

## CO22715 : MAJOR COST ACCOUNTING

KEY WORD : ACCOUNTING/DAIRY FARM

ORAWAN PHOLGUMHAENG : DAIRY FARM ACCOUNTING A CASE STUDY FOR DAIRY FARMING PROMOTION ORGANIZATION OF THAILAND. THESIS ADVISOR : ASSO, PROF. THAREE HIRANRUSME, 334 PP. ISBN 974-047-9

The objective of this thesis is to present proper accounting method for Dairy Farming. The study emphasizes on the accounting procedures for revenue recognition, expenses, inventory and depreciation methods and was carried out by obtaining the data from the existing accounting procedures and from other related sections of Dairy Farming Promotion Organization of Thailand (D.P.O) as mentioned above, and tried to indicate the weak point of each activity.

It was found that, for revenues and expenses, the transactions of the newborn calf and the sales, purchases, donation, killing off and etc, of dairys are partially recorded during the year. Consequently, profits and losses from dairy account cannot be clearly identified since they will be summarized in the "profit and loss account of dairys" only. In addition, one officer estimates the depreciation expense using his own experience. Dairys also uses the physical counts at the end of the year to record the ending inventory under the periodic inventory method.

It is recommended that D.P.O should adopt the new accounting procedures of recording every the transactions immediately, when they occurred. The new approach should be applied by recording and posting the transactions to the related seperating specific accounts. The calculation of depreciation for the dairy should base on the total amount of milk produced in that year. For inventory, the ending inventory should be the remaining in this account at the end of the year. By this way, profits and losses can be monitored more specific and meaningful. Consequently, the accounting information will better facilitate manager decision making.