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**SOCIAL CAPITAL AND PLACE OF CHARITABLE ASSISTANCE
EXPENSES IN IT: OVERVIEW AND ACCOUNTING
IMPLEMENTATION**

**OGÓLNE I RACHUNKOWE UJĘCIE KOSZTÓW SYSTEMU CHARYTATYWNEJ
POMOCY SPOŁECZNEJ NA TLE KAPITAŁU SPOŁECZNEGO**

**СОЦИАЛЬНЫЙ КАПИТАЛ И МЕСТО РАСХОДОВ НА ОКАЗАНИЕ
БЛАГОТВОРИТЕЛЬНОЙ ПОМОЩИ В НЕМ: ОБЩЕЕ ПРЕДСТАВЛЕНИЕ
И УЧЕТНОЕ ВОПЛОЩЕНИЕ**

Abstracts

In the article author analyzes the theoretical content of the concept of social capital, taking into account the economic point of view. Furthermore, the author defines the place of charitable assistance expenses in the social capital, as well as the peculiarities of reflection of these expenses in the accounting

Keywords: accounting, forms of capital, social capital, reporting, charity, enterprise, charitable assistance expenses.

Streszczenie

W artykule przeprowadzono analizę ekonomiczną ujęcia teoretycznego koncepcji kapitału społecznego. Oprócz tego, autor określa miejsce kosztów odnośnie systemu charytatywnej pomocy społecznej w kapitale społecznym, a także przedstawiono specyfikę ewidencji kosztów w systemie rachunkowości.

Słowa kluczowe: rachunkowość, formy kapitału, kapitał społeczny, sprawozdawczość, dobroczynność, przedsiębiorczość, koszty systemu charytatywnej pomocy społecznej.

Аннотация

В статье проанализировано теоретическое содержание концепции социального капитала с учетом экономической точки зрения. Кроме того, автором определено

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место расходов на оказание благотворительной помощи в социальном капитале, а также выявлены особенности отражения данных расходов в бухгалтерском учете

Ключевые слова: бухгалтерський учет, форми капітала, соціальний капітал, отчетність, благотворителність, підприємство, расходи на оказание благотворительной помощи

Introduction. In the conditions of limit nature of resources search of resources, that able to provide the economic growth which, in turn, will result in the increase of welfare of population of country is the major problem facing economists of all times. Such resources were available, but over time one of them sputtered out, conceding to a place to another, and others were effective only for certain conditions. In this connection the idea of search of new sources of increase of efficiency of activity of management subjects becomes more actual.

All more often there is a statement in scientific literature, that social capital is the basis of enterprise's activity and development. Unlike, for example, a human or intellectual capital it is impossible to get a social capital as a return from that or other rational investment. A term "social capital" arose up in a social theory as a result of development of conception of human capital. Just as the manufactured capital created by changing materials for the manufacture of tools for production, human capital is created by the development of the individual, that is, giving it ability and skills to act in new ways. A social capital is created in turn, when mutual relations change between personalities with the purpose of assisting productive activity. While manufactured capital can be physically felt as it is materialized, human capital is not as obvious as it is embodied in the skills and knowledge.

In 50-ies of XX century, when the deficit of highly skilled shots appeared in the conditions of scientific and technical revolution, direction of researches moved from the processes of the use of present labour force to the processes of creation of its qualitatively new form. Structural changes in the labor force, the interest of economic growth and economic dynamics have resulted in occurrence and development of human capital theory [7, p. 141].

But over time, the economic approach to the definition of human capital was insufficient, since it does not consider one of the most im-

portant aspects of activity – the relation of man to labor, his moral and spiritual health, creativity, etc. that resulted in the appearance of social capital. Social capital is less tangible because it is embodied in the relationships.

In addition, the relevance of social capital research is connected to the growth of the share of intangible assets in the structure of capital. Still today the concept of social capital as a problem of scientific research is new and poorly understood. Therefore currently there is no single definition of "social capital", especially accounting aspect is not disclosed in the scientific literature.

Recently when carrying out researches in the sphere of various sciences, association of objects, loan of methods, terms is traced. It helps to rethink, in a new way to interpret the settled concepts that is caused by rapidly changing conditions of both economic, and public, political life. As the famous American sociologist and futurist, the theorist of the information society A. Toffler in his book "The Third Wave", "up to now mankind has experienced two huge wave of transformations, and each of them basically destroyed older culture or civilization, so to replace them way of life, which was incomprehensible to the people who lived before. The first wave of reforms due to 10 thousand years ago, the introduction of agriculture, is required thousands of years to get rid of itself. The second wave is the growth of industrial civilization - took only 300 years. Today, history shows, offers even greater acceleration, and it is likely that the third wave will sweep through history, and completed within a few decades" [54, p. 63].

Working with the scientific literature on the political economy, sociology, law, accounting, allows us to conclude that the phenomenon of borrowing concepts are not alien to them. As the professor of the Department of Political Economy of Economic Faculty V.V. Radaev, it allows you to "bridge the gap between the related dis-

ciplines, without leaving its territory. As a result, the borrowed notion and the whole concepts line up in "their" logical constructions, reinterpreted by a closer type of research tasks" [49, p. 20].

In particular, such a notion as capital in recent years is widely used not only in the economic, but in political science, sociology, psychology, cultural studies, economics and other fields. However, this issue is not disclosed in economic terms.

Considering the above, the purpose of the study is to analyze the theoretical content of the concept of social capital in due to economic point of view as well as reflection the expenses on charitable assistance in accounting. In accordance with the purpose of the research, its objectives have been singled out: to allocate financial and non-financial economic aspects of social capital; to determine the place of the charitable assistance expenses in social capital as well as to reveal peculiarities of reflection them in accounting

1. Overview. In the modern world there are tendencies of an active process of awareness of the global financial and non-financial value of capitalization. In order to avoid the lack of logic when using this concept one should clearly define what is meant by capital and what are its properties.

Economists consider capital as a factor of production, the accumulated economic resource that is included in the processes of reproduction and growth of mutual value through the conversion of its various forms. The economic understanding of the basic properties of capital are as follows: 1) limited economic resources; 2) The accumulated economic resources; 3) resource has a certain liquidity, ability to be converted into cash; 4) the cost of reproducing the circuit in continuous forms; 5) the cost, bringing a new, value-added [49, p. 21].

Economic sociology as a whole takes this original definition. However, its difference lies in the fact that here in the first place, vastly increases the range of the analyzed forms of capital used in economic activity, and secondly, due to the completion of the set of forms seriously enriched by the very concept of capital.

Highly important is the fact that capital can take not only the material, but also incorporated form, i.e. embodied in individuals and relationships between them, therefore, capital is also considered as non-financial assets (power, prestige, social status, etc.) that can generate income.

There are different forms of capital in the literature on the social economy. Their generalization is conducted by V.V. Radaev [49, p. 21], he highlighted the following eight forms of capital:

economic (monetary capital (funds), productive capital (means of production), trading capital (finished products));

physical (associated with the state of health and level of working capacity of business agents, and their external physical characteristics that can be used to mobilize other resources);

cultural (socialization skills in a particular social environment);

human (the totality of the accumulated professional knowledge and skills obtained in the process of education and training, which can then generate revenue - in the form of wages, interest or profits);

social (the totality of the relations connected with the expectation that other agents to fulfill their obligations without sanctions generating activities);

administrative (mobilizes vertical linkages and is associated with the ability of some business agents to regulate access to the resources and activities of other agents, using special positions of power and authority);

political (means the incorporate ability to mobilize collective actions and participation in these activities, involves a person's ability to represent the interests of other agents (individuals and groups) that are delegated to him by right of representation of his interests);

symbolic (a person's ability to producing opinions).

The study of social capital actively started by sociologists of the twentieth century. And in recent decades the concept of social capital is becoming more popular not only in sociology, but also in economics and accounting

In particular, according to International Inte-

grated Reporting Standard [29], adopted in 2013, there are six types of capital at the enterprise. They are as follows: 1) financial; 2) manufactured; 3) intellectual; 4) human; 5) social and relationship; 6) natural. Thus social and reputational capital has such a definition: it is The institutions and the relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. Social and reputational capital includes shared norms, and common values and behaviours and key stakeholder relationships, and the trust and willingness to engage that an organization has developed and strives to build and protect with external stakeholders as well as intangibles associated with the brand and reputation that an organization has developed.

Comparing the definition given in standard with the previous, it was found out that the important difference is that the social capital from a set of relations has grown into an institution that enables to specify a general idea about this form of capital.

Recently, there is growing evidence that social unity serves as a determinant of sustainable development.

Background of origin of social capital can be traced as far back as classical sociology and political economy. In the works E. Durkheim [21] and M. Weber [60] laid the foundation for the study of the concept of social capital. The main component of the social capital they considered the trust that under certain conditions may no longer be an individual quality that characterizes a person, and can spread to the whole social group or society.

Max Weber in his work "The Protestant Ethic and the Spirit of Capitalism" [60] has analyzed interaction of economic conditions, social factors, religious beliefs and noted that the radical difference between the traditional and modern at the time capitalism was not in technology, but in human resources, more specifically, in relation to human labor.

Category of social capital has acquired a deeper conceptualization in the works of S. Borgatti, K. Jones, M. Everett [8], J. Coleman [18], N. Lin [37, 38] G. Loury [39], D. Knoke [31], J. Penning and K. Lee [43], A. Portes and

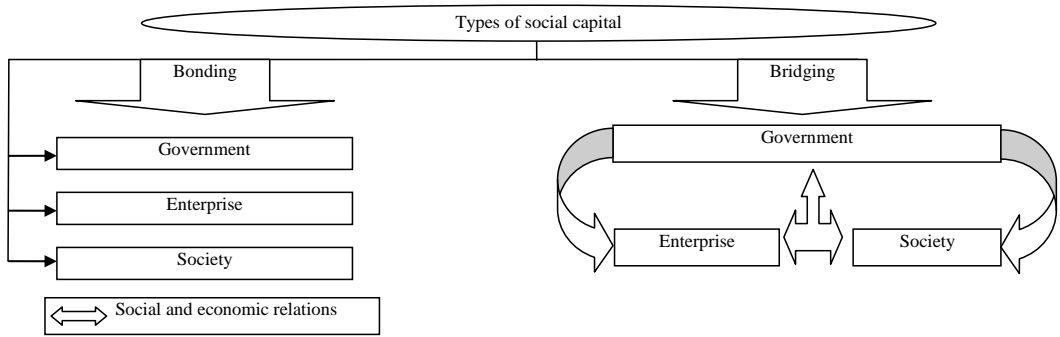
J. Sensenbrenner [44].

The term "social capital" first was used by L.Hanifan [27] in 1916 to describe the most important circumstances that affect the daily lives of everyone. The author emphasized the need for education of will, fraternal feelings and mutual sympathy, the ability to establish social relationships and communication among people. Since then, the phrase "social capital" came into circulation, it was used at different times by psychologists, sociologists, political scientists and the last 20 years is used by economists.

J. Coleman [16] examines social capital through the analysis of relations within a group of people united by common norms, values, vision, and mutual obligations and expectations. He said: "social capital arises from changes in the relationship of people to facilitate their interaction ... Just as physical or human capital, social capital contributes to the results of production activities. Therefore, a community of people that has a reliable reputation and great potential of credibility, can achieve much more success than a similar group of people that does not have these qualities."

Political scientist Putnam's scholar's scientific heritage is of great importance. His book "Creation of democracy. The traditions of of civic activity in modern Italy" [48], which was the transition from a qualitative discussion of the importance of social norms in a more objective study. Comparing the results of the reform of the decentralization of power in Italy in the 1960 s., Putnam paid attention to the fact that the northern regions where people are more socially active (by indicators of attendance in elections, participation in associations, interest in local affairs), better used the transferred powers, in "passive" south, on the contrary, the quality of management has fallen. He believes that "civil society is characterized by active and oriented on the social goals of the position of citizens and elitist political relations based on trust and cooperation of social relations" [46]. All this together scientists call "social capital".

Considering the different types of social relations R. Putnam [46] based on the ideas of social networks of researchers suggested to distinguish "bonding" and "bridging" social capital (Figure 1).



Source: author's original work

Figure 1. Types of social capital

Thus, bonding social capital is formed in a particular social group as social relationships between, for example government agencies, employees, the population of a local community, bridging social capital enables the development of relations between different social groups and networks. The classification is based on the idea of Granovetter about relatively stable and weak links in social networks [26]. In his opinion, the weak links are the largest source of information which can facilitate social mobility of the entity, while in the network of stable relations information that circulates, is the least different from that which every subject has separately. Sustained connections or bonding social capital creates a strong sense of belonging, which can develop the antagonism against non-members. In this sense, bridge social capital helps to consolidate society. Bridge social capital, first of all, is based on public participation, while bonding social capital reveals informal relationships and social network characteristics (e.g. density, frequency of communication).

The place and role of social capital in the functioning of the economy, including the global, is considered in works of V. Radaev [49], I. Diskin [20]. The social capital of trust and the managerial strategies are considered by R. Blom, H. Melin, A. Sarno, I. Sarno [6].

For our study scientific works of M. Aberg [1] who considers social capital of post-communist societies are of a great interest. The works of M. Levi [36], R. Jackman, R. Miller [30], L. Araujo, G. Easton [2], N. Uphoff [57],

D. Cohen, L. Prusak [15] are also noteworthy. They considered social capital as a factor of the efficiency of enterprises.

In Ukraine, such a concept as social capital, is almost unexplored. Among examined publications we can identify sociological articles of O. Demkiv [19], in which he makes an attempt to systematize the theory of social capital, he offers his vision of the relationship between the different levels of this phenomenon, and the prospects for its research works, the scientific works of A. Bagnyuk [4], A. Bova [11], E. Gugnin [28], M. Lesechko [35], A. Kolodiy [32], O. Sydorhuk [35], V. Stepanenko [55], V. Travin, M. Shigun [56].

Analyzing the definition of social capital by different scientists, it was revealed that still an unambiguous interpretation of the concept does not exist (Table 1).

As can be seen from the table above, most scientists consider social capital as a set of resources that have at their disposal the people because of their social relations, manifested in the form of familiarity contacts, social interaction (eg. affinity, familiarity, membership in associations and unions, belonging to certain social groups).

Another part of the of researchers (see Table 1) defines social capital as the ability to manage resources. Both given positions are not baseless: resources are potentially social capital if based on a system of values and norms that are shared by members of the group, formed only in the group, and because of it, but these resources can be implemented as a social capital only in an

environment where they disposed of separately taken individual or group of people.

Table 1. The main approaches to the definition of "social capital"

<i>№</i>	<i>The approaches to the definition</i>	<i>Authors and sources</i>
1	The totality of resources that are at their disposal thanks to the people in their social relations	W. Baker [5], P. Bourdieu [10], L. Coleman [17], N. Lin [38], A. Sagradov [50], F. Fukuyama [23]
2	Friendly contacts, social interaction, communication between individuals	R. Burt [13], L. Hanifan [27], G. Loury [39], M. Paldam [42], V. Radaev [49], S. Busse [14]
3	The ability of individuals to manage limited resources	O. Kuzin [33], A. Portes [44], S. Busse [14]
4	Economic mega institute	V. Volchik, S. Raksha [59]
5	Expectations concerning social action within the team	A. Portes, J. Sensenbrenner [45]
6	Set of elements of social structures that effect on the relationship between people	M. Schiff [51], V. Radaev [49]
7	The social and relationship capital are institutions and relationships within and between communities, and between stakeholder groups and other groups, and the ability to share information to improve individual and collective well-being	The International Integrated Reporting Standart [29]

All other interpretations (see Table 1) are the individual components of social capital. The existence of such approaches can be explained by the fact that the consideration of a particular form of social capital is determined by the implementation of the objectives of the study, which are held in different areas. According to J. Coleman, "Like the physical and human capital, social capital is not subject to the strict definition, but it can have specific features in certain areas" [16, p. 124].

It is indicative that only in two sources (see Table 1) [59] we are talking about social capital as about economic megainstitute, but only in one of them, this concept is regulated at the legislative level.

According to F. Fukuyama [24], social capital differs from other forms of human capital that, as usual, is created and transmitted through cultural mechanisms such as religion, tradition or historical habit that determines the difference in the creation of social capital in different countries, different peoples, people of different faiths. This should be considered when analyzing the level and types of social capital.

2. The components of social capital. Social networks. Considering the nature of social capital, many researchers point out that it can exist only in the presence of certain social networks (P. Bourdieu [10], O. Kuzin [33] I. Macherinskene, R. Minkute-Genrikson,

Zh. Simanavichene [40], J. Coleman [17], G. Flap [22], N. Lin [38] A. Portes [44]).

A person can change a job, place of residence, he can change the social status, but the web of relationships with his family, friends and colleagues will remain. Namely these connections are indicated in the sociology concept by "social networks". Person either alone moves in space and according to career ladder, or move the resources either his own or others', but anyhow all life can be represented as moving across the network.

Through social networks social capital is implemented as well as economic, cultural and symbolic capital. From this P. Bourdieu introduces the concept of social field as a multidimensional space of positions "in which any current position can be determined on the basis of a multi-dimensional coordinate system, the values of which are correlated with the corresponding different variables.

Thus, agents are distributed in the first dimension - in terms of total capital they possess, while the second - on a combination of their capital, that is, by a relative weight of the different types of capital in the total of ownership" [9, p. 58]. Most stringent conceptualization of social capital is suggested by J. Coleman, who calls it a resource, moving from donors to recipients. Social capital is equal to the sum of individual relationships with other

individuals and is the intermediary for the mobilization of others resources. In a such way the transfer of social capital in other types of capital (economic, cultural etc.) is conducted [17].

Furthermore, in EVS/WVS studies [61], as well as in ESS the networks that consists of formal and informal networks have been considered. From the economic point of view, in our study especially formal networks are of a great interest for research, as these relations are characterized by participation in social organizations and charities. In order to identify these relations concerning the enterprises author considers to single out one of the components of social capital at the enterprise. These are charitable assistance expenses.

Trust. The relationship between individuals can create social capital only through the existence of trust between them (V. Volchik and S. Raksha [59], I. Macherinskene, R. Minkute-Genrikson, Zh. Simanavichene [40], J. Coleman [17], M. Paldam [42], A. Portes [44]), the creation of various associations (R. Putnam, R. Leonardi, R. Nanetti [48]), compliance with the general norms and rules (I. Macherinskene, R. Minkute-Genrikson, Zh. Simanavichene [40], J. Coleman [17], R. Putnam, R. Leonardi, R. Nanetti [48]), fulfillment of mutual obligations (V. Volchik and S. Raksha [59], J. Coleman [17]), note also the use of certain sanctions for breach of obligations. We believe that the application of any sanctions and trust in the team are incompatible, and therefore can not be part of the social capital.

Trust is initial, it motivates each party in a favorable light to interpret the intentions and actions of the other. Trust is important because it expands access to the resources of organizations and reinforces their ability to adapt to unforeseen problems, opening the way unattainable in the context of casual relationships.

A high level of interpersonal trust is an important prerequisite for the formation of social capital.

Lack of trust leads to such relations as "vertical contract". In this occasion A. Auzan said: "If we are talking about a vertical contract, let us understand from what foundations arises

vertical contract. When you believe that any problem can be solved only from the top and you can not solve it with the person who is close to you — that is the deepest foundation of vertical contract [3].

Transferring of reliable information. An important component of social capital is the opportunity to obtain information that is peculiar to social relations. The information is important in the decision-making process. Information exchange has a more personalized nature than impersonal relations. It allows you to gain the knowledge that will increase the effectiveness of the economic entity, allow for a more quickly respond to changes in the environment. One of the top managers of American companies explained in the following way the role of exchange of information: "We have a factory where we manufacture our products, they know what, and how everything should look like. They know the particular style. It is not always possible to make clothes just by mold, especially if we are in a hurry and did not identify all the details. But the factory, with which we already have a good relationship, noticed a problem at the stage of cutting clothes. They will figure out what to do with the material in order to get a result we planned. The new factory will simply do a work. They will not even think of it" [58, p. 40]. This statement demonstrates the role of permanent links and problems in selecting various suppliers arising in market relations.

Internal norms. The unwritten law within the team is the norm, encouraging everyone to sacrifice their interests and act in the interests of the collective, which is an extremely important component of social capital. The norms of this kind, strengthening by social support, status, dignity and other qualities should be the basis for bringing up the younger generation, for strengthen the family through the selfless actions of its members in "the interests of the family", they ensure the development of newly appeared social movements, small groups focused on mutual help and mutual support. Norms of this kind focuses on activities in the public interest. In some cases, the norms are well known, while others are mainly practiced in the selfless actions that deny selfish. They are

important in overcoming the problem of public goods, existing in collectives.

Social capital is formed through a joint problem-solving mechanisms, allowing actors to co-ordinate the functions and solve problems. These mechanisms provide faster response than the market mechanisms; they allow business entities to overcome difficulties easier and faster and resolve problems. Subjects united by the rooted ties, dealt with the problems immediately, without delay. Within the random links business entities, on the other hand, do not get a direct response and, when customers refused from previous agreements, forced to guess only about the reasons for such behavior. Thus, the joint solution replaces a simplified alternative to exit from the game, and enables counterparties together to overcome the problems that arise, finding innovative solutions. Thus, they bring new solutions to the network and the combination of ideas.

Abstraction of the term "social capital" and the numerous ways to measure social capital influences the conclusions about its role in the social and economic development. There are several reasons that cause the lack of a single unified indicator for measuring social capital. First, despite many theoretical conceptualization of the concept, definitions of social capital are multidimensional, includes different levels and units of analysis. Secondly, none of the available international comparative studies have been designed to measure "social capital", so that modern scholars tend to use aggregated indexes in accordance with the goals and objectives or analyze individual components of social capital (e.g., social trust, trust in institutions, participation in elections, participating in protest actions, charity). In our research to measure social capital we will analyze such a component of social capital as a charity. In particular, regarding to the company research will focus on the charitable assistance expenses.

A significant part of representatives large, medium and even small businesses when making decisions to assist the local population does not have enough information and confidence that the money actually find their destination. That is, there is no trust business to

the economic system prevailing in the country. In this matter, macro and microlevel research are closely intertwined as in response to this situation society demonstrates minimum confidence to business. According to S. Govorukhin: "To break this cycle only the business is capable by giving the part of financial capital for social capital" [25].

3. The social capital of the company. More often in the scientific literature we meet statement that social capital is the basis of the enterprise's activity and development.

Considering the social capital in the accounting system, it is necessary to focus on the so-called theory of social capital institutions, which explains how social structures and their interactions are associated with the results of certain entity. It analyzes how the communication of social structures and the subjects may affect the achievement of the main goals of the company. However, not all scientists support this theory. In particular, D. Knoke states that social capital of organizations do not exist, as a matter of fact it is a social capital based on social relations of individuals [31].

A number of scientists says that to evaluate this type of capital is impossible (I. Macherinskene, R. Minkute-Henrikson and Zh. Simanavichene).

But there are those who say about the materialization of social capital of both individuals and businesses.

We hold the position that the enterprises have their own social capital and it is productive, i.e. it affects the increase in productivity and the decrease in the cost of doing business. In this case, the question arises: how can it be assessed?

John Coleman, for example, argues that "individuals have the opportunity to make a tangible social capital. But due to the fact that the benefits of actions that make the social capital of the material, in most cases received by anyone, but not actors, are often not in their interest to exercise their materialization " [16, p. 138].

In the opinion of P. Shyhyrev [53]: "Social capital is not just" facilitates "productive activities. He is decisive, and foremost has a much

greater potential compared to the physical and human capital. At first sight, the complexity of the proof of this assertion lies in the intangibility of social capital, but what is said about human capital compared with physical no appropriate systems of assessments have been developed.

However, it is possible to calculate the economic damage that is defined in monetary terms, caused by the deficit of social capital of organization: for example, conflict or atmosphere of suspicion, lack of trust managers to the subordinates and vice versa. These figures may be greater than those which express the magnitude of physical or human capital."

In the article "Growth Strategy of social capital" L. Murgulets explains the role of social capital in the enterprise and its economic importance: "Trust and confidence significantly reduce transaction costs. Business transparency and the confidence that you can trust partners, employees, and government officials are always cheaper and more profitable.

How to convince them that you can be trusted? It's not only what is, but also what kind of impression you make. So it is necessary to create the social capital, work on it and invest in it time and money.

Trust as the installation has three components: information (knowledge of you, openness, feedback etc.), emotional (feelings, emotions), behavior (experience of cooperation, work, communication).

Trust can be controlled through the use of its transparency, openness, networking, i.e. by investing in social capital, which in turn makes your business attractive.

The book "Business by Referrals" by I. Misner and R. Davis is dedicated to this issues. The technology of business development through the usage of communications, recommendations and links to those who know you is represented in this book. As a result it is much easier and cheaper than investing in advertising, phone calls for offering its services.

Social capital has certain qualities that are measurable by market value (price). In addition, it has the ability to increase or lose value depending on its position in the system of market relations between the subjects of the social process. Shihirev P. said: "Today, competent man-

agement is becoming more important to the organization. And it is not just about managing physical and human capital, but also about managing social capital. It has long been estimated that 70- 80 % of the price when sale the company is its reputation" [52]. And the reputation of the firm is nothing more than its social capital. When selling the social capital of the company is shown as positive or negative goodwill on the accounts.

Social capital is also the difference between market and nominal value shares, which are sold on the stock market. To reflect these amounts national regulations (standards) of accounting have already developed and established a certain method of calculation.

Expenses that arise in the process of creating and implementing the social capital of the enterprise, also have a place in the accounting system, but today they are included in a part of the representation expenses. Unfortunately, they are not valued and reflected in the accounting (expenditure of time, the physical, mental and emotional efforts). This direction will be the task of our further research. The examples previously considered determine what component of the accounting object social capital is. It means that part which may have a monetary value.

As previously observed, social capital can be expressed both in economic and non-economic terms what assist the improvement of the economic activity of the enterprise.

The quality of financial statements is concerned to the economic indicators. Transparent, reliable statements on the basis of which it is possible to draw conclusions about the actual results and future economic relations with it, affects on the social capital of a business entity.

Place of social capital in the accounting system can be seen not only in terms of objects and elements of the method, but also from the standpoint of the subjects of accounting, in particular, the position of the chief accountant (CFO) and its relationship with the head (owner) of the enterprise. If between the two add up a relationship of trust, a certain system of internal rules, the exchange of timely and accurate information, than under condition of highly qualified accountant and desire of director to use all pos-

sible measures not only to improve the activity of the enterprise, but also to improve the living standards of their workers, the subject of accounting acts as active participant of management process. In this case, a man with economic education, is able to affect not only the economic but also the social processes taking place at the enterprise.

Thus, analyzing the number of definitions, it is established that social capital is everything that helps people move beyond individual orientation and participate in solving some common tasks.

Charity is also social capital, no doubt. First, charity can promote enterprise advertising, create a favorable image, good name, which is especially important for companies that work with mass consumer. The entrepreneur, who is engaged in charity, is regarded as one that creates good, and is trustworthy. This, in turn, creates a positive reputation, and therefore increases the demand for products that contributes to profits. In addition, the charity can help to strengthen the reputation of the partners. If the company provides charitable assistance, so it has money, it develops, it is a conscious, so it worth dealing with.

An example of the research of charitable practices in the context of social capital serves work of Arthur Brooks [12], who, based on analysis of Social Capital Community Benchmark Survey, conducted in the US in 2000 (sample - 30 thousand people) suggested hypothesize and empirical model of the relationship of charity and social capital. According to his data, the various types of social capital have not the same effect: one (for example, the inclusion of social groups) affect a large amount of donations, others (e.g., participation in politics), by contrast, lead to small amounts of donations. He notes that the charity itself does not serve as social capital. In the capital it turns being organized relatively by constant interaction of who gives and takes.

So, as a result of the study, we found that the costs incurred in the establishment and implementation of social capital of the enterprises have a place in the accounting system. They are expenses on charitable assistance, but today they are included only in other operating expenses

(Account 949 in the amount not exceeding 4% of the taxable income of the previous year). These costs are not shown fully and not reliably characterize the process of creation and implementation of social capital.

As noted by L. Murgulets, "business transparency and confidence in the fact that you can trust partners, employees, and government officials are always cheaper and more profitable" [41]. In turn, the greater the social capital of the company has, the greater the credibility and performance of its activities.

The analysis of the theoretical content of the concept of social capital, taking into account the economic point of view showed that the total amount of social capital can not be estimated in monetary indicators, moreover, exact definition of its value, considering the complexity of such a process in a changing economic environment is impractical, since most assessment methods are sensitive to changes in macroeconomic indicators or the choice of comparison base. Therefore, in the domestic conditions it is appropriate to recommend accounting for social capital hold in monetary terms by the expenses on its formation, which can be carried out on the basis of the existing financial statements. Thus, the singling out of the financial elements of social capital have been suggested in research. That is, those costs which arise while formations as well as implementation of social capital and are reflected in the accounting system as part of other operating costs, including the charity assistance expenses. The peculiarities of reflection of this type of capital in the accounting and reporting are as follows: the expenses incurred are not shown entirely and do not present fairly the third level of implementing socially responsible activities of the enterprise, namely responsibility before society in the form of charity.

The prospect of our further research is improvement of accounting reflection and reporting of charitable assistance expenses as one of the elements of social capital. These suggestions provide an opportunity to form the basis for expansion of reporting indicators in the part of charitable assistance expenses that in a computerized form of accounting does not increase the complexity of accounting process.

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