

This independent study is aimed to study performance analysis of the Northern Region Telephone Service Sector 1-4 , Telephone Organization of Thailand during the year 1996 –2000 by using comparison analysis and common-size analysis, trend percentage and financial ratios of each telephone sector. As the Northern Region Telephone Services Department did not have financial statements, this study used 5 year-data from trial balance, such as balance sheets, and income statements of 4 northern sector instead , and compared such data with TOT data.

The result of common-size analysis of balance sheets showed that the percentage of fixed assets per total assets of Northern Region Sector 1 to 4 were 88.50%, 91.43%, 88.16% and 87.42%, respectively. And from the common-size analysis of income statement, it found that the Northern Region Sector 1 to 4 had operation profits of 48.05%, 27.78%, 35.59% and 30.69%, respectively. Income came mostly from services provided to people. Expenses were mostly for depreciation , general administration expenses, and expenses for telephone services, repair and maintenance, respectively.

The analysis of organizational operation of each sector by using financial ratios found that Telephone Service Sector 1 had the highest success among the 4 sectors. It earned a profit

margin of 48.83% on sales, 16.63% return on total assets, receivable collection was within 95 days, while fixed asset turnover was 0.38 time, total assets turnover was 0.34 time, and current ratio of liquidity was 2.88 times. Sectors which were less successful in operation were Sector 3, Sector 4 and Sector 2 was the lowest.

From the result of the study, it revealed that profits and financial ratios of each Telephone Sector (1-4) were higher than profits means and financial ratios of Northern Region Telephone Department. This is because data from Telephone Sector 1 to 4 covered only direct cost of each sector which did not include other head office expenses.