

# A Coal Enterprise Social Responsibility Accounting Information Disclosure Analysis

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**Abstract:** With the rapid economic growth, the society pays more and more attention to corporate social responsibility. As the main body of social and economic development, enterprises shoulder heavy social responsibilities. Taking coal enterprise A as an example, this paper analyzes the present situation and existing problems of social responsibility accounting information disclosure in coal enterprise A by using literature method, case method and inductive summary method, and puts forward corresponding solutions to the existing problems, hoping to provide some guidance and reference for solving the problems of social responsibility accounting information disclosure in coal enterprises.

**Keywords:** Social Responsibility; Coal Enterprises; Accounting Information Disclosure

## 1. Brief Introduction

A Coal Enterprise Co., Ltd. (referred to as Enterprise A for short) is a state-owned enterprise approved by the State Council in 1998, with its headquarters in Beijing. The company mainly mines and sells coal. On this basis, it develops railway transportation, electric power transmission, oil chemical production and other businesses. It is one of the largest coal suppliers in China. The following table shows the main business of A coal enterprise in recent three years.

**Table 3.1 A Main business of enterprise in recent three years**

Name	Unit	2019	2020	2021
Coal Sales	Tons	6.54	5.88	4.87
Total installed power capacity	Ten thousand kilowatts	6566	6690	7851
Electric energy production	Tons	3354.9	3246	3171
Railway freight volume	Tons	3.98	4.12	3.64
Self-operated railway	kilometre	1765	2182	2155
Oil and chemical products	Ten thousand tons	-	1254.6	807
Port capacity	Tons	1.79	1.98	1.75
Free running ship	boats	30	39	40

## 2. Status Analysis

### 2.1 Disclosure profile

A coal enterprise first published the standard CSR report in 2012, and there were 8 CSR reports by 2019. These 8 CSR reports did not change much from the name to the content, and they were all *A Coal Enterprise CSR Report*. The specific disclosure is shown in Table 2-1 below.

**Table 2-1 A basic information of corporate social responsibility report**

Time	Report name	length	Will it be verified by a third party?
2012	Corporate social responsibility report	72 pages	NO
2013	Corporate Social Responsibility Report-To Realize Our Green Commitment	83 pages	Verified by KPMG Huazhen Certified Public Accountants
2014	Corporate Social Responsibility Report-Safe, Efficient and Low-carbon Development	96 pages	NO
2015	Corporate Social Responsibility Report-Safe, Efficient and Low-carbon Development	41 pages	Rated by Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences
2016	Corporate Social Responsibility Report-Safe, Efficient and Low-carbon Development	83 pages	Rated by Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences
2017	Corporate social responsibility report	99 pages	Rated by Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences
2018	Corporate Social Responsibility Report-Make Energy Clean and Make Life Change	79 pages	Rated by Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences
2019	Corporate social responsibility report-make the sky blue, the ground green and the water clear.	87 pages	Rated by Corporate Social Responsibility Research Center of Chinese Academy of Social Sciences

## 2.2 Disclosure method

A coal enterprise social responsibility accounting information disclosure mainly adopts the way of corporate social responsibility report, and most of the reports are mainly descriptive information. In the annual reports of enterprises, descriptive text information accounts for about 70%, while data accounts for only less than 30%. Although this mode of information disclosure can provide intuitive information, the lack of data analysis will make the report unscientific and rigorous, which will affect the trust of stakeholders in information. Moreover, the large-length text description increases the cost of obtaining information, and reduces the practicality of the report to a certain extent.

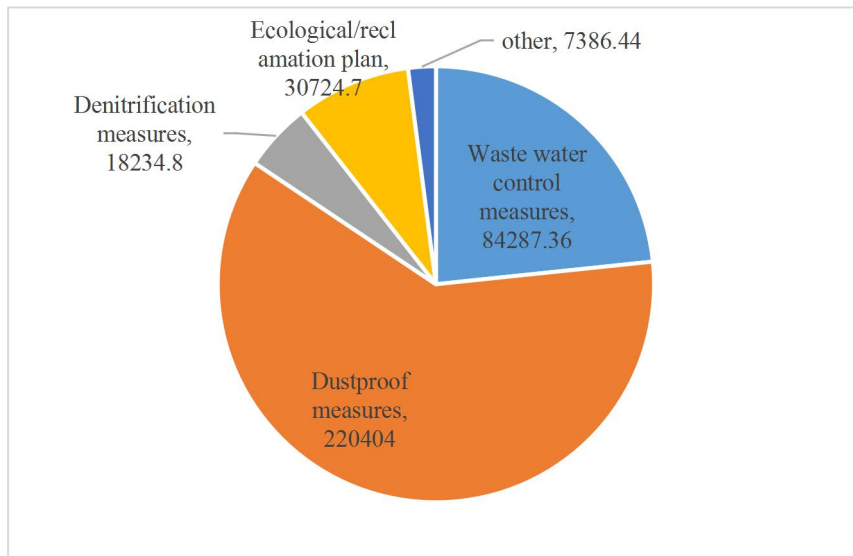
## 2.3 Disclosure content

### 2.3.1 Responsibility to employees

A coal enterprises establish a standardized employee welfare system, and set up a system of five insurances and one gold according to national laws and regulations. It can be seen from the data of 2017-2019 that the social security coverage rate of employees reaches 100%. In terms of social insurance coverage rate, labor contract signing rate, total training expenses, etc., data for three consecutive years were disclosed; The data on the number of employed people, employee turnover rate, annual paid vacation days of employees, and employee training coverage rate are not disclosed continuously, resulting in the lack of comparability of data.

### 2.3.2 Responsibility for environmental protection

In terms of investment in environmental protection funds, A coal enterprise invested 5.79 billion yuan in energy conservation and environmental protection in 2019, a decrease of 20.2% compared with 7.257 billion yuan in 2014, including 3.61 billion yuan in environmental protection funds and 2.18 billion yuan in energy conservation funds. In 2019, the environmental protection funds indicated the investment amount and proportion of environmental protection projects such as wastewater prevention, dust removal and depressurization, nitrate removal and ecological construction. The allocation diagram of environmental protection funds is shown in Figure 3-2.



**Fig. 3.2 Responsibility for environmental protection**

### **2.3.3 Responsibility to society.**

In 2017-2019, the total external donations of enterprises were RMB 88 million, RMB 520 million and RMB 240 million, respectively. In 2018, there was a substantial increase, and in 2019, there was a certain decrease; Among them, the total donations from public welfare foundations of enterprises are 229 million yuan, 154 million yuan and 208 million yuan, respectively, with little fluctuation in recent three years; The number of volunteers in 2017 and 2019 was 190,000 and 105,000 respectively, and the data for 2018 was not disclosed. In addition, in 2019, the donation situation of Enterprise A's Love School and Love Bookstore and the progress of helping children were disclosed. Enterprise A's coal donation reflected its responsibility as a central enterprise and its corporate conscience.

## **3. Problems Analysis**

### **3.1 Incomplete Information Indicators**

As far as the current situation of China's coal industry is concerned, although some coal enterprises have begun to disclose social responsibility accounting information, their disclosure is not systematic, and the forms of disclosure are also different. Although it also involves some environmental, community, employee and other responsibilities, the corresponding framework has not been formed, and the disclosed information is varied. Compared with coal enterprises in the industry, coal enterprises A are more specific enterprises in information disclosure, but there is also the problem that the disclosure framework is not perfect.

### **3.2 Imperfect Disclosure Standards**

A company only partially disclosed its social responsibility accounting information, revealing its positive and positive information and hiding its negative and negative information. If our country can have perfect and mandatory rules and regulations to restrain and supervise, stipulate the contents, methods and indicators of disclosure, and punish the enterprises that hide their negative information to a certain extent, the information between enterprises will be comparable, fair and effective to a great extent. At present, the low level of information disclosure of many enterprises in China is mainly due to the blank of social responsibility accounting standards.

### **3.3 Lack of Third-party Supervision**

There are few cases in corporate social responsibility reports that actively disclose the actual negative information of

enterprises. The main reason is that there are no corresponding norms to guide and supervise them. However, due to the lack of this disclosure standard, most enterprises think that it can be “rationalized” and do not disclose negative information publicly, which greatly reduces the credibility of enterprises and the authenticity of published information, and it is inevitable that people who read information will not believe all the information released by enterprises.

## 4. Resolve analysis

### 4.1 Improve Information Indicators

Enterprises should not only consider the interests of shareholders, but also take into account the various needs of stakeholders. In addition, people should also distinguish the compulsory and voluntary disclosure parts of corporate social responsibility information. This can show what additional content the enterprise has made in addition to its basic social responsibility. For example, the responsibility evaluation indicators of customers and suppliers can refer to the following table 4-1:

**Table 4.1 Responsibility evaluation indicators for customers and suppliers**

Disclosure project	evaluating indicator	Will mandatory disclosure be made?	Remarks
Responsibilities to customers and suppliers	Customer satisfaction (%)	Compulsory disclosure	
	Contract performance rate (%)	Compulsory disclosure	
	Customer complaint rate (%)	Compulsory disclosure	
	Customer complaint resolution rate (%)	Compulsory disclosure	
	Product qualification rate (%)	Compulsory disclosure	
	Main business cost rate (%)	Compulsory disclosure	(Main business cost/main business income) *100%
	Accounts payable turnover rate (%)	Compulsory disclosure	(Main business cost/average balance of accounts payable) *100%
	Cash accounts payable ratio (%)	Compulsory disclosure	(Average balance of cash assets/accounts payable) *100%

### 4.2 Improve Disclosure Standards

At present, the information disclosure of coal enterprises in A is not systematic and comprehensive, which is closely related to the lack of a complete social information disclosure system in China. At the same time, there are no regulations and requirements for disclosure in different industries, so that enterprises can only rely on their own ideas to disclose social responsibility information, and it is likely to cause omissions. However, some companies that are reluctant to disclose their social responsibilities also use the lack of normative disclosure requirements as an excuse, so China should start with the rules as soon as possible and establish a normative disclosure rules system.

### 4.3 Improve the Supervision Mechanism

It is very necessary to use the compulsory measures of the state to supervise the disclosure of social responsibility accounting information. On this basis, the government acts as the supervisor of the public, coordinates the interests of all stakeholders, makes use of the administrative supervision and economic adjustment ability given by the state, examines the social responsibility information disclosed by the company, considers the degree to which the company performs its social responsibility, corrects and punishes the companies that disclose untrue information, disclose low-quality information.

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