



JURISDICTIONAL PROFILE: **Thailand**

Disclaimer: The information in this Profile is for general guidance only and may change from time to time. You should not act on the information in this Profile, and you should obtain specific professional advice to help you in making any decisions or in taking any action. If you believe that the information has changed or is incorrect, please contact us at ifrsapplication@ifrs.org.

This Profile provides information about the application of IFRS® Accounting Standards (Standards) in Thailand. The Standards are developed and issued in the public interest by the International Accounting Standards Board (IASB). The IASB is the standard-setting body of the IFRS Foundation (Foundation), an independent, private sector, not-for-profit organisation.

The Foundation has prepared this Profile based on information from various sources. The starting point was the answers provided by standard-setting and other bodies in response to surveys the Foundation conducted on the application of the Standards around the world. The Foundation drafted the profile and invited the respondents to the survey. The Foundation also invited others (including regulators and international audit firms) to review the drafts. Their comments are reflected in this Profile.

The purpose of the Foundation's Jurisdictional Profiles is to illustrate only the extent of implementation of the Standards across the globe. The Profiles do not reflect the intellectual property licensing status of the Standards within any given jurisdiction. The Standards are protected by copyright and are subject to licensing arrangements agreed upon within their jurisdiction. For further information, please contact permissions@ifrs.org.

Profile last updated: 03 January 2024

RELEVANT JURISDICTIONAL AUTHORITY

Organisation	Federation of Accounting Professions (TFAC)
Role of the organisation	TFAC is the official accounting standards-setting body in Thailand and was created under the Accounting Professions Act B.E. 2547 (2004). Accounting standards are set by the Federation's Accounting Standard Setting Committee (ASC). Twenty members of the ASC represent securities, banking, insurance and other industry regulators and the others are from academia, audit firms and industry. Members of the ASC are appointed by the TFAC board. However, the issuing of accounting standards requires approval from the Oversight Committee on Accounting Professions (Kor Kor Bor).
Website	http://www.tfac.or.th/
Email contact	academic-fap@tfac.or.th

COMMITMENT TO GLOBAL FINANCIAL REPORTING STANDARDS

Has the jurisdiction made a public commitment in support of moving towards a single set of high quality global accounting standards?	Yes.
Has the jurisdiction made a public commitment towards IFRS Accounting Standards as that single set of high quality global accounting standards?	Yes. The commitment is stated in Thai on TFAC's website: https://acpro-std.tfac.or.th/standard/1/Thai-Financial-Reporting-Standards
What is the jurisdiction's status of adoption?	<p>Thailand has adopted IFRS Accounting Standards (including all IFRS Accounting Standards, IAS[®] Standards, IFRIC[®] Interpretations and SIC[®] Interpretations) known as Thai Financial Reporting Standards (TFRS Standards). TFRS Standards are translations of the IFRS Accounting Standards with a one-year delay in effective date from that of the IFRS Accounting Standards with early adoption permitted.</p> <p>The one-year delay is due to the requirement to translate the Standards into Thai and to follow TFAC's due process. TFAC's stated policy is that TFRS Standards will be effective no later than one year from the IFRS Accounting Standards' effective date. For example, all Required IFRS Accounting Standards as of 1 January 2023 became effective in Thailand on 1 January 2024 with early adoption permitted.</p> <p>In 2022, TFAC announced in the <i>Royal Gazette</i> that the equivalent TFRS Standard to IFRS 17 <i>Insurance Contracts</i>, TFRS 17, will be effective on 1 January 2025, with early application permitted. Because TFRS 17 is expected to have a significant effect on the Thai insurance industry, TFAC has provided an additional transition option for initial application for companies using a full retrospective method to recognise any negative cumulative effects in equity on a straight-line basis over a period less than three years from the date of transition.</p>
Additional comments provided on the adoption status?	<ul style="list-style-type: none"> • Thailand started the process of aligning TFRS Standards closely with IFRS Accounting Standards in 2011. • TFRS Standards are required for Publicly Accountable Entities (PAEs). • The <i>Guideline on Accounting for Business Combinations Under Common Control</i> addresses specific issues not covered by IFRS Accounting Standards. • The <i>Guideline on Accounting for Financial Instruments and Disclosure for Insurance Business</i> (from IAS 39 <i>Financial Instruments: Recognition and Measurement</i>) addresses financial instruments and disclosure for insurance business during the temporary exemption of IFRS 9 <i>Financial Instruments</i> that will be superseded when TFRS 17 becomes effective in Thailand.
If the jurisdiction has NOT made a public statement supporting the move towards a single set of accounting standards and/or towards IFRS Accounting Standards as that set of standards, explain the jurisdiction's general position towards the adoption of IFRS Accounting Standards in the jurisdiction.	Not applicable.

EXTENT OF IFRS APPLICATION

For DOMESTIC companies whose debt or equity securities trade in a public market in the jurisdiction:

<p>Are all or some domestic companies whose securities trade in a public market either required or permitted to use IFRS Accounting Standards in their consolidated financial statements?</p>	<p>Yes.</p> <p>Thailand has adopted all effective IFRS Accounting Standards (including all IFRS Accounting Standards, IAS[®] Standards, IFRIC[®] Interpretations and SIC[®] Interpretations). Thai Financial Reporting Standards (TFRS Standards) are translations of the IFRS Accounting Standards with a one-year delay in effective date from that of the Standards with early adoption permitted, except for IFRS 17 which will be effective date on 1 January 2025 with early adoption permitted.</p> <p>TFRS Standards are required for PAEs, including listed companies.</p> <p>There are three stock exchanges in Thailand:</p> <ul style="list-style-type: none"> • The Stock Exchange of Thailand (SET); • Market for Alternative Investment (MAI); and • LiVE Exchange (LiVEx). <p>TFRS Standards as adopted by TFAC and published in the <i>Royal Gazette</i> are required for:</p> <ul style="list-style-type: none"> • companies whose equity or debt instruments are traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets) or that files, or is in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing securities in a public market; • companies whose operation is mainly holding assets in a fiduciary capacity for a broad group of outsiders, such as financial institutions, insurance companies, securities companies, mutual funds, agricultural futures market, in accordance with relevant laws; and • public companies under the Public Companies Act. <p>See further details in the Commitment to Global Financial Reporting Standards section for this profile.</p>
<p>If YES, are IFRS Accounting Standards REQUIRED or PERMITTED?</p> <p>Does that apply to ALL domestic companies whose securities trade in a public market, or only SOME? If some, which ones?</p>	<p>All effective IFRS Accounting Standards (known as TFRS Standards) are required, with a one-year delay. Early adoption is permitted.</p> <p>All.</p>
<p>Are IFRS Accounting Standards also required or permitted for more than the consolidated financial statements of companies whose securities trade in a public market?</p> <p>For instance, are IFRS Accounting Standards required or permitted in separate company financial statements of companies whose securities trade in a public market?</p>	<p>Thai PAEs are required to prepare both consolidated and separate financial statements in conformity with the TFRS Standards.</p> <p>TFRS Standards are required in the separate financial statements of companies whose securities are traded in the public market.</p>

For instance, are IFRS Accounting Standards required or permitted for companies whose securities do not trade in a public market?

These companies have a choice of reporting either in accordance with TFRS Accounting Standards, or in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs Standard).

If the jurisdiction currently does NOT require or permit the use of IFRS Accounting Standards for domestic companies whose securities trade in a public market, are there any plans to permit or require IFRS Accounting Standards for such companies in the future?

IFRS Accounting Standards in English are not directly adopted in Thailand because the official language in Thailand is Thai. Thus, accounting standards that are to be enforced as laws are required to be in Thai by the Accounting Professions Act of B.E. 2547 (2004). Therefore, the IFRS Accounting Standards would be translated into Thai before they were adopted as TFRS Standards.

For FOREIGN companies whose debt or equity securities trade in a public market in the jurisdiction:

Are all or some foreign companies whose securities trade in a public market either REQUIRED or PERMITTED to use IFRS Accounting Standards in their consolidated financial statements?

Yes.

If YES, are IFRS Accounting Standards REQUIRED or PERMITTED in such cases?

IFRS Accounting Standards are permitted.

Does that apply to ALL foreign companies whose securities trade in a public market, or only SOME? If some, which ones?

All.

IFRS ENDORSEMENT

Which IFRS Accounting Standards are required or permitted for domestic companies?

All effective IFRS Accounting Standards have been adopted as TFRS Standards.

The auditor's report and/or the basis of presentation footnote states that financial statements have been prepared in conformity with:

Thai Financial Reporting Standards (TFRS Standards).

Does the auditor's report and/or the basis of preparation footnote allow for 'dual reporting' (conformity with both IFRS Accounting Standards and the jurisdiction's GAAP)?

Not applicable.

Are IFRS Accounting Standards incorporated into law or regulations?

No.

If yes, how does that process work?

Not applicable.

If no, how do IFRS Accounting Standards become a requirement in the jurisdiction?

Not applicable.

Does the jurisdiction have a formal process for the 'endorsement' or 'adoption' of new or amended IFRS Accounting Standards (including Interpretations) in place?

Yes. TFAC has due process to adopt new or amended TFRS Standards (including Interpretations) that are translated from IFRS Accounting Standards.

If yes, what is the process?

The English version of IFRS Accounting Standards is not automatically adopted in Thailand because the official language is Thai. The due process that TFAC use in adopting IFRS Accounting Standards is:

- Studying, research and monitoring of IFRS Accounting Standards.
- Planning for drafting TFRS Standards from IFRS Accounting Standards.
- The Thai Accounting Standard Setting Committee (TASC) translating IFRS Accounting Standards into Thai, and considering the findings of the Studying and Monitoring IFRS Sub-Committee. The drafting period of a TFRS Standard takes at least two months from when a IFRS Accounting Standard is issued, and at least one month for amendments to Standards.
- TASC publish a draft TFRS Standard on TFAC's website and hold a public consultation on the draft Standard for at least one month.
- TFAC, the Accounting Standard Scrutinizing Sub-Committee and the Oversight Committee on Accounting Professions consider and approve the draft TFRS Accounting Standard, each with one month to do so.
- After that TFRS Standards are announced in the *Royal Gazette* and published on TFAC's website.

If no, how do new or amended IFRS Accounting Standards become a requirement in the jurisdiction?

TFAC's stated policy is that TFRS Standards become effective no later than one year from the effective date of their respective IFRS Accounting Standards.

Has the jurisdiction eliminated any accounting policy options permitted by IFRS Accounting Standards and/or made any modifications to any IFRS Accounting Standards?

No.

If yes, what are the changes?

Not applicable.

Other comments regarding the use of IFRS Accounting Standards in the jurisdiction?

None.

TRANSLATION OF IFRS ACCOUNTING STANDARDS

Are IFRS Accounting Standards translated into the local language?

Yes. The official language is Thai.

If they are translated, what is the translation process? In particular, does this process ensure an ongoing translation of the latest updates to IFRS Accounting Standards?

As described in the IFRS Endorsement section of this profile.

APPLICATION OF THE IFRS FOR SMEs ACCOUNTING STANDARD

Has the jurisdiction adopted the *IFRS for SMEs* Accounting Standard for at least some SMEs?

No.

If no, is the adoption of the *IFRS for SMEs* Accounting Standard under consideration?

SMEs in Thailand can use either TFRS Standards or the TFRS for NPAEs Standard.

In July 2017, the FAP withdrew the TFRS for SMEs Standard, which was based on the IFRS for SMEs Standard, and all relevant accounting guidance of that Standard. TFAC is to reconsider and revise the principle and scope in that standard to Thailand environment.

With the withdrawal of the TFRS for SMEs Standard and the alternative being to use the TFRS for NPAEs Standard, TFAC decide to revise (enhance) the TFRS for NPAEs Standard by providing additional options such as inclusion of the statement of cash flows, consolidated financial statements, accounting for business combinations, use of fair value measurement. Some of these amendments came into effect on 1 January 2023.

Did the jurisdiction make any modifications to the <i>IFRS for SMEs</i> Accounting Standard?	Not applicable.
If the jurisdiction has made any modifications, what are those modifications?	Not applicable.
Which SMEs use the <i>IFRS for SMEs</i> Accounting Standard in the jurisdiction, and are they required or permitted to do so?	See below.
For those SMEs that are not required to use the <i>IFRS for SMEs</i> Accounting Standard, what other accounting framework do they use?	SMEs in Thailand can use either TFRS Standards or the TFRS for NPAEs Standard.
Other comments regarding use of the <i>IFRS for SMEs</i> Accounting Standard?	None.