secondly*, in the world, there is no official regulation on the content and organization of the accounting apparatus; *Thirdly*, it must ensure a harmonious combination with international accounting practices and standards while satisfying the specific management requirements based on the management requirements of each type of enterprise and each member unit; *Fourthly*, in certain economic groups and corporations in Vietnam, the issuance of a system of accounting regulations applicable to the entire corporation, the corporation will create unity among the stages in accounting work favorable for the provision of information and analysis of financial information; *Fifthly*, information technology is an effective means for accounting to be implemented scientifically and effectively, therefore businesses need to increase the application of information technology in data processing and accounting work.

CONCLUSION OF CHAPTER 1

In chapter 1, thesis has analyzed, systematized and clarified the basic theoretical issues on organization of accounting work in construction enterprises operating under the model of holding company. Particularly, the thesis gave views on the parent-subsidiary model, the views on the organization of the accounting work, the factors affecting the organization of the accounting work in the construction and installation enterprises under parent-subsidiary model; The principle of organizing the accounting work and content of accounting work in the direction of accessing the information system. This is an important theoretical basis for evaluating the situation and proposing solutions to improve the organization of accounting work in enterprises operating under the model of holding company, a new type of joint organization in Vietnam.

Chapter 2

SITUATION OF ACCOUNTING ORGANIZATION AT CIENCOS UNDER THE MINISTRY OF TRANSPORT

2.1. Overview of organizational characteristics and factors affecting the accounting work at the CIENCOS.

2.1.1. Overview of organizational characteristics of CIENCOS

At the present, the Ministry of Transportation has 23 corporations which have been fully equitized. While the corporations operate in many different fields, the number of corporations specializing in construction of transport fields is limited, as stated in the limitations, the scope of thesis research is limited to the research of the status of large civil engineering construction corporations operating under the model of holding company as follows: CIENCO 1, CIENCO 4, CIENCO 5, CIENCO 6, CIENCO 8 and Thang Long Construction Corporation.

2.1.2. Characteristics of organization of operation and management organization at CIENCOS under the Ministry of Transport

In the general development trend of the society, in order to take advantage of business and product diversification, civil engineering construction corporations, apart from the main business areas including construction of traffic works, are gradually expanding business operation in many other fields such as real estate investment, import and export, material production, fertilizer, transportation business, tourism ... The main business activities of civil engineering construction corporations include the construction of traffic and transportation; Constructing infrastructure works and industrial works; Exploiting and processing construction materials, producing prefabricated concrete components ...

2.1.3. Factors affecting the organization of accounting work at civil engineering onstruction corporations under the Ministry of Transport..

2.1.3.1. Internal factors: Organizational characteristics of management; Characteristics of civil engineering construction products directly affect the contents of the organization of management and financial accounting; The level of the accounting staff; The level of information technology application.

2.1.3.2. External factors: Specific business environment; Legal environment of accounting; Development trend of civil engineering construction corporations.

2.2. Current situation of accounting work at CIENCOS under the Ministry of Transport.

2.2.1. Current status of accounting work at CIENCOS under the Ministry of Transport.

Due to the characteristics of management organization, production organization, financial mechanism and the degree of linkage between the civil engineering construction corporations and the member units, the organization of the accounting work at these units is mainly based on the organization of accounting work which is both focused and scattered.

2.2.2. The status of accounting information organization at the CIENCOS under the Ministry of Transport.

2.2.2.1. Actual situation of organizing collection and processing of accounting information at CIENCOS under the Ministry of Transport.

(1) *The real situation of organization of the accounting source document system:* initial accounting organization; Organizing the transfer of accounting source documents; Organization of preservation, storage and cancellation of accounting source documents.

(2) *The real situation of organization applying accounting account system:* For accounts reflecting internal transactions: Investors will not open detailed accounts of accounts reflecting debts, fixed assets, revenue and expense to track internal transactions, as these units use accounting software and when there is internal transaction arising, it will be detailed by the work division.

(3) *Actual situation of organizing the use of accounting books.*

2.2.2.2. Actual situation of organizing the preparation, analysis, submission and disclosure of accounting reports

(1) *Regarding the organization of constructing financial statements:* (1.1) Determine the scope of preparation of financial statements, accounting department of the Corporations make consolidated financial statements of the corporation and dependent accounting branches. Then consolidated financial statements of the Corporations and dependent accounting branches will be consolidated

with the financial statements of the member units; (1.2) Organizing the preparation of separate financial statements at the end of the accounting year and mid-year; (1.3) The consolidated financial statements of the Corporation have been consolidated, based on the consolidated financial statements of the parent company and member units. (1.4) Organizing the preparation of management accounting reports: For the preparation of the international economic reports, the General civil engineering construction corporations and its subsidiaries have not paid much attention to the preparation of the management accounting reports of their units.

(2) *Consolidated financial statement analysis*: Preparation for analysis: In the surveyed corporations, the preparation of financial reports was conducted by selecting the time, analysis, using data sources for analysis; Analysis: Generally assess the business results by conducting an analysis of the consolidated statement of income; Finishing analysis: The civil engineering construction corporations state that most of the consolidated financial analysis work is done in the annual report, not in separate reports.

(3) *Submission and publicity of financial statements*: Currently, civil engineering construction corporations submit and publicly disclose quarterly and annual financial statements to competent state agencies in accordance with law.

2.2.3. Current situation of accounting inspection organization

The accounting inspection is carried out on the following principal contents: Examination of the legality and validity of the accounting source documents, the accounting records should reflect the accounts, accounting books and financial statements to ensure the correct implementation of current accounting policies and principles; Examining the accountability, performance of the accounting apparatus, the relationship between accounting and other units in the unit; Inspection and control of the quality and reliability of financial and economic information provided in financial statements and other accounting reports; Constructing a report on the results of the inspection, the situation of handling misappropriations detected in the previous years of the inspection.

2.2.4. The actual situation of applying information technology in accounting work

Computers are a powerful tool for carrying out tasks in different divisions in general and the accounting department in particular in today's businesses. With the rapid development of information technology, 100% of branches and member units under civil engineering construction corporations are computerized in accounting work. In general, the processing and accounting information system accounting software is carried out in a general process as follows: Processing input information for external transactions; Processing input information for internal transactions; Output the external information.

2.3. Assessment of the current status of accounting work at CIENCos under the Ministry of Transport.

2.3.1. The advantages

- Civil engineering construction corporations operating under the model of parent-subsidiary company have well complied with the accounting principles, regimes and standards which have been and are being recognized in Vietnam in the course of organization of accounting work. The process of organizing accounting work in relatively orderly units has therefore promoted the role of accounting in management, facilitating the inspection and supervision.

- Basically, the civil engineering construction corporations applied appropriate accounting system including accounting voucher system, accounting accounts, accounting books, recording method, accounting method in accordance with characteristics of production activities, characteristics and management requirements of civil engineering construction corporation as well as each member unit.

- The parent company, subsidiaries and independent accounting units have also fairly implemented the financial reporting regime applicable to enterprises..

- The majority of units have paid adequate attention to investing in equipment and facilities for the accounting department. This is also an important factor in improving the efficiency of accounting work, facilitating the quick, accurate and clear aggregation of data to meet management requirements. The staff of accounting in the civil engineering construction corporations are professionally and regularly trained, with a high degree of discipline.

2.3.2. The disadvantages

While achieving great success in terms of uniform accounting policies in all corporations, ensuring information of listed companies are audited and disclosed in a timely manner, the accounting work organization among the civil engineering construction corporation has some limitations:

Firstly, the limitations in the organization of the accounting apparatus

- *On the development of procedures and standards for internal control in the accounting department:* Some member units and subsidiaries of the Corporation prior to equitization have decentralized in the accounting work and regulations determining the work of each part of accounting. To ensure effective management in some units that do not perform the decentralization but distribute the work evenly to the accountant, the staff must monitor the whole process of accounting work on the projects and work separately.

- *The application of procedures in the accounting department:* For units that have set up the work process, the proper implementation of the work process described is still not closely managed, leading to the abandonment of the certain steps guiding the process and possible errors in accounting work; the error is not yet detected by the control department of the accounting department but detected by another department or the higher level management.

- *Management accounting and financial accounting information analysis:* Currently, 100% units and subsidiaries of the Corporation have organized the management accounting together with financial accounting. However, the allocation of work in the accounting system is not clear between management accounting together with financial accounting, and the information supply is limited. Most information of accounting systems still focuses on financial accounting. The accounting staff process data from the original sources and synthesize the financial statements so that they can be used to synthesize the financial reports.

Secondly, the limitations in accounting information organization

(1) Organizing the collection and processing of information

(1.1) Organization of accounting source documents: The recording of factors and norms on source documents: insufficient and not timely, many incidents in economic operations have not been

accurately recorded; Policies and procedures for approving documents are only issued for some important transactions.

(1.2) Organization of application of account system: In the units under CIENCO, the use of accounting accounts to record some accounting operations is not appropriate; The system of accounts used in current units has not fully met the requirements of systematizing information for the preparation of consolidated financial statements such as details of accounts receivable and payable to track the accounts receivable internally.

(1.3) Organizing the application of accounting forms and accounting books

Information collected for the preparation of consolidated financial statements is provided inadequately and not timely, sometimes inappropriately.

(2) Organizing the preparation, analysis, submission and disclosure of accounting reports.

(2.1) In the organization of financial statement preparation: Restrictions in organizing the preparation of separate cash flow statement at CIENCOs; Restrictions on incorporation of consolidated financial statements: Consolidated balance sheet and consolidated income statement: Adjustment of internal transactions: Revenue, cost of capital, unrealized profits and losses; Accounting for investments in associates and joint ventures when consolidated consolidated financial statements; Regarding the preparation of the consolidated cash flow statement: Since the bookkeeping details of the cash flow are not scientific, the exclusion of cash flow from the consolidated statement of cash flows is not sufficient. Establishing cash flow statements of individual enterprises is not appropriate.

(2.2) In the preparation of the management report: The management report at CIENCOs has not paid much attention to the management for each part of accounting.

(2.3) Organization of submitting and publicly disclosing consolidated financial statements: The time for completion and submission of consolidated financial statements has not been properly implemented in accordance with the regulations of the State. This is due to the fact that the completion and submission of audited separate financial statements as well as related information for the preparation of

consolidated financial statements is still slower than the regulations, which affect the timing and formulation of consolidated financial statements.

(2.4) Organizational analysis of financial statements: Data sources used for analysis are mainly based on data collected from financial reports, so many necessary indicators for corporate governance are not mentioned.

Thirly, on accounting inspection organization

Accounting inspection is not performed regularly at the surveyed units, the inspection is usually assigned to only one or several persons so that the accounting inspection work has not been carried out comprehensively, sometimes regarding only formality and containing many errors in the accounting process.

Fourthly, the application of information technology to accounting work

The survey shows that the application of information technology is not comprehensive and effective, there is no uniformity between the member units and the Corporation.

2.3.3. Reasons for the disadvantages

* *Objective reasons:* The promulgation of mechanisms, policies, regimes, standards ... for construction enterprises operating under the parent company-subsidiary model is slow, lack of synchronization and not really appropriate; Due to the low requirements of consolidated financial statements of the corporations.

* *Subjective reasons:* Enterprises are not aware of the role and importance of scientific accounting; In terms of practical experience, there is not much attention to these enterprises.

CONCLUSION OF CHAPTER 2

In this chapter, the thesis has surveyed and evaluated the current situation of accounting work at civil engineering construction corporations. The contents of the accounting work are clearly delineated and clarified by the authors: organizational apparatus, accounting work at civil engineering construction corporations and organization of accounting information system. These contents are accessed by the civil engineering construction corporations based on documentary evidence collected at each unit. From that view, the author analyzes, points out the

advantages and limitations of accounting work at civil engineering construction corporations, as a basis for evaluating the current situation of accounting work of the civil engineering construction corporations.

Chapter 3

COMPLETING THE ORGANIZATION OF ACCOUNTING WORK AT CIENCOS UNDER THE MINISTRY OF TRANSPORT

3.1. Orientations for development CIENCOS in the future.

3.1.1. *Development orientation of the transport sector to 2020 with a vision to 2030.*

3.1.2 *The development orientation of the CIENCOS from 2020 and 2030*

With the development and improvement of the corporate law system, accounting law, legal document system, the development of civil engineering construction corporations is in line with the inevitable development of the society. Promoting their strengths in the construction of civil engineering construction works, the Corporation has the prospect of expanding production and business activities. Besides, the construction of civil engineering works can help corporations to seize the opportunity to invest in new projects in various fields.

3.2. Requirements of the completion of accounting work at CIENCOS under the Ministry of Transport: 3.2.1. To be consistent with the particularities of financial management and compliance with the provisions of the current accounting legal documents; 3.2.2. To conform to the characteristics and management requirements of civil engineering construction corporations; 3.2.3. To ensure the adequate and timely supply of economic and financial information for economic management; 3.2.4 To be economical, efficient and feasible.

3.3. Solutions to perfect the accounting work at the CIENCOS under the Ministry of Transport.

3.3.1. *Solution to complete the accounting apparatus at CIENCOS.*

At civil engineering construction corporations, apart from the task of making separate financial statements, the consolidated financial statements of the corporation and its member units are also prepared. The Finance - Accounting Department of the Corporation should assign

the task of formulating consolidated financial statements separately to perform the work in a separated way.

3.3.2. Complete solutions to organize accounting information at CIENCOs

3.3.2.1. The first solution, to complete organization of information collection and processing

(1) Complete the organization of the accounting voucher system: Establishing and designing the document system applied at corporations; Regulations on making accounting source documents; Checking and circulating accounting documents.

(2) Complete organizational accounting account system: The system of bookkeeping accounts must be built in conformity with the business characteristics of the Corporation as well as each member unit, ensuring a complete general accounting account and a detailed accounting account in serving the management and financial accounting work.

(3) Complete the organization of the accounting book system

In order to well prepare their own financial statements, civil engineering construction corporations should focus on the detailed accounting book that is available for each auditor, depending on the specific auditor. Timely information to serve the preparation of separate financial statements of each enterprise. For example, accounting books should keep track of receivables, payables, loans, unfinished production costs, prepaid expenses ...

3.3.2.2. The second solution, to complete the organization to compile, analyze, submit and publicize the accounting reports

(1) Completing the preparation of reports: *Completing the organization of constructing separate statement of cash flow:* To complete the separate cash flow statement, the accountant must identify the underlying cash flow to reflect full lines on the report; *Complete the preparation of the consolidated statement of cash flows:* Finalization of the consolidated balance sheet and consolidated income statement; Finalizing the organization to prepare consolidated cash flow statement; *Finalizing the Management Report:* In order to strengthen management, managers are now particularly interested in managing the output components, including the International Financial Reporting Report prepared at the request of management at various levels in the enterprise.

(2) Finalizing the organization of financial statement analysis:

Financial statement analysis is important in providing information on the current financial situation, production and business activities of civil engineering construction corporations operating under the model of parent company - subsidiary for different users.

(3) Perfecting of submission and disclosure of Financial Statements: Units need to have stricter regulations on the time of preparing and submitting the financial statements.

3.3.3. Complete solutions for checking accounting organization

For each content, there should be appropriate testing methods and the comparison between the actual and relevant documents. While examining, it is necessary to promptly rectify any errors made by accountants and provide specific guidance for proper implementation of each part of accounting work

3.3.4. Complete solutions to organize the application of information technology in the accounting work

Developing accounting software according to all common characteristics of all companies in the parent-subsidiary model and then installing accounting software for all member companies with the same mechanism with private database for each member company.

3.4. Conditions to implement the solutions.

3.4.1. On the side of the State: To stabilize the fiscal and monetary policies, to work out plans to assist the development of construction and installation enterprises operating under the model of parent company and subsidiary companies in each period; Strategies and plans for economic development throughout the country, each region and industry need to be unified according to state standards.

3.4.2. On the side of the Civil engineering construction Corporations: The Corporations should review the legal documents issued, at the same time detailed planning, specifically the development of new legal documents to comply with the real development situation at the present as well as in the future.

CONCLUSION OF CHAPTER 3

Chapter 3 of the thesis has proposed synchronous solutions to improve accounting organization in these corporations operating under the parent company-subsidiary model. The content is complete both in

general and specific including the content of the macro-policy improvement by the state and the content of accounting work within the civil engineering construction corporations operating under the model of parent company - subsidiary. In order to increase the feasibility of solutions to complete the accounting work at CIENCOs, the thesis has proposed the conditions for implementation of the solutions including conditions on the side of the State, professional associations, as well as CIENCOs.

CONCLUSION

The thesis *"Improving the organization of accounting work at the civil engineering construction corporations under the Ministry of Transport"* has been carried out and achieved the following results:

- To analyze, systematize and further clarify the concept of parent-subsidiary company model and organization of accounting work in construction enterprises in the model of holding company. Particularly to focus on influencing factors, principles and contents of accounting work in the construction enterprises in the model of holding company.

- To study, research and objectively evaluate the real situation of accounting work at the civil engineering construction corporations under the Ministry of Transport according to each contents of the accounting organization. On the basis of this thesis, the author analyzes and assesses of advantages, limitations and causes of limitations serving as a practical basis for proposing complete solutions.

- On the basis of theoretical analysis and the actual situation of accounting work at the CIENCOs under the Ministry of Transport, the thesis proposed synchronous solutions to improve the organization of accounting work in these enterprises such as finalizing the accounting apparatus, completing the collection and processing of information, completing the preparation, analysis, submission and disclosure of accounting reports, and perfecting the application of information technology to accounting work.