

## IFRS and GAAP in the Kingdom of Thailand

*GAAP Differences in your Pocket*

## Contact us

Deloitte  
Rajanakran Bldg. 25th Floor  
183 South Sathorn Road  
Yannawa, Sathorn  
Bangkok 10120  
Thailand  
662 6765700

Dr. Suphamit Techamontrikul	stechamontrikul@deloitte.com
Chavala Tienpasertkij	ctienpasertkij@deloitte.com
Russell Toy	rutoy@deloitte.com
Michael Fiore	mfiore@deloitte.com

This publication can be obtained from IAS plus - [www.iasplus.com](http://www.iasplus.com)

# Deloitte.

---

Audit

---

## IFRS and GAAP in the Kingdom of Thailand

*GAAP Differences in your Pocket*

Audit • Tax • Consulting • Financial Advisory •

# Deloitte IFRS resources

This guide is one of a series of publications intended to assist users in understanding International Accounting Standards. These include :

i GAAP 2007 - A Guide to IFRS Reporting (Global Edition)	This publication sets out comprehensive guidance for entities reporting under International Financial Reporting Standards.
International Financial Reporting Standards Model Financial Statements	Model financial statements and presentation and disclosure checklists prepared under IFRS. Published by Deloitte Touche Tohmatsu.
IFRS in your Pocket 2007	6 <sup>th</sup> Edition. A 100-page pocket-sized guide with summaries of all IASB Standards and Interpretations, updates on agenda projects, and other useful IASB-related information.
IAS Plus Newsletter	A quarterly newsletter on recent developments in International Accounting Standards and accounting updates for individual countries. To subscribe visit our IAS Plus website.
<a href="http://www.iasplus.com">www.iasplus.com</a>	Our IAS Plus website provides up-to-date news on IAS developments as well as summaries of IFRS and Interpretations and reference materials for download.
i GAAP 2007 Financial Instruments: IAS 32, IAS 39 and IFRS 7 Explained	3 <sup>rd</sup> Edition. Written by Deloitte and Touche LLP, United Kingdom. This publication is the authoritative guide for financial instruments accounting under IFRSs.
IFRSs and U.S.GAAP: A Pocket Comparison (2007)	This 36-page booklet focuses on differences that are commonly found in practice. Published by Deloitte Touche Tohmatsu.

# What is Thai GAAP?

Generally accepted accounting principles in the Kingdom of Thailand (TAS) is influenced from a number of sources, most notably the Accounting Professions Act B.E. 2547, International Financial Reporting Standards (IFRS), U.S. GAAP, and other regulatory agencies, such as the Thai Revenue Department, Securities Exchange of Thailand, Bank of Thailand and the Office of Insurance Commission. In 1997, TAS was changed to apply International Accounting Standards (IAS) as its base platform. Many standards have since been revised or newly issued to align with existing IFRS. It is anticipated TAS will be fully compliant with IFRS in the near future; however the effective date each standard may provide the benefit of a transition period, so it is currently unknown when full IFRS implementation will become mandatory.

## General Process of Issuance of Thai Accounting Standards

1. Standards are drafted by the Accounting Standard Setting Committee in sub-committee.
2. Standards are presented to the Accounting Standard Setting Committee for comments and approved for public hearing.
3. Standards are posted and presented for public hearing.
4. Standards are discussed and approved in the Accounting Standard Setting Committee for issuance to the Screening Committee.
5. After reviewing comments from the Screening Committee, the standards are sent to the Federation of Accounting Professions (FAP) to pass to the Board of Supervision.
6. After the final approval from the Board of Supervision, the standards are announced in the Royal Gazette and become TAS with the noted effective date.

## Existing TAS that have been announced in the Royal Gazette

TAS No.	IAS/IFRS No.	Topic	Effective Date	TAS is Compliant with noted IAS/IFRS (a)
11	-	Doubtful Accounts and Bad Debts	July 1, 1989	N/A
24	IAS 14	Segment Reporting	January 1, 1994	No
25	IAS 7	Cash Flow Statements	January 1, 2008	Yes
26	-	Income Recognition for Real Estate Business	January 1, 1994	N/A
27	IAS 30 <sup>(b)</sup>	Disclosure in the Financial Statements of Bank and Similar Financial Institutions	January 1, 2007	No
29	IAS 17	Leases	January 1, 2008	Yes

## Existing TAS that have been announced in the Royal Gazette

TAS No.	IAS/IFRS No.	Topic	Effective Date	TAS is Compliant with noted IAS/IFRS (a)
30	IAS 21	The Effects of Changes in Foreign Exchange Rates	January 1, 1996	No
31	IAS 2	Inventories	January 1, 2008	Yes
32	IAS 16	Property, Plant and Equipment	January 1, 1999	No
33 <sup>(c)</sup>	IAS 23	Borrowing Costs	January 1, 2008	Yes
34	-	Troubled Debt Restructuring	September 30, 1998	N/A
35 <sup>(d)</sup>	IAS 1	Presentation of Financial Statements	January 1, 2008	Yes
36	IAS 36	Impairment of Assets	January 1, 1999	No
37	IAS 18	Revenues	January 1, 1999	No
38	IAS 33	Earnings per Share	January 1, 1999	Yes
39	IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2008	Yes
40	IAS 39	Accounting for Investments in Debt and Equity Securities	January 1, 1999	No
41	IAS 34	Interim Financial Reporting	January 1, 2008	Yes
42	-	Accounting for Investment Companies	January 1, 2000	N/A
43 <sup>(e)</sup>	IFRS 3	Business Combination	January 1, 2008	Yes
44 <sup>(e)</sup>	IAS 27	Consolidated and Separate Financial Statements	January 1, 2007	Yes
45	IAS 28	Investments in Associates	January 1, 2007	Yes
46	IAS 31	Interests in Joint Ventures	January 1, 2007	Yes
47	IAS 24	Related Party Disclosures	January 1, 2000	No
48	IAS 32	Financial Instruments: Disclosure and Presentation	January 1, 2000	No

TAS No.	IAS/IFRS No.	Topic	Effective Date	TAS is Compliant with noted IAS/IFRS (a)
49	IAS 11	Construction Contracts	January 1, 2008	Yes
51	IAS 38	Intangible Assets	January 1, 2008	Yes
52	IAS 10	Events After the Balance Sheet Date	January 1, 2005	Yes
53	IAS 37	Provisions, Contingent Liabilities and Contingent Assets	January 1, 2005	Yes
54	IAS 35 <sup>(f)</sup>	Discontinued Operations	January 1, 2005	No

- (a) "No" indicates there are differences between TAS and the currently effective IAS/IFRS standard.
- (b) IAS 30 has been superseded by IFRS 7, which became effective for annual periods beginning on or after January 1, 2007.
- (c) TAS 33 is based on IAS 23 prior to the revision announced in March 2007, which becomes effective for annual periods beginning on or after January 1, 2009, with earlier application permitted.
- (d) TAS 35 is based on IAS 1 prior to the revision announced in September 2007, which becomes effective for annual periods beginning on or after January 1, 2009, with earlier application permitted.
- (e) TAS 43 and 44 are based on IFRS 3 and IAS 27 prior to the revisions announced in January 2008, which become effective for business combinations in annual financial statements beginning on or after July 1, 2009, with earlier application permitted provided certain conditions are met.
- (f) IAS 35 has been superseded by IFRS 5, which became effective for annual periods beginning on or after January 1, 2005.

### **Draft TAS under review by the FAP and are anticipated to be compliant with the noted IAS/IFRS when issued**

There are numerous draft standards currently under review by the FAP. The standards that are not considered to be complex are anticipated to have an effective date later this year or next year (2008 or 2009). The others which are complex, such as financial instruments, are expected to have an effective date in the following years (2010 or 2011). However, it should be noted this is subject to change and we do not know the exact effective date for each draft standard at this current time.

TAS No.	IAS/IFRS No.	Topic
30 (revised)	IAS 21 (2006)	The Effects of Changes in Foreign Exchange Rates
32 (revised)	IAS 16 (2006)	Property, Plant and Equipment
36 (revised)	IAS 36 (2006)	Impairment of Assets

<b>TAS No.</b>	<b>IAS/IFRS No.</b>	<b>Topic</b>
37 (revised)	IAS 18 (2006)	Revenue
47 (revised)	IAS 24 (2006)	Related Party Disclosures
48 (revised)	IAS 32 (2006)	Financial Instruments: Disclosure and Presentation
50	IERS 8 (2007)	Operating Segments
55	IAS 20 (2006)	Accounting for Government Grants and Disclosure of Government Assistance
56	IAS 12 (2006)	Income Taxes
57	IAS 41 (2006)	Agriculture
34	Framework (2006)	Framework for the Preparation and Presentation of Financial Statements
xx	IAS 19 (2006)	Employee Benefits
xx	IAS 26 (2006)	Accounting and Reporting by Retirement Benefit Plans
xx	IAS 39 (2006)	Financial Instruments: Recognition and Measurement
xx	IAS 40 (2006)	Investment Property
xx	IFRS 2 (2006)	Share-based Payment
xx	IFRS 4 (2006)	Insurance Contracts
xx	IFRS 5 (2006)	Non-Current Assets Held for Sale and Discontinued Operations
xx	IFRS 6 (2006)	Exploration for and Evaluation of Mineral Resources
xx	IFRS 7 (2006)	Financial Instruments: Disclosures

### **IAS/IFRS that are currently not relevant to Thailand**

<b>TAS No.</b>	<b>IAS/IFRS No.</b>	<b>Topic</b>
-	IAS 29	Financial Reporting in Hyperinflationary Economies
-	IFRS 1	First-time Adoption of International Financial Reporting Standards



## Exemption of Certain TAS for Non-Public Limited Companies

According to the FAP Announcement No. 21/2550 regarding "Exemption of Accounting Standards", non-public limited companies can elect to adopt an exemption by not applying the following accounting standards:

TAS No.	Topic
24	Segment Reporting
25	Cash Flow Statements
36	Impairment of Assets
44	Consolidated Financial Statements and Accounting for Investments in Subsidiaries
45	Accounting for Investments in Associates
46	Interests in Joint Ventures
47	Related Party Disclosures
48	Financial Instruments: Disclosure and Presentation

If a non-public entity issues debt securities subject to regulation by the Thai Securities and Exchange Commission, the entity would not be eligible for the exemption.

### Security Regulatory Body

The listed enterprises of Thailand are required to submit and disclose financial statements under Section 56 of the Securities and Exchange Act.

### Periodic Reports Required to be Submitted

Required Reports	Due Date
- Quarterly Financial Statement (Reviewed)	within 45 days after the accounting period ends
- Annual Financial Statement (Audited)	within 60 days after the accounting period ends  Can be extended to three months after the accounting period ends if a company also files reviewed financial statements for the fourth quarter within 45 days after the account period ends; however, this is rarely done in practice.

## Convergence

The primary focus of the International Accounting Standards Board (IASB) is convergence of accounting standards worldwide. To facilitate convergence of accounting standards, the IASB has seven members who serve as official liaisons to national standard-setters. Countries with formal liaisons are Australia (including New Zealand), Canada, France, Germany, Japan, the United Kingdom, and the United States. In addition, IASB maintains liaison with other key countries through the International Accounting Standards Advisory Council (SAC).

Given the circumstances of individual countries, differences currently exist between national standards and IFRS. Circumstances where differences arise between TAS and IFRS include:

- Areas where IFRS allow choices but TAS does not.
- Areas where IFRS does not allow choices by TAS does.
- Areas such as hyperinflation and first-time adoption where the FAP still has not decided to develop a TAS because of limited application in Thailand.
- Areas where IFRS has detailed guidance but TAS currently does not have an equivalent enacted standard.

## This Publication

The following table sets out some of the key differences between IFRS and TAS that were in issue at March 31, 2008. The significance of these differences - and others not included in this list - will vary with respect to individual companies depending on such factors as the nature of the company's operations, the industry in which it operates, and the accounting policy choices it has made. Reference to the underlying accounting standards and any relevant national regulations is essential in understanding the specific differences.

**DELOITTE TOUCHE TOHMATSU JAIYOS**  
**April 2008**

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 1	None	First-time adoption	General principle is full retrospective application of IFRSs in force at the time of adoption, unless the specific exceptions and exemptions in IFRS 1 permit or require otherwise.	Currently not relevant to Thailand.
IFRS 2	None <sup>(1)</sup>	Share-based payments	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• All share-based payment transactions are recognised in the financial statements, using a fair value measurement basis.</li> <li>• An expense is recognised when the goods or services received are consumed.</li> <li>• IFRS 2 applies to both public and non-public companies. However, if the fair value of equity instruments of non-public companies cannot be measured reliably, intrinsic value measurements are used.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 2	None <sup>(1)</sup>	Share-based payments (cont.)	<ul style="list-style-type: none"> <li data-bbox="743 241 1018 992">• In principle, transactions in which goods or services are received as consideration for equity instruments of the entity are measured at the fair value of the goods or services received. Only if the fair value of the goods or services cannot be measured reliably is the fair value of the equity instruments granted used.</li> <li data-bbox="743 1037 1018 1597">• For transactions with employees and others providing similar services, the entity measures the fair value of the equity instruments granted, because it is typically not possible to estimate reliably the fair value of employee services received.</li> <li data-bbox="743 1641 1018 1977">• For transactions measured at the fair value of the equity instruments granted (such as transactions with employees), fair value is estimated at grant date.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 2	None <sup>(1)</sup>	Share-based payments (cont.)	<ul style="list-style-type: none"> <li>• For transactions measured at the fair value of the goods or services received, fair value is estimated at the date of receipt of those goods or services.</li> <li>• For goods or services measured by reference to the fair value of the equity instruments granted, in general, vesting conditions, except market conditions, are not taken into account when estimating the fair value of the shares or options at the relevant measurement date (as specified above). Instead, vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 2	None <sup>(1)</sup>	Share-based payments (cont.)	<ul style="list-style-type: none"> <li data-bbox="743 232 1023 920">• The January 2008 amendments restrict the definition of vesting condition to include only service conditions and performance conditions, and amend the definition of performance conditions to require the completion of a service period in addition to specified performance targets.</li> <li data-bbox="743 958 1023 2123">• The fair value of equity instruments granted is based on market prices, if available, and takes into account the terms and conditions on which those equity instruments were granted. In the absence of market prices, fair value is estimated using a valuation model to estimate what the price of those equity instruments would have been on the measurement date in an arm's length transaction between knowledgeable, willing parties. IFRS 2 does not specify which particular valuation model should be used.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 4	None <sup>(1)</sup>	Insurance contracts	<p data-bbox="726 235 933 324">Summary is as follows:</p> <ul data-bbox="726 347 1013 1601" style="list-style-type: none"> <li data-bbox="726 347 1013 593">• Insurers are exempted from applying the IASB Framework and certain existing IFRSs.</li> <li data-bbox="726 616 1013 817">• Catastrophe reserves and equalisation provisions are prohibited.</li> <li data-bbox="726 840 1013 1153">• Requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets.</li> <li data-bbox="726 1176 1013 1332">• Insurance liabilities may not be offset against related reinsurance assets.</li> <li data-bbox="726 1355 1013 1489">• Accounting policy changes are restricted.</li> <li data-bbox="726 1512 1013 1601">• New disclosures are required.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 4	None <sup>(1)</sup>	Insurance contracts (cont.)	<ul style="list-style-type: none"> <li>Financial guarantee contracts are in the scope of IAS 39, unless the issuer had previously (prior to initial adoption of IFRS 4) asserted explicitly that it regards such contracts as insurance contracts and has used accounting applicable to insurance contracts. In this instance, the issuer may elect to apply either IAS 39 or IFRS 4.</li> </ul>	Currently not addressed.
IFRS 5	54 <sup>(1)</sup>	Non-current assets held for sale	Specifies classification, measurement, and presentation requirements for non-current assets and disposal groups which are held for sale.	Currently not addressed.
IFRS 5	54 <sup>(1)</sup>	Timing of discontinued operations classification	Classifies an operation as discontinued at the date the operation meets the criteria to be classified as held for sale, or when the entity has disposed of the operation.	Classifies an operation as discontinuing at the earlier of the entity entering into a binding sale agreement and the board of directors approving and announcing a formal disposal plan.



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 5	54 <sup>(1)</sup>	Presentation of profit or loss of discontinued operations	Required to be included in the amount on the face of the income statement.	Allowed to be disclosed either on the face of the income statement or in the notes.
IFRS 5	54 <sup>(1)</sup>	Retroactive classification of an operation as discontinued, when the criteria for that classification are not met until after the balance sheet date	Prohibited.	Currently not addressed.
IFRS 6	None <sup>(1)</sup>	Exploration for and evaluation of mineral assets	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• IFRS 6 does not require or prohibit any specific accounting policies for the recognition and measurement of exploration and evaluation assets. An entity is permitted to continue to use its existing accounting policies provided that they comply with the requirements of paragraph 10 of IAS 8, i.e. that they result in information that is relevant to the economic decision-making needs of users and that is reliable.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 6	None <sup>(1)</sup>	Exploration for and evaluation of mineral assets (cont.)	<ul style="list-style-type: none"> <li data-bbox="743 232 1023 730">• The Standard grants a temporary exemption from applying paragraphs 11 and 12 of IAS 8 - which specify a hierarchy of sources of IFRS GAAP in the absence of a specific Standard.</li> <li data-bbox="743 763 1023 1144">• Requires an impairment test when there is an indication that the carrying amount of exploration and evaluation assets exceeds recoverable amount.</li> <li data-bbox="743 1178 1023 1592">• Allows impairment to be assessed at a level higher than the 'cash-generating unit' under IAS 36, but measures impairment in accordance with IAS 36 once it is assessed.</li> <li data-bbox="743 1626 1023 1973">• Requires disclosure of information that identifies and explains amounts arising from exploration and evaluation of mineral resources.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 7	None <sup>(1)</sup>	Financial instruments: disclosures	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• IFRS 7 requires disclosure of information about the significance of financial instruments for an entity's financial position and performance. These include: <ul style="list-style-type: none"> <li>- disclosures relating to the entity's financial position - including information about financial assets and financial liabilities by category, special disclosures when the fair value option is used, reclassifications, derecognitions, pledges of assets, embedded derivatives, and breaches of terms of agreements;</li> <li>- disclosures relating to the entity's performance in the period - including information about recognised income, expenses, gains, and losses; interest income and expense; fee income; and impairment losses; and</li> </ul> </li> </ul>	<p>The current TAS 48, <i>Financial Instruments: Disclosure and Presentation</i>, is based on IAS 32 (revised 1998) and does not require all the additional disclosures as per IFRS 7.</p> <ul style="list-style-type: none"> <li>• TAS 48 requires disclosure of information about the extent, nature and significance of financial instruments for an entity's financial position and performance. These include: <ul style="list-style-type: none"> <li>- terms and conditions of, and accounting policies for, all financial instruments;</li> <li>- information about exposure to interest rate risk;</li> <li>- information about exposure to credit risk;</li> <li>- fair values of all financial assets and financial liabilities, except those for which a reliable measure of fair value is not;</li> </ul> </li> </ul>

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 7	None <sup>(1)</sup>	Financial instruments: disclosures (cont.)	<ul style="list-style-type: none"> <li>- other disclosures - including information about accounting policies, hedge accounting, and the fair values of each class of financial asset and financial liability.</li> <li>• IFRS 7 requires disclosure of information about the nature and extent of risks arising from financial instruments: <ul style="list-style-type: none"> <li>- qualitative disclosures about exposures to each class of risk and how those risks are managed; and</li> <li>- quantitative disclosures about exposures to each class of risk, separately for credit risk, liquidity risk, and market risk (including sensitivity analyses).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- hedge accounting policies and practices, and gains and losses from hedges;</li> <li>• TAS 48 allows for additional disclosure of information about the nature and extent of risks arising from financial instruments: <ul style="list-style-type: none"> <li>- qualitative disclosures about exposures to each class of risk and how those risks are managed;</li> <li>- additional information regarding interest rate risk and fair values of financial assets and liabilities.</li> </ul> </li> </ul>
IFRS 8 <sup>(2)</sup>	None <sup>(1)</sup>	Disclosure of operating segments	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• IFRS 8 applies to the consolidated financial statements of a group with a parent (and to the separate or individual financial statements of an entity):</li> </ul>	<p>The current TAS 24, <i>Segment Reporting</i>, is based on IAS 14 (revised 1993) and does not require the same level of disclosures as per IFRS 8.</p>

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 8 <sup>(2)</sup>	None <sup>(1)</sup>	Disclosure of operating segments (cont.)	<ul style="list-style-type: none"> <li>- whose debt or equity instruments are traded in a public market; or</li> <li>- that files, or is in the process of filing, its (consolidated) financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market.</li> <li>• An operating segment is a component of an entity: <ul style="list-style-type: none"> <li>- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);</li> <li>- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and</li> </ul> </li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 8 <sup>(2)</sup>	None <sup>(1)</sup>	Disclosure of operating segments (cont.)	<p data-bbox="756 237 1018 383">- for which discrete financial information is available.</p> <ul data-bbox="735 427 1018 2119" style="list-style-type: none"> <li data-bbox="735 427 1018 685">• Guidance is provided on which operating segments are reportable (generally 10% thresholds).</li> <li data-bbox="735 719 1018 954">• At least 75% of the entity's revenue must be included in reportable segments.</li> <li data-bbox="735 987 1018 1592">• IFRS 8 does not define segment revenue, segment expense, segment result, segment assets or segment liabilities, nor does it require segment information to be prepared in conformity with the accounting policies adopted for the entity's financial statements.</li> <li data-bbox="735 1626 1018 2119">• Some entity-wide disclosures are required even when an entity has only one reportable segment. These include information about each product and service or groups of products and services.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IFRS 8 <sup>(2)</sup>	None <sup>(1)</sup>	Disclosure of operating segments (cont.)	<ul style="list-style-type: none"> <li>Analyses of revenues and certain non-current assets by geographical area are required from all entities - with an expanded requirement to disclose revenues/assets by individual foreign country (if material), irrespective of the entity's organisation.</li> <li>There is also a requirement to disclose information about transactions with major external customers (10% or more of the entity's revenue).</li> </ul>	Currently not addressed.
IAS 1 <sup>(3)</sup>	35	Complete set of financial statements	Balance sheet, income statement, statement of changes in equity, cash flow statement and notes.	Same, however non-public entities can elect not to adopt TAS 25, <i>Cash Flow Statements</i> .
IAS 7	25	Presenting cash flows from operating activities	May use either direct or indirect method.	<p>Insurance companies are required to use the direct method.</p> <p>All other entities may use either direct or indirect method; however in practice, generally presented under the indirect method (even though the direct method is encouraged).</p>

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 12	56 <sup>(1)</sup>	Deferred taxes	<p data-bbox="732 232 927 315">Summary is as follows:</p> <ul style="list-style-type: none"> <li data-bbox="732 344 986 696">• Current tax liabilities and assets are recognised for current and prior period taxes, measured at the rates applicable for the period.</li> <li data-bbox="732 725 999 1032">• A temporary difference is a difference between the carrying amount of an asset or liability and its tax base.</li> <li data-bbox="732 1061 1023 2130">• Deferred tax liabilities are recognised for the future tax consequences of all taxable temporary differences with three exceptions: <ul style="list-style-type: none"> <li data-bbox="756 1442 1023 1659">- where the deferred tax liability arises from the initial recognition of goodwill;</li> <li data-bbox="756 1711 1023 2130">- the initial recognition of an asset/liability other than in a business combination which, at the time of the transaction, does not affect either the accounting or the taxable profit; and</li> </ul> </li> </ul>	Currently not addressed.



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 12	56 <sup>(1)</sup>	Deferred taxes (cont.)	<p>- differences arising from investments in subsidiaries, branches and associates and interests in joint ventures (e.g. due to undistributed profits) where the entity is able to control the timing of the reversal of the difference and it is probable that the reversal will not occur in the foreseeable future.</p> <ul style="list-style-type: none"> <li>• A deferred tax asset is recognised for deductible temporary differences, unused tax losses, and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, with the following exceptions: <ul style="list-style-type: none"> <li>- a deferred tax asset arising from the initial recognition of an asset/liability, other than in a business combination, which, at the time of the transaction, does not affect the accounting or the taxable profit; and</li> </ul> </li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 12	56 <sup>(1)</sup>	Deferred taxes (cont.)	<p data-bbox="756 232 1023 875">- assets arising from deductible temporary differences associated with investments are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available to utilise the difference.</p> <ul data-bbox="756 920 1023 2011" style="list-style-type: none"> <li data-bbox="756 920 1023 1525">• Deferred tax liabilities (assets) are measured at the tax rates expected to apply when the liability is settled or the asset is realised, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period.</li> <li data-bbox="756 1559 1023 1704">• Deferred tax assets and liabilities are not discounted.</li> <li data-bbox="756 1749 1023 2011">• Deferred taxes asset and liabilities are presented as non-current items in the statement of financial position.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 14	24	Applicability	To entities whose equity or debt securities are publicly traded and to entities in the process of issuing securities to the public. Additionally, any entity voluntarily providing segment information must comply with the requirements of IAS 14.	Does not specifically state applicability, however non-public entities can elect not to adopt TAS 24, <i>Segment Reporting</i> .
IAS 14 <sup>(2)</sup>	24	Types of segment disclosures	Required disclosures for both primary and secondary segments.	Required only for primary segment.
IAS 14 <sup>(2)</sup>	24	Accounting basis for reportable segments	Same accounting policies as the consolidated group or entity.	Not defined.
IAS 16	32 <sup>(1)</sup>	Unit of measure for depreciation	Components of an asset with differing patterns of benefits are depreciated separately.	Currently not addressed.
IAS 16	32 <sup>(1)</sup>	Depreciation of property, plant and equipment under the revaluation model	Required to depreciate through the profit or loss based on revalued amount.	Also allows for depreciation based on cost through profit or loss with the depreciation of the revaluation surplus through retained earnings.
IAS 16	32 <sup>(1)</sup>	Measuring the residual value of property, plant and equipment	The amount the entity would receive currently if the asset were already of the age and condition expected at the end of its useful life.	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 16	32 <sup>(1)</sup>	Property, plant and equipment acquired in exchange for non-monetary asset or assets	Measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measured.	Measured at fair value unless the exchanged assets were similar.
IAS 16	32 <sup>(1)</sup>	Classification of gain on disposal of property, plant and equipment	Cannot classify as revenue.	Currently not addressed.
IAS 18	26 & 37 <sup>(1)</sup>	Revenue recognition guidance	<p>General principles are consistent with Thai GAAP, however more detailed or industry specific guidance is available which may cause differences in practice.</p> <p>With respect to real estate sales, IAS 18 provides guidance that sales should be recognized using the accrual method</p>	<p>General principles are consistent with IFRS.</p> <p>TAS 26 allows real estate sales to be recognized using the percentage of completion, installment or accrual method.</p>
IAS 19	None <sup>(1)</sup>	Employee benefits	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>Underlying principle: the cost of providing employee benefits is recognised in the period in which the entity receives services from the employee, rather than when the benefits are paid or payable.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 19	None <sup>(1)</sup>	Employee benefits (cont.)	<ul style="list-style-type: none"> <li data-bbox="730 232 1007 763">• Short-term employee benefits (payable within 12 months) are recognised as an expense in the period in which the employee renders the service. Unpaid benefit liability is measured at undiscounted amount.</li> <li data-bbox="730 808 1007 1182">• Profit-sharing and bonus payments are recognised only when the entity has a legal or constructive obligation to pay them and the costs can be reliably estimated.</li> <li data-bbox="730 1227 1007 1563">• Post-employment benefit plans (such as pensions and health care) are categorised as either defined contribution plans or defined benefit plans.</li> <li data-bbox="730 1608 1007 1861">• For defined contribution plans, expenses are recognised in the period the contribution is payable.</li> </ul>	<p data-bbox="1066 232 1246 315">Currently not addressed.</p> <p data-bbox="1066 349 1353 1368">It should be noted that under a Thai labour law, an entity is legally obligated to make a severance payment to any employee who reaches the documented retirement age under certain circumstances. The severance payment is based on a statutorily-determined formula based on years of service and salary level at the retirement age. In practice, Thai companies generally accrue for this post-retirement benefit when due (once an employee reaches retirement age).</p>

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 19	None <sup>(1)</sup>	Employee benefits (cont.)	<ul style="list-style-type: none"> <li>• For defined benefit plans, a liability is recognised in the statement of financial position equal to the net of: <ul style="list-style-type: none"> <li>- the present value of the defined benefit obligation (the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods);</li> <li>- deferred actuarial gains and losses and deferred past service cost; and</li> <li>- the fair value of any plan assets at the end of the reporting period.</li> </ul> </li> <li>• Actuarial gains and losses may be (a) recognised immediately in profit or loss, (b) deferred up to a maximum, with any excess amortised in profit or loss (the 'corridor approach'), or (c) recognised immediately in other comprehensive income.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 19	None <sup>(1)</sup>	Employee benefits (cont.)	<ul style="list-style-type: none"> <li data-bbox="730 232 1002 501">• Plan assets include assets held by a long-term employee benefit fund and qualifying insurance policies.</li> <li data-bbox="730 546 1002 1061">• For group plans, the net cost is recognised in the separate financial statements of the entity that is legally the sponsoring employer unless a contractual agreement or stated policy for allocating the cost exists.</li> <li data-bbox="730 1106 1002 1756">• Long-term employee benefits are recognised and measured the same way as post-employment benefits under a defined benefit plan. However, unlike defined benefit plans, actuarial gains or losses and past service cost are always recognised immediately in profit or loss.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 19	None <sup>(1)</sup>	Employee benefits (cont.)	<ul style="list-style-type: none"> <li>Termination benefits are recognised when the entity is demonstrably committed to terminating one or more employees before the normal retirement date or to providing termination benefits as a result of an offer made to encourage voluntary redundancy.</li> </ul>	Currently not addressed.
IAS 20	55 <sup>(1)</sup>	Grants received to fund a specific project	<ul style="list-style-type: none"> <li>Government grants are recognised only when there is reasonable assurance that the entity will comply with the conditions attached to the grants, and the grants will be received. Non-monetary grants are usually recognised at fair value, although recognition at nominal value is permitted.</li> <li>Grants are recognised in profit or loss over the periods necessary to match them with the related costs.</li> </ul>	Currently not specifically addressed so there could be differences in practice.



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 20	55 <sup>(1)</sup>	Grants received to fund a specific project (cont.)	<ul style="list-style-type: none"> <li>• Income-related grants are either presented separately as income or as a deduction in reporting the related expense.</li> <li>• Asset-related grants are either presented as deferred income in the statement of financial position, or deducted in arriving at the carrying amount of the asset.</li> <li>• Repayment of a government grant is accounted for as a change in accounting estimate with different treatment for income- and asset-related grants.</li> </ul>	Currently not specifically addressed so there could be differences in practice.
IAS 21	30 <sup>(1)</sup>	Definition of functional and presentation currencies	The functional currency is the currency of the primary economic environment in which the entity operates. The presentation currency is the currency in which the financial statements are presented.	Does not include the concept of functional and presentation currencies. The reporting currency used is the Thai Baht.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 21	30 <sup>(1)</sup>	Foreign currency translation reserve - accounting for dividends considered to be returns of investment	Accounted for as a disposal of part of the foreign investment and relevant part of the reserve is recycled to the income statement.	Currently not addressed.
IAS 21	30 <sup>(1)</sup>	Foreign currency translation - capitalization of losses from exchange translation	Capitalization of losses resulting from severe currency devaluation without any method to hedge shall be recognized in the profit and loss immediately.	Capitalization of losses resulting from severe currency devaluation without any method to hedge shall be recognized in the cost of assets.
IAS 21	30 <sup>(1)</sup>	Foreign currency translation method	There is no difference in the translation method for a foreign business which is a part of an integral operation or an independent foreign entity. When translating financial statements of a foreign operation, exchange rate differences between the period end date and transaction date should be recognized in equity.	There is a difference in the translation method for a foreign business which is a part of an integral operation or an independent foreign entity.  When translating financial statements of a foreign business which is an integral operation, exchange rate differences between the period end date and transaction date should be recognized in profit and loss immediately.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 21	30 <sup>(1)</sup>	Foreign currency translation method (cont.)		When translating financial statements of a foreign business which is a foreign entity, exchange rate differences between the period end date and transaction date should be recognized in equity.
IAS 23 <sup>(1)</sup>	33	Borrowing costs related to assets that take a substantial time to complete	<p>May either capitalise as part of the cost of the asset or charge to expense.</p> <p>Capitalization will be required for annual periods beginning on or after January 1, 2009, with earlier application permitted.</p>	May either capitalize as part of the cost of the asset or charge to expense.
IAS 24	47	Applicability	All entities.	Non-public entities can elect not to adopt TAS 47, <i>Related Party Disclosures</i> .
IAS 24	47 <sup>(1),(6)</sup>	Scope	Requires disclosure of the compensation of key management, including an analysis by type of compensation.	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 24	47 <sup>(1),(6)</sup>	Definition of related party	Includes parties that control or have significant influence over the reporting entity (including parent entities, owners and their families, major investors, and key management personnel) and parties that are controlled or significantly influenced by the reporting entity (including subsidiaries, joint ventures, associates, and post-employment benefit plans).	Does not currently include expanded definition.
IAS 24	47 <sup>(1),(6)</sup>	Examples of additional required disclosures	<ul style="list-style-type: none"> <li>• purchases or sales of goods;</li> <li>• purchases or sales of assets;</li> <li>• rendering or receiving of services;</li> <li>• leases;</li> <li>• transfers of research and development;</li> <li>• transfers under licence agreements;</li> <li>• transfers under finance arrangements (including loans and equity contributions);</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 24	47 <sup>(1),(6)</sup>	Examples of additional required disclosures (cont.)	<ul style="list-style-type: none"> <li>• provision of guarantees or collateral; and</li> <li>• settlement of liabilities on behalf of the entity or by the entity on behalf of another party.</li> </ul>	Currently not addressed.
IAS 27	44	Applicability	Effectively for entities whose equity or debt securities are publicly traded or in the process of issuing securities to the public.	Non-public entities can elect not to adopt TAS 44, <i>Consolidated Financial Statements and Accounting for Investments in Subsidiaries</i> .
IAS 27	44	Accounting for investments in subsidiaries in the parent's separate financial statements	May use cost or available-for-sale accounting.	Use cost method.
IAS 28	45	Applicability	Effectively for entities whose equity or debt securities are publicly traded or in the process of issuing securities to the public.	Non-public entities can elect not to adopt TAS 45, <i>Accounting for Investments in Associates</i> .
IAS 28	45	Accounting for investments in associates in the investor's separate financial statements	May use cost or available-for-sale accounting.	Use cost method.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 29	None	Adjusting financial statements of an entity that operates in a hyperinflationary economy	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• The financial statements of an entity that reports in the currency of a hyperinflationary economy are stated in terms of the measuring unit current at the end of the reporting period.</li> <li>• Comparative figures for prior period(s) are restated into the same current measuring unit.</li> <li>• Generally an economy is hyperinflationary when there is 100% inflation over 3 years.</li> </ul>	No specific TAS but reference is made to application of IAS within TAS 30, <i>The Effects of Changes in Foreign Exchange Rates</i> .
IAS 31	46	Applicability	Effectively for entities whose equity or debt securities are publicly traded or in the process of issuing securities to the public.	Non-public entities can elect not to adopt TAS 46, <i>Interests in Joint Ventures</i> .
IAS 31	46	Accounting for investments in joint ventures in the venturer's separate financial statements.	May use cost or available-for-sale accounting.	Use cost method.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 32	48	Applicability	All entities.	Non-public entities can elect not to adopt TAS 48, <i>Financial Instruments: Disclosure and Presentation</i> .
IAS 32	48 <sup>(1)</sup>	Determination	<p>Issuer's classification of an instrument either as a liability or an equity instrument:</p> <ul style="list-style-type: none"> <li>- based on substance, not form, of the instrument;</li> <li>- classification is made at the time of issue and is not subsequently altered;</li> <li>- an instrument is a financial liability if the issuer may be obligated to deliver cash or another financial asset or the holder has a right to demand cash or another financial asset. An example is mandatorily redeemable preferred shares;</li> <li>- an instrument that does not give rise to such a contractual obligation is an equity instrument; and</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 32	48 <sup>(1)</sup>	Determination (cont.)	- interest, dividends, gains and losses relating to an instrument classified as a liability are reported as income or expense as appropriate.	Currently not addressed.
IAS 32 <sup>(5)</sup>	48	Classification of a puttable instruments and obligations arising only on liquidation	If an issuer can be required to pay or transfer cash or another financial asset in return for redeeming or repurchasing a financial instrument, the instrument is classified as a financial liability of the issuer.	Currently not addressed.
IAS 32	48 <sup>(1)</sup>	Classification of the components of a compound financial instrument at issuance	Classifies separately the debt and equity components of a single compound instrument, such as convertible debt and debt issued with detachable rights or warrants.	Option to measure the liability component either as a residual amount after separating the equity component, or by using a relative-fair-value method.
IAS 32	48 <sup>(1)</sup>	Treasury shares	Cost of treasury shares is deducted from equity, and resales of treasury shares are equity transactions.	Currently not addressed.
IAS 32	48 <sup>(1)</sup>	Costs of issuing or reacquiring equity instruments, other than in a business combination	Accounted for as a deduction from equity, net of any related income tax benefit.	Currently not addressed.



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 36	36	Applicability	All entities.	Non-public entities can elect not to adopt TAS 36, <i>Impairment of Assets</i> .
IAS 36	36 <sup>(1)</sup>	Frequency of impairment testing of goodwill and other intangible assets with indefinite useful lives or not yet available for use	Are tested for impairment at least annually and recoverable amount calculated, irrespective of any indication of impairment exists.	Requires the recoverable amount to be measured whenever there is an indication that it may be impaired.
IAS 36	36 <sup>(1)</sup>	Level of impairment testing for goodwill	The lowest level at which goodwill is monitored for internal management purposes, provided this level is not larger than an operating segment under IFRS 8 (or, before the adoption of IFRS 8, a segment under IAS 14).	Currently not addressed.
IAS 36	36 <sup>(1)</sup>	Subsequent reversal of goodwill impairment losses	Prohibited.	Permitted only if certain criteria are met.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None	Applicability	All entities.	<p>Currently there is no TAS equivalent to IAS 39. However the following TAS can provide accounting guidance for various financial instruments:</p> <ul style="list-style-type: none"> <li>- TAS 11, <i>Doubtful Accounts and Bad Debts</i>;</li> <li>- TAS 34, <i>Troubled Debt Restructuring</i>;</li> <li>- TAS 40, <i>Accounting for Investments in Debt and Equity Securities</i>;</li> <li>- TAS 42, <i>Accounting for Investment Companies</i>.</li> </ul>
IAS 39	None <sup>(1)</sup>	Recognition	All financial assets and financial liabilities, including all derivatives and certain embedded derivatives, are recognized in the statement of financial position.	Derivative accounting is currently not addressed. There is disparity in practice with some entities recording derivatives using the mark-to-market approach or disclosing derivative transactions in accordance with TAS 48, <i>Financial Instruments: Disclosure and Presentation</i> .
IAS 39	None <sup>(1)</sup>	Initial measurement of financial instruments	At fair value at the date of acquisition or issue. Usually this is the same as cost, but sometimes an adjustment is required.	At fair value.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Definition of fair value	<p>Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The IAS 39 fair value hierarchy:</p> <ul style="list-style-type: none"> <li>- best is quoted market price in an active market;</li> <li>- otherwise use a valuation technique that makes maximum use of market inputs and includes recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, and option pricing models.</li> </ul>	Not specifically defined, however in practice generally the same.
IAS 39	None <sup>(1)</sup>	Classification of financial assets for measuring subsequent to initial recognition	<p>Classified into one of four categories:</p> <ol style="list-style-type: none"> <li>1. Loans and receivables not held for trading.</li> </ol>	Generally not specified other than for debt and equity securities, which are classified into one of the following categories:

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Classification of financial assets for measuring subsequent to initial recognition (cont.)	<p>2. Held-to-maturity (HTM) investments, such as debt securities and mandatorily redeemable preferred shares, which the entity intends and is able to hold to maturity.</p> <p>3. Financial assets measured at fair value through profit or loss, which includes those held for trading (short-term profit taking) and any other financial asset that the entity designates (the 'fair value option'). Derivative assets are always in this category unless they are designated as hedging instruments.</p> <p>4. Available-for-sale financial assets (AFS) - all financial assets that do not fall into one of the other three categories. This includes all investments in equity instruments that are not measured at fair value through profit or loss. Additionally, an entity may designate any loans and receivables as AFS.</p>	<p>1. Trading</p> <p>2. Held-to-maturity</p> <p>3. Available-for-sale financial assets</p> <p>4. General investment</p>

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Option to designate any financial asset or financial liability to be measured at fair value through profit and loss	<p>The use of the 'fair value option' is restricted to those financial instruments designated on initial recognition into one of the following categories:</p> <ul style="list-style-type: none"> <li>- Those that are classified as held for trading.</li> <li>- Where the fair value option eliminates an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.</li> <li>- Those that are part of a group of financial assets, financial liabilities, or both that are managed, and their performance is evaluated by management on a fair value basis in accordance with a documented risk management or investment strategy.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Option to designate any financial asset or financial liability to be measured at fair value through profit and loss (cont.)	<ul style="list-style-type: none"> <li>- Those that contain one or more embedded derivatives, except if the embedded derivative does not modify significantly the associated cash flows or it is clear with little or no analysis that separation is prohibited.</li> </ul>	Currently not addressed.
IAS 39	None <sup>(1)</sup>	Measurement of financial liabilities after acquisition	<p>At original recorded amount less principal repayments and amortization. Three categories of liabilities are measured at fair value with value changes recognised in profit or loss:</p> <ul style="list-style-type: none"> <li>- derivative liabilities;</li> <li>- liabilities held for trading (short sales); and</li> <li>- any liabilities that the entity designates, at issuance, to be measured at fair value through profit or loss (the 'fair value option' - see above).</li> </ul>	At amortized cost.

<b>IAS/IFRS No.</b>	<b>TAS No.</b>	<b>Topic</b>	<b>IAS/IFRS</b>	<b>TAS</b>
IAS 39	None <sup>(1)</sup>	Investments in unlisted equity instruments	Measured at fair value if reliably measurable; otherwise at cost less impairment, if any.	Measured at cost less impairment, if any.
IAS 39	None <sup>(1)</sup>	Reclassification of financial instruments into or out of the trading category	Prohibited.	Permitted.
IAS 39	None <sup>(1)</sup>	Classification of financial assets as HTM	Puttable debt instruments cannot be classified as HTM.	Currently not addressed.
IAS 39	None <sup>(1)</sup>	Effect of selling investments classified as HTM	If an entity sells any HTM investments (other than in exceptional circumstances), all of its other HTM investments are reclassified as available-for-sale for the current and next two financial reporting years.	All held-to-maturity securities must be reclassified into another category. Not prohibited from using held-to-maturity classification for the following financial year.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Subsequent reversal of an impairment loss recognized in the income statement	<p>For assets carried at amortized cost, impairment loss can be reversed through the income statement. However, the carrying amount should not be increased to an amount that exceeds what amortized cost would have been (at the date of the reversal) had the impairment not been recognized.</p> <p>For assets carried at cost, it is not permitted to recognize the reversal of impairment.</p> <p>For AFS financial assets, the approach differs for investment in debt and equity instruments as follows:</p> <ul style="list-style-type: none"> <li>• For equity instruments - it is not permitted to recognize the reversal of impairment;</li> <li>• For debt instruments - the impairment can be reversed through the income statement.</li> </ul>	No prohibition of reversal of impairment loss.
IAS 39	None <sup>(1)</sup>	Investment in convertible bonds	Conversion feature is accounted for as an embedded derivative.	Conversion feature is not separately accounted for.



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Derecognition of financial instruments	Establishes conditions for determining when control over a financial asset or liability has been transferred to another party and, therefore, it should be removed from the statement of financial position (derecognised). Derecognition is not permitted to the extent to which the transferor has continuing involvement in an asset or a portion of an asset it has transferred.	Currently not addressed.
IAS 39	None <sup>(1)</sup>	Debtor accounting for debt restructuring - modification of terms of a debt payable	Gain and loss are measured on a discounted present value basis. Gain or loss is recognized in net profit or loss.	Gain is recognized if carrying amount of debt is more than debt payment amount in the future (not discounted).
IAS 39	None <sup>(1)</sup>	Discount rate used for troubled debt restructuring	Only the effective historical rate can be used to calculate the recoverable amount of an impaired loan.	Allows the choice of either the effective historical rate, market rate, or the higher of the cost of funds rate and the new contract rate to calculate the recoverable amount of an impaired loan.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Hedge accounting	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• Hedge accounting (recognising the offsetting effects of fair value changes of both the hedging instrument and the hedged item in the same period's profit or loss) is permitted in certain circumstances, provided that the hedging relationship is clearly defined, measurable, and actually effective. IAS 39 provides for three types of hedges:</li> <li>- fair value hedge: if an entity hedges a change in fair value of a recognised asset or liability or firm commitment, the change in fair values of both the hedging instrument and the hedged item are recognised in profit or loss when they occur;</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Hedge accounting (cont.)	<ul style="list-style-type: none"> <li>- cash flow hedge: if an entity hedges changes in the future cash flows relating to a recognised asset or liability or a probable forecast transaction, then the change in fair value of the hedging instrument is recognised in other comprehensive income until such time as those future cash flows occur; and</li> <li>- hedge of a net investment in a foreign entity: this is treated as a cash flow hedge.</li> <li>• A hedge of foreign currency risk in a firm commitment may be accounted for as a fair value hedge or as a cash flow hedge.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Hedge accounting (cont.)	<ul style="list-style-type: none"> <li>The foreign currency risk of a highly probable intragroup transaction is permitted to qualify as the hedged item in a cash flow hedge in the consolidated financial statements, provided that the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction and the foreign currency risk will affect the consolidated financial statements.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 39	None <sup>(1)</sup>	Hedge accounting (cont.)	<ul style="list-style-type: none"> <li>• If the hedge of a forecast intragroup transaction qualifies for hedge accounting, any gain or loss that is recognised in other comprehensive income in accordance with the hedging rules in IAS 39 is reclassified from equity to profit or loss in the same period or periods during which the foreign currency risk of the hedged transaction affects profit or loss.</li> <li>• A portfolio hedge of interest rate risk (hedging an amount rather than a specific asset or liability) can qualify as a fair value hedge.</li> </ul>	Currently not addressed.
IAS 40	None <sup>(1)</sup>	Measurement basis for investment property	<p>Summary is as follows:</p> <ul style="list-style-type: none"> <li>• Investment property is land or buildings held (whether by the owner or under a finance lease) to earn rentals or for capital appreciation or both.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 40	None <sup>(1)</sup>	Measurement basis for investment property (cont.)	<ul style="list-style-type: none"> <li>• IAS 40 does not apply to owner-occupied property or property that is being constructed or developed for future use as investment property, or property held for sale in the ordinary course of business.</li> <li>• An entity can choose either the fair value model or the cost model - <ul style="list-style-type: none"> <li>- fair value model: investment property is measured at fair value, and changes in fair value are recognised in profit or loss; and</li> <li>- cost model: investment property is measured at depreciated cost less any accumulated impairment losses. Fair value of the investment property is disclosed.</li> </ul> </li> <li>• The chosen measurement model is applied to all of the entity's investment property.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 40	None <sup>(1)</sup>	Measurement basis for investment property (cont.)	<ul style="list-style-type: none"> <li data-bbox="730 232 1007 949">• If an entity uses the fair value model but, when a particular property is acquired, there is clear evidence that the entity will not be able to determine fair value on a continuing basis, the cost model is used for that property - and it must continue to be used until disposal of the property.</li> <li data-bbox="730 994 1007 1375">• Change from one model to the other is permitted if it will result in a more appropriate presentation (highly unlikely for change from fair value to cost model).</li> <li data-bbox="730 1420 1007 1980">• A property interest held by a lessee under an operating lease can qualify as investment property provided that the lessee uses the fair value model of IAS 40. In this case, the lessee accounts for the lease as if it were a finance lease.</li> </ul>	Currently not addressed.

IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 41	57 <sup>(1)</sup>	Measurement basis	<ul style="list-style-type: none"> <li data-bbox="724 232 995 591">• All biological assets are measured at fair value less estimated point-of-sale costs, unless fair value cannot be measured reliably.</li> <li data-bbox="724 613 995 1218">• Agricultural produce is measured at fair value at the point of harvest less estimated point-of-sale costs. Because harvested produce is a marketable commodity, there is no 'measurement reliability' exception for produce.</li> <li data-bbox="724 1240 995 1487">• Any change in the fair value of biological assets during a period is reported in profit or loss.</li> </ul>	Currently not addressed. In practice these assets are typically accounted for as inventory in accordance with TAS 31, <i>Inventories</i> .



IAS/IFRS No.	TAS No.	Topic	IAS/IFRS	TAS
IAS 41	57 <sup>(1)</sup>	Measurement basis (cont.)	<ul style="list-style-type: none"> <li data-bbox="730 232 1011 1039">• Exception to fair value model for biological assets: if there is no active market at the time of recognition in the financial statements, and no other reliable measurement method, then the cost model is used for the specific biological asset only. The biological asset is measured at depreciated cost less any accumulated impairment losses.</li> <li data-bbox="730 1061 1011 1666">• Quoted market price in an active market generally represents the best measure of fair value of a biological asset or agricultural produce. If an active market does not exist, IAS 41 provides guidance for choosing another measurement basis.</li> <li data-bbox="730 1688 1011 1912">• Fair value measurement stops at harvest. IAS 2 applies after harvest.</li> </ul>	Currently not addressed. In practice these assets are typically accounted for as inventory in accordance with TAS 31, <i>Inventories</i> .

## Endnotes:

- (1) A Thai accounting standard based on the noted IFRS/IAS is currently in the process of being reviewed by the Federation of Accounting Professions. If and when the standard goes effective, the noted difference will be removed.
- (2) IFRS 8 replaces IAS 14 for annual financial statements for periods beginning on or after 1 January 2009, with earlier application permitted.
- (3) In September 2007, the International Accounting Standards Board issued a revised IAS 1, which becomes effective for annual periods beginning on or after January 1, 2009, with earlier application permitted. The most significant change is that non-owner movements in equity may not be presented as separate items in the statement of changes in equity. These movements will now be required to be included either in a single statement (statement of comprehensive income) or in two statements (income statement and statement of comprehensive income). This will result in a difference from the current TAS 35.
- (4) In March 2007, the International Accounting Standards Board issued a revised IAS 23, which becomes effective for annual periods beginning on or after January 1, 2009, with earlier application permitted. The most significant change is the removal of the option to use the expense model.
- (5) In February 2008, the International Accounting Standards Board issued amended IAS 32, which becomes effective for annual periods beginning on or after January 1, 2009, with earlier application permitted. As a result of the amendments, some financial instruments that currently meet the definition of a financial liability will be classified as equity because they represent the residual interest in the net assets of the entity.
- (6) For Thai listed companies, the Thai SEC has mandated additional related party disclosure requirements which may negate some of the noted differences in practice.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in 140 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's 150,000 professionals are committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu and its member firms.

These materials and the information contained herein are provided by Deloitte Touche Tohmatsu and are intended to provide general information on a particular subject or subjects and are not an exhaustive treatment of such subject(s).

Accordingly, the information in these materials is not intended to constitute accounting, tax, legal, investment, consulting, or other professional advice or services. The information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

These materials and the information contained therein are provided as is, and Deloitte Touche Tohmatsu makes no express or implied representations or warranties regarding these materials or the information contained therein. Without limiting the foregoing, Deloitte Touche Tohmatsu does not warrant that the materials or information contained therein will be error-free or will meet any particular criteria of performance or quality. Deloitte Touche Tohmatsu expressly disclaims all implied warranties, including, without limitation, warranties of merchantability, title, fitness for a particular purpose, noninfringement, compatibility, security, and accuracy.

Your use of these materials and information contained therein is at your own risk, and you assume full responsibility and risk of loss resulting from the use thereof. Deloitte Touche Tohmatsu will not be liable for any special, indirect, incidental, consequential, or punitive damages or any other damages whatsoever, whether in an action of contract, statute, tort (including, without limitation, negligence), or otherwise, relating to the use of these materials or the information contained therein.

If any of the foregoing is not fully enforceable for any reason, the remainder shall nonetheless continue to apply.