

## Optimized Design of Fixed Assets Management Model of FH Company from the Perspective of Life Cycle

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### Abstract

Fixed assets belong to the non-current assets of enterprises, and monetary assets, intangible assets, financial assets and other assets together form an important part of the value of the enterprise is essential to maintain the normal operation of the material basis for the normal operation of the manufacturing enterprises is a vital role, its quantity and value are important indicators of the size of the enterprise, so the importance of fixed asset management is not to be underestimated. In most cases, fixed assets have a large number of varieties, the variety of miscellaneous, long life, high value, widely distributed characteristics of the location, in view of the above factors, the management of fixed assets also have a certain degree of difficulty and the corresponding specific problems. However, at present, most enterprises in the fixed assets of the neglect of management, there are loopholes. In this paper, the case study method is used to study the actual situation of fixed asset management, analyze the problems existing in the process of fixed assets management and the causes of its production, and finally put forward the useful solutions to help Enterprises improve the asset management system, to avoid waste of assets, optimize the allocation of resources to promote the development of enterprises into a virtuous circle of business track. This paper is divided into four parts, the first part is the introduction, summarizes the purpose and significance of this paper, the current research situation at home and abroad and China's manufacturing industry is facing the current economic environment; the second part of the basic theory, Management theory and method. The third part is the actual case study, which is the focus of this paper. On the basis of clarifying the current situation of FH's fixed assets management, the paper analyzes the specific problems existing in the daily management of fixed assets and its The combination of fixed asset management life cycle theory of the company's fixed asset management program was optimized design, and put forward targeted countermeasures; the fourth part of the conclusion, the summary of the full text.

### Keywords

Manufacturing enterprises; communications equipment manufacturing; fixed asset management; management issues; research countermeasures.

### 1. Introduction

In the current wave of economic globalization, the domestic manufacturing enterprises in our country have been facing an extremely grim situation at home and abroad in recent years. How an enterprise should be based on reality, to better survive and grow up, this important issue has become our top priority. Therefore, strengthening enterprise management is particularly prominent. For manufacturing enterprises, fixed assets form an important part of corporate assets and are the material basis for the daily operations of enterprises. Their value and quantity are important indicators for measuring the size and profitability of an enterprise. Manufacturing labor force a large number of long production cycle, and some aspects of technical complexity. These factors make it more difficult for manufacturing enterprises to manage fixed assets than other types of enterprises, not only in the quantity of fixed assets, but also in the technical management of fixed assets. Based on the above reasons, this paper intends to use the literature research, case studies and survey methods to FH

company as the research object, on the basis of field investigation, research, understanding of the company's status quo on the basis of fixed asset management, in-depth analysis of the daily management of fixed assets exist Specific problems and causes, and put forward corresponding improvement measures and programs.

On the study of fixed asset management, many scholars both at home and abroad express their opinions. In foreign studies, Lv Rong Wang believes that the level of enterprise management, production management and company size can be reflected in the fixed assets of the enterprise. According to Mariana Man, depending on the level of development and improvement of fixed asset production and its composition, appropriate decisions must be taken to maintain or replace their existing fixed assets. In China, some scholars pointed out that fixed assets form an important part of the means of production of all kinds of enterprises in state-owned enterprises and private-owned enterprises and are also the key elements that enterprises want to win in market competition. In view of this, enterprises should first consider how to make use of fixed assets for management and investment in their daily production and operation so as to evade the risks of enterprises, expand the scale of production and increase their economic benefits, so that enterprises can achieve good development. Under normal circumstances, a large number of fixed assets, daily use of a long time, the distribution of a wide range of locations, easy to depreciate and many other features. These characteristics are not only different from other types of assets, but also due to these characteristics, making the management of fixed assets with some difficulties and loopholes. For example, the system of accounting for fixed assets is not perfect and sound, Lack of exchanges and cooperation departments, scrap disposal procedures at random and so on. These problems not only have a negative impact on the day-to-day management of enterprises, but also reduce the competitiveness of enterprises in the market and are not conducive to the enterprises entering a virtuous development path.

This dissertation combines the current research status of asset management both in China and abroad, drawing on the advanced theory of fixed asset management, which leads enterprises to grasp the operating rules of asset management, formulate scientific and reasonable management policies and put forward corresponding improvement measures and schemes to promote enterprises into a virtuous circle Business development track, but also for the same industry to strengthen the management of fixed assets, improve the efficiency of the use of fixed assets provide some reference and reference value.

## **2. Fixed asset management theory**

### **2.1 The meaning of fixed assets**

Fixed assets refer to the non-monetary assets whose value has reached a certain standard and are held by the enterprise for the purpose of producing products, providing labor services, renting or operation and management for more than 12 months. Different types of enterprises may have different standards on the value of fixed assets. Generally include buildings, transport, machinery and equipment, large tools and appliances. In the course of daily production and operation, an enterprise does not classify all labor data as fixed assets. Generally speaking, the labor data for production and operation have a useful life of more than one year and a higher unit value relative to that of the enterprise Should be classified as fixed assets; otherwise, it should be classified as low value consumables.

### **2.2 Fixed asset management objectives**

In view of the large quantity of fixed assets, the difficulty of actual management and the coexistence of the ability and risk of preserving and increasing the value, the three objectives of the management of fixed assets are reflected as follows: safety, guarantee and value.

Security: Any enterprise from the plant buildings and other real estate to the production and operation of equipment parts, large and small fixed assets countless, high value, which undoubtedly increased the difficulty of day-to-day management. Therefore, becoming familiar with the daily information of fixed assets, specifying the specific quantity and value of the assets, determining whether the assets

are in specific use or retirement status, placing places, etc. becomes the basic objective of the management of fixed assets.

**Assurance:** Fixed assets as an essential element in a company's daily production and operation activities need a reasonable demand for its quantity and value, and there is no unrestricted supply. Before preparing for formal entry into production and operation, it is necessary to formulate a reasonable procurement budget for all types of fixed assets. This will not only ensure normal production and operation activities, but also facilitate cost savings. This is the basic mission and general goal of fixed asset management.

**Value:** the efficiency and effectiveness of fixed assets are unified, the correct investment in fixed assets, to avoid adverse risks, to ensure that the acquisition of fixed assets for the enterprise to create a net inflow of economic benefits, to contribute to the economic efficiency of enterprises, Guarantee the integrity of the daily use of assets.

### **2.3 Communication equipment manufacturing enterprises fixed asset classification**

(1) Electronic equipment category. Including computers, servers, power supplies, multimedia, signal analyzers, vector signal transmitters and other major use of electronic technology software to play a role in the equipment.

(2) Housing and building categories. Including equipment factories, processing workshops, research and development workshops, warehouses and other places for the manufacture of equipment to provide venues.

(3) Machinery and equipment category. Including the spectrum analyzer, vibration aging machine, electromagnetic vibration system by a number of parts assembly, driven by the power to complete the production and processing functions of the device.

(4) Transportation tools. Mainly include buses, cars and other means of transport.

### **2.4 Fixed Asset Life Cycle Management Theory**

The asset life cycle management theory regards the assets as the key research goal, bases on the system overall concept, divides the assets into each different life cycle and the stage. Fully take into account the entire period from the budget, procurement, daily management to scrap disposal of fixed assets. On the basis of ensuring the normal and safe operation of assets, the Company achieves the goal of optimizing the entire life cycle of fixed assets. Therefore, combined with the actual situation of FH fixed assets, its life cycle management can be roughly divided into four stages: budget management, purchase and construction management, use management and waste disposal management stage.

#### **Budget management phase**

The specific use of fixed assets departments need to prepare the end of each year the department's asset purchase budget program the next year, submitted to the department manager, and then approved by the general manager turned over to the company's assets. After the analysis of the assets department staff summary, the preparation of the total fixed assets budget table. Examination and approval of the budgetary management phase of the implementation of the group decision-making examination and approval system, handling low-level staff to senior leadership, approval of any authority at all levels need to sign the budget report and put forward reasonable suggestions for improvement in any process to avoid unnecessary losses due to policy mistakes .

#### **Purchase construction management phase**

All departments uphold the principle of reasonable procurement, not waste, reduce costs, according to the actual needs of the purchase plan, reported to the company purchasing department. Purchasing Department in accordance with the needs of all departments to formulate a total procurement plan, followed by the company's financial department and the general manager of the office check. After passing the audit, the general manager may issue an order and the asset department appoints a person to conduct the procurement.

#### Use management phase

The specific departments should use this department to set up physical accounts fixed assets, create cards, one by one classification number, the use of any fixed assets to the specific individual, the user to the use of fixed assets, in use, placed Location and other relevant daily information at their fingertips. The financial sector as the core, to strengthen the daily accounting of fixed assets management, using the appropriate method of inventory and inventory, to ensure the accountability of fixed assets, to ensure that accounts, objects, cards are consistent. Depreciation of fixed assets in a timely manner and provision for impairment losses. In addition, in order to improve the efficiency of the management of fixed assets, enterprises with complicated fixed assets can apply the modern information-based management system to their daily management adequately and adequately.

#### Scrap disposal phase

When the fixed assets meet the conditions for the scrapping of assets of an enterprise, it is necessary to apply from the relevant departments for the use of fixed assets and prepare the application form for completing the scrapping of assets, which shall be submitted to the financial department and the general manager for approval. After approval, the asset management department appoints someone to dispose of the scrapped assets in kind. Determine whether to conduct impairment testing, liquidation, etc., and implement some secondary management of certain fixed assets to effectively enhance the re-use rate of fixed assets.

### **3. Status FH fixed assets management analysis**

#### **3.1 Industry background analysis**

The communications equipment manufacturing industry is a technology-intensive and capital-intensive industry. With the progress of science and technology, the communications equipment manufacturing industry is continuously developing and updating. It is a new generation of information industry that constitutes one of the country's strategic emerging industries. Different industries involving various fields such as industrial enterprises, agricultural enterprises and service enterprises are an important part of promoting the national economic development. Since 1980, the communications equipment manufacturing industry has begun to mature and is gaining popularity in all walks of life. With the rapid growth in such fields as information technology, computer technology, software development technology and chip processing technology, the mobile communication technology has grown from the first generation of communication technology (Also referred to as "1G, analog mobile communication technology") to the second generation mobile communication technology (also referred to as "2G, digital mobile communication technology") and the third generation mobile communication technology using a smart signal processor "3G"). Currently, the fourth generation mobile communication technology ("4G") is benefiting millions of households, and the fifth generation mobile communication technology ("5G") is currently in the debugging and development stage. In the near future, Will also be able to enjoy the tremendous convenience brought by more convenient communication equipment. However, in recent years, China's communications equipment manufacturing industry has made great strides, but with the continuous deepening of China's industrial restructuring, the industry is also facing a slowdown in its growth momentum. According to the relevant data: In 2014, China's communications equipment industry sales revenue reached 1.984502 trillion yuan, an increase of 19.5%. A decline from the 21.9% growth rate in 2013. However, in 2010-2014, China's communications equipment manufacturing industry has been growing sales revenue. At present, China's communications equipment manufacturing enterprises are facing a series of problems such as a large number, decentralized operations and a low level of intensiveness. The face of such a number of enterprises, according to statistics, only 10% of the total can truly scale effect. Even with the economies of scale that have emerged, these businesses are still dwarfed by the rest of the world's leading communications manufacturers. On the other hand, communications equipment manufacturing industry is a high-input industry, which not only needs a lot of money, but also has a great demand for labor force. However, the current economic situation

in China is not optimistic, the macro economy is not prosperous, the financing channels are not smooth and the lack of funds has become an important factor restricting the rapid growth of China's communications equipment manufacturing industry.

The form the communications equipment manufacturing industry is facing is grim, yet it is difficult and unrealistic to be free of such an economic environment. In such an unfavorable predicament, it is reasonable for a company to find its own way out. On the one hand, we must continuously strengthen product innovation, broaden sales channels, open markets and implement the strategy of "going global and bringing in"; on the other hand, enterprises should strengthen their own management and improve management performance. In the daily management of the enterprise, asset management as a basic management work plays an important role in the normal operation of the enterprise. The fixed assets constitute an important part of corporate assets to protect the smooth operation of the company, therefore, the importance of the management of fixed assets even more can not be ignored. Therefore, improving the management level of fixed assets will help strengthen the overall ability of enterprises to deal with risks, so as to further enhance the competitiveness of capital markets.

### **3.2 FH Company Profile**

Shaanxi FH company is located in the industrial city of Northwest Baoji in April 2010, the main business and assets through the formation of a backdoor listing of shares into the company listed on the Shenzhen Stock Exchange. Since its establishment, FH has been devoting itself to the R & D and production of national defense communications equipment and electronic application products. The products are widely used in the areas of military communications, emergency communications, earthquake flood control, forestry and mining, marine transportation and public security traffic. In recent years, as companies began to show strong economic strength and in order to be able to adapt to the needs of the development of the market economy, FH companies began to extensively involved in other new areas and show the scale, such as in LED lighting, solar photovoltaic, real estate development and other industries . Greatly expanded the scale of enterprises, increased market share, enhance the competitiveness of the company, and strengthen the ability of scientific research. It has been favorably supported by various preferential policies of the government and favored by all kinds of investors. It is far ahead of similar industries in terms of investment scale, production level, operational capability, high technology and profits tax.

FH rapid development of the company, ahead of the industry. According to the FH company 2016 annual performance report shows: 2016 total operating income of 1101638900 yuan, a year earlier to 1077069600 yuan, an increase of 2.28%. Operating profit in 2016 was 99.3699 million yuan, a year earlier to 9479.40, an increase of 4.83%. The total profit in 2016 was 109,462,600 yuan, a year earlier to 100,203,500 yuan, an increase of 9.24%. Obviously, the company's operating income and operating profit are showing a rising trend.

### **3.3 Status of fixed assets FH Companies**

#### **3.3.1 The type of company's fixed assets**

FH Company strictly defined the definition of fixed assets in accordance with the newly formulated "Accounting Standards for Business Enterprises" by the Ministry of Finance in 2014, classifying the fixed assets of the Company into different categories, which can be divided into categories of electronic equipment, machinery and equipment, buildings and buildings, transportation Four categories of tools. The specific contents of various assets are shown in Table 1.1:



Table 1.1 FH fixed assets classification table

Classification number	Category Name	content
1	Electronic equipment category	Computer, server, power supply, multimedia, automatic blood analyzer, automatic blood rheology tester, horizontal circular steam sterilizer, automatic voltage insulation tester, notebook computer, LCR digital bridge, long distance infrared Camera, PTZ camera, digital video Guangduan Ji, the center of the digital matrix, Beidou on the 1st signal simulator, signal analyzer, vector signal generator, Beidou No. 1 command-type user machines, etc.
2	Machinery and equipment category	Hydraulic lifting platform, high and low temperature alternating hot and humid chamber, six automatic analysis of electrocardiogram machine, large screen color multi-parameter monitor, low noise centrifugal fan, fixed screw air compressor, electric single girder bridge crane, smart card laminator , Spectrum analyzer, Inlay test bench, visual binding machine, push pull tester, analog gate and so on
3	Housing and building categories	Junde Building, Precision Machining Workshop, Precision Assembly Building, Precision Building, Precision Concierge, Precision Reception Room, Beijing Office, Heat Exchange Station, 15 # Deep Well Pumping Room, Precision Reception Room (Decoration), Precision Communication Room ), Security watchtower and so on.
4	Transportation tools	Buses, commercial vehicles, cars, electric tour buses, the new road compression garbage trucks and so on

### 3.3.2 Analysis of the total value of fixed assets

FH company listed on the Shenzhen Stock Exchange in 2010, since the listing date is the most vigorous development of several years. The book value of fixed assets also showed an increase in the previous period, the latter part of the downward trend. Mainly due to the following two points, on the one hand is under construction and outsourcing in the construction project led to the book value of fixed assets increased initially; Second, when the value increases to a certain amount, the company continued asset restructuring, the scrapped assets scrapped Disposal and liquidation, resulting in subsequent book value showed a downward trend. This trend of changes in the fixed asset management to create a certain degree of difficulty is inevitable.

According to the company's balance sheet in recent years, it can be seen that the book value of fixed assets of the Company from 2010 to 2015 are: 131,439,285.87 yuan, 148,506,298.80 yuan,

168,013,879.13 yuan, 154,214,819.13 yuan, 148,038,289.46 yuan, 136,562,975.84 yuan. Changes as shown in Figure 1.1:

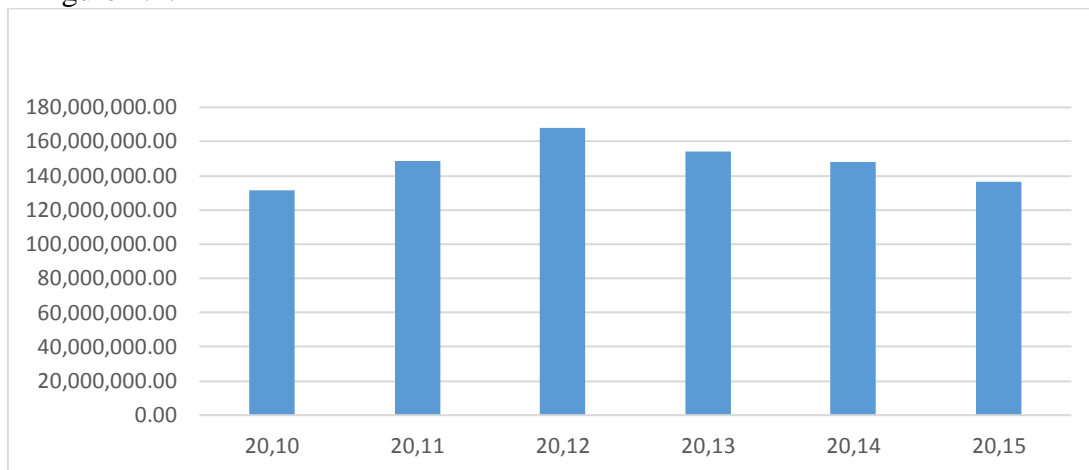


Figure 1.1 Changes in book value

**3.3.3 Company Fixed Assets Structure Analysis**

From December 31, 2016 to April 2017, the total book value of fixed assets recorded is RMB 64,058,729.18. The proportions of different types of fixed assets are shown in Figure 1.2:

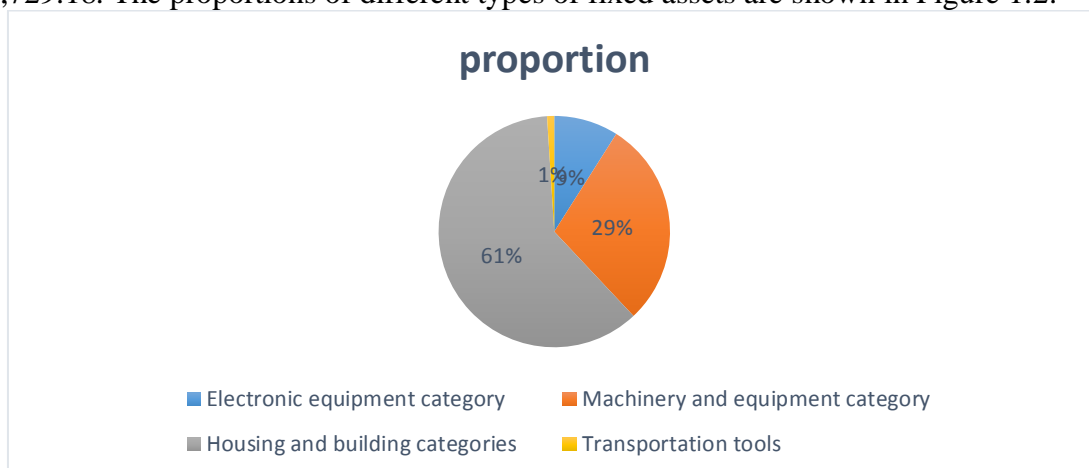


Figure 1.2 2016.12.31--2017.4 has been accounted for the value of various types of fixed assets composition ratio

It can be clearly seen from the figure above that among the four categories of fixed assets, buildings and buildings accounted for the largest proportion, followed by machinery and equipment, accounting for 90% of the total. Among them, the book value of houses and buildings accounted for about 60%, and machinery and equipment accounted for about 30%. Generally speaking, real estate units in buildings and buildings have high value, and FH companies have large and large manufacturing plants. Therefore, the book value of buildings and buildings is high. Secondly, FH company is the communication equipment manufacturing enterprise, so the production equipment assets also inevitably occupy a higher value.

**3.3.4 The characteristics of fixed assets**

FH company as a typical case of communications equipment manufacturing enterprises, not only have the common characteristics of the industry fixed assets, but also have their own different characteristics, as follows:

Large-scale fixed assets of enterprises, a large number of varieties readily available. FH company as a large communications equipment manufacturing enterprises, its fixed assets to housing construction machinery and equipment category. In the possession of fixed assets, all kinds of large and small assets countless, complex product specifications and diverse models, which is bound to increase the difficulty of the management of fixed assets.

Enterprise fixed assets have a longer life cycle. As a veteran communications equipment manufacturing enterprises, the production of high quality equipment standards, so the products used for the production of various equipment, long service life, slow replacement. As a result, inventories of fixed assets at the end of the period are prone to misrepresentation and accounting errors.

The total value of fixed assets of enterprises. As can be seen from the corporate balance sheet, with the continuous expansion of the business scale in recent years, the total book value of FH company's fixed assets is also growing, reaching more than 1 billion. How to manage such a huge amount of assets effectively and maximize the benefits of the assets has also become a problem for the management of the enterprise assets.

Enterprise fixed assets are widely distributed. Enterprises with procurement, production, research and development, marketing, administration, sales and other departments. The fixed assets that are favored by different departments vary widely and even vary widely. In the face of the widespread distribution of assets, it is also a top priority for enterprises to solve the problem of how to use their departments more efficiently to divide their labor and cooperate in the management of fixed assets.

### **3.4 Status Fixed Assets Management Company analysis FH**

#### **3.4.1 The budget status of fixed assets**

Each department at the end of each year according to the actual needs of the department, using scientific and reasonable method of forecasting the demand for fixed assets in the next year, fill in the "fixed asset demand budget table", and reported to the company's assets department. Assets Department truthfully analyzed and summarized according to the situation of each department and submitted it to the Finance Department and the General Manager for verification. Approved, you can complete the fixed asset budget stage, waiting for the formal procurement department.

#### **3.4.2 Status purchase of fixed assets**

The purchase of fixed assets needs to be entrusted by the asset department by hand. When bidding for acquisition, bidding shall be conducted by public bidding. At least three suppliers shall be chosen to select the best qualified suppliers, draw up the contract and prepare for the purchase. When the purchase of assets after the arrival of the purchase, the asset department organizations apply for purchase department personnel in accordance with the purchase order and contract acceptance and signature, the qualified assets, registration number, size, type, size and other related information to be accounted for, if found and the actual amount Inconsistent or poor quality assets to notify the supplier unit to reissue the corresponding amount of assets or return processing.

#### **3.4.3 Use management status of fixed assets**

On the day of receipt, the department of purchase of fixed assets formally became the actual department of actual use. The specific use of individuals is the physical custodian, and the full implementation of the corresponding management rules and regulations is in fact responsible for the daily management of fixed assets. Keep abreast of and master information on the use of fixed assets, update the status of the use of fixed assets, and clarify the examination and approval procedures for the maintenance and repair of fixed assets. Failed fixed assets, promptly fill out the "fixed assets maintenance application form", reported to the relevant departments summary, timely repair, safeguard the safety integrity of the use of assets. Periodicity of fixed assets inventory, inventory surplus or losses and other problems of fixed assets to find out the reasons, truthfully report to the financial department, to ensure consistent account.

#### **3.4.4 Status The disposal of fixed assets management**

The use department shall, in accordance with the actual conditions of the use of the assets, file an application for scrapping or selling fixed assets that have reached the end-of-life standards and meet the conditions of end-of-life and fill in the Application Form for the End of Fixed Assets. Submitted to the asset department through the audit after the appointment of special staff to carry out scrapped work. After the end of the work, issued a written report, turned over to the financial department in the actual books to complete the corresponding accounting treatment.



## **4. FH problems in the management of fixed assets**

### **4.1 Part of the fixed assets did not play its due benefits**

In the process of renovation and expansion of enterprises, old and idle machinery and equipment will be demolished, which will lead to the gradual accumulation of used equipment. However, companies will not refurbish these assets so that they can not maximize their value. With the growing economic efficiency of enterprises, enterprises in the assets, equipment and other aspects of the input also will continue to expand. After the purchase of new equipment put into use lead to the old equipment "laid-off", and most of the old equipment does not meet the retirement conditions of fixed assets, which can only be idle. For example, the enterprise No. 000230 horizontal circular pressure steam sterilizer electronic equipment, recorded at the value of 33,333.33 yuan, the accumulated depreciation of 12,666.72 yuan, the net book value of 20,666.61 yuan, they purchased new equipment. This is not only a great waste of resources, but also easily lead to the enterprise's resources can not be used reasonably and efficiently, reducing asset utilization. Before purchasing new fixed assets, enterprises fail to carry out sufficient budget and proper market research, and can not accurately obtain such information as the useful life, price and depreciation method of the assets. On the other hand, the lack of adequate understanding of the status quo of corporate assets by company managers and the arbitrary purchase of hardware facilities for the pursuit of good office conditions have all contributed to the great extent that existing fixed assets have not been able to fulfill their own values and are left idle Scrap, serious waste of resources.

### **4.2 Disposal of fixed assets management chaos**

In the actual scrapped work, the first enterprise did not implement a unified residual value assessment pricing principles. Relevant financial officers who scrapped their products have paid so little attention to them that they only finished the simple post-retirement accounting work and the order of retirement management was in serious disorder. Second, due to the large number of scrapped equipment and their widespread distribution, the financial officers can not handle the scrapped procedures in time and even ignore the less valuable fixed assets and can not reflect the actual condition of the assets in the "Fixed Assets Scrap Review Form" Authenticity and effectiveness. This makes the scrapped assets scrapped in a timely manner. Feedback to finance more lagging behind. Although sometimes it can be handled as normal retirement process, sometimes the final result is reported to the Treasury Department for a few months, the financial management lags behind for a long time, resulting in the financial account can not reflect the latest status of the assets.

### **4.3 Fixed assets accounting is not standardized**

Accounting system in the continuous improvement process, the accounting for fixed assets are also advancing with the times. However, in the specific day-to-day work of the enterprise, there are many accounting staff in different departments, the educational level is uneven, and some employees' professional knowledge structure is unreasonable. In the initial acquisition of fixed assets, provision for depreciation, impairment estimates, inventories and other aspects of the plate gain accounting irregularities in the accounting treatment. The book value and total amount of fixed assets mainly refer to the columns in the fixed assets books of the financial department as the main reference. Most of the idle and shabby fixed assets have not been disposed of through formal procedures. This can easily lead to different book values for the same device at different points. At the same time, changes in business organizations and personnel rotation system can not be handled timely transfer of fixed assets, resulting in the account does not match, corporate profits inflated or diminished. This is also inconsistent with the authenticity and reliability of the accounting information quality requirements of enterprises.

### **4.4 Fixed asset management lacks an effective performance appraisal mechanism**

Enterprises in a large environment, did not enhance the competitiveness of enterprises to enhance the vitality of enterprises, there is no clear and clear system of reward and punishment, unable to fully mobilize the enthusiasm of staff work. Most of the business managers to profit for the ultimate goal,

only emphasizes the production process of safety, cost, cost, profit and other indicators. Although this can enhance the profitability of enterprises, resulting in rising profits, increased economic efficiency, but neglected the performance appraisal for employees. Lack of a clear system of reward and punishment, easily lead to lack of staff enthusiasm for work, work productivity is low, not clear the specific responsibilities and obligations. Over the long run, not only is it easy to have unclear powers and responsibilities and poor supervision, it will also make the corporate culture not strong and lack vitality.

## **5. FH company fixed assets management problems exist reasons**

### **5.1 Top leaders pay less attention**

The management authority of each department staff on fixed assets only lies in such as inventory, accounting reconciliation, basic accounting and other management work, and can achieve the ultimate goal of fixed asset management, control of the power is still in the hands of top leaders. In maintaining the normal operation of enterprises, most of the leaders are concerned about the strength of the profitability of enterprises, and the concept of heavy production is deeply rooted, ignoring the material basis for the production - the management of fixed assets. The low level of management staff, leading to the work of the staff in the subjective and arbitrary, or not in accordance with the strict implementation of the management system. In addition, although some leaders have emphasized the need to strengthen the management of fixed assets, the high degree of emphasis is limited to the use of the physical form of fixed assets, but little attention has been paid to the value forms.

### **5.2 Internal control system is weak**

Although the enterprise formulates the internal control system on fixed assets, it does not have the corresponding internal control department of fixed assets. The implementation of the system is not in place but is jointly managed by various departments such as the marketing department, finance department, sales department and administration department control. The departments are complex and have a large number of employees. They do not have a clear understanding of the specific meaning and importance of internal control. As a result, the internal control system is only a formidable, it is difficult to play a real control role. In addition, the internal control culture is not enough. Corporate culture is the core of an enterprise environment, which can fundamentally affect the implementation of internal control system. The FH companies are manufacturing-type enterprises, staff from college, undergraduate, graduate and above different qualifications, there is a big difference in the quality of staff, it is difficult to form a unified code of conduct and values. This lack of vitality of the business environment is difficult for the smooth implementation of internal control to create a good atmosphere.

### **5.3 Weak implementation of the system**

The company has a complete system for the daily management of fixed assets, and has sound rules and regulations from the budget of fixed assets to the disposal of scrap. However, in the actual process of work, the system is non-existent, unable to put in place or can not be implemented according to the actual system, and the executive power is low. Therefore, the regulatory role that should be played is hard to reach the limit. Different categories of fixed assets involved in different departments, departments also have a clear division of labor is responsible for the fixed assets from the budget to purchase scrapped to deal with different aspects, involving many management personnel, personnel quality varies, and some professional financial staff and management requirements Of the high standards, fine-grained far away, failed to strictly enforce the relevant system, making the management system is mere formality, which will result in unclear responsibility for the management of fixed assets, division of labor is not clear, so that the normal management of fixed assets failed to achieve expected result.

### **5.4 No scientific and reasonable supervision and evaluation system has been established**

The management of fixed assets is an important task in the daily management of the enterprise. The quality of management affects the normal operation of the enterprise to a great extent. Therefore, it

is necessary to establish a complete, scientific, reasonable and detailed supervision system for the management of fixed assets. However, in the FH company, but precisely the lack of such a monitoring system. When the lack of supervision, some departments have poor self-control ability and weak consciousness and are lucky enough to manage fixed assets that have not been completed as required. In the process of examination and examination of the leader at the higher level, it failed to truthfully report the work. Over the course of the future, the company's order management of fixed assets is also inevitable.

## 6. Optimization and Solution of FH Fixed Assets Management and Control System

### 6.1 Fixed asset management control system optimization

In our country, some scholars describe the life-cycle management of assets as: the entire cycle of assets from conception, discussion, decision-making, design, construction, acceptance and operation to the loss of asset performance to unusable. The use of fixed assets in any one of these aspects should be effectively managed to ensure the safety of assets, extend the life of assets.

Asset-based life cycle management theory focuses on fixed assets as the research object, requiring enterprises to be based on the current, combined with the actual daily management of fixed assets to ensure the safety of assets, the use of fixed assets to invest in the asset management work carried out smoothly based on the whole process, Expand the scale of enterprises, enhance the economic benefits of enterprises and enhance the competitiveness of enterprises so that the enterprises can make steady progress in the market economy with the survival of the fittest.

Based on the current development of China's communications equipment manufacturing industry, the current fixed asset management model is difficult to meet the high standards of corporate management needs, update and optimize the existing asset management system has become a business imperative. As the core management of FH Co., Ltd., FH Group Co., Ltd. shall, in light of the actual conditions, make overall plans for the overall management of the fixed assets budget, the phases of purchase, the routine management and the end-of-life disposal, The key steps of the management model. According to the fixed asset life cycle theory, FH fixed asset management optimization model set up as shown in Figure 1.3:

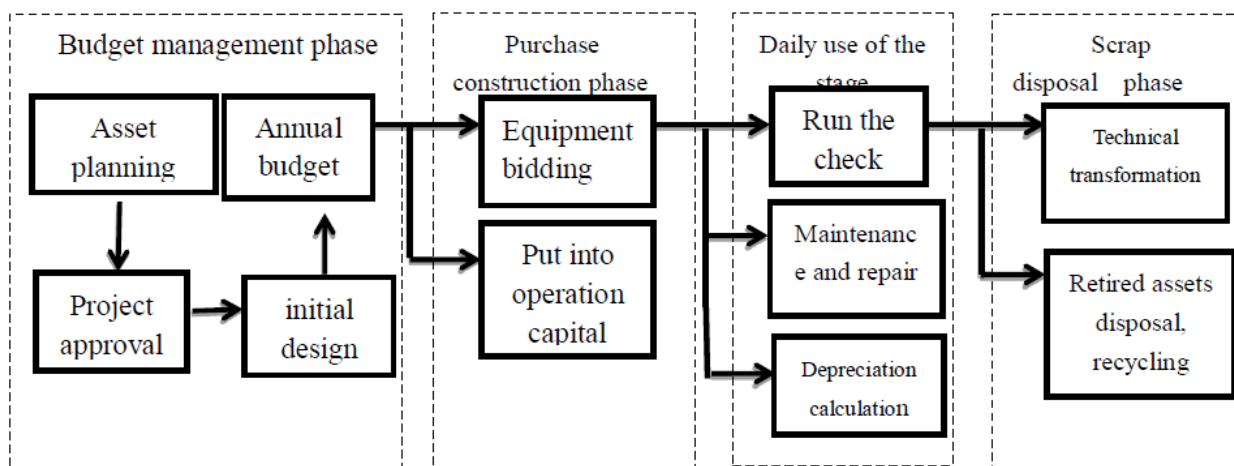


Figure 1.3 FH fixed asset life cycle management framework

The chart above can be used to concisely and clearly show the different business processes embodied in fixed asset management in different life cycles. However, to properly implement all the tasks in this process requires not only each department to establish a good cooperative relationship based on the overall situation and working closely with it, But also need to control the key elements in all stages, the implementation of specific measures, as shown in Figure 1.4:

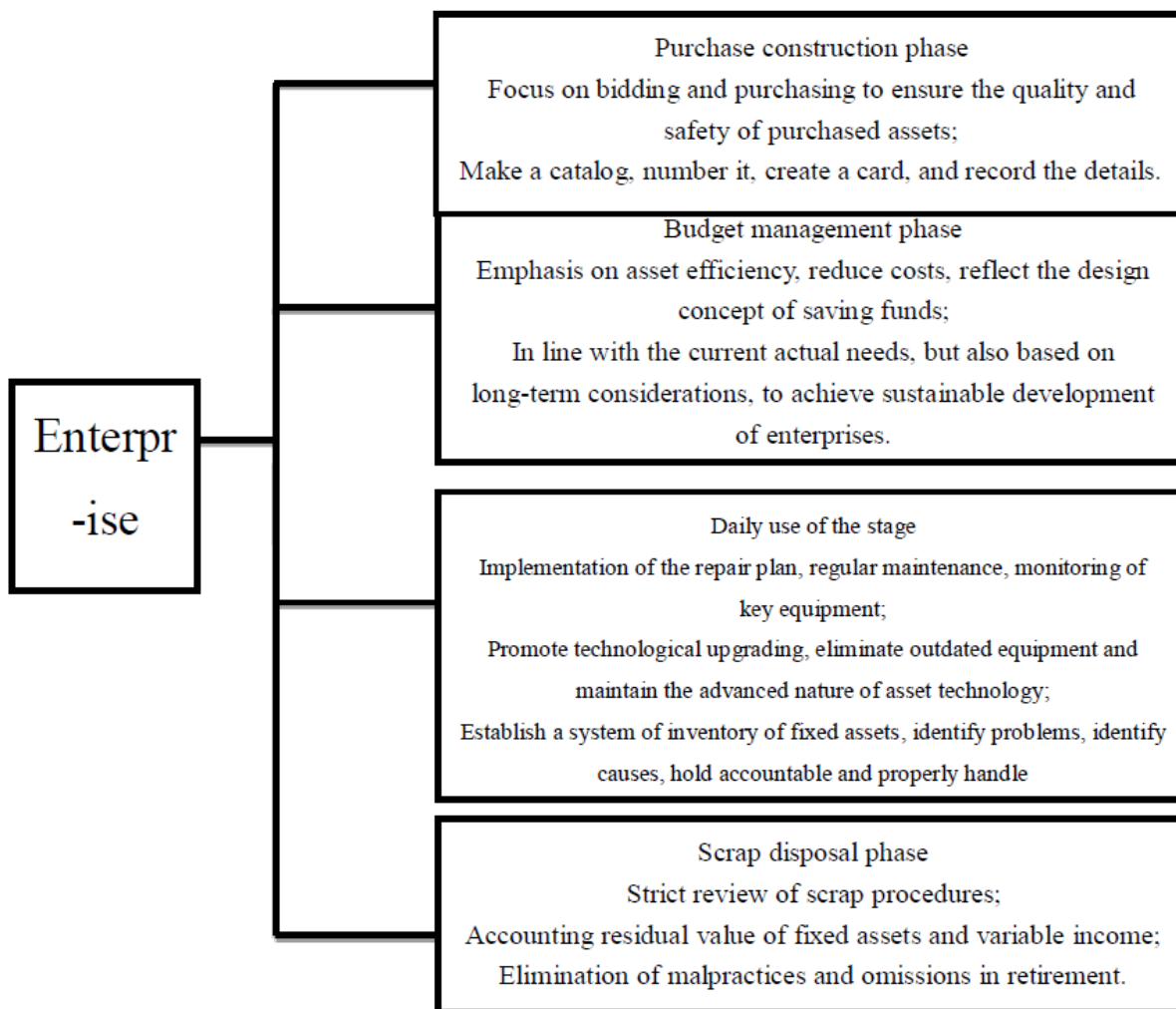


Figure 1.4 fixed asset management system optimization control key points

**6.2 Fixed asset management issues specific solutions**

The optimization of the concept of fixed asset life cycle is limited to the institutional level. Under the premise of ensuring the system, it is still necessary to explore concrete and detailed solutions to ensure that the system operates reasonably, to effectively manage the work and improve efficiency.

**6.2.1 Top leaders establish a new management philosophy**

Senior leadership to strengthen the focus on fixed assets management, the fixed assets management as the focus of daily management work into the center of gravity, be good at learning management methods with the times, change the management mode, and follow the full life cycle of fixed assets Concept, the concept of infiltration into all aspects of work, and effectively improve the management level, increase supervision and management. The leadership should clearly define the corresponding laws and regulations, conscientiously abide by the law, not corruption, corruption, refusal to accept bribes and other acts of law and discipline. Consciously establish a new fashion industry, to ensure clean and honest management of fixed assets integrity. Selection and promotion of leadership should uphold the "fair, just and open" concept, the establishment of high-level leading cadres assessment mechanism, strengthen the sense of responsibility and sense of crisis, take the initiative to mobilize the enthusiasm and enthusiasm for the work of staff, be good at listening and adopt the correct and effective staff opinions and suggestions, Encourage employees to consciously safeguard all kinds of assets, the corresponding accounting on time. Efforts to improve the quality and efficiency of work, eliminate waste. Make concerted efforts to safeguard the integrity of fixed assets.

### **6.2.2 Improve the quality of relevant departments and managers**

The professionalism of relevant managers in each department can have far-reaching impact on the quality of fixed asset management. In order to form a sound and effective management system, we must improve the quality of relevant personnel and strengthen management awareness. Enterprises should start from the grassroots level, take an open and transparent employment principle for employees, and resolutely resist bad behaviors such as "trust relationship" and "going back door". Employment of high quality, professional knowledge, excellent business proficiency accounting staff. Vigorously train staff innovation. At the same time, to enhance the professional knowledge of accounting personnel training and professional ethics, in practical work, to enhance the professional judgment of accounting management personnel, regular training, the implementation of the survival mechanism of the fittest, prompting accounting staff management skills and professional qualities have improved. So that employees can be serious and responsible in their work, and motivated. Work together to establish a good new culture of business management.

### **6.2.3 Optimize the internal control system and strengthen internal management**

All management personnel of an enterprise shall enhance their understanding and study of internal control, establish and improve the internal control system and ensure the supervision and administration. Started in all aspects of the full life cycle of fixed assets. As the rapid upgrading of electronic products, leading to higher fixed-capitalization out of enterprises, it is necessary to adopt a scientific and rational method of purchase of fixed assets each year to do the budget. The establishment of a fixed asset coding and special card diary, on time and responsible record of fixed assets accounting time, place, quantity, amount, specifications, models, suppliers, storage locations and other specific information. The establishment of a system of inventory of fixed assets, the establishment of professional asset checking team, regularly scheduled to adopt the book inventory method, the stock market method and other methods of inventory, accurately and accurately fill in according to the results of the drawdown of fixed assets monitoring table to ensure that the accounts match. In the course of using fixed assets, they should actively formulate and perfect the policy of insurance, find out the problems in time and maintain them, and ensure the safe operation of fixed assets.

### **6.2.4 Strengthen asset regulation and avoid waste of resources**

Before purchasing fixed assets, enterprises must strictly carry out their budget. They should not only base themselves on the current situation but also consider the long-term benefits and take into account the maximum value they can play in the future. They should avoid blindly pursuing a multi-pronged approach, reduce the idleness rate of assets and avoid Waste, improve the actual utilization of assets. When the organization and staff changes, according to the provisions of the strict implementation of the appropriate procedures to complete the change of registration. For lending fixed assets, we must strictly monitor the customs, be sure to complete the registration work to ensure the integrity and effectiveness of external assets, both to ensure the sound use of assets, while ensuring that the return on foreign investment can be credited on time and accurately. For idle fixed assets, rigorous screening, selection of assets that meet the retirement standards for scrapping, and fill in the scrap registration form. For those assets that have not reached the scrap standard, they may transfer or donate them to maximize the value of their assets and beware of the serious loss of fixed assets. Supervision departments must strictly supervise and supervise the regulations, carry out regular inspections and inspections, find out problems and promptly deal with and correct them.

### **6.2.5 Standardize the fixed assets accounting system**

All departments must clarify and complete the work of their own departments, supervise each other and make concerted efforts to manage the fixed assets. With the financial department as the core, we should conscientiously and properly complete the basic work. In the fixed assets of the budget, acquisition, accounting, use, maintenance, inventory, sale, scrap and so on each process to do a good job of basic work. In today's advanced society, the rapid development of information technology, modern information system has the advantages of high speed, high precision, high capacity, can



greatly improve the efficiency of fixed asset management. If you simply use the manual account or operate simple financial software, it will reduce the management efficiency, can not achieve a high level of management. In recent years, the use of computerized accounting management has become a trend. Fragmented fixed assets for the enterprise can properly learn to master the advanced information management system. Therefore, in terms of fixed assets management, we can also keep pace with the times and adopt a digitalized and informatized management approach. This will not only reduce labor costs and labor intensity, but also be able to use the computer to achieve efficient and intelligent management model, which greatly improved the efficiency of day-to-day management.

## 7. Conclusion

With the increase of the economic benefits of enterprises and the expansion of the scale of development, as the core of daily management, fixed asset management will inevitably become the most important task. Manufacturing enterprises in such a harsh economic situation and increasingly fierce market environment, how to improve management efficiency, enhance their own strength, effectively enhance their competitiveness, and constantly improve themselves and overcome the deficiencies in order to better growth and development, which is now manufacturing enterprises themselves and all kinds of investors who share common concerns and need practical action to solve the problem. This article mainly uses the case study method, chooses the FH company which is the leader of the communication manufacturing industry as the research object, studies the problems existing in the management of fixed assets and puts forward the corresponding solutions. The analysis is as follows:

The management of fixed assets involves a large number of personnel, but most of the current management attaches great importance to the work, work attitude is not correct, resulting in management fails to be completed as scheduled. In order to ensure the normal operation of the management work, senior leaders should set an example by themselves, and the departmental management staff should work closely with each other to strengthen the emphasis and self-discipline and work together to create a good management atmosphere for fixed assets.

The daily management of fixed assets involves many aspects, any part of the problems are management mistakes. In daily management, we must strengthen the fixed asset life cycle management theory, in the budget, purchase, daily management and scrap disposal must be strictly implemented at any stage, the relevant system, responsible. Reduce mistakes.

The accounting system of fixed assets should keep pace with the times, keep improving and reflect innovative ideas. The existing rules and regulations should be compatible with the actual situation of the economic environment and daily work. The rules and regulations for the development to be strictly implemented, put in place, increase the failure to implement the system in accordance with the provisions of the punishment.

The above measures are a summary of the accomplishment of the management of fixed assets. However, in order to ensure smooth progress in all aspects of the work, various measures still need to be implemented by various departments. We must have sufficient reasons to believe that with the rapid development of society, under the conditions of a relaxed national macroeconomic policy and with the joint efforts of all employees, the fixed asset management system will certainly be further optimized and innovated. Long-term business benefits.

Although this paper takes FH company as the research object and puts forward the problems about the fixed assets management and designs the control optimization system, due to the limitation of the level, there are still some shortcomings in the depth and breadth of theory research, and I will continue to pay attention to this issue, Further analysis test to study.

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