Comparing Accounting Policies and Thai Accounting Standards
Case Study: Pro-Milling Co.,Ltd

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Abstract - This study was descriptive research. The data were collected by following: 1.) Primary Data: Data were collected by interviewing the accounting manager and the warehouse manager in September 2011 in order to compare with Thai Accounting Standards (TAS). Especially in the policies of inventories and property, plant and equipment; 2.) Secondary Data: Including, the accounting practice of PRO-MILLING CO.,LTD. (PRM); the financial statements listed in the report of the Certified Public Accountant (CPA) of the PRM for fiscal year 2011 collected information on the accounting policies are disclosed in the notes to the financial statements on the topic. “Significant accounting policies” and disclosure of accounting information elsewhere in the notes to the financial statements, accounting standards and texts books are related to identify the Accounting standards and Accounting practices of Thailand. And to compare with accounting policies of the PRM in the inventory and property, plant and equipment. The results of this research were: Policies inventory 1.) Difference of the currency exchange rate. Thai Accounting Standards specifies the difference can not absorb to the total cost of purchase. This research found that the company did not comply with accounting standards. As a result, the accounting records were higher cost / lower than the actual and affect on company’s profit and Loss. 2.) Valuation of inventories. Thai accounting standards specifies the inventory valuation method is two Way; First in First out; weighted average. This research found that the company did not comply with the accounting standards, As a result, the record of inventory and cost of goods sold are error and affect on company’s profit and loss including financial position. 3.) Standard costing and Thai accounting standards specifies the management must update regularly in standards costing as close to reality. Also, the value of inventory at the end of the period are different from the reality on earning before tax, policies property, plant and equipment 1.) Revaluation of property, plant and equipment. Thai accounting standards specifies the revaluation and fair market, and result the value of the properties were less than fair value in the financial statements. 2.) Writing-Off fixed assets. Thai accounting standards specifies writing-off the book value of the property, plant and equipment from the account. When any of the following conditions; enterprise assets. The eliminate assets and the enterprises expect these assets could not create economic benefit in the future or sale of assets. This research found that the company complies with Thai accounting standards only the first condition the second one is not practical. As a result, the assets of the company were higher than the actual value.

Keywords - PRM, CPA, THAI GAAP, Accounting Policies, Thai Accounting Standards

Remark: The full paper may be found in www.inrit2013.com