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## **Sustainable Development of Finance, Accounting and Marketing for Producing of Sangyod Muang Phatthalung rice (GI rice) in Phatthalung Province**

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The research of sustainable development in finance, accounting and marketing for produce Sangyod Muang Phatthalung rice (GI rice) in Phatthalung province has objectives to examine the cost and return of cultivation for songyod muang phatthalung rice of small farmers, study of marketing of songyod muang phatthalung rice and develop a accounting system for processing group of songyod muang phatthalung rice. The researchers divided the sample target into two groups such as a total of 80 people; small farmers who cultivate songyod muang phatthalung rice and a total of 5 processing groups of coarse rice songyod muang phatthalung by obtained interviewing form for small farmers who cultivate songyod muang phatthalung rice and processing groups of coarse rice songyod muang phatthalung. From result of small farmers who cultivate songyod muang phatthalung rice found that the total cost on a year per acre was equal to average of 4,850.33 baht which divided into an average fixed cost for a year per acre was equal to 940.00 baht, representing as 19.38 percentage and average variable cost for a year per acre was equal to 3,910.33 baht, representing as 80.62 percentage. An average return for a year per acre of cultivate songyod muang phatthalung rice composed of a total average income for a year per acre was equal to 7,614.00 baht and net income for a year per acre was equal to 2,763.67 baht, representing as 36.30 percentage and marketing of songyod muang phatthalung rice consist of sell pattern that The most of sole paddy in field was equal to 57.50 percentage; The most of distribution channels sole to mill or processors was equal to 80.00 percentage; Setting of selling price was used market price. It was equal to 58.75 percentage; the most of

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payment of cultivator for trading use immediate payment as sold. It was equal to 98.75 percentage and the buyers arranged grain shipment by themselves with representing as 96.25 percentage.

The result of processing groups of coarse rice songyod muang phathalung shown that the researchers have developed an accounting system to the groups which a setting suitable accounting system for groups. They have an effective internal control in order to prevent the loss of property. The accounting system is divided into six elements for supporting accounting procedures such as the organizational structure, accounting chart, account books, accounting documentations, the model of financial reporting and bookkeeping and financial statements

**Key words:** sustainable development, songyod muang phatthalung rice

## **Introduction**

Phattalung province is a main place for planting rice and various native rice of southern area for main native rice species is Sangyod rice species in 2003, the queen of Thailand proceed a sample farm project at Napakor, Pangkaew district, Patthalung province. She was ordering the Patthalung rice research center to recover planting Sangyod rice seriously. After that Patthalung rice research center improved Sangyod rice and offer the request for plant species certificate to register, names “Khao Sangyod Muang Patthalung” on 4th July, 2005 and proceeded to offer the registered request as geographical indication goods on 14th March, 2006 according to act of geographical indication in 2003 to Intellectual Property Department of Ministry of Commerce that was the first of Sangyod species GI(Geographical Indications) rice of Thailand. In 2009, Regional office of Agricultural Economics made the way of improving Sangyod rice in 2010 till 2013 to be an integration working together between farmers, entrepreneur and government sectors for motivate Sangyod rice to be famous and need for both Thai and foreigner consumers. The strategy is for building strong farmer who plant Sangyod rice by support tactics to farmers club together for make community enterprise data in transforming Sangyod rice for sell.

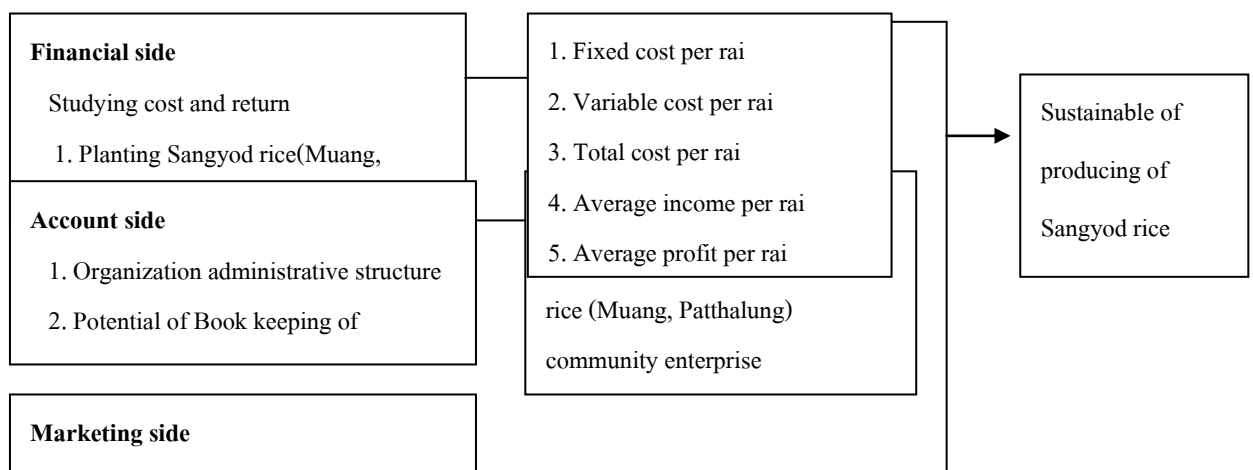
Although, developing community administrative system and farmer institution have gotten the response from many institutes include developing financial and accounting management knowledge to the community enterprises, personnel of cooperative and farmer group and developing goods business account system to support the cooperative uses the information technology system in financial and accounting management and support the cooperative and farmer groups provide transparent administrative. However, the recently of operation incur many problem such as the financial and accounting management of community enterprise. The

main cause was the community enterprise did not cooperate to do book keeping. Then, accountants did not have an account basic knowledge. Another cause was the frequency change of accountants that affected to book keeping discontinuously. Also, the leader of rice group did not realize about book keeping (Department of cooperative auditing, 2005). However, did not get clearly of cost of producing rice GI, cost of transformation to be coarse rice. Furthermore, sell distributions through internet was a little. For the benefit of farmer, should study about the cost and the return of marketing system of Sangyod rice and Sangyod coarse rice of the community enterprises including of doing account system that to be the way of management decision.

## Research Objectives

1. Study and analyze cost and return of planting Sangyod rice muang Phattalung for minor farmer
2. Study the marketing of Sangyod rice muang Phattalung
3. Develop the accounting system for Sangyod rice muang Phattalung transforming group.

## Conceptual framework



## Methodology

### 1. Population and sample

The Researches divided into two groups of population and samples that used consist of;

1.1 minor farmers who planting Sangyod rice Muang Phatthalung (GI rice)

Researchers assign the size of population by obtained 2,022 minor farmers that planting Sangyod rice. The respondent were 80 minor farmers which provided by purposive sampling.

1.2 Sangyod rice Muang Phatthalung transforming group (GI rice)

Researchers selected 5 groups of samples by using purposive sampling that still operated business and located in Patthalung province.

## ***2. Research tools***

Researchers were surveying that using two interviews forms as follow;

1. Interviews form of minor farmer that planting Sangyod rice Muang Phatthalung (GI rice)
2. Interviews form of Sangyod rice Muang Phatthalung transforming group (GI rice)

## ***3. Data collecting***

3.1 Primary data was the data that get from interviewing both two groups of sample were the minor group that planting Sangyod rice Muang Phatthalung (GI rice) and Sangyod rice Muang Phatthalung transforming group (GI rice)

3.2 Secondary data was a collecting document, thesis, researches and the information from many institutes that involve with planting rice.

## ***4. Data analysis***

Researchers divided the data analysis into three parts as follows;

Part 1: The analysis of cost and return of planting Sangyod rice (GI rice). Researchers used descriptive statistics analysis to calculate as follows;

1. Average cost per rai of planting Sangyod rice, researchers used behavior cost analysis by divide cost calculation into 3 parts are fixed cost per rai, viable cost per rai and total cost per rai.
2. Return of planting Sangyod rice by calculated average income per rai and average profit per rai.

Part 2: Marketing information analysis of Sangyod rice (GI rice), researchers used analysis that divided among marketing of Sangyod rice, marketing cost of Sangyod rice, marketing margin of Sangyod rice, marketing efficiency and structure of marketing.

Part 3: Form of accounting system for Sangyod rice transforming group (GI rice), researcher used descriptive statistic analysis by described about form of system that improve proper with operation of group includes 1) form of managing organization structure 2) accounting chart 3) account book 4) account documents and 5) forms of financial report

## Results

Part 1: cost and return analysis of planting Sangyod rice (GI rice)

The survey of 80 farmers have produced Sangyod rice (GI rice) in Patthalung found that the most of farmers were female as equal 73.75 percentages. They were more than 60 years old as equal 46.25 percentages. Education levels as primary school were 80.00 percentages. There are three until four members in family as equal 38.75 percentages. They have experienced of planting Sangyod rice about 2 until 5 years as equal 43.75 percentages.

The most of farmer plant rice in own area was 86.25 percentages. The most of production Sangyod rice for self-consume as equal 90.00 percentages. The capital for rice production was private capital as equal 83.80 percentages. The loans from Bank for Agriculture and Agricultural Co-operatives (BAAC) as equal 76.92 percentages.

Cost of planting Sangyod rice (GI rice) indicated that viable cost includes species price was 471.60 baht per rai, average of chemical fertilizer price was 1,328.49 baht per rai, average organic fertilizer was 213.71 baht per rai, herbicides price was 25.66 baht per rai, insecticide price was 11.44 baht per rai, fuel oil price was 104.77 baht per rai, average plough wage was 667.24 baht per rai, average sowing wage was 99.39 baht per rai, average planting wage was 238.13 baht per rai, average mowing wage was 59.94 baht per rai, average composting wage was 98.38 baht per rai, wage of killing agricultural pests was 29.31 baht per rai, average reaping wage was 562.27 baht per rai.

Return of planting Sangyod rice (GI rice) indicated that income of farmers was 7,614 baht per rai per year. Average profit was 3,082.40 baht per rai. The most of farmer sold rice in term of paddy that provided average price was 18 baht per kilograms. Break even point was 0.16 tons. Profit margin to average cost ratio was 31.01 percentages and profit margin to sales was 23.67 percentages.

Part 2: Marketing analysis of Sangyod rice (GI rice)

According to surveying found that the most of farmer sold paddy in farm was 57.50 percentages. Selling with rice mill or transformers was 80 percentages. The most farmers have used Sangyod price from market prices was 58.75 percentages and they got money instantly while selling rice as

equal 98.75 percentages. Using fertilizer sack for contain rice as equal 82.5 percentages

Part 3: Form of accounting system for Sangyod transforming group (GI rice)

Organization structure management of Sangyod rice transforming group (GI rice) found the assignment of organization structure was clearness and support to participation among administrative section, committee and group members by focus on the internal and external network relationship of organization and accounting system form for Sangyod transforming group will help them provide efficiency of internal control and to protect of assets damaged. The accounting system was dividing into four components as accounting chart, account book, accounting documents and form of financial reporting.

## **Conclusions**

Base from the results of the study, 1) minor farmers who planting Sangyod rice Muang Phatthalung (GI rice) have financial and marketing information for decision making , and 2) Sangyod rice Muang Phatthalung transforming group (GI rice) have financial information for decision making and provide compatible accounting system with their business operation.

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