ABSTRACT

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The provincial electricity authority is a state enterprise, which has to be privatized in the future. For this reason, the provincial electricity authority has to be restructured the whole organization in order that it will be well prepared for handle this organizational change. At the present there is separating some part of work into the core and non-core business unit. The engineering business unit is a non-core business unit. In each business unit still uses the same accounting manual of the provincial electricity authority. There are also no adjust of the operating system and limitation of the information technology.

The purposes of this study were to examine the problem of accounting system in the engineering business unit of the provincial electricity authority and investigate the solution of the problem by developing the accounting system for efficiency and good model for other business units. The method of this study was to collect the primary data by interviewing and studying from the annual financial report of the year 2001. To study from the accounting manual of the engineering business unit and other relevant academic documents was used to collect the secondary data.

The result of this study was found that there were some problems about accounting system in the engineering business unit. Firstly, there was no autonomy in implementing the accounting system because of the problem of regulations and rules. The second problem was taking the record of operating expenditures in the controlling unit, which took responsible directly, and no distribution to the user unit. The last problem was that there was no certain determination of revenue.

The other result of this study was concluded that the accounting system planning of the engineering business unit should be fully separated from the provincial electricity authority. This process of changing has to be considered with the type of business, the work process and the monthly accounting report including the combination of financial reports between the engineering business unit and the provincial electricity authority. According to this study about the cost allocation, the engineering business unit should use the following theory that was selected direct allocation including distributing the direct cost to the user unit correctly. For the study of service cost among the business units should be separately further studied. If there is changing the regulations of figuring the expenditures in the engineering business unit, it would be reduced from 82,016,269.30 bath to 80,580,511.38 bath. Finally, the determination of the transfer price in this study was found that the full cost-based transfer price or the negotiated-based transfer price should be used in case of knowing the market price before.

The benefit of the findings in this study will be useful for the managers and executives in the provincial electricity authority in order to high efficiency making decision. Moreover it will be able to give more financial information including leading to revise the organizational accounting manual. Finally, this study also make the organization have more effective and efficient in management for taking more advantage in the competitive market.