

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2009 and 2008

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These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the audit committee on 18 February 2010.

1 General information

Central Plaza Hotel Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1695 Phaholyothin Road, Chatuchak, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand on 10 January 1990.

The principal businesses of the Company are in the hotel business. Details of the Company’s subsidiaries as at 31 December 2009 and 2008 as follows:

	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Direct subsidiaries</i>				
Investment in subsidiaries				
Central Samui Beach Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Karon Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Krabi Bay Resort Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hua Hin Beach Resort Co., Ltd.	Hotel	Thailand	63.9	63.9
Central World Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Koh Kood Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Hotel Management Co., Ltd.	Holding company	Thailand	100.0	100.0
Central Restaurants Group Co., Ltd.	Food and beverage	Thailand	100.0	100.0
Triplenine Decor Co., Ltd.	Dormant company	Thailand	100.0	100.0
Central Samui Hotel Management Co., Ltd.	Hotel	Thailand	100.0	100.0
Centara International Management Co., Ltd.	Holding company and hotel management	Thailand	100.0	100.0
S.P. Realty Lanta Beach Co., Ltd.	Not operate yet	Thailand	100.0	-
S.P. Realty Had Farang Resort Co., Ltd.	Not operate yet	Thailand	100.0	-
S.P. Realty Pattaya Beach Co., Ltd.	Not operate yet	Thailand	100.0	-
Investment in property fund				
Thai Pattana Fund 2	Property fund	Thailand	23.83	23.83
<i>Indirect subsidiaries</i>				
Investment in subsidiaries				
Central Sukhontha Hotel Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Samui Village Co., Ltd.	Hotel	Thailand	100.0	100.0
Central Mae Sot Hill Hotel Co., Ltd.	Hotel	Thailand	98.4	98.4
B - R (Thailand) Co., Ltd.	Food and beverage	Thailand	100.0	100.0
Central Laundry Services Co., Ltd.	Dormant company	Thailand	100.0	100.0

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	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
Investment in property fund				
Thai Pattana Fund 2	Property fund	Thailand	0.09	0.09
Jointly-controlled entities				
Karon Phuket Hotel Co., Ltd.	Hotel	Thailand	50.0 *	50.0 *
Kata Phuket Hotel Co., Ltd.	Hotel	Thailand	50.0	50.0

* By direct and indirect shareholding

2 Basis of preparation of the financial statements

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements are prepared in accordance with Thai Accounting Standards ("TAS") and Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and with generally accepted accounting principles in Thailand.

On 15 May 2009, the FAP announced (Announcement No. 12/2009) the re-numbering of TAS to the same numbers as the International Accounting Standards ("IAS") on which the TAS/TFRS are based.

The Group has adopted the following revised TAS/TFRS and accounting guidance which were issued by the FAP during 2008 and 2009 and effective for annual accounting periods beginning on or after 1 January 2009

TAS 36 (revised 2007) *Impairment of Assets* (formerly TAS 36)

TFRS 5 (revised 2007) *Non-current Assets Held for Sale and Discontinued Operations*
(formerly TAS 54)

Framework for the Preparation and Presentation of Financial Statements (revised 2007) (effective on 26 June 2009)

Accounting Guidance about Leasehold Right (effective on 26 June 2009)

The adoption of these revised TAS/TFRS and accounting guidance does not have any material impact on the consolidated or separate's financial statements.

The FAP has issued during 2009 a number of revised TAS which are not currently effective and have not been adopted in the preparation of these financial statements. These revised TAS are disclosed in note 33.

The financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest thousand unless otherwise stated. They are prepared on the historical cost basis except as stated in the accounting policies.

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The preparation of financial statements in conformity with TAS and TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following note:

Note 11 The estimated useful lives of assets

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and jointly-controlled entities.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Although, the Company’s holdings in Thai Pattana Fund II (“Fund”) both directly and indirectly are 23.92%, the Company has control over the funds since the Company has authority to control and make decisions through the funds’ directors. The Company, therefore has treated the said funds as subsidiaries.

According to the resolution of unitholders meeting of Thai Pattana Fund I, unitholders had approved to dissolve the fund on 30 September 2008. Moreover, on 1 October 2008, the Fund’s management company had sent a letter notifying the Securities and Exchange Commission of the dissolution of the Fund. The Fund has completed its process of dissolution and registered the Fund dissolution with the Securities and Exchange Commission on 26 December 2008.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. The consolidated financial statements include the Group’s share of the income, expenses and equity movements of associates, from the date that significant influence commences until the date that significant influence ceases. When the Group’s share of losses exceeds its interest in an associate, the Group’s carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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Jointly-controlled entities

Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's share of the total recognized gains and losses of jointly controlled entities on an equity accounted basis, from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds its interest in a jointly controlled entity, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the jointly-controlled entities.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

Foreign entities

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

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(e) Inventories

Inventories are stated at the lower of cost (FIFO method) and net realisable value.

A subsidiary engaged in the manufacturing and sale of ice-cream products values its inventories at the lower of cost (moving average method) and net realisable value.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(f) Investments

Investments in subsidiaries, associates and jointly-controlled entities.

Investments in subsidiaries, associates and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and jointly-controlled entities in the consolidated financial statements are accounted for using the equity method.

Investment in equity securities

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in the statement of income. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the statement of income.

(g) Property, plant and equipment

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for property, plant and equipment which are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of income.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

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Any increase in value, on revaluation, is credited to equity under the heading 'revaluation surplus' unless it offsets a previous decrease in value recognised in the statement of income in respect of the same asset. A decrease in value is recognised in the statement of income to the extent it exceeds an increase previously recognised in equity in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred from equity to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Major property, plant and equipment of the Company and certain subsidiaries are recorded at revalued amounts, as revalued by an independent professional valuers. Property, plant and equipment acquired subsequent to the appraisal dates and the property and equipment of the other subsidiaries are recorded at cost. The Company and subsidiaries have a policy to revalue property and equipment whenever the fair value of the revalued assets changes significantly.

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	10 years
Building and improvements	5 - 40 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 - 12.5 years
Vehicles	5 - 10 years

Building and equipment stated at revalued amounts are depreciated using the straight-line method over their remaining useful lives. Leasehold improvements are depreciated over the lease terms. Hotel operating equipment is charged to the statement of income in accounting period in which it is written off.

No depreciation is provided on freehold land and assets under construction.

(h) Leasehold rights

Leasehold rights are recorded at cost less accumulated amortisation and impairment losses.

Amortisation

Leasehold rights are amortised on a straight-line method over the remaining terms of the leases.

Leasehold rights under sub-lease agreement of Sofitel Centara Grand Bangkok Hotel and sub-lease agreement of hotel land and building of Central World Hotel, which are operating leases, are amortised on the straight-line basis adjusted by constant compound growth rate (see note 28).

(i) Intangible assets

Goodwill

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Negative goodwill in a business combination represents the excess of the fair value of the Group's share of the identifiable net assets acquired over the cost of acquisition. The Group has changed its accounting policy for goodwill with effect from 1 January 2008 as follows:

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Acquisitions prior to 1 January 2008

Goodwill and negative goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 10 years. On 1 January 2008, the Group discontinued amortisation of goodwill. The remaining balance is subject to testing for impairment, as described in note 3 (j). Negative goodwill carried in the financial statements as at 31 December 2007 was derecognised by crediting unappropriated retained earnings on 1 January 2008.

Acquisitions on or after 1 January 2008

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 3 (j). Negative goodwill is recognised immediately in the statement of income.

Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised in the statement of income on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Software licences	10 years
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(j) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in the statement of income even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in the statement of income is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in the statement of income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the statement of income. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of income over the period of the borrowings on an effective interest basis.

(l) Trade and other account payables

Trade and other account payables are stated at cost.

(m) Employee benefits

Obligations for contributions to defined contribution plans are recognised as an expense in the statement of income as incurred.

(n) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

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Hotel revenues from room, food and beverage and other services are recognised when the rooms are occupied, food and beverages are sold and the services are rendered.

Revenues from quick service restaurant business are recognised when food and beverages are sold to the customers.

Interest income and dividend income

Interest income is recognised in the statement of income as it accrues. Dividend income is recognised in the statement of income on the date the Group's right to receive payments is established.

(p) *Deferred income*

The Company and two subsidiaries recognise annual membership fees as income using the straight-line method over the term of membership.

Certain subsidiaries recognise deferred rental and service income and subsidy as income using the straight-line method over the terms of the agreements.

(q) *Expenses*

Operating leases

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease.

Payments made under sub-lease agreement of Sofitel Centara Grand Bangkok Hotel and sub-lease agreement of hotel land and building of Central World Hotel are recognised in the statement of income on a straight-line basis adjusted by constant compound growth rate (see note 28).

Lease incentives received are recognised in the statement of income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of income for the accounting period in which they are incurred.

Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition or construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(r) *Income tax*

Income tax on the profit for the year is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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4 Related party transactions and balances

Related parties are those parties linked to the Group and the Company by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
Karon Phuket Hotel Co., Ltd.	Thailand	Jointly controlled entity, 50% direct and indirect shareholding
Kata Phuket Hotel Co., Ltd.	Thailand	Jointly controlled entity, 50% shareholding
Centara Hotels & Resorts Leasehold Property Fund	Thailand	Associate, 25% shareholding
Thai Pattana Fund 2	Thailand	Subsidiary, 23.92% direct and indirect shareholding
Thai Business Fund 4	Thailand	Related party
Regent Maldives Pvt. Ltd.	Maldives	Associate, 25% shareholding
Central Department Store Co., Ltd.	Thailand	Related party, common shareholders and directors
Harn Central Department Store Co., Ltd.	Thailand	Related party, common shareholders and directors
Central International Development Co., Ltd.	Thailand	Related party, common shareholders and directors
Central Pattana Public Company Limited	Thailand	Related party, common shareholders and directors
Power Buy Co., Ltd.	Thailand	Related party, common shareholders and directors
Central World Co., Ltd.	Thailand	Related party, common directors
AAPC (Thailand) Co., Ltd.	Thailand	Related party, shareholder of a subsidiary

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The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Interest income and interest expense	Bank interest rate
Management fee income	Contractually agreed prices
Dividend income	Dividend announcement
Management fee expense	Contractually agreed prices
Rental income and rental expense	Market price and contractually agreed prices
Area rental income	Market price
Loss from guarantee provision	Contractually agreed prices
Leasehold right payment	Contractually agreed prices
Prepayment of car park service	Contractually agreed prices
Sale of equipment	Contractually agreed prices
Electricity expense	Market price

Significant transactions for the years ended 31 December 2009 and 2008 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
<i>Subsidiaries:</i>				
Rental income	-	-	4,740	4,740
Interest income	-	-	141,804	182,231
Management fees income	-	-	149,351	121,928
Dividend income	-	-	304,764	500,257
Interest expense	-	-	59,883	51,285
Other expenses	-	-	1,830	2,089
Rental expense	-	-	117,772	118,150
<i>Jointly-controlled entities:</i>				
Management fees income	25,832	26,771	25,832	26,771
Interest income	2,460	2,627	2,460	2,627
Other incomes	2,453	2,370	-	-
<i>Associates:</i>				
Deferred rental income on land and building	-	3,010,000	-	1,510,000
Sale of equipment	-	74,766	-	-
Dividend income	59,056	-	59,056	-
Interest income	8,715	-	-	-
Management fees income	763	-	-	-
Rental expense	225,000	43,292	-	-
Loss on guarantee provision	156,000	78,740	78,270	39,500

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	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
<i>Other related parties:</i>				
Rental income	14,279	14,279	-	-
Area rental income	12,822	16,076	12,822	16,076
Management fees income	6,203	-	6,203	-
Other income	22,755	20,451	-	-
Rental expense	122,818	33,886	97,699	9,957
Electricity expense	42,520	42,163	42,520	42,163
Management fees expense	30,432	31,995	4,847	6,574
Other service fees	8,583	5,684	-	-
Guarantee payment for leasehold rights	-	95,000	-	95,000
Leasehold right payment	-	10,000	-	-
Prepayment of car park service	-	108,428	-	-

Balances as at 31 December 2009 and 2008 with related parties were as follows:

<i>Receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	77,995	40,584
Other related parties	35,412	15,275	16,577	10,134
Total	35,412	15,275	94,572	50,718

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008	2009	2008
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<i>Short-term loans</i>						
Subsidiaries						
Central Krabi Bay Resort Co., Ltd.	4.75	5.25	-	-	217,200	222,400
Central World Hotel Co., Ltd.	4.75	5.25	-	-	382,500	3,475,000
Centara International Management Co., Ltd.	4.75	5.25	-	-	165,200	151,000
Jointly-controlled entity						
Kata Phuket Hotel Co., Ltd.	6.5	6.5	41,000	41,000	41,000	41,000
Associate						
Regent Maldives Pvt. Ltd.	10.0	10.0	167,495	10,442	-	-
Short-term loans to related parties			208,495	51,442	805,900	3,889,400

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<i>Loans to related parties</i>	Interest rate		Consolidated		Separate	
	2009	2008	financial statements		financial statements	
	(% per annum)		2009	2008	2009	2008
			(in thousand Baht)			
<i>Long-term loans</i>						
Subsidiaries						
Central Krabi Bay Resort Co., Ltd.	4.75	5.25	-	-	419,800	372,600
Central World Hotel Co., Ltd.	4.75	5.25	-	-	821,500	-
Triplenine Decor Co., Ltd.	-	-	-	-	81,176	81,176
Centara International Management Co., Ltd.	4.75	-	-	-	57,300	-
Associate						
Regent Maldives Pvt. Ltd.	10.0	10.0	58,136	41,766	-	-
Long-term loans to related parties			58,136	41,766	1,379,776	453,776

Movements during the years ended 31 December 2009 and 2008 of loans to related parties were as follows:

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
	(in thousand Baht)			
Subsidiaries				
At 1 January	-	-	4,302,176	2,868,176
Increase	-	-	816,000	1,755,000
Decrease	-	-	(2,973,500)	(321,000)
At 31 December	-	-	2,144,676	4,302,176
Jointly-controlled entities				
At 1 January	41,000	5,000	41,000	5,000
Increase	-	65,000	-	65,000
Decrease	-	(29,000)	-	(29,000)
At 31 December	41,000	41,000	41,000	41,000
Associate				
At 1 January	52,208	-	-	-
Increase	176,039	51,975	-	-
Unrealised gain (loss) on exchange	(2,616)	233	-	-
At 31 December	225,631	52,208	-	-
Total loans to related parties				
At 1 January	93,208	5,000	4,343,176	2,873,176
Increase	176,039	116,975	816,000	1,820,000
Decrease	-	(29,000)	(2,973,500)	(350,000)
Unrealised gain (loss) on exchange	(2,616)	233	-	-
At 31 December	266,631	93,208	2,185,676	4,343,176

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Payable to related parties

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	6,908	73,784
Other related parties	6,004	2,101	180	11
Total	6,004	2,101	7,088	73,795

Short-term loans from related parties

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
	Interest rate			
	2009	2008		
	<i>(% per annum)</i>			
Subsidiaries				
Central Samui Beach Resort Co., Ltd.	4.75	5.25	-	-
Central Karon Village Co., Ltd.	4.75	5.25	-	-
Central Hua Hin Beach Resort Co., Ltd.	3.00	3.50	-	-
Central Hotel Management Co., Ltd.	4.75	5.25	-	-
Total			1,087,500	1,523,000

Movements during the years ended 31 December 2009 and 2008 of short-term loans from related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
At 1 January	-	-	1,523,000	820,500
Increase	-	-	423,000	1,624,500
Decrease	-	-	(858,500)	(922,000)
At 31 December	-	-	1,087,500	1,523,000

Provision for guarantee payment

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Short-term provision for guarantee payment	88,930	14,200	44,620	7,124
Long-term provision for guarantee payment	106,874	64,540	53,616	32,376
Total	195,804	78,740	98,236	39,500

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Liability under consignment agreement

The outstanding amount due to Thai Pattana Fund II matured as follows:

	Separate financial statements					
	2009			2008		
	Amount due	Deferred expenses	Net	Amount due	Deferred expenses	Net
			(in thousand Baht)			
Within one year	81,500	(5,661)	75,839	81,500	(5,661)	75,839
After one year but within five years	285,250	(16,845)	268,405	366,750	(22,505)	344,245
Total	366,750	(22,506)	344,244	448,250	(28,166)	420,084

Significant agreements with related parties

Long - term lease agreements

The Company

Under the terms of a reciprocal agreement entered into with Central International Development Co., Ltd. ("CID") who entered into long-term land lease agreement with State Railway of Thailand ("SRT"), the Company was granted the right to construct a hotel building on the leased property of Central International Development Co., Ltd. and to operate the hotel for the Company's benefits up to 18 December 2008. This agreement is renewable for period of 10 years each. The Company is committed to make payments for this right totaling approximately Baht 73.7 million payable in various installments up to 2008.

On 26 March 2003, CID entered into a memorandum of understanding with SRT in which the said related company agreed to pay certain compensation on lease agreement as mutually agreed with SRT. The Company agreed to share the said compensation for the total amount of approximately Baht 65 million to be paid in 8 installments; the first installment was paid on 31 March 2003 and the last installment will be paid by 18 December 2008.

Transfer of assets to State Railway of Thailand

As at 18 December 2008 which was the expiration date of the said reciprocation agreement, the Company required to transfer the construction on sub-lease land, fixtures and improvements, including part of equipment to SRT. The net book value at the expiration date of agreement was Baht 23.9 million, resulted the Company incurred loss from disposal assets at the same amount.

The Company recorded rental expense for the period from 19 December 2008 to 31 December 2008, by estimating the rental expected to pay in the future since the new agreement is under negotiation.

On 9 December 2008 CID entered into a new land and/or building lease agreement of 20 years lease term with SRT. The Company then signed the memorandum of agreement with CID in order to preserve and affirm of undertaking the right to enter into the new sub-lease agreement with CID. Company was to pay the guarantee deposit on land and/or building lease agreement of Central Plaza Hotel at Ladprao, in the amount of Baht 95 million on the day which CID entered into lease agreement with SRT.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2009 and 2008

In 2009, the Company entered into a sub-lease agreement with Central International Development Co., Ltd. (“sub-lessor”) for the sub-leasing of Sofitel Centara Grand Bangkok Hotel’s building (Formerly Central Plaza Ladprao Hotel) and hotel building improvements including durable goods for a period of 20 years. The lease will be expired on 18 December 2028. The Company was required to pay the sub-lessor of Baht 2,556 million for the sub-leasing right and annual rent for the whole lease term. During 2009, the Company recorded sub-leasing right and annual rent of Baht 361 million as leasehold right in the consolidated and separate balance sheets (see note 13). In addition, the Company was required to pay durable goods rental fee totalling Baht 31 million for the whole lease term. The Company recorded durable goods rental fee as asset under finance lease (see note 11).

Leased assets, which the Company has renovated, improved or constructed, altered, added, maintained or rebuilt, will be transferred to SRT as soon as the said activities are completed. In addition, the Company has to return leased supplies according to the list in the lease agreement in a manner which appropriate to their condition and useful lives to SRT at the end of the lease agreement.

In 1992, the Company renewed the lease agreement with Central Pattana Public Co., Ltd. for the leasing of Bangkok Convention Center for a period of 17 years. The lease will expire on 18 December 2008. Under the terms of this agreement, the Company was required to pay the lessor Baht 115 million for this leasehold right. This amount is presented as leasehold rights in the balance sheets. In addition, the Company was required to pay annual rent of Baht 1 million. The annual rental charge increases by 5% yearly. The Company can renew the agreement by giving written notice to the lessor prior to the expiry date of the agreement. However, at the end of the agreement on 18 December 2008, the Company did not renew for the said agreement.

On 1 May 1989, the Company entered into a lease agreement for a parking lot and tennis court with Central Pattana Public Co., Ltd. This agreement was originally for a period of 3 years commencing from 1 January 1989. This agreement is renewable for periods of 3 years each. The annual rental expense for the year 2009 is approximately Baht 2 million.

Subsidiaries

Centara Grand Beach Resort Samui Project

Agreements between Central Plaza Hotel Public Co., Ltd., its subsidiaries and Thai Pattana Fund I

On 12 December 2002, Central Samui Beach Resort Co., Ltd., (“CSBR”) entered into a purchase and sales agreement with Thai Pattana Fund I (“TP1”) in which CSBR agreed to sell a hotel building and furniture for hotel operations to TP1. CSBR also entered into a leaseback agreement with TP1 on the same date for a three years period from the agreement date. The leaseback agreement can be renewed for three-year periods. In addition, on 12 December 2002, CSBR entered into a land lease agreement with TP1 for a 15 years period. Under this agreement, TP1 as the owner of the hotel buildings which are located on the leased land, agreed to sell the said hotel buildings including furniture back to CSBR on the transfer of the building ownership date. The transfer of building ownership will be made when CSBR has made full repayment for repurchase of the hotel buildings and furniture to TP1 as stated in the agreement.

TP1 hired CSBR as property manager according to property management agreement dated 12 December 2002 for a 15 years period. As guarantee for the repayment and compliance with related agreements, CSBR had mortgaged land, which is the location of the leased assets, and Central Plaza Hotel Public Co., Ltd. had prepared a guarantee letter to TP1 for repayment and compliance with the building lease agreement and property management agreement.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2009 and 2008

On 26 September 2008, CSBR and TP1 arranged a memorandum of agreement for termination of agreements which CSBR and TP1 agreed to terminate the land lease agreement, the building lease agreement, the property management agreement and the mortgage of land. All the said agreements were ceased on the day that the memorandum of agreement was signed. In addition, CSBR agreed to buy and TP1 agreed to sell furniture and equipments remained in the hotel building as at the date in the memorandum of agreement, in the amount of Baht 1 million. TP1 agreed to transfer rights and deliver the said furniture and equipments to CSBR and CSBR paid for the said furniture and equipments to TP1 on the date of the memorandum of agreement. And on the same date, CPH and TP1 arranged a memorandum of agreement to annul the guarantee letter, dated 12 December 2002, which CPH had prepared for TP1 for a guarantee of debt repayment of CSBR under the property management agreement, building lease agreement and land lease agreement.

On 26 September 2008, TP1 sold the hotel building to CPH since CSBR did not exercise its right to buy the hotel building under the land lease agreement dated 12 December 2002. TP1 received Baht 1,450 million from sale of the building.

Agreements between Central Plaza Hotel Public Co., Ltd., its subsidiaries and Centara Hotels & Resorts Leasehold Property Fund

On 25 September 2008, Central Plaza Hotel Public Company Limited and its subsidiary entered into agreements relating to land and hotel building of Centara Grand Beach Resort Samui Hotel (formerly: Central Samui Beach Resort Hotel) with Centara Hotels & Resorts Leasehold Property Fund ("CTARAF"), in the following matters

- 1 Central Samui Beach Resort Co., Ltd. ("CSBR") entered into the land lease agreement with CTARAF for lease the land to CTARAF for the period of 30 years commencing from the date on which both parties register the lease agreement (26 September 2008). CTARAF agreed to pay the land lease fee in the total amount of Baht 1,500 million with full payment on the date on which the lease was registered. CSBR recognised such proceeds from lease as deferred income in its balance sheet and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2009, the balance of deferred income in consolidated financial statements, net of amortisation of Baht 63.3 million (2008: Baht 13.3 million) was Baht 1,436.7 million (2008: Baht 1,486.7 million.)
- 2 Central Plaza Hotel Public Company Limited ("CPH") entered into the property lease agreement with Centara Grand Beach Resort Samui Hotel, including the utility facilities and related equipment with CTARAF in order to lease to CTARAF for the period of 30 years commencing from the date that both parties registered the lease agreement (26 September 2008). CTARAF agreed to pay the property lease fee in the total amount of Baht 1,510 million with full payment on the date on which the lease was registered. CPH recognised such proceeds from lease as deferred income in its balance sheet in separate financial statements and amortises to income using the straight line method over the lease term of 30 years. As at 31 December 2009, the balance of deferred income net of amortisation of Baht 63.7 million (2008: Baht 13.4 million) was Baht 1,446.3 million (2008: Baht 1,496.6 million.)

Under the property lease agreement, CPH agreed and guaranteed that, in the period of four years from the registry date of lease, CTARAF would receive lease fee income from the lease assets in the amount not less than the accumulated guaranteed lease fee specified in the agreement. If CTARAF receives the accumulated lease fee income less than the accumulated guaranteed lease fee as in the agreement, CPH agreed to pay CTARAF the difference between the accumulated lease fee income of the fund and the accumulated guaranteed lease fee income.

Central Plaza Hotel Public Company Limited and its Subsidiaries

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For the years ended 31 December 2009 and 2008

On 1 December 2008, CPH and CSBR entered into the agreement regarding guarantee CTARAF lease fee income. CSBR as a land lessor which mutually get benefits from CTARAF on lease agreement, to be the co-guarantor in guarantee CTARAF lease fee income. In case CPH have to pay any payments to CTARAF under the above guarantee agreement, CSBR agree to pay partial guarantee payment to CPH according to the rate specified in the agreement.

In the Company's separate financial statements, CPH recognised loss from guarantee provision in the amounts of Baht 78.3 million (2008: *Baht 39.5 million*) in the statements of income for the year ended 31 December 2009, whereby as at 31 December 2009, provision for guarantee payment in the balance sheets is totaling Baht 98.2 million (2008: *Baht 39.5 million*). In consolidated financial statements, CPH and CSBR recorded loss from guarantee provision totaling Baht 156.0 million (2008: *Baht 78.7 million*) in the consolidated statements of income for the year ended 31 December 2009, whereby as at 31 December 2009, provision for guarantee payment in the consolidated balance sheets is totaling Baht 195.8 million (2008: *Baht 78.7 million*) (see note 18).

If CTARAF wished to renew the land lease agreement and building lease agreement as in No.1 and No. 2 above when the lease period was due, CTARAF has to state its intention to CSBR and CPH, depending on the case, in writing within the 26th year from the first year of the lease period and both parties negotiate and finalise the details for renewal of lease agreement within the 27th year from the first year of the lease period.

- 3 CSBR entered into the agreement for sale of furniture and equipment installed / used within the Centara Grand Beach Resort Samui Hotel with CTARAF, under which CTARAF agreed to pay for rights transferring of the said furniture and equipments in the amount of Baht 80 million (including VAT) by making a full payment on the day that the rights are transferred (26 September 2008).
- 4 CTARAF entered into the sub-lease agreement of Centara Grand Beach Resort Samui Hotel with Central Samui Hotel Management Co., Ltd. ("CSHM") for lease the land, building and utility facility and relating equipment, and furniture and equipments to CSHM to use in operating the hotel business. The lease term is three years commencing from 26 September 2008. CTARAF promised to CSHM that CSHM is able to lease the assets for another three years since the end of the lease term. CSHM must inform the fund for exercise of the promised right in writing not less than 6 months before the end the lease term. According to this agreement, CSHM agreed to pay a monthly lease fee comprise of fixed lease fee in the amount of Baht 225 million per annum and variable lease fee calculating from percentage as enumerate in the agreement of revenue after deduction of costs and operating expenses, other expenses and fixed rental.

According to the sub-lease agreement and other relating agreements, CSHM must comply with the conditions stipulated in the agreement such as submission of documents and other information specified in the agreement, opening and maintaining of various bank accounts including transfer of rights over the said bank accounts to CTARAF, without the increase of additional debt, selling, disposing, lease, forming a commitment in part or all of assets, loaning to, investing, except for the consent in writing from CTARAF is granted.

Central Plaza Hotel Public Company Limited and its Subsidiaries
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Central Wong Amat Beach Resort, Pattaya

On 23 December 2003, Central International Development Co., Ltd. (“the Consignor”) entered into a consignment agreement of land and building with Thai Pattana Fund 2 (“the Consignee”) and other party as another consignor had entered into a consignment agreement of land with Thai Pattana Fund 2 (“the Consignee”) for Central Hua Hin Beach Resort Co., Ltd. (“CHBR”) to lease and operate the hotel business, the contracting parties of which agreed with the consignors or Central Hua Hin Beach Resort Co., Ltd. or Central Plaza Hotel Public Company Limited, either of which will have the right to redeem the assets on consignment from the consignee at the redeemable price stipulated in the agreement within 10 years counting from the registration date of the ownership transfer or in the case of the one who has the right to redeem wishing to finalize the redemption of the assets on consignment prior to 10 years’ period will have to notify the consignee in writing, in advance not less than 30 days before the next installment is due.

On 18 December 2003, both consignors issued the renounce letter for the right to redeem the assets on consignment to Central Hua Hin Beach Resort Co., Ltd. and Central Plaza Hotel Public Company Limited.

As guarantee for the repayment and compliance with this agreement, Central Plaza Hotel Public Co., Ltd. has prepared a guarantee letter for the repayment of CHBR to Thai Pattana Fund 2.

On 1 March 2006, CHBR issued the renounce letter for the right to redeem the assets on consignment for the Company only.

On 23 December 2003, Central Hua Hin Beach Resort Co., Ltd. (“CHBR”) entered into a land and hotel buildings lease agreement of Central Wong Amat Beach Resort, Pattaya (“Hotel Buildings”) with Thai Pattana Fund 2 (“The Fund”) to operate the hotel business for a period of 10 years, starting from 23 December 2003 onwards. Thus, CHBR agreed to pay the rent, on a semi-annual basis, by instalments of Baht 55 million each. The lease rate will be in force for the lease period starting from the date of signing the agreement until 28 February 2007, after which the contracting parties will adjust the rental as appropriate. The first payment of rent was due on 26 August 2004 to cover the lease period from 23 December 2003 until 31 August 2004 and the next payment is due on the third working day before the end of February and August of each year. The last payment of rent will be made upon termination or ending of the agreement, in the amount calculated based on the actual number of days counting from the date following the preceding payment of rent until the end of the agreement.

The Company’s land title deed with carrying value of Baht 772 million, as at 31 December 2009 and 2008, was under the name of Thai Pattana Fund 2, the consignee. The land relates to Central Wong Amat Beach Resort Project, Pattaya.

In addition, CHBR agreed to build a building or other construction on the leased land in order to add value to the land and hotel buildings as compensation to the Fund for agreeing with CHBR to lease the assets and, one year after the beginning of the lease period, CHBR agreed to renovate and/or consider to renovate the hotel building to improve the value of leased assets and the suitability of its hotel business.

On 1 March 2006, the Company entered into a leasehold rights transfer agreement with CHBR and the Fund. The transfer agreement granted the Company the leaseholder rights and responsibilities under land and hotel buildings lease agreement.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2009 and 2008

Central World Hotel Co., Ltd.

On 28 April 2005, Central World Hotel Co., Ltd. (“CWH”), entered into a sublease of hotel land and building with Thai Business Fund 4 (“the Fund”) to develop and to operate a hotel or other related businesses. CWH is required to pay rental in advance and annual rental fee of totalling Baht 1,188.8 million to the Fund up to the end of the agreement on 22 December 2032. CWH paid the rental in advance upon signing the agreement of Baht 275 million. During 2009, CWH paid the annual rent of Baht 15.8 million which was recorded as leasehold right in the consolidated balance sheets (see not 13).

The above agreement also specified CWH to transfer the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sub-lease land to the land owner, the Crown Property Bureau, at the date of those repair and maintenance or construction would be completed.

As at 31 December 2009, CWH has not transfer the rights on buildings and constructions thereon to the land owner, as CWH obtained approval for an extension period for development and hotel buildings construction and to transfer buildings and construction rights to the owner within the year 2012.

Long - term service agreements

The Company

On 1 July 2004, the Company entered into management agreements with its subsidiaries, effective from 1 January 2004. Management fee would be paid on a quarterly basis. The parties to the agreement have the right to amend the agreement, as detailed below:

- The Company entered into management agreements with its six subsidiaries in the hotel group to manage the hotel operations. Under the said agreements, the Company would receive management fee based on the percentage of net sales specified in the agreements, divided into operational management fee and marketing management fee.
- The Company entered into a marketing management agreement with another subsidiary in the hotel group. Under this agreement, the Company would receive the marketing management fee at the percentage of net sales specified in the agreement.
- The Company entered into a management agreement with Central Restaurants Group Co., Ltd. (“CRG”), for the operational management of CRG. Under the said agreement, the Company would receive a monthly fixed management fee as specified in the agreement.

On 31 March 2006 and 26 May 2006, the Company entered into management agreements with Karon Phuket Hotel Co., Ltd. (“CKR”) and Kata Phuket Hotel Co., Ltd. (“CKT”) to manage the hotel’s operation for 5 years ending March 2011 and May 2011, respectively. The agreements are automatically renewable for 5 years. Under the said agreements, the Company would receive the management fee as specified in the agreements.

On 26 September 2008, the Company entered into management agreement with Central Samui Hotel Management Co., Ltd. to manage the hotel’s operation for 30 years commencing from the agreement date. Under the said agreement, the Company would receive the management fee as specified in the agreement.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2009 and 2008

Subsidiaries

Central Hua Hin Beach Resort Co., Ltd. (“CHBR”) entered into a management agreement with AAPC (Thailand) Limited, ending on 31 December 2011. Under the terms of the management agreement, the latter will provide the Hotel’s management and operations for CHBR. CHBR agreed to pay a management fee, which calculated based on the method stated in the agreement.

On 1 January 2001, Central Hua Hin Beach Resort Co., Ltd. (“CHBR”) entered into a service agreement with Harng Central Department Store Co., Ltd., for a period of 3 years in order to receive information and various suggestions, which are beneficial to CHBR. Annual service fee is Baht 10 million. Either party can extend the agreement for another 1 year, when the agreement expires. The service fee will be reviewed by both parties.

Central Sukhontha Hotel Co., Ltd. (“CSH”) has entered into a rental and services agreement with Central Department Store Co., Ltd. for a period of 30 years ending on 31 May 2024. Central Department Store Co., Ltd. agreed to lease part of the building as a shopping center. Total income to CSH under the agreement will amount to approximately Baht 428 million in total. As at 31 December 2009, the balance of deferred rental income in consolidated financial statements, net of amortisation was Baht 211.8 million (2008: Baht 226.1 million.)

Franchise agreements

The Company

The Company entered into a franchise agreement with AAPC (Thailand) Limited, on permitting the Company to operate a hotel business under the name “Sofitel” up to 31 December 2011; and in return for this right, the Company agreed to pay a fee at the percentage of room revenue as stated in the agreement.

Subsidiaries

Central Sukhontha Hotel Co., Ltd. (“CSH”) entered into a franchise agreement with AAPC (Thailand) Limited, on permitting the Company to operate a hotel business under the name of “Novotel” up to 31 December 2011; and in return for this right, the Company agreed to pay a fee at the percentage of room revenue as stated in the agreement.

Sublicense agreement

On 3 November 2003, Central Restaurants Group Co., Ltd. (“CRG”), being granted a sublicense from Central Ice Cream Co., Ltd., entered into a sublicense agreement with B-R (Thailand) Co., Ltd., which allowed CRG to operate under the trademark of “Baskin - Robbins” on its products in the Kingdom of Thailand.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

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Long - term lease and service agreements

Central Restaurants Group Co., Ltd. (“CRG”) had long-term lease and service agreements with related party for periods of 3 to 30 years up to 2026. According to the terms of the agreements, CRG has to pay monthly rental and service charges at fixed rates or at certain percentages of gross sales as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	273,715	267,683	-	-
After one year but within five years	241,710	227,945	-	-
After five years	17,757	18,162	-	-
Total	533,182	513,790	-	-

Commitments under agreements with related parties

The Company

As at 31 December 2009, the Company guaranteed the overdraft lines, letters of credit and various guarantees for subsidiaries to various local banks totaling Baht 103 million (2008: Baht 103 million).

The Company provided guarantee in respect to Central World Hotel Co., Ltd. (“CWH”) loans to a financial institution in the amount not less than Baht 2,350 million.

In June 2009, CWH had drawn down the loan totalling Baht 2,300 million.

Subsidiaries

As at 31 December 2009, Central Restaurants Group Co., Ltd. had provided guarantees to a financial institution for bank overdraft and long-term loan facility of a subsidiary totalling Baht 40 million (2008: Baht 40 million).

As at 31 December 2009, Central Samui Beach Resort Co., Ltd. had provided guarantees to a financial institution for bank overdraft of a subsidiary totalling Baht 15 million (2008: Baht 15 million).

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Cash at bank and on hand	115,097	85,576	27,168	4,331

Cash and cash equivalents of the Group and the Company as at 31 December 2009 and 2008 were mainly denominated in Thai Baht.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
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6 Trade accounts receivable

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Within credit terms	218,612	173,344	64,383	29,200
Overdue:				
Less than 3 months	79,616	74,073	14,308	15,802
3-6 months	7,287	13,565	1,437	4,447
6-12 months	3,243	5,741	423	3,690
Over 12 months	5,911	5,762	1,155	899
	<u>314,669</u>	<u>272,481</u>	<u>81,706</u>	<u>54,038</u>
Less allowance for doubtful accounts	(4,711)	(5,249)	(433)	(389)
Net	<u>309,958</u>	<u>267,232</u>	<u>81,273</u>	<u>53,649</u>
Bad and doubtful debt expenses (reversal) for the year	<u>(538)</u>	<u>4,671</u>	<u>44</u>	<u>-</u>

The normal credit term granted by the Group ranges from 15 days to 30 days.

Trade accounts receivable of the Group and the Company as at 31 December 2009 and 2008 were mainly denominated in Thai Baht.

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Food and beverage	169,592	181,877	12,569	6,317
Operating supplies	79,249	86,497	6,742	2,624
Others	15,105	16,673	643	188
	<u>263,946</u>	<u>285,047</u>	<u>19,954</u>	<u>9,129</u>
Less allowance for obsolete stock	(4,592)	(523)	-	-
Total	<u>259,354</u>	<u>284,524</u>	<u>19,954</u>	<u>9,129</u>

The cost of food and beverage which is recognised as an expense and included in 'cost of sales' for the year ended 31 December 2009 amounted to Baht 2,029 million (2008: 1,974 million).

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

For the years ended 31 December 2009 and 2008

8 Other current assets

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Advance to supplies	10,000	38,500	-	-
Prepaid expenses	40,371	28,090	29,328	16,537
Withholding income tax	12,927	142,575	8,973	83,820
Guarantee payment for leasehold rights	-	95,000	-	95,000
Other receivable	56,639	46,112	-	-
Others	81,024	89,547	42,797	41,921
Total	200,961	439,824	81,098	237,278

9 Investments in subsidiaries

	Separate financial statements	
	2009	2008
	<i>(in thousand Baht)</i>	
<i>Subsidiary</i>		
At 1 January	3,980,205	4,171,909
Acquisitions	242,375	11,250
Proceeds from redemption of property funds	(19,420)	(202,954)
At 31 December	4,203,160	3,980,205

On 8 September 2009, the Company invested in S.P. Realty Had Farang Resort Co., Ltd. of 885,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 22.125 million. Total shares invested represent 100% ownership.

On 14 September 2009, the Company invested in S.P. Realty Pattaya Beach Co., Ltd. of 10,000 ordinary shares with a par value of Baht 100 per share (fully paid-up), totalling Baht 1 million. Total shares invested represent 100% ownership. Additionally, on 14 October 2009, S.P. Realty Pattaya Beach Co., Ltd., a subsidiary, had increased its registered ordinary shares of 790,000 shares with the par value of Baht 100 per share (fully paid-up) and the Company had invested in these additional new shares, amounting to Baht 79 million. Total shares invested represent 100% ownership.

On 30 September 2009, the Company invested in S.P. Realty Lanta Beach Co., Ltd. of 10,000 ordinary shares with a par value of Baht 100 per share (call-up of Baht 25 per share), totalling Baht 0.25 million. Total shares invested represent 100% ownership.

On 22 October 2009, Centara International Management Co., Ltd., a subsidiary, had increased its registered ordinary shares of 1,400,000 shares with the par value of Baht 100 per share (fully paid-up) and the Company had invested in these additional new shares, amounting to Baht 140 million. Total shares invested represent 100% ownership.

Central Plaza Hotel Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2009 and 2008

Investments in subsidiaries as at 31 December 2009 and 2008, and dividend income from those investments for the years ended were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	(%)		(in thousand Baht)									
Subsidiaries												
Central Samui Beach Resort Co., Ltd.	100.0	100.0	250,000	250,000	394,383	394,383	-	-	394,383	394,383	-	37,500
Central Karon Village Co., Ltd.	100.0	100.0	150,000	150,000	189,000	189,000	-	-	189,000	189,000	9,000	-
Central Krabi Bay Resort Co., Ltd.	100.0	100.0	500,000	500,000	500,000	500,000	-	-	500,000	500,000	-	-
Central World Hotel Co., Ltd.	100.0	100.0	1,000,000	1,000,000	1,000,000	1,000,000	-	-	1,000,000	1,000,000	-	-
Central Koh Kood Hotel Co., Ltd.	100.0	100.0	120,000	120,000	120,000	120,000	-	-	120,000	120,000	-	-
Central Hua Hin Beach Resort Co., Ltd.	63.9	63.9	185,000	185,000	198,906	198,906	-	-	198,906	198,906	94,648	100,564
Central Hotel Management Co., Ltd.	100.0	100.0	1,000,000	1,000,000	999,999	999,999	(210,000)	(210,000)	789,999	789,999	-	-
Central Restaurants Group Co., Ltd.	100.0	100.0	620,000	620,000	669,607	669,607	-	-	669,607	669,607	110,000	150,000
Triplenine Decor Co., Ltd.	100.0	100.0	250	250	250	250	-	-	250	250	-	-
Central Samui Hotel Management Co., Ltd.	100.0	100.0	1,250	1,250	1,250	1,250	-	-	1,250	1,250	-	-
Centara International Management Co., Ltd.	100.0	100.0	150,000	10,000	150,000	10,000	-	-	150,000	10,000	-	-
S.P. Realty Lanta Beach Co., Ltd.	100.0	-	250	-	250	-	-	-	250	-	-	-
S.P. Realty Had Farang Resort Co., Ltd.	100.0	-	22,125	-	22,125	-	-	-	22,125	-	-	-
S.P. Realty Pattaya Beach Co., Ltd.	100.0	-	80,000	-	80,000	-	-	-	80,000	-	-	-
			4,078,875	3,836,500	4,325,770	4,083,395	(210,000)	(210,000)	4,115,770	3,873,395	213,648	288,064
Property funds												
Thai Pattana Fund 1	-	-	-	-	-	-	-	-	-	-	-	127,907
Thai Pattana Fund 2	23.83	23.83	815,000	815,000	87,390	106,810	-	-	87,390	106,810	91,116	84,286
			815,000	815,000	87,390	106,810	-	-	87,390	106,810	91,116	212,193
Total			4,893,875	4,651,500	4,413,160	4,190,205	(210,000)	(210,000)	4,203,160	3,980,205	304,764	500,257

Shares of Central Samui Hotel Management Co., Ltd. were pledged with Centara Hotels & Resorts Leasehold Property Fund (“CTARAF”) according to pledge agreement between Central Plaza Hotel Public Co., Ltd. and CTARAF.

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10 Investments in associates and jointly-controlled entities

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
At 1 January	1,087,658	158,288	1,049,009	240,000
Share of net profit of investments				
- equity method	124,782	16,411	-	-
Acquisitions	18,129	912,959	1,094	809,009
Dividend income	(59,056)	-	-	-
At 31 December	<u>1,171,513</u>	<u>1,087,658</u>	<u>1,050,103</u>	<u>1,049,009</u>

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Investments in associates and jointly-controlled entities as at 31 December 2009 and 2008, and dividend income from those investments for the years ended were as follows:

	Consolidated financial statements													
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity – net		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	(%)						(in thousand Baht)							
<i>Associates</i>														
Centara Hotels & Resorts	25.3	25.3	3,200,000	3,200,000	810,103	809,009	932,268	835,485	-	-	932,268	835,485	59,056	-
Leasehold Property Fund														
Regent Maldives Pvt. Ltd.	25.0	25.0	484,935	415,773	120,985	103,950	86,409	102,986	-	-	86,409	102,986	-	-
			3,684,935	3,615,773	931,088	912,959	1,018,677	938,471	-	-	1,018,677	938,471	59,056	-
<i>Jointly-controlled entities</i>														
Karon Phuket Hotel Co., Ltd.	50.0	50.0	520,000	520,000	260,000	260,000	89,536	87,249	-	-	89,536	87,249	-	-
Kata Phuket Hotel Co., Ltd.	50.0	50.0	120,000	120,000	60,000	60,000	63,300	61,938	-	-	63,300	61,938	-	-
			640,000	640,000	320,000	320,000	152,836	149,187	-	-	152,836	149,187	-	-
Total			4,324,935	4,255,773	1,251,088	1,232,959	1,171,513	1,087,658	-	-	1,171,513	1,087,658	59,056	-

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	Ownership interest		Paid-up capital		Cost method		Impairment		At cost – net		Market price of listed securities		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	(%)		<div> <div>Separate financial statements</div> <div>(in thousand Baht)</div> </div>											
<i>Associates</i>														
Centara Hotels & Resorts	25.3	25.3	3,200,000	3,200,000	810,103	809,009	-	-	810,103	809,009	640,639	724,581	59,056	-
Leasehold Property Fund														
Regent Maldives Pvt. Ltd.	25.0	25.0	484,935	415,773	-	-	-	-	-	-			-	-
			<u>3,684,935</u>	<u>3,615,773</u>	<u>810,103</u>	<u>809,009</u>	<u>-</u>	<u>-</u>	<u>810,103</u>	<u>809,009</u>			<u>59,056</u>	<u>-</u>
<i>Jointly-controlled entities</i>														
Karon Phuket Hotel Co., Ltd.	34.6	34.6	520,000	520,000	180,000	180,000	-	-	180,000	180,000			-	-
Kata Phuket Hotel Co., Ltd.	50.0	50.0	120,000	120,000	60,000	60,000	-	-	60,000	60,000			-	-
			<u>640,000</u>	<u>640,000</u>	<u>240,000</u>	<u>240,000</u>	<u>-</u>	<u>-</u>	<u>240,000</u>	<u>240,000</u>			<u>-</u>	<u>-</u>
Total			<u>4,324,935</u>	<u>4,255,773</u>	<u>1,050,103</u>	<u>1,049,009</u>	<u>-</u>	<u>-</u>	<u>1,050,103</u>	<u>1,049,009</u>			<u>59,056</u>	<u>-</u>

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11 Property, plant and equipment

	Consolidated financial statements									
	Land	Land improvement	Building and improvement	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Hotel operating equipment	Leasehold improvements	Vehicles	Assets under construction	Total
Cost / revaluation										
At 1 January 2008	2,112,479	206,773	6,577,551	2,794,731	1,642,763	165,253	78,990	197,705	1,598,101	15,374,346
Additions	-	2,688	674,065	202,933	129,162	43,090	3,272	8,673	2,851,189	3,915,072
Disposals	-	(6,563)	(1,617,400)	(676,655)	(626,845)	(38,051)	(53,383)	(2,234)	(960)	(3,022,091)
Transfers	(1,598)	56,093	1,335,879	663,638	194,011	13,069	3,079	(167)	(2,264,004)	-
Transfer to assets under financial lease agreement	-	(58,305)	(2,369,360)	(1,024,752)	-	-	-	-	-	(3,452,417)
Transfer from software licenses	-	-	-	-	942	-	-	-	-	942
Increase (decrease) from surplus on revaluation	1,305,967	10,088	430,138	(19,671)	(73,917)	-	-	1,891	-	1,654,496
At 31 December 2008 and 1 January 2009	3,416,848	210,774	5,030,873	1,940,224	1,266,116	183,361	31,958	205,868	2,184,326	14,470,348
Additions	-	677	109,348	153,422	134,069	77,292	831	16,159	2,288,991	2,780,789
Disposals	-	(12,175)	(231,627)	(132,497)	(69,004)	(19,175)	(549)	(3,157)	(213)	(468,397)
Transfers	-	321,680	1,979,967	963,383	144,963	(305)	2,300	3,623	(3,415,611)	-
Transfer from (to) assets under financial lease agreement	-	-	-	2,082	166	-	-	-	(81,622)	(79,374)
Transfer from advance payment for land	-	533	-	-	-	-	-	-	-	533
Transfer to software licenses	-	-	-	-	(241)	-	-	-	(476)	(717)
At 31 December 2009	3,416,848	521,489	6,888,561	2,926,614	1,476,069	241,173	34,540	222,493	975,395	16,703,182

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	Consolidated financial statements									Total
	Land	Land improvement	Building and improvement	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Hotel operating equipment	Leasehold improvements	Vehicles	Assets under construction	
<i>Accumulated depreciation</i>										
At 1 January 2008	-	72,046	2,833,649	1,669,392	1,233,224	-	44,548	118,763	-	5,971,622
Depreciation charge for the year	-	24,872	453,805	258,277	148,060	446	13,531	24,961	-	923,952
Disposals	-	-	(1,225,502)	(626,018)	(586,896)	-	(51,179)	(1,757)	-	(2,491,352)
Transfers	-	(1,386)	1,098	(5,629)	5,994	-	-	(77)	-	-
Transfer to assets under financial lease agreement	-	(681)	(72,985)	(40,307)	-	-	-	-	-	(113,973)
Transfer from software licenses	-	-	-	-	1,231	-	-	-	-	1,231
Decrease in surplus on revaluation	-	(6,324)	(162,652)	(58,145)	(75,844)	-	-	(3,430)	-	(306,395)
At 31 December 2008 and 1 January 2009	-	88,527	1,827,413	1,197,570	725,769	446	6,900	138,460	-	3,985,085
Depreciation charge for the year	-	24,143	354,571	244,663	178,974	883	6,284	27,584	-	837,102
Disposals	-	(13,932)	(173,601)	(122,959)	(64,605)	-	(550)	(1,519)	-	(377,166)
Transfers	-	-	-	1,258	(1,258)	-	-	-	-	-
Transfer to assets under financial lease agreement	-	-	-	256	12	-	-	-	-	268
Transfer to software licenses	-	-	-	-	(151)	-	-	-	-	(151)
At 31 December 2009	-	98,738	2,008,383	1,320,788	838,741	1,329	12,634	164,525	-	4,445,138

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	Consolidated financial statements									
	Land	Land improvement	Building and improvement	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Hotel operating equipment	Leasehold improvements	Vehicles	Assets under construction	Total
<i>Allowance for impairment of assets</i>										
At 1 January 2008	-	-	11,382	-	163	-	-	-	-	11,545
Additions	-	491	13,926	790	1,807	-	-	-	-	17,014
Disposals	-	-	(738)	-	-	-	-	-	-	(738)
At 31 December 2008 and 1 January 2009	-	491	24,570	790	1,970	-	-	-	-	27,821
Additions	-	-	5,702	1,593	238	-	-	-	-	7,533
Disposals	-	-	(17,672)	(790)	(515)	-	-	-	-	(18,977)
At 31 December 2009	-	491	12,600	1,593	1,693	-	-	-	-	16,377
<i>Net book value</i>										
Owned assets	3,416,848	121,756	3,178,890	741,864	538,377	182,915	25,058	67,408	2,184,326	10,457,442
Assets under financial leases	-	-	-	-	-	-	-	-	-	-
Total at 31 December 2008	3,416,848	121,756	3,178,890	741,864	538,377	182,915	25,058	67,408	2,184,326	10,457,442
Owned assets	3,416,848	422,260	4,867,578	1,604,233	604,629	239,844	21,906	57,968	975,395	12,210,661
Assets under financial leases	-	-	-	-	31,006	-	-	-	-	31,006
Total at 31 December 2009	3,416,848	422,260	4,867,578	1,604,233	635,635	239,844	21,906	57,968	975,395	12,241,667

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	Separate financial statements									Total
	Land	Land improvement	Building and improvement	Machinery and equipment	Furniture, fixtures and office equipment (in thousands Baht)	Hotel operating equipment	Leasehold improvements	Vehicles	Assets under construction	
Cost/revaluation										
At 1 January 2008	772,117	-	1,098,765	569,145	498,184	36,671	78,989	72,275	410,791	3,536,937
Additions	-	-	347,384	1,752	5,359	910	3,271	1,219	1,420,454	1,780,349
Transfers	-	-	-	(4,041)	5,057	-	3,080	-	(4,096)	-
Disposals	-	-	(1,093,620)	(493,759)	(455,962)	(3,994)	(53,383)	(866)	-	(2,101,584)
At 31 December 2008 and 1 January 2009	772,117	-	352,529	73,097	52,638	33,587	31,957	72,628	1,827,149	3,215,702
Additions	-	-	1,624	65,503	68,959	64,205	443	10,630	1,717,064	1,928,428
Transfers	-	322,570	1,991,941	870,458	166,090	-	2,300	3,623	(3,356,982)	-
Transfer to software licenses	-	-	-	-	-	-	-	-	(476)	(476)
Disposals	-	-	-	(19,793)	(10,280)	(4,356)	(548)	(1,113)	(81,622)	(117,712)
At 31 December 2009	772,117	322,570	2,346,094	989,265	277,407	93,436	34,152	85,768	105,133	5,025,942
Accumulated depreciation										
At 1 January 2008	-	-	1,053,702	488,884	468,619	-	44,547	63,197	-	2,118,949
Depreciation charge for the year	-	-	46,349	29,611	11,536	-	13,531	3,107	-	104,134
Transfers	-	-	-	(6,511)	6,511	-	-	-	-	-
Disposals	-	-	(1,092,539)	(478,660)	(448,061)	-	(51,179)	(866)	-	(2,071,305)
At 31 December 2008 and 1 January 2009	-	-	7,512	33,324	38,605	-	6,899	65,438	-	151,778
Depreciation charge for the year	-	5,391	32,517	35,375	21,958	-	6,280	4,044	-	105,565
Disposals	-	-	-	(19,459)	(10,364)	-	(549)	(1,059)	-	(31,431)
At 31 December 2009	-	5,391	40,029	49,240	50,199	-	12,630	68,423	-	225,912
Net book value										
Owned assets	772,117	-	345,017	39,773	14,033	33,587	25,058	7,190	1,827,149	3,063,924
Assets under financial leases	-	-	-	-	-	-	-	-	-	-
Total at 31 December 2008	772,117	-	345,017	39,773	14,033	33,587	25,058	7,190	1,827,149	3,063,924
Owned assets	772,117	317,179	2,306,065	940,025	196,202	93,436	21,522	17,345	105,133	4,769,024
Assets under financial leases	-	-	-	-	31,006	-	-	-	-	31,006
Total at 31 December 2009	772,117	317,179	2,306,065	940,025	227,208	93,436	21,522	17,345	105,133	4,800,030

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At the Board of Director's meeting of a subsidiary held on 1 April 2009, the board approved to sell partial of assets under Pizza Hut trademark to a local company at the selling price at contractually agreed prices. On 22 April 2009, the subsidiary entered into an agreement with a local company to sell the above assets which incurred loss from sale of Baht 2.2 million. The assets were transferred to counterparty on 30 April 2009.

On 12 June 2009, B-R (Thailand) Co., Ltd. ("BRT") terminated a master franchise and territorial development agreement with Baskin-Robbins International Company Limited which will effective within 31 December 2009. As at 31 December 2009, BRT has written-off patent and trademark amounting to Baht 23.1 million to the consolidated statement of income, and Central Restaurants Group Co., Ltd. has written-off deposits, leasehold right and building improvement and equipment from the said agreement as amounting to Baht 18 million to the consolidated statement of income and provided the allowance for closure of the branches amounting to Baht 3.9 million as at 31 December 2009 to the consolidated balance sheets.

At 31 December 2009, the Company and two subsidiaries mortgaged land, buildings and construction with carrying value of Baht 4,120 million (2008: Baht 1,542 million) as collateral for bank overdrafts and long term loan with financial institutions.

The land lease agreement for the Hua Hin Railway Hotel stipulates that hotel buildings and premises including the additional fixtures paid by a subsidiary, Central Hua Hin Beach Resort Co., Ltd., belong to the State Railway of Thailand.

The gross amount of fully depreciated property and equipment that was still in use as at 31 December 2009 and 2008 was the following:

	2009	2008
	<i>(in thousand Baht)</i>	
The Group	1,771,763	1,590,623
The Company	6,065	6,350

Revaluation of assets

In the third quarter of 2008, eight subsidiaries engaged an independent appraiser to appraise existing property and equipment as at 31 August 2008, which included property and equipment which were previously appraised. The subsidiaries recorded property and equipment at the new appraisal value according to the appraisal report dated 31 August 2008.

The asset appraisal stated above, resulted in an increase in revaluation surplus of the Company and subsidiaries in consolidated balance sheet as at 31 August 2008 of approximately Baht 1,824 million. The revaluation surplus could not be used for dividend payment. Additionally, in the consolidated income statement, the Company and subsidiaries recorded net gain from appraisal and loss from impairment of asset of approximately Baht 3.1 million and Baht 15.2 million, respectively.

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12 Assets under financial lease agreement

Hotel buildings, constructions and fixtures thereon of a subsidiary, Central World Hotel Co., Ltd. ("CWH") must be transferred the rights on buildings and constructions thereon which CWH repair and maintenance or construct on the sub-lease land to the land owner, the Crown Property Bureau, at the date of those repair and maintenance or construction would be completed. According to the sub-lease land agreement, as at 31 December 2009 and 2008, assets under financial lease agreement were as the following:

	Consolidated financial statements				Total
	Land improvement	Building and improvement	Machinery and equipment	Furniture, fixtures and office equipment	
Cost					
At 1 January 2008	-	-	-	-	-
Transfer from property, plant and equipment	58,305	2,369,360	1,024,752	-	3,452,417
At 31 December 2008 and 1 January 2009	58,305	2,369,360	1,024,752	-	3,452,417
Additions (reduction)	2,278	(1,579)	(13,900)	(106)	(13,307)
Disposals	-	(130)	-	-	(130)
Transfers	-	-	(17,602)	17,602	-
Transfer from property, plant and equipment	5,411	42,760	31,203	-	79,374
At 31 December 2009	65,994	2,410,411	1,024,453	17,496	3,518,354
Accumulated depreciation					
At 1 January 2008	-	-	-	-	-
Transfer from property, plant and equipment	681	72,985	40,307	-	113,973
At 31 December 2008 and 1 January 2009	681	72,985	40,307	-	113,973
Depreciation charge for the year	2,728	97,042	55,073	1,752	156,595
Disposals	-	(10)	-	-	(10)
Transfers	-	-	(880)	880	-
Transfer to property, plant and equipment	-	(12)	(256)	-	(286)
At 31 December 2009	3,409	170,005	94,244	2,632	270,290
Net book value					
At 31 December 2008	57,624	2,296,375	984,445	-	3,338,444
At 31 December 2009	62,585	2,240,406	930,209	14,864	3,248,064

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13 Leasehold rights

		Consolidated financial statements		Separate financial statements	
	Note	2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
At 1 January		301,051	345,085	-	16,925
Increase	4	389,597	19,750	361,064	-
Amortised to be expenses		(114,204)	(61,197)	(72,110)	(16,925)
Disposal		(13,114)	(2,587)	-	-
At 31 December		563,330	301,051	288,954	-

14 Software licenses

		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
Cost					
At 1 January		118,129	113,875	52,412	54,443
Additions		47,306	15,820	13,803	1,013
Transfer from (to) property, plant and equipment		717	(942)	476	-
Disposals		(8,924)	(10,624)	(14)	(3,044)
At 31 December		157,228	118,129	66,677	52,412
Accumulated amortisation					
At 1 January		41,711	33,015	15,428	13,744
Amortisation charge for the year		17,308	14,509	5,502	4,722
Transfer from (to) property, plant and equipment		151	(1,231)	-	-
Disposals		(5,796)	(4,582)	(13)	(3,038)
At 31 December		53,374	41,711	20,917	15,428
Allowance for impairment					
At 1 January		3,227	-	-	-
Increase		-	3,227	-	-
Disposals		(3,000)	-	-	-
At 31 December		227	3,227	-	-
Net book value					
At 31 December		103,627	73,191	45,760	36,984

15 Goodwill

		Consolidated financial statements	
		2009	2008
		<i>(in thousand Baht)</i>	
At 1 January		115,417	105,885
Change in accounting policy - transfer negative goodwill to retained earnings		-	9,695
Less amortisation for the year		-	(163)
At 31 December		115,417	115,417

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16 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Deferred initial fee	115,246	114,709	-	-
Receivable from reciprocation agreement on hotel construction and renovation	27,500	27,500	27,500	27,500
Deposits	189,935	188,634	1,807	3,977
Advance payment for construction	85,587	160,319	52,115	77,972
Advance payment for land	204,767	155,300	66,445	117,798
Prepaid car park service	101,102	105,497	-	-
Prepaid license fee	-	24,812	-	-
Withholding income tax	153,818	13,719	97,539	13,719
Others	12,004	21,672	1,714	6,527
Total	889,959	812,162	247,120	247,493

On 28 December 2004, the Company entered into a reciprocation agreement with Duangtawan Hotel Co., Ltd. ("CDC"), under hotel improvement regarding the construction and renovation of CDC, according to the details and related documents for the development and improvement of the infrastructure of the hotel of not exceeding Baht 50 million, repayable within 5-year period commencing from the agreement date. The said amount is guaranteed by pledging share of CDC and guaranteed by a person who is both shareholder and director of CDC. Compensation fee is charged quarterly at MLR of a commercial bank minus 1%. As at 31 December 2009, the receivable under the said reciprocation agreement was Baht 27.5 million.

17 Interest-bearing liabilities

Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Secured	5,644	55,516	-	-
Unsecured	1,643,860	2,512,850	1,614,872	2,291,396
Total	1,649,504	2,568,366	1,614,872	2,291,396

Bank overdrafts and short-term loans from financial institutions bear interest at market rates.

Long-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Secured	910,000	460,000	500,000	-
Unsecured	2,817,600	75,800	500,000	50,000
Total	3,727,600	535,800	1,000,000	50,000

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The period to maturity of long-term loans is as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Within one year	463,200	114,200	216,000	50,000
After one year but within five years	2,404,400	421,600	784,000	-
After five years	860,000	-	-	-
	3,264,400	421,600	784,000	-
Total	3,727,600	535,800	1,000,000	50,000

Long-term loans from financial institutions bear interest at market rates.

Bank overdrafts and short-term loans from financial institutions, and long-term loans of the Group as at 31 December 2009 and 2008 were secured by the Group's property, plant and equipment with carrying value of Baht 4,120 million as at 31 December 2009 (2008: Baht 1,542 million).

Central Restaurants Group Co., Ltd ("CRG") entered into the agreements with three local banks to obtain various short-term credit facility lines. Under the term of the agreement, CRG shall not dispose, pledge or mortgage the existing or future property and leasehold right in an amount over the agreed amount stated in the agreements without consent from the bank.

According to the loan agreement between Central World Hotel Co., Ltd ("CWH") and a local bank, CWH shall not dispose, transfer, lease, or make any commitment in leasehold land and building and construction thereon without consent from the bank.

Debentures

	Interest rate	Maturity date	Consolidated / Separate financial statements	
	(%)		2009	2008
			<i>(in thousand Baht)</i>	
No. 1/2006	6.13	20 February 2009	-	300,000
No. 1/2007	3.81	6 June 2009	-	1,200,000
No. 2/2007	4.22	6 June 2009	-	1,300,000
No. 1/2009, Set 1	4.00	29 July 2011	1,000,000	-
No. 1/2009, Set 2	4.55	29 July 2012	600,000	-
No. 2/2009	4.45	24 July 2012	1,000,000	-
			2,600,000	2,800,000
Less deferred expense in issuing debenture			(4,184)	(984)
Net			2,595,816	2,799,016
Less debenture due within one year			-	(2,799,016)
Debenture due after one year			2,595,816	-

The debentures are in the name of specific holders, unsubordinated and without collateral.

The debenture deed contains certain restriction and conditions relating to financial ratios, payment of dividends, decrease in paid up share capital, pledge, mortgage, and disposal of assets, which are material for business operations.

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Unit holder in Thai Pattana fund 2 equity

	Consolidated financial statements	
	2009	2008
	<i>(in thousand Baht)</i>	
Due within one year	62,000	62,000
Due after one year but within five years	217,000	279,000
Total	279,000	341,000

As at 31 December 2009 and 2008, unit holder equity consisted of investment of unit holder type A, (denominated in Thai Baht) which guaranteed for payment by the Company. Dividend payment for unit holders is calculated at the percentage of the latest net asset value per unit as specified in the unit holder agreement.

Unused credit facilities

As at 31 December 2009, the Group and the Company had unused credit facilities of Baht 3,710 million and Baht 1,636 million, respectively (2008: Baht 6,392 million and Baht 2,120 million, respectively)

18 Provision for guarantee payment

Provision for guarantee payment represented guarantee under the building lease agreement which the Company and a subsidiary guarantee lease fee income of Centara Hotels & Resorts Leasehold Property Fund. Balances as 31 December 2009 and 2008 of provision for guarantee payment were as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Short-term provision for guarantee payment	88,930	14,200	44,620	7,124
Long-term provision for guarantee payment	106,874	64,540	53,616	32,376
Total	195,804	78,740	98,236	39,500

Movements during the years ended 31 December 2009 and 2008 of provision for guarantee payment were as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
At 1 January	78,740	-	39,500	-
Increase	156,000	78,740	78,270	78,740
Decrease	(38,936)	-	(19,534)	-
At 31 December 2009	195,804	78,740	98,236	39,500

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19 Other current liabilities

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
Dividend payable to unit holder in property fund		4,523	6,554	-	-
Payables for purchasing of building and equipment		389,674	400,236	296,467	87,964
Accrued rental to property fund	4	32,500	18,463	36,667	36,667
Accrued expenses		354,878	301,219	71,304	42,416
Other payables		21,918	26,769	17,150	19,712
Deferred member card income		45,999	46,826	31,527	36,161
Deposits		120,641	114,226	42,499	14,136
Retentions		278,562	252,011	145,635	99,138
Others		105,761	84,921	52,937	26,188
Total		<u>1,354,456</u>	<u>1,251,225</u>	<u>694,186</u>	<u>362,382</u>

20 Share capital

	<i>Par value per share</i>	2009		2008	
		Number	Baht	Number	Baht
	<i>(in Baht)</i>	<i>(thousand shares / thousand Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	1	<u>1,580,800</u>	<u>1,580,800</u>	<u>1,580,800</u>	<u>1,580,800</u>
At 31 December					
- ordinary shares	1	<u>1,580,800</u>	<u>1,580,800</u>	<u>1,580,800</u>	<u>1,580,800</u>
Issued and paid-up					
At 1 January					
- ordinary shares	1	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>
At 31 December					
- ordinary shares	1	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>	<u>1,350,000</u>

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21 Additional paid-in capital and reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Fair value changes and revaluation surpluses

Fair value changes and revaluation surpluses recognised in equity relate to cumulative net changes in the fair value of available-for-sale investments and surpluses arising from the revaluations of freehold land, buildings and equipment.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

22 Segment information

Segment information is presented in respect of the Company and its subsidiaries’ business segments. The primary format, business segments, is based on the Company and its subsidiaries’ management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest or dividend-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Business segments

The Company and its subsidiaries comprise the following main business segments:

<i>Segment 1</i>	Hotel
<i>Segment 2</i>	Food and ice-cream

Geographic segments

Management considers that the Company and its subsidiaries operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

Central Plaza Hotel Public Company Limited and its Subsidiaries

Notes to the financial statements

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Business segment results and financial position

	Hotel		Food and ice-cream		Total Continuing		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	<i>(in million Baht)</i>									
Revenue	3,728	3,363	4,621	4,746	8,349	8,109	(72)	(85)	8,277	8,024
Interest income	220	248	1	1	221	249	(209)	(245)	12	4
Other income	506	639	32	49	538	688	(291)	(509)	247	179
Total revenue	4,454	4,250	4,654	4,796	9,108	9,046	(572)	(839)	8,536	8,207
Cost of sale	1,544	1,333	2,368	2,413	3,912	3,746	(72)	(85)	3,840	3,661
Administrative expenses	735	707	1,603	1,627	2,338	2,334	(176)	(188)	2,162	2,146
Other expenses	1,813	1,481	501	515	2,314	1,996	(110)	(294)	2,204	1,702
Total expenses	4,092	3,521	4,472	4,555	8,564	8,076	(358)	(567)	8,206	7,509
Share profit from investments	125	16	-	-	125	16	-	-	125	16
Profit (loss) before interest and income tax expenses	487	745	182	241	669	986	(214)	(272)	455	714
Finance costs	(410)	(357)	(5)	(5)	(415)	(362)	209	245	(206)	(117)
Income tax expense	(95)	(118)	(55)	(81)	(150)	(199)	-	-	(150)	(199)
Profit (loss) for the year	(18)	270	122	155	104	425	(5)	(27)	99	398
Property plant and equipment, net	11,452	9,493	771	943	12,223	10,436	19	21	12,242	10,457
Total assets	30,867	27,541	1,630	1,852	32,497	29,393	(12,680)	(11,752)	19,817	17,641

Central Plaza Hotel Public Company Limited and its Subsidiaries

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23 Other income

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Interest income	11,927	3,594	144,751	184,932
Management fee income	57,473	44,092	206,023	166,020
Rental income	6,501	4,985	4,740	4,740
Amortisation of deferred income	114,612	40,943	50,333	13,376
Subsidy	10,060	15,793	-	-
Net gain on asset revaluation	-	3,074	-	-
Others	58,786	70,031	8,844	4,868
Total	259,359	182,512	414,691	373,936

24 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
Management				
Wages and salaries	27,915	26,813	27,915	26,813
Contribution to provident fund	1,542	1,486	1,542	1,486
Others	14,782	15,542	14,362	15,122
	44,239	43,841	43,819	43,421
Other employees				
Wages and salaries	1,201,416	1,168,722	244,183	204,689
Contribution to provident fund	19,793	15,879	12,480	12,139
Others	551,456	529,024	133,342	124,675
	1,772,665	1,713,625	390,005	341,503
Total	1,816,904	1,757,466	433,824	383,924

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Company/Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

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Notes to the financial statements

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25 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2009	2008	2009	2008
		<i>(in thousand Baht)</i>			
Interest expense:					
Related parties	4	-	-	59,882	51,285
Financial institutions and debenture holders		257,420	221,281	182,373	190,754
Unit holders in property fund's Dividend		14,832	58,097	-	-
		<u>272,252</u>	<u>279,378</u>	<u>242,255</u>	<u>242,039</u>
Less: Amortisation of transaction cost capitalised		<u>(66,137)</u>	<u>(161,763)</u>	<u>(65,965)</u>	<u>(43,439)</u>
Net		<u>206,115</u>	<u>117,615</u>	<u>176,290</u>	<u>198,600</u>

Finance costs for properties under development have been capitalised at rates ranging from 3.54% to 4.31 % (2008: 4.14% to 5.25%) per annum.

26 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2009 and 2008 were based on the profit for the years attributable to equity holders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(million shares / million Baht)</i>			
Profit (loss) attributable to equity Holders of the Company	<u>53</u>	<u>346</u>	<u>164</u>	<u>490</u>
Number of ordinary shares outstanding	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>	<u>1,350</u>
Basic earnings per share (in Baht)	<u>0.04</u>	<u>0.26</u>	<u>0.12</u>	<u>0.36</u>

27 Dividends

At the annual general meeting of shareholders of the Company held on 23 April 2009, the shareholders approved the appropriation of dividend of Baht 0.10 per share, amounting to Baht 135 million. The dividend was paid to shareholders during 2009.

At the annual general meeting of shareholders of the Company held on 24 April 2008, the shareholders approved the appropriation of dividends of Baht 0.13 per share, amounting to Baht 175.5 million. The dividend was paid to shareholders during 2008.

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28 Change in accounting policy

Accounting treatment for payment made under operating lease

In the second quarter of 2009, the Group changed the accounting treatment for payment made under operating lease from straight-line basis over the term of the lease to another systematic basis, which is straight-line adjusted by constant compound growth rate. The management believed that this method is more representative of the pattern of benefits to the Group over the term of the lease agreement. The Group, accordingly, changed its accounting treatment from the commencement date of the agreements.

The effects from change in accounting policy as mentioned above were as follows.

	Consolidated financial statements	
	2009	2008
	<i>(in thousand Baht)</i>	
<i>Leasehold rights</i>		
<i>(prepaid rental expense)</i>		
Balance at 1 January before		
change in accounting policy	324,231	364,455
Decrease (increase) in rental expense	2,804	(19,370)
Reverse accrued rental expense with		
leasehold rights	(25,985)	-
Balance at 1 January after		
 change in accounting policy	301,050	345,085
<i>Other current liabilities</i>		
Balance at 1 January before		
change in accounting policy	1,277,210	949,807
Reverse accrued rental expense with		
leasehold rights	(25,985)	-
Balance at 1 January after		
 change in accounting policy	1,251,225	949,807
<i>Retained earning</i>		
Balance at 1 January before		
change in accounting policy	1,656,529	1,532,986
Decrease (increase) in rental expense	2,804	(19,370)
Balance at 1 January after		
 change in accounting policy	1,659,333	1,513,616
<i>Profit for the years ended</i>		
<i>31 December</i>		
Profit for the year before		
change in accounting policy	53,094	323,823
Decrease in rental expense	-	22,174
Profit for the year after		
 change in accounting policy	53,094	345,997
Increase in earnings		
 per share (Baht)	-	0.02

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29 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Group does not issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Company's exposure to interest rate risk relates primarily to its short-term loans from financial institutions and long-term loans. The Company does not use derivative financial instrument to hedge such risk.

Foreign currency risk

The Group operates mainly in Baht currency. Accordingly, the Company does not have material foreign currency risk.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The 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. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables and trade payables is taken to approximate the carrying value.

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The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Fair values of financial liabilities, together with the carrying values shown in the balance sheets at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying value	Fair value	Carrying value
	<i>(in thousand Baht)</i>			
2009				
Debentures	2,632,293	2,600,000	2,632,293	2,600,000
Long-term loans	3,506,243	3,727,600	941,342	1,000,000
Unit holder in property fund equity	283,602	279,000	-	-
Liabilities under consignment agreement	-	-	372,799	366,750
Total	6,422,138	6,606,600	3,946,434	3,966,750

	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying value	Fair value	Carrying value
	<i>(in thousand Baht)</i>			
2008				
Debentures	2,797,721	2,800,000	2,797,722	2,800,000
Long-term loans	528,178	535,800	50,156	50,000
Unit holder in property fund equity	361,117	341,000	-	-
Liabilities under consignment agreement	-	-	474,694	448,250
Total	3,687,016	3,676,800	3,322,572	3,298,250

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and also monitors the level of dividends to ordinary shareholders.

30 Long-term contracts

Long-term lease agreement

Subsidiary

On 4 October 1985, a subsidiary, Central Hua Hin Beach Resort Co., Ltd. ("CHBR"), entered into a lease agreement with the State Railway of Thailand ("SRT") covering land, hotel buildings and premises of the Hua Hin Railway Hotel for 30 years, expiring on 15 January 2016. The agreement will be automatically renewable for an additional period of 3 years and 4 months and has 2 additional renewable options of 15 years each. CHBR has to pay rent at an amount stipulated in the agreement commencing on 15 January 1986.

Under the terms of the agreement, CHBR has to transfer the ownership of any additions to the original buildings and premises including any additional fixtures to SRT.

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Franchise agreements

Subsidiaries

In September 2003, B-R (Thailand) Co., Ltd. (“BRT”) entered into a license agreement with Baskin-Robbins International Company Limited (“BRINT”) for 20 years commencing 22 September 2003. BRINT granted a license to BRT in respect of the rights in operation and the trademark such that the BRT may use in the manufacture, distribution and marketing of the product in the territory and BRT shall pay a license and technical assistance fee as stated in the agreement, in the following matters

- On 12 June 2009, BRT terminated a master franchise and territorial development agreement with BRINT which will effective within 31 December 2009.
- As at 31 December 2009, BRT has written-off patent and trademark amounting to Baht 23.1 million to the consolidated statement of income.
- As at 31 December 2009, Central Restaurants Group Co., Ltd. has written-off deposits, leasehold right and building improvement and equipment from the said agreement as amounting to Baht 18 million to the consolidated statement of income and provided the allowance for closure of the branches amounting to Baht 3.9 million as at 31 December 2009 to the consolidated balance sheets.

On 2 October 2003, Central Restaurants Group Co., Ltd. (“CRG”) was granted the right under a consent letter of a development agreement, rights agreement and trademarks agreement with Food Novelties Co., Ltd. and a foreign company, which permitted CRG to use trademarks, rights and development rights to establish and operate sales outlets for pretzels and beverages under the name “AUNTIE ANNE’S”. According to the terms of the contracts, CRG is committed to pay a franchise fee and initial fee for every new outlet. In addition, CRG has to pay for franchise and advertisement expenses, at the agreed percentage of the sales volume. This agreement is in force until 15 May 2012.

On 20 January 2004, Central Restaurants Group Co., Ltd. (“CRG”) was granted the right under a consent letter of the franchise agreement with Thai Franchising Co., Ltd. and Duskin Co., Ltd., which is registered in Japan, whereby the latter allowed CRG to use the trademark “Mister Donut” in the Kingdom of Thailand. In consideration thereof, CRG is committed to pay a monthly royalty fee at the rate specified in the agreement. The agreement is in force until 31 March 2018.

In May 2004, Central Restaurants Group Co., Ltd. (“CRG”), entered into a franchise agreement with a local company, whereby the latter allowed CRG to open outlets and use the trademark “Pizza Hut” and “KFC” within 10 years. Each outlet can continue using trademark “Pizza Hut” and “KFC” for 10 years renewable, with notice of 12 to 18 months in advance. In consideration thereof, CRG is committed to pay royalty fee at the rate specified in the agreement, in the following matters

- In August 2004, CRG received a notice of right transfer from the said local company who had assigned all rights in the above franchise agreement to another local company who was assignee. This assignment commenced on 1 August 2004.
- In April 2009, CRG sold the assets used for operating under Pizza Hut trademark to the assignee.
- As a result, CRG agreed to terminate the franchise agreement under Pizza Hut trademark in May 2009. CRG therefore has ceased the operations under Pizza Hut trademark since that date.

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In November 2007, Central Restaurants Group Co., Ltd. (“CRG”) entered into a franchise agreement with a foreign company for a period of 10 years, whereby the latter has granted the exclusive and sole right to CRG to develop restaurants and operate the business by using the intellectual property rights, trademarks, and to license subfranchisees to operate the restaurant in Thailand under the name “Pepper Lunch”. In consideration thereof, CRG has agreed to pay various fees as stipulated in the agreement. Under the terms of this agreement, CRG has to comply with the terms and conditions as stated in the agreement.

In November 2008, Central Restaurants Group Co., Ltd. (“CRG”) entered into a franchise agreement with a foreign company for a period of twenty years, whereby the latter has granted the right to CRG to operate the business, using the intellectual property rights, trade marks, and to license the company to operate the outlets in territory under the name “Beard Papa”. In compensation thereof, CRG agrees to pay the various fees as stipulated in the agreement. Under the terms of this agreement, CRG has to comply with the terms and conditions as stated in the agreement.

In December 2009, Central Restaurants Group Co., Ltd. (“CRG”) entered into an individual store franchise agreement with a foreign company for a period 10 years, whereby the latter has granted the exclusive and sole right to CRG to operate the business and use trademarks under the name “CHABUYA Tonkotsu Ramen CHABUTON”. In compensation thereof, CRG has agreed to pay the various fees as stipulated in the agreement. Under the terms of this agreement, CRG has to comply with the terms and conditions as stated in the agreement.

In December 2009, the company entered into a franchise agreement with a foreign company for a period of 20 years, whereby the latter has granted the exclusive and sole right to the Company to develop and operate the business by using the intellectual property rights and trademarks to operate the restaurant in Thailand under the name “Cold Stone Creamery”. In consideration thereof, the company has agreed to pay the various fees as stipulated in the agreement. Under the terms of the agreement, the Company has to comply with the terms and conditions as prescribed in the agreement.

31 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
<i>Contracted but not provided for</i>				
- Purchase of land	-	34,300	-	34,300
- Hotel construction	1,165,762	1,791,636	393,775	1,047,381
Total	<u>1,165,762</u>	<u>1,825,936</u>	<u>393,775</u>	<u>1,081,681</u>
<i>Non-cancellable operating lease and service commitments of Central Restaurant Groups Co., Ltd.</i>				
Within one year	81,709	96,339	-	-
After one year but within five years	58,204	72,551	-	-
After five years	4,037	4,240	-	-
Total	<u>143,950</u>	<u>173,130</u>	<u>-</u>	<u>-</u>

Central Plaza Hotel Public Company Limited and its Subsidiaries

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32 Events after the reporting period

At the Board of Directors' meeting of the Company held on 18 February 2010, the significant resolutions were approved:

- Approved the appropriation of dividends from 2009 operating results of Baht 0.05 per share totaling Baht 67.5 million.
- Approved the issue and offer of debentures for the period of 3 years 7 months amounting to Baht 1,000 million on 25 February 2010 which has interest rate at MLR - 3%.

33 Thai Accounting Standards (TAS) not yet adopted

The Group has not adopted the following new and revised TAS that has been issued as of the reporting date but are not yet effective. The new and revised TAS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated.

TAS	Topic	Year effective
TAS 24 (revised 2009)	Related Party Disclosures (formerly TAS 47)	2011
TAS 40 (revised 2009)	Investment Property	2011

Management is presently considering the potential impact of adopting and initial application of these new and revised TAS on the consolidated and separate financial statements.

34 Reclassification of accounts

Certain accounts in the balance sheet as at 31 December 2008 have been reclassified to conform to the presentation in the 2009 interim financial statements as follows:

	2008					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>					
Balance sheet						
Leasehold rights	406,548	(105,497)	301,051	-	-	-
Other non-current assets	706,665	105,497	812,162	-	-	-
Other non-current liabilities	81,78€	(78,740)	3,04€	39,500	(39,500)	-
Short-term provision for guarantee payment	-	14,20€	14,20€	-	7,124	7,124
Long-term provision for guarantee payment	-	64,54€	64,54€	-	32,376	32,376
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.