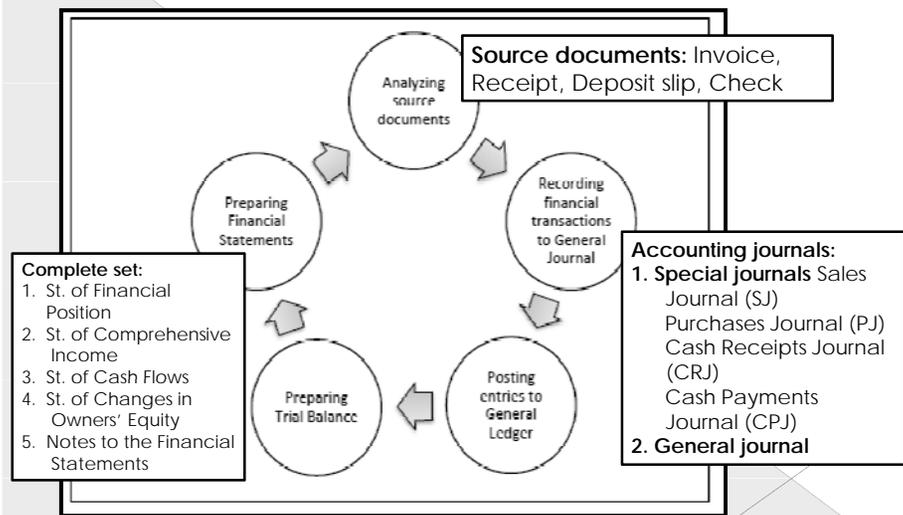


Accounting Cycle & Complete set of Financial Statements



What is the accounting cycle?
What is the complete set of financial statements?

Accounting Cycle



Forms of Special Journals: Sales & Purchases Journals

Date	Sales Invoice No.	Account Name/ Customer Name	Ref.	Debit		Credit	
				Accounts Receivable	Sales	Output VAT	

Date	Account Name	Ref.	Credit Terms	Credit		Debit	
				Accounts Payable	Purchases	Freight Inwards	Input VAT

Forms of Special Journals: Cash Receipts & Cash Payments Journals

Date	Account Name	Ref.	Cash at Bank		Accounts Receivable (Cr.)	Discount Allowed (Dr.)	Sales (Cr.)	Output VAT (Cr.)	Other A/C (Cr.)
			(Dr.)	(Cr.)					

Date	Account Name	Ref.	Cheque No.	Cash at Bank		Accounts Payable (Dr.)	Discount Received (Cr.)	Input VAT (Dr.)	Other A/C (Dr.)
				(Cr.)	(Dr.)				

Forms of GJ & GL

Date	Description	Account No.	Debit	Credit

General Ledger			Account No.		
Date	Description	Amount	Date	Description	Amount

Forms of TB

Account No.	Account	Debit	Credit

Elements of Financial Statements (Conceptual framework for Financial Reporting)

- Assets
 - > Cash, AR, Inventories, PPE, Intangible assets
- Liabilities
 - > Bank Overdraft, AP, Accrued expenses, Loan
- Owner's Equity
 - > Common stock, Preferred stock, RE
- Revenues (Ex. Sales, Interest revenue)
- Expenses (Ex. Purchase, Salary, Freight-out)

Chart of Accounts

Assets	Owner's Equity
Current Assets	301 Common Stocks
101 Cash and Cash Equivalents	302 Preferred Stocks
102 Accounts Receivable	303 Retained Earnings
102.1 Allowance for Doubtful Account	
103 Inventory	Revenues
104 Office Supplies	401 Sales
105 Prepaid Rent	401.1 Sales Returns and Allowances
Non-Current Assets	401.2 Discount Allowed
110 Land	402 Interest revenue
111 Building	403 Dividend revenue
111.1 Accumulated Depreciation-Building	
112 Equipment	Expenses
112.1 Accumulated Depreciation Equipment	501 Purchases
113 Patent	501.1 Merchandise Returns and Allowances
Liabilities	501.2 Discount Received
Current-Liabilities	502 Freight-Inwards
201 Bank Overdraft	503 Freight-Outwards
202 Accounts Payable	504 Salaries
203 Accrued Salaries	505 Rent expense
204 Accrued electricity expense	506 Doubtful Account
205 Accrued Interest	507 Office Supplies expense
Non-Current Liabilities	508 Depreciation-Building
210 Bank Loan	509 Depreciation-Equipment
	510 Interest expense
	511 Electricity expense
	512 Telephone expense
	513 Advertising expense
	514 Insurance expense
	515 Miscellaneous expense

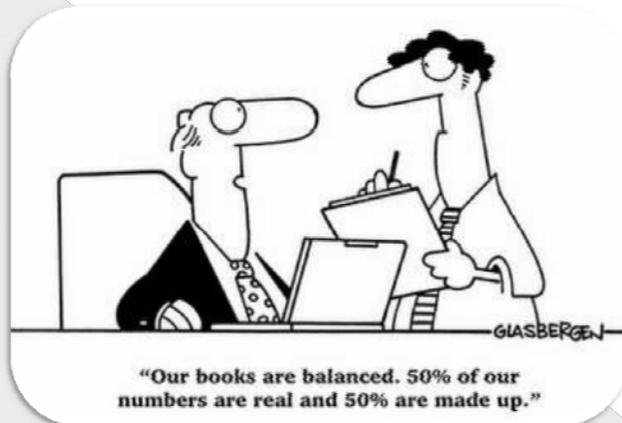
Vocabularies

Accounting cycle	วงจรบัญชี
Adjusting	การปรับปรุงรายการ
Analyzing	การวิเคราะห์รายการ
Assets	สินทรัพย์
Cash Payments Journal (CPJ)	สมุดรายวันจ่ายเงิน
Cash Receipts Journal (CRJ)	สมุดรายวันรับเงิน
Cheque (Check)	เช็ค
Closing	การปิดบัญชี
Conceptual Framework for Financial Reporting	กรอบแนวคิดการรายงานทางการเงิน
Current Assets	สินทรัพย์หมุนเวียน
Current Liabilities	หนี้สินหมุนเวียน
Deposit slip	ใบนำฝากเงิน
Expenses	ค่าใช้จ่าย
General Journal (GJ)	สมุดรายวันทั่วไป
General Ledger (GL)	บัญชีแยกประเภท
Invoice	ใบแจ้งหนี้
Liabilities	หนี้สิน
Non current Assets	สินทรัพย์ไม่หมุนเวียน
Non-current liabilities	หนี้สินไม่หมุนเวียน

Vocabularies

Owner's Equity	ส่วนของผู้ถือหุ้น
Posting	การผ่านรายการ
Preparing	การจัดทำงบการเงิน
Purchases Journal (PJ)	สมุดรายวันซื้อ
Receipt	ใบเสร็จรับเงิน
Recording	การบันทึกรายการ
Revenues	รายได้
Sales Journal (SJ)	สมุดรายวันขาย
Source documents	เอกสารขั้นต้น
Special Journal	สมุดรายวันเฉพาะ
Statement of Cash Flows	งบกระแสเงินสด
Statement of Comprehensive Income	งบกำไรขาดทุนเบ็ดเสร็จ
Statement of Financial Position	งบแสดงฐานะการเงิน
Trial Balance (TB)	งบทดลอง

Just for fun



Complete set of Financial Statements (TAS 1)

- › Statement of Financial Position
(Assets = Liabilities + Owner's Equity)
- › Statement of Comprehensive Income
(Revenue - Expense = Net Profit (Loss))
+ Other Comprehensive Income (OCI)
- › Statement of Cash Flows
- › Statement of Changes in Owner's Equity
- › Notes to the Financial Statements

Statement of Financial Position: Assets

THE SIAM CEMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2015, 2014 AND 2013

(Million Baht)

Assets	2015	%	2014	%	2013	%
Current assets						
Cash and cash equivalents	16,078	3.2	19,031	4.1	17,434	4.0
Temporary investments	18,510	3.6	8,023	1.7	6,984	1.6
Trade and other receivables	54,294	10.6	51,841	11.1	49,453	11.2
Short term loans	126	0.0	116	0.0	146	0.0
Inventories	52,808	10.4	52,747	11.3	55,657	12.6
Other current assets	6,490	1.3	6,240	1.3	5,556	1.3
Total current assets	148,396	29.1	137,998	29.6	135,130	30.7
Non-current assets						
Available-for-sale investments	9,316	1.8	8,385	1.8	11,137	2.5
Investments in associates	86,076	16.9	77,310	16.6	74,843	17.0
Investments in joint ventures	4,814	0.9	5,039	1.1	4,316	1.0
Other long-term investments	3,066	0.6	3,078	0.7	3,478	0.8
Long-term loans	162	0.0	153	0.0	143	0.0
Investment properties	1,236	0.2	1,636	0.4	1,535	0.3
Property, plant and equipment	230,932	45.3	205,473	44.1	183,842	41.7
Goodwill	11,524	2.3	10,799	2.3	10,300	2.3
Intangible assets	7,687	1.5	7,169	1.5	6,279	1.4
Deferred tax assets	2,787	0.5	4,281	0.9	4,804	1.0
Other non-current assets	4,025	0.8	4,522	1.0	5,052	1.1
Total non-current assets	361,585	70.9	327,825	70.4	305,559	69.3
Total assets	509,981	100.0	465,823	100.0	440,689	100.0

English for Accountants

Statement of Financial Position (cont.)
 : Liabilities and Owner's Equity

THE SIAM CEMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2015, 2014 AND 2013

(Million Baht)

Liabilities and shareholders' equity	2015	%	2014	%	2013	%
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	16,191	3.2	12,509	2.7	12,917	2.9
Trade and other payables	18,839	3.7	16,080	3.4	81,211	18.2
Current portion of long-term debts	6,935	1.4	8,139	1.7	5,916	1.3
Current portion of debentures	19,901	3.9	21,885	4.7	11,963	2.7
Short-term loans	102	0.0	80	0.0	80	0.0
Income tax payable	2,207	0.4	2,025	0.4	2,506	0.6
Other current liabilities	3,065	0.6	2,790	0.6	2,101	0.5
Total current liabilities	127,317	25.0	95,518	20.5	89,792	20.1
Non-current liabilities						
Long-term debts	13,350	2.6	24,219	5.2	27,373	6.2
Debentures	116,202	22.8	126,207	27.1	126,174	28.6
Deferred tax liabilities	2,125	0.4	2,366	0.5	2,785	0.6
Employee benefit obligations	6,610	1.3	6,331	1.4	6,173	1.4
Other non-current liabilities	1,201	0.2	1,865	0.4	1,680	0.4
Total non-current liabilities	139,500	27.4	160,900	34.6	164,135	37.2
Total liabilities	266,817	52.3	256,506	55.1	253,927	57.3
Shareholders' equity						
Share capital						
Authorized share capital - Ordinary share	1,000		1,000		1,000	
Issued and paid-up share capital - Ordinary share	1,200	0.2	1,200	0.3	1,200	0.3
Retained earnings						
Appropriated						
Legal reserve	180	0.0	180	0.0	180	0.0
General reserve	10,510	2.1	10,510	2.3	10,510	2.4
Unappropriated	202,440	39.7	174,873	37.5	159,777	35.3
Other components of shareholders' equity	(8,195)	(1.6)	(9,166)	(2.0)	(8,114)	(1.8)
Total equity attributable to owners of the parent	206,161	40.4	177,203	38.1	161,539	36.7
Non-controlling interests	36,615	7.2	32,031	6.9	25,223	5.7
Total shareholders' equity	242,776	47.7	209,234	44.9	186,762	42.4
Total liabilities and shareholders' equity	509,593	100.0	465,823	100.0	440,689	100.0

English for Accountants

Income Statement: Single step

DAN DEINES COMPANY
 INCOME STATEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2004

Revenues	
Net sales	\$2,972,413
Dividend revenue	98,500
Rental revenue	72,910
Total revenues	3,143,823
Expenses	
Cost of goods sold	1,982,511
Selling expenses	453,026
Administrative expenses	350,771
Interest expense	126,060
Income tax expense	66,934
Total expenses	2,979,334
Net income	\$ 164,489
Earnings per common share	\$1.74

English for Accountants_SDU_prepared by Nattapan T.

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Income Statement: Multiple step

DAN DEINES COMPANY
 INCOME STATEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2004

Sales Revenue	
Sales	\$3,053,081
Less: Sales discounts	\$ 24,241
Sales returns and allowances	58,427
Net sales revenue	2,972,413
Cost of Goods Sold	
Merchandise inventory, Jan. 1, 2004	461,219
Purchases	\$1,989,693
Less: Purchase discounts	19,270
Net purchases	1,970,423
Freight and transportation-in	40,612
Total merchandise available for sale	2,472,254
Less: Merchandise inventory, Dec. 31, 2004	489,713
Cost of goods sold	1,982,541
Gross profit on sales	989,872
Operating Expenses	
Selling expenses	
Sales salaries and commissions	202,644
Sales office salaries	59,200
Travel and entertainment	48,940
Advertising expense	38,315
Freight and transportation-out	41,209
Shipping supplies and expense	24,712
Postage and stationery	16,788
Depreciation of sales equipment	9,005
Telephone and internet expense	12,215
	453,026

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Income Statement: Multiple step (cont.)

Administrative expenses			
Officers' salaries	186,000		
Office salaries	61,200		
Legal and professional services	23,771		
Utilities expense	23,275		
Insurance expense	17,029		
Depreciation of building	18,059		
Depreciation of office equipment	16,000		
Stationery, supplies, and postage	2,875		
Miscellaneous office expenses	2,612		
		<u>350,771</u>	<u>803,799</u>
Income from operations			186,073
Other Revenues and Gains			
Dividend revenue	98,500		
Rental revenue	72,910		
			<u>171,410</u>
			357,403
Other Expenses and Losses			
Interest on bonds and notes			<u>126,060</u>
Income before income tax			231,423
Income tax			66,934
Net income for the year			<u>\$ 164,489</u>
Earnings per common share			<u>\$1.74</u>

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Income Statement: Condensed

DAN DEINES COMPANY		
INCOME STATEMENT		
FOR THE YEAR ENDED DECEMBER 31, 2004		
Net sales		\$2,972,410
Cost of goods sold		<u>1,982,541</u>
Gross profit		989,872
Selling expenses (see Note D)	\$453,028	
Administrative expenses	<u>350,771</u>	<u>803,799</u>
Income from operations		186,073
Other revenues and gains		<u>171,410</u>
		357,483
Other expenses and losses		<u>126,060</u>
Income before income tax		231,423
Income tax		66,934
Net income for the year		<u>\$ 164,489</u>
Earnings per share		<u>\$1.74</u>

Note D: Selling expenses	
Sales salaries and commissions	\$202,644
Sales office salaries	59,200
Travel and entertainment	48,940
Advertising expense	38,315
Freight and transportation out	41,200
Shipping supplies and expense	24,712
Postage and stationery	16,788
Depreciation of sales equipment	9,000
Telephone and Internet expense	<u>12,215</u>
Total selling expenses	<u>\$453,028</u>

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Statement of Comprehensive Income : two-statement format

V. GILL INC.	
INCOME STATEMENT	
FOR THE YEAR ENDED DECEMBER 31, 2004	
Sales revenue	\$800,000
Cost of goods sold	<u>600,000</u>
Gross profit	200,000
Operating expenses	90,000
Net income	<u>\$110,000</u>

V. GILL INC.	
COMPREHENSIVE INCOME STATEMENT	
FOR THE YEAR ENDED DECEMBER 31, 2004	
Net income	\$110,000
Other comprehensive income	
Unrealized holding gain, net of tax	30,000
Comprehensive income	<u>\$140,000</u>

English for Accountants_SDU_prepared by Nattapan T.

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Statement of Changes in Owner's Equity

V. GILL INC.					
STATEMENT OF STOCKHOLDERS' EQUITY					
FOR THE YEAR ENDED DECEMBER 31, 2004					
	Total	Compre- hensive Income	Retained Earnings	Accumulated Other Compre- hensive Income	Common Stock
Beginning balance	\$410,000		\$ 50,000	\$60,000	\$300,000
Comprehensive income					
Net income	110,000	\$110,000	110,000		
Other comprehensive income					
Unrealized holding gain, net of tax	30,000	<u>30,000</u>		30,000	
Comprehensive income		<u>\$140,000</u>			
Ending balance	<u>\$550,000</u>		<u>\$160,000</u>	<u>\$90,000</u>	<u>\$300,000</u>

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STATEMENT OF CASH FLOWS—INDIRECT METHOD

RITTS COMPANY	
STATEMENT OF CASH FLOWS	
FOR THE YEAR 2001	
Cash Flows from Operations:	
Net income	\$ 44,100
Adjustments:	
Depreciation and amortization of patents	20,600
Gain on sale of land	(3,000)
Decrease in accounts receivable	1,500
Increase in inventory	(14,700)
Increase in accounts payable and accruals	700
Increase in taxes payable	500
Cash provided by operations	\$ 50,000
Cash Flows from Investing Activities:	
Sale of land	\$ 9,500
Purchase of land	(20,100)
Purchase of buildings and equipment	(82,700)
Cash flows used in investing activities	(93,300)
Cash Flows from Financing Activities:	
Issuance of long-term debt	\$ 50,000
Issuance of capital stock	27,500
Dividends paid	(33,000)
Cash provided by financing activities	44,500
Increase in cash	\$ 1,200
Beginning cash balance	2,200
Ending cash balance	\$ 3,400

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Notes to Financial Statements: Accounting Policies
Example 1: Inventories

LG Korea (KOR)

Inventories

Inventories are stated at the lower of cost or market value, with cost being determined by the moving-average method or the weighted-average method, except for materials-in-transit for which cost is determined by the specific identification method. When the market value of inventories (net realizable value for finished goods or merchandise and current replacement cost for raw materials) is less than the carrying value, the carrying value is stated at the lower of cost or market. The Group applies the lower of cost or market method by group of inventories and loss on inventory valuation is presented as a deduction from inventories and charged to cost of sales. The valuation loss is recorded as cost of sales. If, however, the circumstances which cause the valuation loss cease to exist, causing the market value to rise above the carrying amount, the valuation loss is reversed limited to the original carrying amount before valuation. The reversal is a deduction from cost of sales. For the years ended December 31, 2008 and 2007, ₩356,818 million and ₩131,640 million, respectively, are recorded as valuation loss.

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Notes to Financial Statements: Accounting Policies
Example 2: Property, Plant and Equipment (PPE)

JJB Sports (GBR)

Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method, as follows:

Freehold land and buildings	50 years
Leasehold improvements	over the period of the lease
Plant and equipment	5 to 25 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

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Notes to Financial Statements: Additional Notes
Example 1: Accounts ReceivableCadbury plc
(millions)

St. of Financial Position

	2008		2007	
	Current	Non-current	Current	Non-current
Trade receivables	£835		£997	
Less: provision for impairment of trade receivables	(46)		(45)	
	£789	—	£952	—

20. Trade and other receivables

The aged analysis of past due but not impaired receivables is as follows:

	2008	2007
Total trade receivables	£835	£997
Less: Provision for impairment of trade receivables	(46)	(45)
	£789	£952

Of which:

Not overdue	£657	£748
Past due less than three months	123	177
Past due more than three months	9	27
	£789	£952

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Accounting Act, B.E. 2543 (DBD)

→ Main contents:

> Required financial statements

Comparative F/S
Consolidated F/S

แบบ / ผู้ยื่นหน้าที่จัดทำบัญชี	งบแสดง ฐานะ การเงิน	งบกำไร ขาดทุน เบ็ดเสร็จ	งบกำไร ขาดทุน	งบแสดงการ เปลี่ยนแปลง ส่วนของ เจ้าของ	งบกระแส เงินสด	งบ การเงิน รวม	หมายเหตุ ประกอบ งบการเงิน	งบการเงิน เปรียบเทียบกับ ปีก่อน
๑ ห้างหุ้นส่วนจดทะเบียน	✓	-	✓	-	-	-	✓	✓
๒ บริษัทจำกัด	✓	-	✓	✓	-	-	✓	✓
๓ บริษัทมหาชนจำกัด	✓	✓	-	✓	✓	✓	✓	✓
๔ นิติบุคคลที่ตั้งขึ้นตาม กฎหมายต่างประเทศ	✓	-	✓	✓	-	-	✓	✓
๕ กิจการร่วมค้าตาม ประมวลรัษฎากร	✓	-	✓	✓	-	-	✓	✓

Vocabularies

Accounting policy	นโยบายการบัญชี
Assets Held for Sale	สินทรัพย์ที่ถือไว้เพื่อขาย
Biological assets	สินทรัพย์ชีวภาพ
Cash and Cash Equivalents	เงินสดและรายการเทียบเท่าเงินสด
Changes in revaluation surplus	การเปลี่ยนแปลงส่วนเกินทุนจากการ การวัดราคาเงินทรัพย์สิน
Complete set of financial statements	งบการเงินฉบับสมบูรณ์
Current Tax Liabilities	ภาษีเงินได้นิติบุคคลค้างจ่าย
Deferred Tax Liabilities	หนี้สินภาษีเงินได้รอตัดบัญชี
Defined benefit plan actuarial gains or losses	ผลกำไรหรือขาดทุนจากการวัดมูลค่าใหม่ ของโครงการผลประโยชน์ที่กำหนดไว้ ของพนักงาน
expenses	ค่าใช้จ่าย
Finance costs	ต้นทุนการเงิน
Foreign currency translation differences	ผลต่างอัตราแลกเปลี่ยนเงิน การแปลงค่างบการเงิน
Gains or Losses on hedging instruments in a cash flow hedge	ผลกำไรหรือขาดทุนจากการป้องกัน ความเสี่ยงกระแสเงินสด
Gains or Losses on re-measuring available-for- sale financial assets	ผลกำไรหรือขาดทุนจากการเปลี่ยนแปลง ในมูลค่ายุติธรรมของเงินลงทุนเพื่อขาย

Vocabularies

Intangible Assets	สินทรัพย์ไม่มีตัวตน
Inventories	สินค้าคงเหลือ
Investment Property	อสังหาริมทรัพย์เพื่อการลงทุน
Investments accounted for using the equity method	เงินลงทุน (ที่ใช้วิธีส่วนได้เสีย)
Long-term Loan	เงินกู้ยืมระยะยาว
Notes to the financial statements	หมายเหตุประกอบงบการเงิน
Property, Plant and Equipment	ที่ดิน อาคาร และอุปกรณ์
Provisions	ประมาณการหนี้สิน
Reserves	สำรองต่าง ๆ
Retained Earnings	กำไรสะสม
Revenue	รายได้
Share issued and fully (or not fully) paid	หุ้นที่ออกและเรียกชำระแล้ว
Shares authorized	หุ้นจดทะเบียน

Vocabularies

Statement of Changes in Equity	งบแสดงการเปลี่ยนแปลงในส่วนของ เจ้าของ
Statement of profit or Loss and Other Comprehensive Income	งบกำไรหรือขาดทุนและกำไรขาดทุน เบ็ดเสร็จอื่น
Tax expense	ภาษีเงินได้
Trade and Other Payables	เจ้าหนี้การค้าและเจ้าหนี้อื่น
Trade and Other Receivables	ลูกหนี้การค้าและลูกหนี้อื่น

Just for fun



Just for fun



Just for fun

