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## Code of Ethics for Professional Accountants of Selected Accounting Firms in Bangkok Metropolitan Administration

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### Abstract

The objectives of this paper was professional accounting code of conduct is essential to its implementation an important role in the preparation and present the accounting information of the juristic person the quality of the bookkeeper affects the quality of accounting information. Professional accounting ethics for the performance of accountants in Bangkok in order to provide useful information and build confidence to businesses who use these services with these bookkeepers and reflect their views of being a service provide. It can be seen that committing offenses based on certain offenses may be regarded as violations of the code of conduct, such as many non-professional practices with honesty.er that values professional ethics and performance. Bookkeeping is the recording of various financial events in the correct order of occurrence and in accordance with the law on accounting then, the various types of transactions are sorted out and a report is produced to show the performance of the business and the organization over a period of time.

Keywords: Code of Ethics, Professional Accountants, Accounting Firm, Bangkok Metropolitan Administration

### Introduction

Accounting is a system of information that can be used to measure the effects of an entity's activities. The process of obtaining the required information Therefore, items or events related to economic resources must be recorded. Classification of items Summarizing and Interpreting the Results Accounting information can be meaningful to users of the information and helps to bring this understanding to help in better financial management of the company and make more accurate decisions (Wattana Shivakua et al., 2010, p. 2). Accountants therefore have a duty to collect accounting information, offer information to insiders and outsiders. The recording and preparation of reports in each of the desired periods is called "booking". Accounting is information that many parties want to use for various purposes which we call those who keep those accounts "bookkeeper" (Senee Phuangyanee, 2012, p.1) currently, the bookkeeper is the person who plays an important role in the preparation and present the accounting information of the juristic person the quality of the bookkeeper affects the quality of accounting information. Accountants are therefore required to have knowledge and sufficient experience in accounting preparation and presentation of financial statements From the Accounting Act B.E. 2543 which has been in effect since August 10, 2000, the Accounting law or Announcement of the Revolutionary Council No. 285 has been repealed correctness of account information Therefore, the duties and responsibilities of the bookkeeper have been clearly defined. There are segregation of duties and responsibilities that help to make accurate business accounting, resulting in reliable financial statements and can be used for decision making and has also stipulated the qualifications and conditions of the person who will be a legal accountant (Department of Business Development Ministry of Commerce, 2016). From the current changing conditions that result in all kinds of competition causing accountants in the globalization era to be curious must have morals, discipline, code of conduct, ethics, have knowledge of computers and, most importantly, must bring benefits to society and the nation as much as possible. Therefore, it can be a bookkeeper (Vassana Upalakul, 2016). Therefore, an accountant, which means the person responsible for the accounting of the person who has Accounting duties whether it has been done as an employee of the person having the duty to keep accounts or not (Accounting Act B.E. 2543, Section 4) Accounting is considered a professional practice as a bookkeeper itself. Therefore, the professional must be a member of the Federation of Accounting Professions. or register as an accountant with the Federation of Accounting Professions

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According to the Accounting Professions Act B.E. 2547 Section 44 (Accounting Profession Act B.E. 2547 Section 44), it is necessary to comply with the Code of Conduct for Professional Accountants that the Federation of Professions has set for use as a guideline for controlling behavior and conduct. The work of a professional accountant or a person registered with the Federation of Accounting Professions to be in accordance with the code of ethics of the accounting profession (The Federation of Accounting Professions under the Royal Patronage of His Majesty the King, 2016). Professional accounting Code of Conduct is essential to its implementation. Therefore, accountants must consider applying the code of conduct in their professional decision-making and management to help accountants have a reason to make decisions with a sense of right and wrong Appropriateness according to professional accountant ethics.

At present, fraud by decorating financial statements has a tendency to increase and has a significant damage value to users of financial statements. This can be seen in the bankruptcy of many large foreign companies financial statement decoration to increase the share price of the company and create wealth for the business. Financial statement decoration, for example, revenue recognition postponement decoration asset value decoration fake income decoration Debt concealment decoration Furnishings do not set up an allowance for doubtful accounts and decoration costs prepaid Such refurbishment affects reliability in the preparation and presentation of financial statements make users of financial statements Whether creditors, shareholders or related persons take advantage of the wrong decision. Especially investors who want to invest in the capital market (Titaporn Sinjarunsak, 2012), where the bookkeeper is a person who is involved in gathering information. Recording and preparing financial statements and presenting financial statements to related parties to use information from financial statements for decision making therefore, the duty of an accountant must comply with the professional code of ethics in order for the accountant's work to be reliable (Tasane Weeraprechachai, 2012). Therefore, professional accounting ethics for the performance of accountants in Bangkok in order to provide useful information and build confidence to businesses who use these services with these bookkeepers and reflect their views of being a service provider that values professional ethics and performance. Code of Conduct for Professional Accountants means the Code of Conduct of Professional Accountants, B.E. 2553 in accordance with the Federation of Accounting Regulations (No. 19) used to control the ethics of professional accountants. The performance and results of the performance indicate that the operation was carried out efficiently and in an appropriate direction. which has requirements that must be met in terms of transparency, independence fairness and honesty "Transparency" means the image shown to Seeing the work performed according to the rules, regulations and professional standards set and does not conceal facts or misrepresent material facts "Independence" means the performance of duties without the influence of others that raise doubts about the objectivity or objectivity of a professional accountant. This independence must be evident. In order for the work of a professional accountant to be reliable, "objective" means exercising professional judgment without bias, bias, conflict of interest and the influence of others "Honesty" means acting honestly, honestly, professionally, not defrauding, not deceitful, working on truthful and reliable evidence. Not claiming or allowing others to claim that they have performed their work if they have not actually performed their work, knowledge, competence and standards of performance. "Knowledge and ability" means the use of knowledge and ability Proficiency in the practice of accounting profession with full care perseverance and careful care in order to perform duties efficiently and effectively and ensuring that there is a professional performance based on the rules operational standards and related academic confidentiality "Confidentiality" means not using any information that is not normally disclosed by the organization to the public to disclose or use it for personal benefit or others except in the case of opening Disclose according to the rights or duties set forth in the law or as a professional accountant responsible for the service recipient. "Responsibility to service recipients" means a practitioner must be responsible according to the framework of the accounting profession to the service recipient and must perform the work in accordance with the framework of the accounting profession. To create credibility and benefit to service recipients, responsibility to shareholders Individual or juristic person that a professional accountant performs duties for "Responsibility to shareholders Individual or juristic person at the practitioner. Accounting for performing duties" means a professional practitioner must comply with the business ethics of the organization to which he is affiliated and must perform duties with honesty, dedication, and dedication to take care of the assets of the organization to which he is affiliated. Must not do anything that affects reputation and the operations of the organizations they are affiliated with, as well as requiring careful discretion there is a reason for doing the work for the maximum benefit of the

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organization they belong to including employers (shareholders, partners, owners) of the professional accountant, their responsibilities to their peers and the general code of conduct. “Responsibility towards professional accountants and general ethics” means that a professional accountant must not take the job of a professional accountant from another professional accountant in the same field, and must not perform more professional accounting work than is assigned by a professional accountant other.

In term of accounting has been defined by the Association of Certified Accountants and Auditors of Thailand (currently Federation of Accounting Professions), which can be concluded that Accounting is the collection and recording of financial events or transactions. Then the list is categorized into an orderly and summarized information about various financial events that has occurred and presented it as a report for the concerned parties to use later. There are many financial events in business operations and have complex information Therefore, it is imperative to have an orderly accounting process and be run by a competent and ethical accountant. To be transparent and honest to ensure reliability in the operation.

#### **Why is accounting important to businesses and companies?**

Bookkeeping is the recording of various financial events in the correct order of occurrence and in accordance with the law on accounting then, the various types of transactions are sorted out and a report is produced to show the performance of the business and the organization over a period of time. Therefore, it is important to plan the operations of the business because it shows various financial statistics and results that during that time what is the profit or loss of the business and have assets/liabilities at that time, how much accounting information is important to help management determine the company's operating policies. Makes the management of various affairs to be effective and the least error occurred. Because sometimes a single wrong business decision can result in business problems or even result in bankruptcy of the company. It also makes it easy and convenient to check any errors that occur. It greatly reduces the workflow.

#### **Professional Ethics of Accountants**

In addition to knowledge and skills in accounting Professional accountants must have professional behavior in accordance with the Accounting Professions Act B.E. 2547 that requires auditors and professional accountants to be transparent in their work independent in the exercise of discretion and able to work within the professional framework independently and not under coercion work with honesty, fairness and integrity in the profession. without regard for any relationship or event look at the evidence without bias Perform accounting work with honesty, not deceit, and work according to factual evidence.

#### **The importance of professional accounting ethics**

Although there is a legal framework that defines the way professional accountants work. But above all is honesty and integrity in the work of the accountants themselves because as mentioned above Accounts are essential to the operations of any organization and business and there are many parties who have taken advantage of the account information. Numerical manipulation or bookkeeping errors has a huge impact on non-transparent accounting. numbers are decorated or neglect to record important financial information May cause mistakes in investments and business operations and resulted in the company having problems with financial liquidity and could cause the company to go bankrupt and the consequences are widespread Both the owner of the business that has lost or lost money from a large number of mistakes in operation that may lead to the closure of the company. Executives and employees who have to leave their jobs when the company closes. Investors and creditors who lose money on investments and loans to the IRS (Internal Revenue Service) that cannot be taxed because the company went out of business until causing the nation to lose income that will be used to develop the country.

Therefore, the importance of the accounting profession is more than just observing the law. but must take into account morality and ethics and ethics in the profession as well to avoid mistakes that will cause damage and help the business to grow steadily Create a good quality of life for the company's personnel and related parties and help drive the nation's economy even further.

#### **Code of ethics of the professional Account**

This is because the Accounting Director must be involved with various people and the accountant's work has a significant influence within and outside the organization. If the Accounting Director tends to be irresponsible not careful about money timeliness or various accrual accounts it will affect the reports and financial statements. Therefore, it is necessary to have different bodies that supervise the profession of accounting. therefore has an Act Various practices and has been established as an ethics or code of conduct for an accountant Accounting Director as well as executives to encourage practice In addition,

various associations and agencies have established principles and practices to encourage good treatment and the important topic is Code of conduct and business ethics adhered to by all stakeholders.

Principles relating to the profession and the practice of internal auditing those that internal auditors must uphold and maintain are:

### **1. Integrity**

The integrity of internal auditors builds trust and makes internal auditors trustworthy.

### **2. Fairness**

Internal auditors demonstrate professional objectivity in collecting, evaluating and communicating information about their activities or processes that are examined internal auditors objectively assess the relevant situation and does not allow bias or others to influence the assessment.

### **3. Confidentiality**

Internal auditors respect the value and rights of owners in the information they receive and do not disclose it without proper authority except when the law or profession stipulates otherwise.

### **4. The ability to perform duties**

Internal auditors use the knowledge, skills and experience necessary to perform internal audits.

The Code of Conduct is what internal auditors should conduct. Code of practice is one that helps in the interpretation and application of principles and should be used as a guideline for the ethical behavior of the internal auditors.

#### **1. Integrity**

Internal auditors must:

1. Performing one's duties with honesty diligent and have a sense of responsibility
2. Comply with the law and disclose information as required by law and profession.
3. Not knowingly engaging in illegal activities or acts that could deteriorate the internal audit profession or the organization.
4. Respect and support the legitimate and ethical objectives of the organization.

#### **2. Fairness**

Internal auditors must:

1. Not engaging in activities or relationships that impair or could undermine objective assessment. Not their own bias, including

Acts or relationships that are contrary to the interests of the organization.

2. Not accepting any reward that undermines or may undermine the practitioner's judgment
3. Reveal all known truths. Failure to disclose may distort the results of the audit report.

#### **3. Confidentiality**

Internal auditors must:

1. Be cautious in the use and protection of information acquired during the performance of duties.
2. Do not use the information obtained for personal gain or for any purpose that is unlawful or contrary to the legitimate and ethical purposes of the organization.

#### **4. The ability to perform duties**

Internal auditors must:

1. Perform duties only in the part where they have the knowledge, skills and experience necessary for that part only.

2. Perform internal auditing by adhering to international standards for professional practice of internal auditing.

3. Continuously develop expertise, effectiveness and quality of services according to the International Standards for Professional Practice of Internal Auditing, B.E. 2547.

Accounting is a profession that is important to the affairs of all government and private sectors to various non-profit organizations because accounting is a job that serves to take notes and documenting to present accurate financial reports to help executives to plan work guidelines and used to make decisions in various important operations. Therefore, accountants are the personnel who are important in driving business and various operations. Because the accounting profession is a profession related to the financial information of the entity. Accountants will collect information, record transactions, summarize various information in the form of financial reports, including auditing and commenting on financial reports there are different groups of data users, both internal and external users, to use data to make different decisions. Therefore, a professional accountant must perform his or her duties, whether as a bookkeeper or an auditor, on the

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basis of the Code of Conduct for Professional Accountants in accordance with the 2018 Code of Conduct explaining the basic principles that a professional accountant must follow. According to a total of 6 principles, consisting of

**1. Honesty**

Professional accountants must act honestly in a professional and business way. If a professional accountant prepares accounts or presents a report that does not match the facts obtained from the performance, it is considered unethical in terms of honesty. In addition, in the event that an accountant or an auditor detects that the customer's financial statements are an illegal business, for example, it is an illegal logging business or a gambling business. If a professional accountant continues to perform accounting or auditing duties for clients this act is considered unethical in terms of honesty.

**2. Uprightly and Independence**

In the performance of the duties of a professional accountant must not allow any bias or influence to prevail over the exercise of judgment in accordance with professional standards such as Mr. John, Certified Public Accountant. Accepted an audit from an accounting firm for 190 financial statements. Such cases may show that Mr. John's income will depend on this accounting firm only. The accounting firm will have an influence on Mr. John's opinion on the financial statements. Mr. John, will lose his independence in exercising judgment in accordance with professional standards as he should have. This is considered unethical in regard to objectivity and independence.

**3. Knowledge, competence, attention, and maintenance of standards of work**

In the performance of duties, whether an accountant or an auditor must perform duties according to their knowledge and competence. Professional expertise, prudence, attention and working according to professional standards Professional accountants will not take jobs beyond their knowledge, abilities and expertise. An example in the case of an auditor received an auditing job from ABC Audit Company Limited. but did not make a letter of acceptance in accordance with the auditing standards set forth because they are familiar acquaintances or accepting an audit job in a specific business and the auditor has no expertise in such business Such actions are considered unethical in regards to knowledge, competence, care and maintenance of standard of practice.

**4. Confidentiality**

Professional accountants must maintain the confidentiality of clients before accepting work. During work and after receiving the job without disclosing customer information without the approval of the authorized person or do not use the information for personal gain or a third party. For example, Ms. Rakdee, the auditor, brings the data of the financial statements of the client companies that have been audited but have not yet been disclosed. Used to trade securities and derivatives in this act, Ms. Rakdee uses inside information of customers to use in trading shares for personal gain. Considered unethical in regards to confidentiality, etc.

**5. Professional behavior**

Professional accountants must comply with relevant laws and regulations and avoid actions that will jeopardize the credibility of the accounting profession Responsible for service recipients and those they act for, such as offices, juristic persons, partners, etc. For example, the auditor's signature certifying the financial statements without actually checking the financial statements or the WWW Accounting Company Limited advertises that if the company does the accounting will pay very little income tax Such actions are considered unethical in regard to professional behavior, for example.

**6. Transparency**

Professional accountants must perform their duties in accordance with the laws, regulations, rules and regulations in accordance with the established professional standards and do not conceal facts or misrepresent material facts that may affect the decision-making of users of financial statements. Omissions to display or display information that does not correspond to material facts. It would be considered unethical in regards to transparency.

However, if a professional accountant is under assessed circumstances, there are obstacles to the performance of professional accounting standards. A professional accountant must remove or reduce such obstacles to an acceptable level.

There are five types of obstacles as described in the Code of Conduct for Professional Accountants 2018.

**1. Obstacles arising from personal interests**

Obstacles arising from financial or other interests that improperly influence the judgment or behavior of the practitioner, such as the acceptance of an audit from a single accounting firm of 190 financial statements. Accounts are based on the form of opinion expressed in the financial statements. The acceptance of such auditing will affect the performance of the professional accountant due to obstacles arising from personal interests, etc.

### **2. Obstacles arising from self review**

Obstacles to which professional accountants are unable to properly assess the results of their past judgments, for example, Ms. Chitagong, an auditor of WWW Company Limited, has hired an accountant of WWW Company Limited as an assistant to the auditor. Auditing the accounts of such companies because they have a good understanding of the business. Such cases will affect the performance of the professional accountant due to obstacles arising from the review of one's own performance, etc.

### **3. Obstacles arising from being a sponsor**

Obstacles to which a professional accountant is supporting the status of any client or employer until able to be able to perform duties with fairness, for example the auditor is a major shareholder of the employer company such cases will affect the practitioner's discretion in the performance of duties due to obstacles arising from the sponsorship, for example.

### **Obstacles caused by familiarity**

Barriers arising from relationships with or in close contact with customers or employers Being too sympathetic in the interests or being easy to accept in the person's work, such as accepting an audit job but not doing the job acceptance letter in accordance with the auditing standards because of an acquaintance which is not in accordance with professional standards of professional accountants due to obstacles caused by familiarity, etc.

### **5. Obstacles resulting from intimidation**

Obstacles to which professional accountants are prevented from fair performance Due to some actual or understandable pressure, for example, the bookkeeper is ordered by the business owner to do the accounting by recognizing the items as the business owner wants. Failure to do so will be fired. Such cases affect the performance of the practitioner due to obstacles caused by intimidation, etc.

In the practice of a professional accountant, if a professional accountant is under circumstances that present an obstacle to performance, it must remove or reduce it to an acceptable level. by seeking advice from other appropriate persons within the office Employer organization Person responsible for governance of the organization or related professional organizations etc. to ensure that the practice of accounting profession is consistent with the 6 basic principles of the Code of Conduct for Professional Accountants in order to maintain the honor of the accounting profession and for accurate, complete and useful accounting information for users of financial statements.

### **Code of Ethics for Professional Accountants**

For professionals who were originally related to accounting under the Auditor Act B.E. 1962, used the word etiquette to define guidelines for professional conduct of those who practice professional auditing. Etiquette of professional auditors (Code of professional ethics-Auditor) and the ethics of auditors are divided into 5 categories as follows:

1. Independence fairness and honesty
2. Knowledge, ability and standards of work
3. Ethics towards customers
4. Ethics towards professional colleagues
5. General etiquette

Subsequently, the Accounting Professions Act B.E. or a person registered with the Federation of Accounting Professions which in the beginning Professionals that are directly regulated, such as auditors and bookkeepers, are obliged to comply with the Code of Conduct of Professional Accountants. The topics of the professional accountant's ethics are defined as follows:

1. Transparency independence Fairness and Integrity.
2. Knowledge, ability and standards of work.
3. Responsibility to service recipients and confidentiality.
4. Responsibility to shareholders partner or person or juristic person to whom the practitioner performs the duties.

Failure to comply with this Code of Conduct will be considered a violation of the Code of Conduct and there are penalties for unethical behavior divided into 4 levels as follows:

1. Warning in a book.
2. Probate.
3. Suspend the license to suspend registration or prohibit the practice of unethical behavior with time but not more than three years.
4. Revoke the license revocation of registration or order to terminate the membership of the Federation of Accounting professions.

In addition, the Board of Ethics has been established in the Federation of Accounting Professions to consider and investigate whether professional accountants or a person registered with the Federation of Accounting Professions has misbehaved according to the accusation and to have the power to punish those who misbehave.

In this regard, the Federation of Accounting Professions It has drawn up an allegation form for those who will accuse the professional accountant of any unethical violations, which may serve as an example of potential unethical conduct. They can be grouped according to the topic of ethics as follows:

1. Do any act that may lead to the disgrace of the dignity of the accounting profession.
2. Failure to perform their duties in accordance with accounting standards, auditing standards or any other relevant standards prescribed under the Accounting Profession Act B.E. 2547.
3. Do not practice the accounting profession with honesty.
4. Use of powers and duties unjustly or to influence or give benefits to any person to allow oneself or others to receive or not receive a job.
5. To claim or accept any property or benefit for yourself or others wrongfully from the employer or any person involved in the work done with the employer.
6. Advertise or allow others to advertise which the professional practice is beyond reality.
7. Profession beyond the ability of one's own ability to do.
- 8 abandoning the work that has been done without justifiable reason.
9. Signed as a professional accountant in the work that he did not do, check or control himself.
10. Disclosing the secrets of the work that you have done without the permission of the employer.
11. Stealing work from other professionals in the same field.
12. Getting work or checking the same work as those who practice other professions are doing it without checking according to duty and did not notify other practitioners in advance.
13. Use or copy any form, form or document related to the work of another practitioner in the same field without permission.
14. Do anything with the intent to tarnish the reputation or work of other practitioners in the same field.
- 15 other.

It can be seen that committing offenses based on certain offenses may be regarded as violations of the code of conduct, such as many non-professional practices with honesty. In addition to being unethical in terms of transparency, independence fairness and honesty it may still be considered irresponsible to shareholders partner or individual or a juristic person to whom the professional performs duties as well at the same time, advertising or allowing others to advertise Any exaggerated practice or extortion from other practitioners in the same field may not be included in any section of the Code of Conduct clearly addressed by law but it is considered something.

### **Summarize**

Ethics are important to every profession whenever a professional brings the code of conduct of his or her career to be adhered to in the work. Professionals will find happiness own career success which the result obtained is a direct result It also reflects the service recipients to receive good products and services as well. Becoming happy and successful in society as a whole, code of ethics is a form of ethics in the profession as a rule of thumb for professional practitioners to adhere to. There is a decree at the level of "should", that is, to do so do this It is not strictly compulsory but the achievement or goal of the code of conduct and the dignity of the practitioner, aimed at people and for work Therefore, each profession has set a code of ethics to determine the roles and duties and behavior of members of the professional circle. Professional ethics it is a code of conduct standards that practitioners must behave. It is a guideline for practitioners to perform properly to uphold the honor and status of the profession that has committed

unethical behavior. Must be punished by admonition, warning, suspension or cancellation of professional license. The course code of ethics is important in determining whether a profession is a profession or not.

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