

Research on Information Disclosure of Poverty Alleviation Funds of Listed Companies

Shun-Yang Yang and Yun Yuan

Southwest Minzu University, Chengdu, Sichuan, China

South Fourth Section of First Ring Road, Wuhou district

Shunyy0828@163.com, yuan.yun@163.com

Shun-Yang Yang

Keywords: Listed companies, Poverty alleviation funds, Information disclosure.

Abstract. This paper takes 372 companies that disclosed the information on poverty alleviation funds in 2017 as the research sample, and analyzes the current situation of information disclosure of poverty alleviation funds in China from three aspects: disclosure level, disclosure of the nature of the company's equity and industry nature, and studies the poverty alleviation funds of listed companies. The information disclosed in the information disclosure is not standardized, and the disclosure content is incomplete. On this basis, it puts forward suggestions on regulating the information disclosure form of poverty alleviation funds of listed companies and the information disclosure content of poverty alleviation funds, so as to improve the information disclosure level of poverty alleviation funds of listed companies and regulate the use of poverty alleviation funds of listed companies.

1. Introduction

With the country's goal of providing accurate poverty alleviation and the goal of building a well-off society in 2020, the CSRC has also issued the "Opinions on Playing the Role of Capital Markets to Serve the Country in Poverty Alleviation." Actively advocated by the government and the CSRC

Under the guidance, China's listed companies have gradually assumed the task of ensuring poverty alleviation, providing different levels of assistance to poor areas from various fields such as industry, education and ecology. The government and the supervision of the society made the company realize that precision poverty alleviation is a social responsibility that a listed company should undertake and disclose the use of poverty alleviation funds accordingly. However, as far as the current situation is concerned, the initiative and quality of listed companies' disclosure of information on poverty alleviation funds is not enough. The amount of funds invested by some enterprises is not proportional to the level of information disclosure of poverty alleviation funds.

On the current academic research on poverty alleviation funds, on the one hand, from the research content of poverty alleviation funds, most scholars focus on the performance auditing, operational mechanism and efficiency of poverty alleviation funds, and few scholars disclose poverty alleviation funds to enterprises. Regarding the quality of poverty alleviation funds, Zhang Xiaojia (2018) studied the accounting information disclosure of poverty alleviation funds of provincial governments in China, and assessed the quality of poverty alleviation funds in each province by establishing a quantitative index system for the quality of accounting information disclosure. On the other hand, from the perspective of the research subjects, scholars are almost focused on the public sector such as the government. Qi Yonghong and Lu Bo (2014) analyzed the status quo of government financial poverty alleviation funds, mainly suggesting that the government's auditing efforts and the results are not open enough, resulting in low social influence. Yang Zhiyin (2017) put forward a proposal for the safe operation and supervision of poverty alleviation funds by studying the poverty alleviation situation of the Guizhou Provincial Government. In addition, some scholars have studied the investment in poverty alleviation funds of enterprises. For example, Jia Yujia (2017) based on the empirical data of A-share listed companies, researched the level of precision poverty alleviation and profit correlation.

2. The Status Quo of Information Disclosure of Listed Companies' Poverty Alleviation Funds

2.1. Construction of the Indicator System

This article selects companies listed on the Shanghai Stock Exchange as a reference sample for 2017. In order to ensure the stability of the data, ST companies and listed companies in the financial industry were excluded, and 372 companies were finally selected for analysis. The information on the disclosure of poverty alleviation funds was obtained by consulting the annual report of listed companies disclosed by Juchao Information Network. Among them, the poverty alleviation funds of a small number of enterprises were disclosed through the social responsibility report of the year. This paper Zhang Xiaojia (2018) in the measurement of information disclosure level, using the index method to establish a quantitative system for information disclosure level of poverty alleviation funds. As shown in Table 1:

Table 1. Poverty Alleviation Fund Information Disclosure Level Quantification System

Primary Quantitative Indicators	Secondary Quantitative Indicators	Quantitative Scores
Accurate Poverty Alleviation Planning	The specific situation of the plan	0 points for no planning and annual summary; 1 point for one or two sentences; 2 points for detailed development and planning
Annual Accurate Poverty Alleviation	Overview of the annual poverty alleviation task	
	Overall situation	0 points without disclosure; only 1 point for the investment funds; 2 points for the number of help and investment
	Industrial investment	
	Transfer of employment	
	Relocation	
Accurate poverty alleviation work	Education out of poverty	
	Health alleviation	
	Ecological Protection	
	Bottom protection	
	Social poverty alleviation	
	Other projects	
Awards	The content and level of the award	0 points without disclosure; only 1 point for the awards received; 2 points for the content and level of the awards
Precise poverty alleviation stage	Stages of implementation of poverty alleviation projects	0 points without disclosure; 1 point for one or two sentences; 2 points for specific stage conditions
Follow-up precision poverty alleviation plan	Follow-up precision poverty alleviation task	

In the specific quantification, the scores are gradually scored according to fifteen secondary indicators. For poverty alleviation work, the specific poverty alleviation work is an important indicator to measure whether a company is excellent in precision poverty alleviation projects. The poverty alleviation plan, summary and follow-up poverty alleviation plan can not accurately quantify the listed company's investment value in poverty alleviation projects. Therefore, this article will score the scores equally to each of the secondary indicators, each of which has the same weight, with a total score of 30 points. The information disclosure level of each listed company's poverty alleviation funds is the sum of the scores of the respective secondary indicators. Therefore, this paper measures the quality level of information on poverty alleviation funds of listed companies according to the established quantitative index system for information disclosure level of poverty alleviation funds.

2.2. Information Disclosure Level of Poverty Alleviation Funds

According to the quantitative system of poverty alleviation fund information disclosure level prepared in the previous section, 372 sample companies were scored one by one. The overall situation is showing in Table 2:

Table 2. General situation of poverty alleviation fund disclosure

	Number of cases	Min	Max	Mean	Standard deviation
Total score	372	1.0	29.0	10.847	5.6004

From the data in the above table, the lowest score of the information disclosure level of poverty alleviation funds is only 1 point, while the enterprise with the highest score is 29 points, indicating that the information disclosure level of listed companies' poverty alleviation funds is quite different. The average value is only about 10.85, which indicates that the information disclosure level of listed companies' poverty alleviation funds is generally weak. From the standard deviation, the quality of information disclosure of corporate poverty alleviation funds is uneven and the difference is obvious.

This paper extracts and analyzes the specific poverty alleviation tasks of companies that have disclosed the situation of precise poverty alleviation, and descriptive statistics on the precise poverty alleviation work disclosed by the company. As shown in Table 3 below:

Table 3. Accurate poverty alleviation work

Works	Number of enterprises	Mean	Standard deviation	Number of cases
Overall situation	242	1.52	0.64	372
Industrial investment	190	0.99	1.00	372
Transfer employment	97	0.45	0.80	372
Relocation	29	0.09	0.34	372
Education out of poverty	199	0.98	0.95	372
Health alleviation	54	0.17	0.44	372
Ecological Protection	33	0.16	0.54	372
Bottom protection	89	0.44	0.80	372
Social poverty alleviation	141	0.52	0.74	372
Other projects	144	0.70	0.92	372

As can be seen from the above table of accurate poverty alleviation work, more than 65% of enterprises disclosed the total amount of poverty alleviation funds, and nearly half of the enterprises explained poverty alleviation projects. Judging from various poverty alleviation projects, there are more than 190 enterprises and 199 enterprises involved in poverty alleviation and education for poverty alleviation. Secondly, the number of enterprises engaged in social poverty alleviation and other projects was 141 and 144. The number of enterprises that carry out relocation and ecological protection is the least, with only 29 and 33 companies. It shows that when enterprises provide assistance for poverty alleviation projects, they generally choose social projects to help, and the number of enterprises with large capital investment or difficult to operate projects is very small.

2.3. Nature of Equity

Accurate poverty alleviation is a state-led task with distinctive characteristics of China. When introducing capital market to help, the amount of poverty alleviation funds invested by various listed companies is different, and the information on poverty alleviation funds disclosed in the annual report is also different. . At the same time, the unique nature of equity in China determines whether state-owned enterprises can undertake greater poverty alleviation tasks and disclose the investment in poverty alleviation funds. The details are showing in Table 4:

Table 4. Equity nature of information disclosure of poverty alleviation funds

	Case	Min	Max	Mean	Standard deviation	variance
Overall	372	1	29	10.841	5.5926	31.277
State-owned enterprise	259	1	29	11.34	5.9566	35.481
Private Enterprise	113	2	20	9.699	4.4699	19.98

From the average point of view, the overall average value is 10.84, which is quite different from the best score of 29 points, which proves that the quality of listed companies' disclosure of poverty alleviation funds is quite different. From the average of private enterprises and state-owned enterprises, the overall level of private enterprises' disclosure of poverty alleviation funds is not as good as that of state-owned enterprises. This shows that private enterprises need to strengthen their social responsibility and improve the integrity of corporate information disclosure. On the other hand, from the maximum scores of private enterprises and state-owned enterprises, the best score for state-owned enterprises is 29 points, while the best score for private enterprises is only 20 points. This shows that there is almost no precision poverty alleviation and poverty alleviation in private enterprises. A particularly good company for information disclosure. From the data of standard deviation, the standard deviation of state-owned enterprises is significantly larger than that of private enterprises and overall data. On the one hand, it shows that various state-owned enterprises have great differences in information disclosure of poverty alleviation funds. On the other hand, it shows that private enterprises are helping poverty alleviation and disclosure of poverty alleviation funds. The attitude of the information situation and the effort made are not much different. However, whether it is a state-owned enterprise with a standard deviation of 5.96 or a private enterprise with a standard deviation of 4.47, the standard deviation is too large, indicating that the information disclosure levels of poverty alleviation funds of listed companies are significantly different.

2.4. Industry Nature

According to the nature of the industry, this paper uses the national economic industry classification to classify the enterprises that disclose information on poverty alleviation funds, and then describes the current situation of information disclosure of listed companies' poverty alleviation funds from the perspective of industry nature. The details are showing in Table 5:

Table 5. The nature of the industry information disclosure of poverty alleviation funds

Industry	Quantity	Proportion	Mean	Max	Min	Standard deviation
Agriculture, forestry, animal husbandry and fishery	9	2.42%	10.83	29	1	5.75
Mining industry	19	5.11%	8.67	15	5	3.06
Electrical, fuel and water production and supply industry	36	9.68%	13.16	23	4	5.52
Light industry manufacturing	42	11.29%	8.17	12	5	2.67
Heavy industry manufacturing	158	42.47%	13.63	25	6	5.83
Construction industry	14	3.76%	11.88	23	4	5.07
Retail, wholesale industry	24	6.45%	10.21	19	3	4.38
Transportation industry	17	4.57%	9.4	27	2	5.08
Technical services, other services	6	1.61%	12.69	23	5	5.8
Information transmission, computer services and software industry	13	3.49%	12.62	22	3	5.05
Film and television, news and publishing industry	13	3.49%	10.51	27	1	5.34
Real estate industry	21	5.65%	8.76	19	2	4.92

Among the companies listed on the Shanghai Stock Exchange, there are 838 manufacturing enterprises, accounting for 65% of the total number of companies in the Shanghai Stock Exchange. Judging from the industry characteristics of companies that disclose information on poverty alleviation funds, there are 200 manufacturing industries, accounting for 53.76% of the total number of disclosures. The manufacturing enterprises that disclose information on poverty alleviation funds need to increase; from the average scores of various industries, the industry with the highest score is the heavy industry, with a score of 13.63, which is more than 3 points above the average. Second, the power and gas water and electricity industry, technical services, and computer software industries all scored more than one to two points. The average score of mining, light industry manufacturing and real estate industry is only about 8 points, which proves that the information disclosure level of poverty alleviation funds in these three industries is lower than the overall standard; from the most value, the disclosure level of agriculture, forestry and fishery is the highest. 29 points of business. The highest score for the light industry manufacturing industry is only 12 points, indicating that the overall level of information disclosure on poverty alleviation funds of light industrial manufacturing enterprises is low. From the point of view of the minimum, there are enterprises with minimum value of 1 in agriculture, forestry, fishery and film and television publishing industry. The smallest overall enterprise exists in heavy industry manufacturing, and its minimum value is 6; from the standard deviation, light The standard deviation of manufacturing industry is the smallest, only 2.67, but the maximum and minimum values are too small, indicating that the overall information disclosure of poverty alleviation funds in light industry manufacturing is poor, and the difference from the overall sample is large. The industries with standard deviations exceeding 5 include agriculture, forestry, fishery, heavy industry manufacturing and technical service industries, indicating that the level of information disclosure of poverty alleviation funds among enterprises in these three industries is too large.

3. Problems and Causes of Information Disclosure of Poverty Alleviation Funds of Listed Companies

Based on the above analysis, this paper believes that the main problem of information disclosure of poverty alleviation funds of listed enterprises in China is that the degree of voluntariness of enterprises is not high, and the society's understanding of poverty alleviation is not enough, which leads to the society's failure to give enterprises feedback on information on poverty alleviation funds. Moreover, some enterprises have not invested in poverty alleviation funds, so these enterprises have no information on poverty alleviation information that can be disclosed. On the other hand, there is no uniform standard for information disclosure of poverty alleviation funds, which has led to uneven levels of corporate disclosure. Therefore, this paper believes that the main problem of information disclosure of poverty alleviation funds comes from the lack of mandatory disclosure behavior, weak social understanding, and integrity of disclosure.

3.1. Disclosure is not Standardized

Judging from the scores of listed companies' poverty alleviation funds in this paper, the level of information disclosure of poverty alleviation funds of listed companies in China is uneven, and there are significant differences between companies with better information disclosure levels and those with poorer companies. And the descriptive language for disclosing funds is too small, and many companies' abstracts, plans, and follow-up plans are too perfunctory, and there is no such description. For example, Huayin Power, with a stock code of 600,744, scored 29, and its information on poverty alleviation funds was highly complete. The disclosures included poverty alleviation plans, abstracts, and follow-up work plans. The poverty alleviation work was also disclosed. The score of Quanchao Power with a stock code of 600218 is 1, and in the case of information disclosure of poverty alleviation funds, only a brief summary of the precise poverty alleviation plan is given. It can be seen that the information disclosure level of listed companies' poverty alleviation funds is quite different, the content of the disclosure is not standardized, and there is no uniform content requirement.

3.2. Poverty Alleviation Funds Information Disclosure Industry Differences are too Large

From the above-mentioned industrial nature distribution, the nature of the industry has a certain impact on the information disclosure level of listed companies' poverty alleviation funds. There is a significant difference between the average, maximum and minimum values of each industry. The industry with the highest average value and the lowest average industry difference is 5.46, and the difference between the maximum values is as high as 17 points. From the internal differences of the industry, the standard deviation of each industry is relatively large, the minimum standard deviation is 2.67, and the largest standard deviation is 5.83. It shows that the information disclosure level of poverty alleviation funds within various industries is uneven and the difference is large.

3.3. The Form and Mode of Information Disclosure are not Uniform

Judging from the ratings of various listed companies, the scores are too different. A company with a complete disclosure of information has a score of 29 points, and a company with a simple disclosure of information can score as low as 1 point. Since the CSRC has no uniform standard for the disclosure of information on poverty alleviation funds of listed companies, the information on poverty alleviation funds disclosed by various listed companies is also different. The inconsistency in the form and mode of information disclosure makes the level of information disclosure of poverty alleviation funds of listed companies different. At the same time, the listed companies have different emphasis on disclosing information on poverty alleviation funds.

3.4. The Regulatory System is not Perfect

As a nationwide task, under the guidance of the government and the China Securities Regulatory Commission, the entry of the capital market has led to a significant increase in the efficiency of precision poverty alleviation. As a social responsibility, the government has not forced enterprises to invest in poverty alleviation funds, nor has it mandated that listed companies must disclose information on poverty alleviation funds. Therefore, in the advocacy work of precision poverty alleviation, the government is only the initiator of the action, and does not force listed companies to participate in accurate poverty alleviation, reducing the enthusiasm of listed companies to disclose information on funds. Therefore, the information on the disclosure of poverty alleviation funds should be raised to a certain height, so that enterprises can consciously and completely disclose the information on poverty alleviation funds. It has made the country have a macroscopic understanding of the participation of enterprises in poverty alleviation.

3.5. Social Awareness is not Strong

For the masses of the society, accurate poverty alleviation seems to be far from daily life, and many people are unable to realize the necessity and importance of precision poverty alleviation. Moreover, most of the social masses only understand the specific circumstances of corporate social responsibility through the news media, so they can only passively accept the social responsibility of listed companies. Therefore, to enhance the understanding of the public on poverty alleviation and enhance their understanding of the importance of listed companies in poverty alleviation can enhance the enthusiasm of listed companies to participate in poverty alleviation tasks and the willingness to disclose information on poverty alleviation funds.

4. Suggestions on Improving the Information Disclosure of Poverty Alleviation Funds of Listed Companies

Faced with the precise poverty alleviation task proposed by China and the arduous task of building a well-off society in 2020, improving the information disclosure level of listed companies' poverty alleviation funds can optimize the poverty alleviation actions of listed companies to a certain extent and produce positive social effects.

4.1. Standardizing Disclosure Content

At present, listed companies mainly disclose information on poverty alleviation funds through annual reports or social responsibility reports. Judging from the content of the disclosure, the quality of disclosure of various listed companies is uneven. The well-disclosed enterprises made detailed disclosures on the use of annual poverty alleviation funds, including poverty alleviation planning, poverty alleviation summary, accurate poverty alleviation and follow-up precision poverty alleviation plans, while those with poor disclosures only disclosed the total poverty alleviation funds input. Standardizing the disclosure of poverty alleviation funds can improve the information disclosure level of enterprises' poverty alleviation funds, which in turn can enable the government, the public, investors and other stakeholders to obtain more information about corporate social responsibility.

4.2. Standardizing the Form of Information Disclosure for Poverty Alleviation Funds

The CSRC should take the lead in regulating the information disclosure of poverty alleviation funds of listed companies and form a unified form of information disclosure for poverty alleviation funds. At the same time, through the announcement of the disclosure of higher-level listed companies, each company has formed a unified disclosure awareness, reducing the difference in information disclosure levels between industry, state-owned and private enterprises, and the overall listed companies.

4.3. Improve the Supervision System

The CSRC should improve the performance appraisal system for poverty alleviation of listed companies, regularly report on the disclosure of information on poverty alleviation funds by listed companies, and enhance the awareness of listed companies in disclosing information on poverty alleviation funds. At the same time, a strict and perfect supervision system can, to a certain extent, supervise the authenticity of enterprises participating in poverty alleviation, improve the efficiency of poverty alleviation funds, and reduce the waste of enterprises' poverty alleviation funds.

4.4. Enhancing Public Awareness

Not only do companies need to realize that participating in precision poverty alleviation is a social responsibility undertaken by enterprises, but the public needs to be aware of the importance of listed companies participating in poverty alleviation projects. The public should strengthen their attention and focus not only on fragmented news reports, but also on real concern about corporate poverty alleviation projects, so that enterprises realize that investing in poverty alleviation can bring positive social benefits and enhance corporate visibility and reputation. The improvement of public awareness also gives feedback signals to listed companies, so that listed companies can increase the enthusiasm of information disclosure of poverty alleviation funds and improve the quality of information disclosure of poverty alleviation funds.

5. Acknowledgement

This paper was supported by Southwest Minzu University,2019,the Innovative Research for Graduate students project(CX2019SZ39).

6. References

- [1] Chow CW, Wong Boren A. Voluntary Financial Disclosure by Mexican Corporations[J]. Accounting Review, 1987, 62(3):533-541.
- [2] Dixon K, Coy D, Tower G. External Reporting by New Zealand Universities 1985-1989: Improving Accountability[J]. Financial Accountability & Management, 2010, 7(3):159-178.
- [3] Freeman, R. E. Strategic Management: A Stakeholder Approach. [M]. Boston: Pitman, 1984:58.

- [4] Xiao-Jia ZHANG. Research on Accounting Information Disclosure of Provincial Government Poverty Alleviation Funds in China[D]. Shandong Agricultural University, 2018.(In Chinese)
- [5] Yu-Jia JIA, Research on the relationship between precision poverty alleviation level and profit [J], Public Management,2018 (15) :36-38. (In Chinese)
- [6] Information on [http:// www.cninfo.com.cn/new/index](http://www.cninfo.com.cn/new/index)