

Guidelines for Accounting Development and Internal Control of Village and Urban Funds

Case Study: Warin Chamrap District Ubon Ratchathani Province in Thailand

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Received: 24- June -2023

Revised: 27- July -2023

Accepted: 21- August -2023

ABSTRACT

The Village and Urban Community Fund (NAT) was policy to provided financial assistance to people who do not have access to commercial bank loans. For investment to generated income and lead to the creation of a good welfare fund for members of the fund. There were funds nearly 71,742 and urban fund offices as administrators. During the 3 years of the COVID-19 epidemic crisis, village fund members had been affected. Impact on earnings affecting the debt management of the Fund. Can't sent financial report in system.

This study aimed to investigate the objective of this research was to study the factors affecting the accounting and internal Control success of the village fund. The questionnaire was used as a tool to collect data from 200 accountant village fund and the questionnaire after the amendment to test the confidence (Reliability) using the Alpha coefficient method the confidence was at 0.924. The data were using analyzed factor analysis. Analysis of Variance, F-test, t-test was used with the confidence interval of 95% ($\alpha=0.05$). Multiple Comparison Test methods Least – significant Difference (LSD) would be used if the F-test revealed a statistically significant finding.

The results show factors affecting the success of bookkeeping found that bookkeepers pay attention to support from government agencies. The staffs of the fund network should play a role in continual accounting knowledge. Chairman's leadership Fund Committee should provide support to promote accounting operations and working together as a team of the committee and members respectively. If classified according to the factors of the village fund accountant with the education and attending different accounting training courses have success in fund accounting. Overall and in different aspects statistically significant at the 0.05 level. From the research results of Accountants were an opinion that bookkeeping requires continuous skill training and receive advice from professional. Therefore, government agencies should focus on providing accounting knowledge to people in particular or volunteering in the community with accounting knowledge to help. The results of the analysis of the opinion level of the sample have an opinion on the overall internal control. It was found that the indicators within the control activities aspect.

Keywords: Accountant, Internal Control, Village of fund

INTRODUCTION

The Village and Urban Community Fund (NAT) was policy to provided financial assistance to people who do not have access to commercial bank loans. For investment to generated income and lead to the creation of a good welfare fund for members of the fund. There were funds nearly 71,742 and urban fund offices as administrators. During the 3 years of the COVID-19 epidemic crisis, village fund members had been affected. Impact on earnings affecting the debt management of the Fund. According to the investigation and report of the Village and Urban Community Fund in 2021, out of the total number of funds in Warinchamrap District, there are 217 funds. Can't sent financial report in system up to 117 funds was percentage 51.54. Demonstrates information management and operations in the district system were not effective. For the year 2016, the State Audit Office of the Kingdom of Thailand (OAG) had a policy to inspect village funds in 6 districts, namely, allowing Ubonratchathani, Warinchamrap, total of 39 funds. The results from the overall operational review Major problems found in the operation of the village fund are: the board does not produce accounting documents, not issue receipts to members, the funds were too generous and do not prepare loan agreements, loan requests,

including no evidence of a guarantor using the old contract. Most of the above problems are important document problems. system of accounting documents and principles of internal control Therefore, the researcher would like to study the factors affecting the success of the accounting financial statements of the Fund and internal control. From the point of view of the practitioner to use the results to develop assistance models and was tools that will help the government to use the information to plan integration with various agencies. according to the context of each village fund and related personnel.

REVIEW OF LITERATURE

Tippawan (2017) A Study of Success Factors of Village Fund Management and Urban Community in the Area of Pak Kret Municipality Nonthaburi Province In view of 390 village fund members. It was found that the participation of members under the knowledge and understanding of the village fund. And will made the fund successful in sustainable management. As for the gender personal factors, there are different factors affecting the success of fund management. There were significant differences at the 0.05 level. Personal factors such as age, occupation, education level, income, length of membership and length of residence in different areas had no different factors on the success of village fund management.

Srichanapun, P. et al (2017) To study the factors affecting the success of the village fund accounting in the area of Muang District, Lampang Province, from the point of view of accountants of 134 villages. It was found that the village fund bookkeepers had the opinion that accounting ethics resulted in the highest level of success. Factors classified by sex, age, education level, occupation and training in accounting had no effect on the accountability. Accounting success However, different village fund accounting experiences had different effects on the success of village fund accounting. Significantly at the 0.05 level.

Phramsiri, R. et al. (2017) This research aims study on the competence of village and urban fund accountants in the municipality Phitsanulok Province from the perspective of the Village and Urban Community Fund Committee. Found that the ability of fund accountants must had knowledge and ability to use accounting forms as specified in the bookkeeping manual correctly. Village fund accountants must be meticulous in their work. The organization providing training must create a training course in accounting that meets the objectives of the village fund. And the last point, the accountants of the village fund must be independent in their work. The results of the hypothesis test classified by gender, ability of fund accountants. Overview there was no significant difference at the 0.05 level.

Srimahathat (2021) This research aims to study of accounting and internal control problems of village and urban community funds in Ban Pet sub-district, Muang district, Khon Kaen province. By collected questionnaires from the committee and members of the village fund about accounting problems. It was found that when classifying factors according to experience, there were different opinions on the problem. For internal control problems classified by age and experience. Overall, the difference was statistically significant at the 0.05 level.

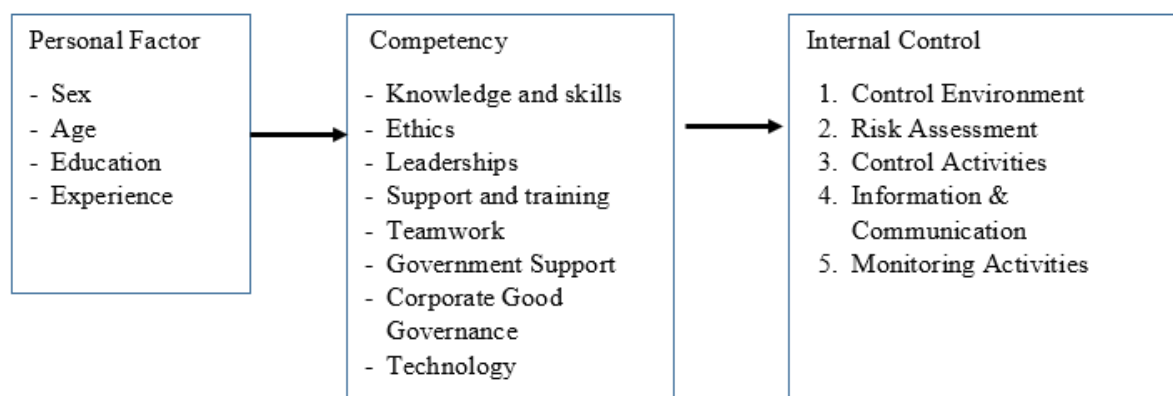
OBJECTIVES OF THE STUDY:

1. To study the different between the personal factors of the accountant and competency affected to success accounting of village and urban community funds.
2. To study the different between the personal factors of the accountant and internal control affected to success accounting of village and urban community funds.

HYPOTHESIS OF THE STUDY:

H0 Null hypothesis- There is no significant association between personal factors of the accountant and competency.

H0 Null hypothesis- There is no significant association between personal factors of the accountant and internal control of village and urban community funds.



RESEARCH METHODOLOGY

Primary data was collected of the accountant of 217 funds in Warinchamrap, 217 people, divided into 140 females and 77 males.

ANALYSIS:

Analysis of research variables which consists of personal factor, competency and internal control of fund. The statistics used in the test were mean and standard deviation. For testing the hypothesis, analyzing of variance F-test (One-Way Anova) and t-test were used to test the hypothesis in this study. With the assumption that the confidence interval is 95% ($\alpha = 0.05$) and in case the study results are statistically different pairwise studies were performed using the Multiple Comparison Test, Least-Significant Difference (LSD) method.

The sample group who answered the complete questionnaire consisted of 200 people, divided into 175 females, representing 87.5%, 25 males, representing 12.5%, and the level of factors affecting the success of fund accounting as follows:

Table 1 shows opinion the factors affecting the success to accounting

Variables/ Indicators	Mean	Std.	Level
Competency	3.97	0.411	High
- Knowledge and skills	3.79	0.388	High
- Ethics	3.92	0.562	High
- Leaderships	3.88	0.392	High
- Support and training	4.21	0.512	Most
- Teamwork	3.40	0.266	Moderate
- Government Support	4.33	0.566	Most
- Corporate Good Governance	4.18	0.435	High
- Technology	4.08	0.425	High

From Table 1, it was found that the average scores of the sample of accountant who answered the questionnaire, Factors ability of the accountant affecting the overall financial reporting success of the fund were at a high level 3.79. Fund accountants value support from government agencies 4.33 and training support from the fund committee accounted for 4.21. But placed the lowest emphasis on teamwork at 3.40.

Table 2 The opinion level of the sample group about the internal control of fund, classified by aspects

Variables/ Indicators	Mean	Std.	Level
Internal Control total	3.84	0.181	High
- Control Environment	3.90	0.471	High
- Risk Assessment	3.81	0.321	High

- Control Activities	4.08	0.313	High
- Information & Communication	3.48	0.300	High
- Monitoring Activities	3.91	0.464	High

The results of the analysis of the opinion level of the sample have an opinion on the overall internal control has a mean of 3.84, which means at a high level when considering each aspect in descending order of averages. It was found that the indicators within the control activities aspect, the mean was 4.08 interpreting it as a high level. Followed by the operational monitoring activities. With a mean of 3.91, meaning that it was at a high level. The control environment results had an average of 3.90 and risk assessment with a mean of 3.81 interpreted as a high level.

Table 3 Results of difference test results of personal factors affecting the success of accounting

Variables	t-test	F-test	Standardized Coefficients	p	resultant
Sex	0.504		-0.075	0.576	No different
Age		0.327	-0.042	0.860	No different
Education		2.849	0.841	0.024*	different
Experience		0.235	-0.333	0.094	No different

n=200, * sig of 0.05

The results of variable analysis found accountant with different levels of education there were opinions factors competencies of accountant overall and aspects different at the significance level of 0.05 at least 1 pair. From the results was found that there were factors classified educate level different. Therefore, a pairwise heterogeneity test was performed to determine the relationship between the variables. The test results are shown in Table 4.

Table 4 Results of comparison of the opinions of accountant with different educational backgrounds

Accounting	source of variance	df	SS	MS	F	p
Knowledge and skills	Between within the group	3	0.243	0.061	5.349	0.020*
		197	3.946	0.021		
		200	4.189			
Support and training	Between within the group	3	0.443	0.055	2.149	0.024*
		197	4.446	0.035		
		200	4.889			
Government Support	Between within the group	3	0.253	0.049	2.949	0.021*
		197	2.746	0.045		
		200	2.999			
Total	Between within the group	3	0.343	0.069	2.849	0.024*
		197	2.946	0.025		
		200	3.289			

n = 200, * significance of 0.05

The results of the variable analysis of the variance factor in village fund accounting classified by educational level found that bookkeepers with different educational levels in 3 aspects found that the Sig. value in each aspect was lower than the significance of 0.05, indicating that the educational level was different. By different opinions on the factors that will make the bookkeeping successful from the level of knowledge, training support and government support. From pairwise comparisons by Least Significant Difference (LSD) method, it was found that the pairs that were different were accountants with education below a degree, have opinions about the factor of ability in accounting preparation. Unlike accountants with higher education than master's degree details are shown in Table 5.

Table 5 Results of comparison of the opinions of internal control of fund with different education

Accounting classified by education	x	Education			
		Undergraduate	Bachelor's degree	Master's degree	Postgraduate
Undergraduate	4.21	-	-0.32*	-0.81*	-0.32*
Bachelor's degree	3.76	-	-	-0.43*	-0.00
Master's degree	3.21	-	-	-	0.43*
Postgraduate	3.11	-	-	-	-

Table 6 Results of difference test results of personal factors affecting the internal control of fund

Variables	t-test	F-test	Standardized Coefficients	p	resultant
Sex	0.404		0.001	0.876	No different
Age		0.427	-0.662	0.360	No different
Education		0.491	-0.612	0.334	No different
Experience		3.335	0.911	0.000*	different

n=200, * sig of 0.05

The results of variable analysis found accountant with different levels of experience there were opinions factors affecting the internal control of fund overall and aspects different at the significance level of 0.05 at least 1 pair. From the results was found that there were factors classified experience level different. Therefore, a pairwise heterogeneity test was performed to determine the relationship between the variables. The test results are shown in Table 7.

Table 7 Results of comparison of the opinions of internal control of fund with different experience

Internal control	source of variance	df	SS	MS	F	p
Control Activities	Between within the group	3	2.815	0.938	2.941	0.036*
		197	45.422	0.321		
		200	48.237			
Information & Communication	Between within the group	3	20.259	7.086	20.551	0.000*
		197	49.711	0.350		
		200	69.970			
Monitoring Activities	Between within the group	3	14.211	4.736	12.315	0.000*
		197	50.814	0.358		
		200	65.025			
Total	Between within the group	3	9.626	3.209	12.371	0.000*
		197	33.158	0.211		
		200	42.784			

n = 200, * significance of 0.05

The results of the variable analysis of the variance factor in village fund accounting classified by experience level found that internal control with different experience levels in 3 aspects found that the Sig. value in each aspect was lower than the significance of 0.05, indicating that the experience level was different. By different opinions on the factors that will make internal control from the Control Activities, Information & Communication and Monitoring Activities. From pairwise comparisons by Least Significant Difference (LSD) method, it was found that the pairs that were different were accountants with experience 11 year up, have opinions about the factor of internal control of fund. Unlike accountants with 6-10 year details are shown in Table 8.

Table 8 Results of comparison of the opinions of internal control of fund with different experience

Internal control classified by experience	x	Experience in Accounting			
		1-2	3-5	6-10	11 up
1-2	3.82	-	-0.42*	-0.85*	-0.42*
3-5	3.88	-	-	-0.43*	-0.00
6-10	4.09	-	-	-	0.43*
11 up	4.11	-	-	-	-

FINDINGS

From the results of the study on the factors affecting the development of the village fund accounting, it was found that bookkeepers focused on the factors of support from government agencies. This is consistent with the research of Phramsiri, R. et al (2017), a village fund accountant. in the municipality Phitsanulok province found that the ability of the fund accountant. Continuous support from government agencies. And it is in line with the research of Tippawan (2017) who studied the success factors of village and urban fund management in the area of Pak Kret Municipality. Nonthaburi Province, it was found that the participation of members under the knowledge and understanding of the village fund. will make the fund successful in sustainable management. The accountant's comment on internal control focuses on Control Activities, which is in line with Srimahathat's (2021) research.

For the test results, the differences classified according to different education levels. There are different opinions on the overall accounting and each aspect. Which is consistent with the research of Srichanapun, P. et al. (2017) found that different bookkeepers' village fund accounting experience had different effects on village fund accounting success. Test results for differences classified by experience are different have different opinions on the overall internal control system and in each aspect. This is consistent with the research of Srimahathat (2021) who studied accounting and internal control problems of village funds and urban communities in Ban Pet Subdistrict, Mueang District, Khon Kaen Province. by collecting questionnaires from the committee and village fund members Regarding the opinions of the accounting problems, it was found that when the factors were classified by experience, There will be different opinions on the issue. and internal control problems classified by age and experience overall different Statistically significant at the 0.05 level.

CONCLUSION

Accountant with knowledge of accounting by support from government. The results of the analysis of the opinion level of the sample have an opinion on the overall internal control. It was found that the indicators within the control activities aspect. Efficient fund development. The fund must focus on training. And control activities within the fund so that the bookkeeper can work according to the specified goals.

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