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ПРОТИВОРЕЧИЯ В ТЕОРЕТИЧЕСКОЙ МЫСЛИ СОВРЕМЕННОГО БУХГАЛТЕРСКОГО УЧЕТА

Статья указывает на некоторые противоречия в современном теоретическом подходе к бухгалтерскому учету. Бухгалтерский учет изменил представление о влиянии экономических явлений на процессы. Для этого предлагается широкое использование текущей рыночной стомости для оценки активов. Когда на рынке такой стоимости нет, надо использоватъ так называемую допустимую стоимостъ. Это искажает бухгалтерскую информацию. Создаются возможности для креативной бухгалтерии, позволяющей манипулировать. Главная причина противоречий в современной теории бухгалтерии состоит в том, что на производственный капитал смотрят сквозь призму финасового капитала. Таким образом, находятся возможности приумножить финансовый капитал за счет манипуляции оценками активов. Новый подход в бухгалтерии ведет к антиномии между теорией и практикой.

This article aims at presenting some contradicions that can be found in the contemporary theoretical approach to the accounting subject of interest. Accounting has changed the systemic perception of economic phenomena into the process related one. This may be manifested in using current value to assess fixed asset component, which results in distortions in the informative system of accounting, thus encouraging application of creative accounting. Partial contradictions demonstrated in this article and deeply rooted in the theoretical backgrounds of accounting have one common foundation — perceiving productive capital through financial capital. This approach results from financial capital related tendencies to searching new forms of capital returns. New accounting allows for following such tendencies on the microeconomic level. New subjective interests of accounting lead to increasing some dichotomy between the theory and practice.

Introduction

Over the last years, accounting has changed its measurement system. The force that has been driving those changes are information-related needs of investors. But what theoretical thought inspired those changes? What are the effects for the economic life stemming from this new informational offer of accounting? Those key questions are the contents of considerations in the present contribution. The answer does not come easily. It calls for revisiting the subject of accounting and for grasping the relationship between the economic theory and the accounting measurement system. The relation in question is always conspicuously visible, to which testify various contradictions that are present in the current measurement system of accounting. The aim of this contribution is to turn the readers' attention to the above-mentioned contradictions, which seems to be of utmost importance for attempts at objectivizing of the accounting system.

Essential features of contemporary accounting

Transformations in the contemporary trends of accounting are taking place in the space of current changes in economic processes determined by the global character of economic reality. At present, there can be observed the increased intensifying of various forms of financial capital expansion. The possibilities to attain traditional returns on financial capital, when there is a need to transpose it into the form of production capital, meet with many serious barriers. Increasing the participation of financial capital in value added division is restricted by possibilities of increasing the value added itself. The above notwithstanding, the risk of attaining value added in long-term investment processes is also increased, even after the widening of the global scale. In other words, the law of capital accumulation evokes the ever increasing contradictions in the contemporary economic world. The most conspicuous in that context are the ecological barriers of natural environment.

In searching new ways to attain the return on capital, financial capital received a new theoretical support from the current, widely-disseminated version of monetarism. Key role here is played by the assumption of treating money itself as a commodity. Assuming that money is a commodity is automatically granting the regulatory function in creating the value of money to demand and supply. And from this follows directly the attempts to control the changeability of prices, interest rates and foreign exchange rates. The law of circulation of money has always connected the amount of money (the effect) with the increase in the real value of products and services (the cause). The same relation is also expressed by the equation pertaining to the amount of money in the monetarist perspective. Yet, it does not seem to be an obstacle for the contemporary followers of monetarism in interpreting it the other way round — while making the money the root cause in initiating the processes of economic growth. Using money fluctuations became a promising way of profiting in financial capital. One can capitalize on interests, foreign exchange differences or finally on the inflationary increase in prices. And it is not about participation in value added division by engaging financial capital in the sphere of production capital. It is about redistributing value added on the basis of forms of financial capital activation that do not require the participation of production capital.

The pressure from investors has been clearly sensed by accounting [4]. To fulfill their requirements nowadays accounting, contrary to its traditional counterpart, has elaborated other theoretical layer to create its measurement system. Key role has been played by introduction of changeability into accounting measurement system by using the notion of fair value. Fair value is widely-understood current value that can be created on the market, so-called active market, and current value that is predictable (measurable) in its character in case there is no active market, i.e. such market on which the law of demand and supply cannot fully manifest themselves.

When we valuate material components using fair price, we create a situation in which it is possible to overestimate their value, thus obtaining higher capital value of capital resources introduced from the outside into the economic entity. In practice, managers take almost every chance to do this. The possibilities of practical application of fair value in valuation process of material components and introducing — by the same way — changeability into the accounting measurement system, necessitated the redefining of basic categories, such as: capital, revenue and costs. Capital is understood as residual — the net assets (assets minus liabilities), revenue is an increase in net assets' value, costs — reversely, i.e. decrease in net assets' value.

Such a take on the notion of capital has nothing to do with the notion of capital that has always signified transforming savings into capital resources. This understanding of capital entirely breaks off with the theory of value. Capital remains next to value. From the standpoint of the theory of value capital represented capitalized values which, introduced into the process of wealth creating, conditioned the increase of production capacity of functioning capital. Capital understood as residual includes not only capitalized quantities, but also the predictable ones [2]. It is assumed that net assets which represent the owner's equity are the basis to foresee future cash flows. Such information should interest potential investors and suggest to them potential profits from the capital invested. What is more, maximizing net assets ought to prompt the increase in demand for a given economic entity's shares. This type of reasoning is a stimulus that motivates managers powerfully to maximize net assets. Therefore, it comes as no surprise that the actual status of an economic entity has been changed, and now its sole aim seems to be maximizing net assets and managing values has gained pivotal meaning [1].

One cannot fail to notice that the amount of net assets provides no basis at all for predicting future cash flows. The described situation would be possible, if the assets were acquired only to be sold with a profit. But then we would deal with actual elements of financial capital incorporated into different forms of assets. In case of economic entity we do not acquire assets in order to sell them, but for the organized whole, in the purposeful use, to participate in value creation process. In the residual perspective, capital represents claim attitude towards the value added share, and it does not take into account the contribution of the said capital into creation of this value. This type of ideological approach is conflictual.

Categories of revenues and costs closely related to the increase in the value of net assets have finally break off with their transactional character. Revenues are attained not only from the sales results of goods and services, but they are revenues representing the increase in capital value per se. They constitute a kind of hope, a forecast that in the future revenues might be realized and provide cash incomings. We deal with a similar situation in case of costs. Costs are not only factors that have been used and expressed in money. The depreciation of particular assets itself is already a cost. Costs do not represent in circular motion the transferred capital values, so they do not provide information on value of capital recreated in a new value creation process. The participation of costs in structural approach to value is a social affirmation of the forms of value division. For the economic growth analysis, providing this kind of information by the accounting system had significant importance. The newly-established notion of costs does not provide this information.

Generally speaking, the categories of capital, revenues and costs defined by the authors of new take on accounting include some promises relating to the future. They introduce the sphere of subjectivity into the study of accounting. Accounting as a field of scientific knowledge has lost a considerable amount of its objectivity. One has to notice that a great area of subjectivity in accounting pertains to the possibilities of using derivatives, some contract options in valuation of which the fluctuation foreign exchange rates and interest rates are used.

Redefining of basic categories in conceptual assumptions of accounting is subordinate to the other concept of capital — a capital, the amount of which may be formed by fluctuation of prices, interest rates and foreign exchange rates. The independent existence of money, detached from the contents of real processes (the rigour of transaction rules is of course not in force anymore) has been fixed. It greatly widens the field of elasticity in accounting, allowing to cherry-pick measurement procedures in order to target only one aim — maximizing the owner's equity. This opportunity is provided in one case; when the capital in function of equity is detached from the capital of an economic entity. With this approach, the owners are not only the providers of capital. Their claims might relate to entirety of socialized production capital. Therefore, it is not hard to imagine that this approach used in practice may lead to pauperization of capital substance of an economic entity. Resultantly, the conditions for an entity to function may be discontinued.

Widening the field of elasticity in accounting, substantiated by the conviction that managers possess the knowledge of economic fundamentals and are able to make rational decisions, has no justification whatsoever. Managers may know economic fundamentals that relate to the internal allocation of capital. But those fundamentals are microeconomic in character. However, they cannot possess knowledge that is macroeconomic in character. Those fundamentals must be inbuilt in the matrix of economic parameters constituting the borderline conditions for economic entities' activities. Acknowledging by accounting the supreme aim of investors and developing the measurement procedures with this aim in mind, results in a situation when the criterion of rational behavior of managers has been preset. No wonder then, that managers use creative accounting in order to meet the demands of this criterion. Yet, one has to notice that a macroeconomic criterion should be decisive in case of external capital allocation. That kind of criterion would express the aims of managing society. Consent for the criterion to emerge from the microeconomic level, as a criterion protecting the vested interest of a one group — investors, is inadmissible. Accounting, while reshuffling its collection of theoretical notions under the influence of the said interest group, allows for the criterion of the macroeconomic rationality to be replaced at the level of economic practice by the microeconomic form of its realization. Thus, it creates reality instead of describing it. This way it favors capital allocation outside the social democratizing. One has to remember that international standards of accounting are set by private influential circles which have no legitimacy from the whole society's point of view to decide on planned social capital allocations.

New definitions of the accountancy's subject of interest that take into account the word process, have no right to exist. Accommodating the changeable value of money by various economic categories has nothing to do with the process-centred approach to economic phenomena. Theory of value, discarded in the new view on accounting, enables the process-centred approach to economic phenomena, which has been already mentioned before. It enables it while keeping the unity of value and the material side of social reproduction, and not transcending it. If currently there are forms of financial capital expansion, then the content of the present-day category of value and express it in a different structural approach, thus creating new basis for (the) accounting information system. As a part of new concept of value and not outside of it. We consider it to be a contemporary dilemma of accounting that consists in acknowledging the dichotomy of theory and practice. The assumption of superiority of substance over form is still in force [3].

Contradictions of the current trend in accounting

The process of establishing accounting information system, even though it serves practice and generates it motivation from the experiences of economic life, cannot remain independent outside the understanding of economic content pertaining to the same observations of private life. Here, the fundamental principle of superiority of «substance over form» is still in force. The ways to understanding it may differ, as attitudes of researchers to their research subjects do. A researcher has his/her own theoretical consciousness, often determined by his/her placement amongst particular social relations. Scientific discovering in social sciences (accounting being one of them) implicitly assumes the active role of a subject, unable to be separated from social determinants in which a given subject has to function. Therefore, intrinsically, a subject performing research, equipped in a certain subjectivity stemming from his/her system of values, has to be included as an element of cognitive process.

Discarding the law of value concept by the theoretical side of accounting stems from the opulence of economic events occurring in economical practice — the events prompted by the expansion of economic capital. The representatives of financial capital, or rather investors, were the ones who created the pressure for change in accounting. Can, however, the subjective factor — from the point of view of empirical cognition and resultant theoretical apparatus — be treated as a necessary element of cognition process? In social sciences it is indeed possible, but a researcher has to make sure that the subjective is neutralize at the level of one's own individuality. Theory of value assures this neutralization. Subjectivism manifesting the interests of different social groups takes the form of socialized subjectivism embodied by the theory of value itself. The theory of value does not contradict practice of economic life — it rather organizes this practice in particular synthesis. In the current approach of accounting, the subjective factor — the investors' interests is obviously glorified, and the theoretical side of accounting lacks necessary objectivizing. Theory cannot be a direct transformation of empirical experiences. Recognizing the causality of a given practice and its results, it formulates a system of notions and relations between them, expressing this practice at the level of synthetic organization. Theory pertaining to social process of wealth creation, in which various social groups participate, must take into account the utility for all the social groups and cannot volunteer for being a slave of one of them. In other case, it is deprived of scientificity and becomes merely servile service-providing knowledge.

The fundamental contradiction from which stem the particular contradictions in the current approach of accounting maybe worded as follows: **«the view on production capital is taken from the perspective of financial capital»**. Let us enumerate a few contradictions that stem from this key statement:

1. Following the definition of assets, it is claimed that assets are material components which are acquired in order to yield profit. We fully agree, however, under one condition. Those assets do not yield profit in production application as a separate components but as an organized whole of production capital. Functioning production capital takes its creative power of multiplying from the living work and only when the capital's engagement gains usefulness stemming from the fact of providing for social needs. Meanwhile, in accounting the function of material components' valuation has been extended with the usage of current value. The reasoning is logical. The economic current (market) value actually decides about the value of a material component. Based on this value, it is decided whether a given material component of assets is to be sold or remained on books. Such a perspective may relate only to a singular component asset that constitutes a form of applying financial capital, but never to the component organized in an overall construction of production capital. We do not buy those components in order to sell them, but to gain profit by using them as production capital.

2. The sum of valuated assets cannot be treated as an overall wealth according to fair value. The sum of assets according to acquisition price (historical cost) represents the sum of money put in. Upon valuation according to current cost, the sum of valuated assets represents only a wish for reimbursement, only a wish. The sum of the resources introduced into economic activity represents capital resources as a form of capitalized human labor. Production capital does not acquire value by the sum of resources. In the notion of overall conception of functioning capital, the usefulness of particular resources is reduced. And it is incorporated into the overall amount of capital, the wealth of which is determined by its production capacity in the form of provided manifold goods and services. The components of assets understood as the components of financial capital are non-additive. Moreover, a crucial remark has to be added here that assets are valuated according to current value which is forecasted based on various markets on which they could be sold. The sum of thus valuated assets does not represent anything. Adding such a components is a serious methodological error. Current value has no transactional character, it is usually a forecasted amount and we do not know whether society will be willing to sacrifice a portion of its income in order to reproduce this forecasted value. Economic relations in the producer-consumer relationship, essential while defining the value may vary from market to market. Summing up of such a varied substance is a serious epistemological error. One can sum up only capitalized resources after the social relation of ownership is fixed, and not after their projection according to an individual's subjective assessment. There are no bases whatsoever to claim that sum of assets valuated according to current value formed in various economic relations should be a ground for future cash flows forecast.

3. The possibility of valuating the material components (the assets) created a basis for the notion of residual equity expressed by the notion of net assets (the assets minus the liabilities). Capital does not come from savings alone. Its increase may be attained by artificially increasing the value of assets which, in turn, can be achieved by applying the proper measurement parameters. With that approach, what occurs is a one-sided acknowledgement of the equity capital concept, detached from the concept of the economic entity capital. That is inadmissible. The process of value creation has been detached from value division process. The assumption of an economic entity was indeed not discarded by accounting. If, however, this assumption was treated merely as a concept, then we would meet with a contradiction to another assumption of accounting, namely «the superiority of substance over form». The process of value creation relates to the functioning of an entity's capital as a production capital. Production resources introduced from the outside into an economic entity function I connection with the living work as a one, inextricable whole. The participation of this capital in the value multiplying process requires particular usefulness. Capital in its function of production capital has to contain from the very beginning the unity of usable value and the value that visibly reveals itself in the product provided to the market by a given economic entity. Such a notion of capital is opposed to capital conceived of as a sum of assets. A sum of assets, let us stress it ones more, is only a sum of imagined money — elements of financial capital. Acknowledging the dominant role of equity capital in the accounting system, means considering its function from the viewpoint of value diving while totally neglecting the value creation process. By taking advantage of the possibility to set the amount of this capital by influencing it with price changes, foreign exchange and interest rates fluctuations, we create conditions in which it is feasible to have an impact on the value division processes. We obtain possibilities to influence the redistribution of value added. We implicitly accept the all-too-fascinating thesis saying that financial capital creates values rather than thrives upon them. This distorting perspective is triggered by the view on production capital through a prism of financial capital. Theory of scientific cognition would voice its opposition in the three-phase of: ontology, epistemology and methodology.

4. The critique of static character of accounting profit and pursuing the economization of this profit have yielded the proposition of a new measurement model for profit in accounting that would be based on the concept of retaining the nominal capital and would use current value in valuation of the material components. At the same time, it is conjectured that process (dynamic) approach to economic events, so much emphasized in new definitions of the subject of accounting, will be transposed to the accounting system through changeability of current value.

As a matter of fact, the changeability of current value illustrates the dynamic character of value. However, this changeability must be fixed at some point in time $t = 0$, by confirming the transaction, i.e. confirming the buyer of this value. In the value creation process, a single frozen relation of the said value division is introduced. The quantifiable side of value division returns to its economic existence — the process of creation. Using current value in the new measurement model for profit does not require transactional character of current value. The latter may be an estimate. Is this a process-oriented approach that has been so much emphasized in the current definitions of the subject of accounting? Are those the modern negations of conservatism and static character of accounting profit? And here arises the key question: Can the process-oriented approach be proper one outside the consideration of the category of value itself? The inside of the category of value is open for the dynamic character of economic events. The structure of value, even though it presents a static image of internal relations in the process of creation and division, nevertheless reflects the dynamics of changes. The static image is not the opposite of the dynamic one. They are two necessities complementary to each other.

The dynamic image of the category of value stems from the very process of transformation in the character of social labor which creates the wealth of society. Expressing new contents of social labor means respecting the dynamic character of value frozen in new structural approach to value. Searching for new measures by accounting must take into account new theoretical adjudications revealing new structural dimension of the category of value itself. From this standpoint, one of the more serious difficulties for accounting is going to be deciding whether a given form of social labor should be treated as transferred, i.e. capitalized, or as a share of value added. What is important in this scope is a still current problem of distinguishing production work from non-production work. If accounting proposes the contemporary model for measuring profit, then it contributed perforce to justifying the relation of law to value added division, outside the economic relation that has formerly determined this division. The valuable side of the wealth distribution process is detached from its material side. No wonder then that the possibility of using creative accounting is so forcefully exploited in the phenomenon of profits management. Attempts at justifying those phenomena by the rationality of managers based on their knowledge of economic assumptions within which an entity operates, is not entirely legitimate.

Focusing on some of the contradictions in the current accounting measurement system, we need to accentuate some underdevelopment of the theoretical side of accounting. Accounting, while transforming under the influence of events, massively occurs in practice, but does not actualize its measurement system. It surrenders to the vested interests of some social groups. This situation reveals a conspicuous way of solidifying a hiatus between the theory of accounting and its practice. But yet the new phenomena emerging in this day and age of economic development demand a new approach.

Conclusion

The contribution focused on some imperfections of the current accounting measurement system. The main reason for imperfection of those measurement proposals in accounting is the lack of proper theoretical background. All the particular contradictions of the accounting measurement system are enrooted in the key contradiction — **treating production capital as a function of financial capital**. It had a distorting effect on the categories of capital, revenues and cost. Those categories are being deprived of their transactional character. As a consequence, a kind of creative accounting emerges which favors distortions of financial results.

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