

Golden Land Property Development Public Company Limited and its Subsidiaries
Notes to the financial statements
For the years ended 31 December 2007 and 2006

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These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 25 February 2008.

1 General information

Golden Land Property Development Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 153/3 Goldenland Building, 8th Floor, Soi Mahardlekluang 1, Rajdamri Road, Lumpini, Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 17 June 1994.

The principal businesses of the Company are property development and related services. Details of the Company’s subsidiaries as at 31 December 2007 and 2006 were as follows:

	Name of the entity	Type of business	Ownership interest (%)	
			2007	2006
<i>Direct subsidiaries</i>				
1	Baan Chang Estate Co., Ltd.	Property development	100	100
2	Narayana Pavilion Co., Ltd.	Office building rental	100	100
3	United Homes Co., Ltd.	Property development	100	100
4	Golden Land Developments Co., Ltd.	Engineering consultancy	100	100
5	Golden Land (Mayfair) Co., Ltd.	Residential building rental	100	100
6	North Sathorn Realty Co., Ltd.	Property development	100	100
7	Ritz Village Co., Ltd.	Property development	100	100
8	Golden Land Polo Limited	Property development	100	100
9	Golden Land (Retail) Limited	Property development consultancy	100	100
10	Golden Land (Nichada Thani) Co., Ltd.	Property development	100	100
11	Grand Paradise Property Co., Ltd.	Property development	100	100
12	Golden Property Services Co., Ltd.	Property development management	100	100
13	Golden Habitation Co., Ltd.	Property development	100	100
14	Sathorn Thong Co., Ltd.	Property development	79	79
15	S.R.E.F. (Managers) Co., Ltd.	Fund advisor	-	70
16	Sathorn Supsin Co., Ltd.	Residential building rental	60	60
<i>Indirect subsidiaries</i>				
17	Walker Homes Co., Ltd. (and 50% held by Narayana Pavilion Co., Ltd.)	Property development	50	50
18	MSGLE Property Company Limited (100% held by Golden Land Polo Limited)	Property development	-	-
19	Grand Mayfair Co., Ltd. (100% held by Golden Land (Mayfair) Co., Ltd.)	Residential building rental	-	-

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- (a) In February 2007, Grand Mayfair Co., Ltd, a subsidiary of Golden Land (Mayfair) Co., Ltd., was established with authorised share capital of Baht 100,000.

At the Extraordinary Shareholders' Meeting of Grand Mayfair Co., Ltd. held on 23 April 2007, it was resolved to convert 1 share with par value of Baht 100 to 10 shares with par value of Baht 10. In addition, it was resolved to increase the share capital by 1.49 million shares with par value of Baht 10 and call for payment at 80% of the par value, all of which increased shares were allocated to Golden Land (Mayfair) Co., Ltd. As at 31 December 2007, Golden Land (Mayfair) Co., Ltd. owned 1,499,994 shares of Grand Mayfair Co., Ltd., representing 100% of its issued and paid up share capital.

- (b) As at 31 December 2007 and 2006, there was a negative balance on minority interest as the minority shareholder has undertaken to bear its share of the capital deficiency of the investee companies.

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") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and with generally accepted accounting principles in Thailand.

During 2007, the FAP issued the following revised TAS relevant to the Group's operations and effective for accounting periods beginning on or after 1 January 2007:

TAS 44 (revised 2007) *Consolidated and Separate Financial Statements*

TAS 45 (revised 2007) *Investments in Associates*

The adoption of these revised TAS has resulted in a change in the Company's accounting policy for interests in subsidiaries and associates in the separate financial statements of the Company. The effects of this change are disclosed in note 34.

In addition to the above revised TAS, the FAP has issued during 2007 a number of other new and revised TAS which are only effective for financial statements beginning on or after 1 January 2008 and have not been adopted in the preparation of these financial statements. These new and revised TAS are disclosed in note 38.

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

The preparation of financial statements in conformity with TAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Accordingly, actual results may differ from these estimates.

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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgements made by management in the application of TAS that have a significant effect on the financial statements and in arriving at estimates with a significant risk of material adjustment in the following year are discussed in notes 10, 11, 13 and 21.

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 interests in associates.

Significant intra-group transactions between the Company and its subsidiaries are eliminated on consolidation.

Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company 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.

Associates

Associates are those companies in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group’s share of the total recognised gains and losses of associates on an equity accounted basis, 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.

(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 balance sheet 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.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

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(c) *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposit. 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.

(e) *Properties under development for sale*

Properties under development for sale are stated at specifically identified cost, including borrowing costs capitalised, aggregate cost of development, materials and supplies, wages and other direct expenses, less any allowance considered necessary by the management.

Properties held for sale are stated at the lower of cost and their estimated net realisable value.

Borrowing costs payable on loans funding a property under development are capitalised, on a specific identification basis, as part of the cost of the property until the completion of the development or until development of the property is suspended.

(f) *Investments*

Investments are stated at cost less impairment loss.

Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the cost method. This is a change of accounting policy, the effects of which are disclosed in note 34. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in property funds

Investments in property funds are stated in accordance with the net asset value, excluding the recognised unrealised gains from property valuation of the fund.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in the statement of income.

(g) *Properties under development for rent*

Owned assets

Properties under development for rent are stated at cost less accumulated depreciation and impairment losses.

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Borrowing costs payable on loans funding a property under development are capitalised, on a specific identification basis, as part of the cost of the property until the completion of the development or until development of the property is suspended.

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.

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 properties under development for rent. The estimated useful lives are as follows:

Leasehold rights	Over the period of lease
Buildings and other constructions	5-50 years
Equipment	5-7 years
Furniture, fixtures and office equipment	5-7 years

No depreciation is provided on freehold land or construction in progress.

(h) Property, plant and equipment

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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:

Golf course	10 years
Buildings and other constructions	5-20 years
Club house	20 years
Equipment	3-7 years
Furniture fixtures and office equipment	5-7 years
Vehicles	5 years
Facilities systems	5 years

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

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(i) Intangible assets

Software licenses

Software licenses acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation is charged to the statement of income using the straight-line method over 3-5 years.

(j) Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised whenever 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.

Calculation of recoverable amount

The recoverable amount of assets is the greater of the assets' net selling price and value in use. 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.

Reversals of impairment

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 recognized.

(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 accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefit

Defined contribution plans

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

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(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 from sales of real estate

Revenue from sales of real estate is recognised in the same manner as for construction contracts and after meeting further conditions, including among others:

- finalised sales agreements, or in the case of condominium developments finalised sales agreements for a minimum of 40% of the area offered for sale;
- non-refundable deposits from customers of at least 20% of the value of each sales agreement; and
- the development is a minimum of 10% complete (as measured by estimations made by the project surveyors).

Revenue from rental and services

Revenue from rental and related services from property development projects for rent is recognised as revenue on an accrual basis.

Unearned lease rights are recognised as revenue over the period of the lease.

Revenue from golf course membership

Deferred golf course membership fees are recognised as income over a period of ten years.

Interest 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. Usually this is the date that the investee's shareholders approved the dividend in their annual or extraordinary general meeting.

Income from finance leases

Income from finance leases is recognised on the accrual basis under the annuity method.

Other income

Other income is recognised on an accrual basis.

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(p) 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.

Finance costs

Interest expenses and similar costs are charged to the statement of income for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

Other expense

Other expenses are recognised on the accrual basis.

(q) Income tax

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date and applicable to the reporting period, and any adjustment to tax payable in respect of previous years.

4 Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or 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.

The followings are 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.

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	Name of entities	Country of incorporation/ nationality	Nature of relationships
1	Baan Chang Estate Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
2	Narayana Pavilion Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
3	United Homes Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
4	Golden Land Developments Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
5	Golden Land (Mayfair) Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
6	North Sathorn Realty Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
7	Ritz Village Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
8	Golden Land Polo Limited	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
9	Golden Land (Retail) Limited	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
10	Golden Land (Nichada Thani) Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
11	Grand Paradise Property Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
12	Golden Property Services Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company

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Name of entities	Country of incorporation/ nationality	Nature of relationships
13 Golden Habitation Co., Ltd.	Thailand	Subsidiary, 100% shareholding, more than 50% of directors are representatives of the Company
14 Sathorn Thong Co., Ltd.	Thailand	Subsidiary, 79% shareholding, more than 50% of directors are representatives of the Company
15 S.R.E.F. (Managers) Co., Ltd.	Thailand	Subsidiary, 70% shareholding, more than 50% of directors are representatives of the Company
16 Sathorn Supsin Co., Ltd.	Thailand	Subsidiary, 60% shareholding, more than 50% of directors are representatives of the Company
17 Walker Homes Co., Ltd.	Thailand	Subsidiary, 50% indirect shareholding, more than 50% of directors are representatives of the Company
18 MSGL Property Company Limited	Thailand	Subsidiary, 100% indirect shareholding, more than 50% of directors are representatives of the Company
19 Grand Mayfair Co., Ltd.	Thailand	Subsidiary, 100% indirect shareholding, more than 50% of directors are representatives of the Company
20 North Sathorn Hotel Co., Ltd.	Thailand	Associate, 20% shareholding, more than 20% of directors are representatives of the Company
21 Gold Property Fund	Thailand	Associate, 33% shareholding, more than 20% of directors are representatives of the Company
22 Baan Jearanai Co., Ltd.	Thailand	Associate, 50% shareholding, more than 20% of directors are representatives of the Company
23 Khunying Sasima Srivikorn	Thailand	Director of the Company
24 Ascott International Management (Thailand) Limited	Thailand	Related Company
25 Siam Holdings Limited	Singapore	Shareholder of a subsidiary

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

Transactions	Pricing policies
Management fee income	Based on contractually agreed prices.
Service income	Based on contractually agreed prices.
Rental and service income	Based on agreed prices.
Consultancy service income	Based on contractually agreed prices.
Interest income	Average loan from bank rate and partly interest free.
Interest expense	Average loan from bank but not exceeding 7.75% per annum and partly interest free
Rental expense	Based on contractually agreed prices.
Utility expense	Based on contractually agreed prices.
Management fee expense	Based on contractually agreed prices.
Central charge expense	Based on agreed prices.
Professional fee expense	Based on agreed prices.
Rental guarantee expense	Based on contractually agreed prices.

Significant transactions for the years ended 31 December 2007 and 2006 with related parties were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Subsidiaries				
Management fee income	-	-	196.10	319.96
Interest income	-	-	39.58	45.68
Dividend income	-	-	1,790.00	-
Other income	-	-	5.19	-
Interest expense	-	-	25.43	2.25
Rental expense	-	-	21.41	22.24
Utility expense	-	-	2.95	1.80
Management fee expense	-	-	0.44	0.48
Associates				
Gain from sale of land and building under finance lease	797.77	-	-	-
Rental income	8.24	-	-	-
Service income	0.21	2.11	-	-
Consultancy service income	44.00	-	55.00	-
Dividend income	-	-	1.35	10.76
Other income	7.94	1.45	-	-
Share of gain from property fund dissolution	0.22	-	22.77	-
Rental guarantee expense	43.62	-	-	-
Rental expense	66.33	-	-	-
Other related companies				
Rental and service income	6.28	3.23	-	-
Management fee expense	11.46	13.06	-	-
Central charge expense	5.41	3.52	-	-
Professional fee expense	10.93	11.03	-	-
Interest expense	16.68	19.68	-	-

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	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Related persons				
Interest expense	6.12	7.09	6.12	7.09
Directors' remuneration	0.59	0.49	0.59	0.49

Balances as at 31 December 2007 and 2006 with related parties were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Amounts due from related parties				
Subsidiaries				
United Homes Co., Ltd.	-	-	2,030.40	2,431.39
Walker Homes Co., Ltd.	-	-	13.70	27.00
Ritz Village Co., Ltd.	-	-	146.59	136.34
Golden Property Services Co., Ltd.	-	-	0.21	0.43
Sathorn Supsin Co., Ltd.	-	-	19.26	19.26
Sathorn Thong Co., Ltd.	-	-	21.83	67.43
North Sathorn Realty Co., Ltd.	-	-	38.52	-
Grand Mayfair Co., Ltd.	-	-	5.14	-
Narayana Pavilion Co., Ltd.	-	-	-	0.22
Total	-	-	2,275.65	2,682.07
Less Allowance for doubtful accounts	-	-	(45.34)	(27.00)
Net	-	-	2,230.31	2,655.07
Bad debt and doubtful debt expense for the year	-	-	18.34	-

Long-term loans to related parties
(including interest receivable)

Subsidiaries				
Baan Chang Estate Co., Ltd.	-	-	246.93	271.57
United Homes Co., Ltd.	-	-	66.70	73.02
Golden Land Developments Co., Ltd.	-	-	-	0.07
Golden Land (Mayfair) Co., Ltd.	-	-	-	720.80
Ritz Village Co., Ltd.	-	-	821.89	491.79
Golden Land Polo Limited	-	-	25.29	111.62
Golden Land (Retail) Limited	-	-	14.75	14.75
Golden Land (Nichada Thani) Co., Ltd.	-	-	1.66	2.40
S.R.E.F. (Managers) Co., Ltd.	-	-	-	0.18
Sathorn Thong Co., Ltd.	-	-	-	19.20
Sathorn Supsin Co., Ltd.	-	-	583.92	594.81
Walker Homes Co., Ltd.	-	-	79.45	12.83

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	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
North Sathorn Realty Co., Ltd.	-	-	0.02	70.76
Grand Paradise Property Co., Ltd.	-	-	164.39	0.03
Golden Habitation Co., Ltd.	-	-	232.57	0.66
MSGL Property Company Limited	-	-	8.63	9.20
Narayana Pavilion Co., Ltd.	-	-	-	0.04
Related person	-	1.58	-	1.58
Associates				
Baan Jearanai Co., Ltd. (See note 4(a))	41.15	70.46	33.98	49.72
Others	-	0.29	-	0.05
Total	41.15	72.33	2,280.18	2,445.08
<i>Less</i> Allowance for doubtful accounts	<i>(41.15)</i>	<i>(35.16)</i>	<i>(346.91)</i>	<i>(315.89)</i>
Net	-	37.17	1,933.27	2,129.19
Bad debt and doubtful debt expense for the year	5.99	3.16	31.02	44.34

Movements during the year ended 31 December on long-term loans to related parties were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Long-term loans to related parties				
At 1 January	72.33	70.63	2,445.08	2,724.93
Increase	15.78	1.78	2,363.70	1,269.98
Decrease	(46.96)	(0.08)	(2,528.60)	(1,549.83)
At 31 December	41.15	72.33	2,280.18	2,445.08
Trade accounts payable				
Associate				
Gold Property Fund	6.43	-	-	-
Short-term loans from related persons	-	116.50	-	116.50

Movements during the year ended 31 December on short-term loans from related persons were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Short-term loans from related persons				
At 1 January	116.50	110.00	116.50	110.00
Increase	-	66.50	-	66.50
Decrease	(116.50)	(60.00)	(116.50)	(60.00)
At 31 December	-	116.50	-	116.50

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	2007	2006	2007	2006
	<i>(in million Baht)</i>			
<i>Current portion of finance lease liabilities</i>				
Associate				
Gold Property Fund	<u>10.47</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Long-term loan from shareholder of subsidiary</i>				
Siam Holdings Limited	<u>269.25</u>	<u>294.87</u>	<u>-</u>	<u>-</u>
<i>Accrued interest expense</i>				
Related party				
Siam Holdings Limited	<u>101.73</u>	<u>85.05</u>	<u>-</u>	<u>-</u>
<i>Accrued expense</i>				
Associate				
Gold Property Fund	<u>32.01</u>	<u>-</u>	<u>-</u>	<u>-</u>
Related party				
Ascott International Management (Thailand) Limited	<u>2.63</u>	<u>4.59</u>	<u>-</u>	<u>-</u>
<i>Long-term loans from related parties</i>				
Subsidiaries				
Narayana Pavilion Co., Ltd.	-	-	262.93	324.98
Golden Property Services Co., Ltd.	-	-	0.04	0.08
Sathorn Thong Co., Ltd.	-	-	0.04	56.22
United Homes Co., Ltd.	-	-	47.85	940.22
Golden Habitation Co., Ltd.	-	-	-	4.95
Golden Land (Mayfair) Co., Ltd.	-	-	101.15	-
Grand Mayfair Co., Ltd.	-	-	0.19	-
North Sathorn Realty Co., Ltd.	-	-	500.10	-
Associates				
Baan Jearanai Co., Ltd.	0.01	-	-	-
North Sathorn Hotel Co., Ltd.	<u>0.02</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>0.03</u>	<u>-</u>	<u>912.30</u>	<u>1,326.45</u>

Movements during the year ended 31 December on long-term loans from related parties were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Long-term loans from related parties				
At 1 January	-	-	1,326.45	646.50
Increase	0.03	-	2,552.03	1,648.78
Decrease	-	-	(2,966.18)	(968.83)
At 31 December	<u>0.03</u>	<u>-</u>	<u>912.30</u>	<u>1,326.45</u>

Golden Land Property Development Public Company Limited and its Subsidiaries
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	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Long-term loans from shareholder of subsidiary				
At 1 January	294.87	334.96	-	-
Increase	-	12.62	-	-
Decrease	(25.62)	(52.71)	-	-
At 31 December	269.25	294.87	-	-
Finance lease liabilities				
Associate				
Gold Property Fund	35.04	-	-	-

Significant agreements with related parties

- (a) On 31 December 2002, the Company and Narayana Pavilion Co., Ltd. entered into a settlement agreement with an associated company under which the associated company agreed to settle loans and accrued interest totalling Baht 35 million with the Company and the subsidiary by transferring ownership of its condominium units. However, the associated company has not yet transferred the ownership of condominium units to the Company and the subsidiary. The Company and subsidiary already set up full provision.
- (b) During 2007, Golden Land (Mayfair) Co., Ltd., a wholly-owned subsidiary of the Company, entered into a lease agreement with Gold Property Fund (the "Fund"), an associated company in which the Company holds 33% of the Fund Units. The agreement provided that the Fund would lease the land and buildings of the Mayfair Marriott Project (the "Project"), a residential project and related business, from the subsidiary for 30 years from 8 May 2007 to 7 May 2037 for a sum of Baht 1,700 million, payable on commencement of the lease, and an additional sum of Baht 258.8 million, also payable on commencement of the lease, in respect of an extension of the lease for an additional 30 years. The leasehold rights were valued by two independent valuers at Baht 2,200 million and Baht 2,351 million. The Fund has, under the terms of the lease, options to purchase the leased assets for Baht 405 million at the completion of the first 30 years of the lease term or Baht 984 million upon completion of the second 30 year term. The subsidiary has given guarantees to the Fund in respect of minimum rental income to be received by the Fund from the Project amounting to Baht 107.25 million for the remainder of 2007 and Baht 163.50 million per annum for the four years of 2008 to 2011 inclusive. The subsidiary has recorded an expense of Baht 169 million for the year ended 31 December 2007 in respect of this guarantee. The subsidiary has mortgaged the leased assets and pledged its 100% shareholding in Grand Mayfair Co., Ltd. to the Fund as collateral for its performance under the agreements. The Company has also given guarantees to the Fund in this respect.

The subsidiary has accounted for the above transaction as a sale of the Mayfair Marriott Project to the Fund for the total consideration received from the Fund and recorded a gain of Baht 1,203 million against the book value of the Project and related expenses. The Group has recorded 67% of this gain in the consolidated statement of income and the remaining 33% has been set off against the carrying value of the Fund in the consolidated balance sheet. This 33% of the gain which has been deferred will only be recognised in the consolidated statement of income upon disposal of the Company's 33% interest in the Fund Units.

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The tax payable on the gain is payable over the term of the lease in accordance with the provisions of the Revenue Code. In accordance with the Group's accounting policy, only the tax payable based on the taxable profit for the year ended 31 December 2007 in accordance with the Revenue Code has been charged to the statement of income for that year. The tax payable in future years on the gain has not been accrued in the financial statements. It is not practicable to estimate the amount of such tax as this will depend on the taxable profit of the subsidiary over the term of the lease and the tax rates enacted over that period.

The subsidiary has entered into another agreement with the Fund to sell furniture and equipment of the Project to the Fund for Baht 56 million. The net book value of the furniture and equipment was Baht 46.65 million.

- (c) During the year, Grand Mayfair Co., Ltd., a wholly-owned subsidiary of Golden Land (Mayfair) Co., Ltd., entered into agreements with Gold Property Fund to sub-lease the land and buildings and furniture and equipment of the Mayfair Marriott Project (See note (b) above) for approximately 16 years from 8 May 2007 to 15 March 2023 unless the Fund exercises its right to renew the agreement for an additional 10 years. The rental payable to the Fund under the agreement comprises a fixed monthly sum of Baht 4 million and a variable monthly sum to be determined based on the operating results of Grand Mayfair Co., Ltd.
- (d) During 2007, the Company entered into a joint venture agreement with a third party to develop the North Sathorn Hotel Project. A joint venture company, North Sathorn Hotel Co., Ltd. ('NSH'), was formed to carry out the Project, in which the Company holds 20% and the third party holds 80% of the equity.

In August 2007, North Sathorn Realty Co., Ltd. ('NSR') sub-leased the Hotel Plot to NSH under two sub-lease agreements. The sub-leases contain the same terms and conditions as the head-leases except that in addition to the annual payments to be made by NSH to NSR as lessor, which are the same amounts as have to be paid under the head-lease by NSR to the Crown Property Bureau, the first sub-lease agreement required NSH to make an Initial Payment of Baht 988.60 million to NSR in consideration of NSR agreeing to sub-lease the land to NSH. The Crown Property Bureau has acknowledged and accepted the conditions of the sub-leases to NSH. The Initial Payment has been received by the subsidiary.

The Group will amortise the income, including the Initial Payment referred to above, and costs relating to the lease and sub-lease over the term of the lease in accordance with its accounting policy for leasehold interests in land.

NSH has paid a consultancy fee to the Company of Baht 50 million in connection with the North Sathorn Hotel Project and has entered into a development management agreement with the Company for a total sum of Baht 75 million under which the Company will provide development management services for the period from October 2007 to June 2011. The construction of the Hotel will be carried out by a third party.

Other commitment

At 31 December 2007, the Company and its subsidiaries had provided guarantees to financial institutions for certain obligations and liabilities of subsidiaries totalling Baht 7,196.02 million (*31 December 2006: Baht 6,122.47 million*). Generally, the guarantees are effective so long as the underlying obligations have not yet been discharged by those subsidiaries. No fee is charged for the provision of these guarantees.

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Others

- (a) As at 31 December 2007, interest on short-term loan from related person was charged at the minimum loan rate but not exceeding 7.75 percent per annum with the first repayment due on 30 November 2007 and the last repayment due on 30 December 2008. However, the Company repaid the short-term loan and interest for the whole amount in the third quarter of 2007.
- (b) On 31 March 2006, the Company and two subsidiaries, North Sathorn Realty Co., Ltd. and United Homes Co., Ltd., entered into agreements to offset inter-company loans as follows:

(in million Baht)

Golden Land Property Development Public Company Limited

Loan to North Sathorn Realty Co., Ltd.	403.75
Loan from North Sathorn Realty Co., Ltd.	(160.00)
Balance loan to North Sathorn Realty Co., Ltd.	243.75

North Sathorn Realty Co., Ltd.

Loan to United Homes Co., Ltd.	241.20
Loan from United Homes Co., Ltd.	(0.02)
Balance loan to United Homes Co., Ltd.	241.18

Offsetting balance

Balance loan to North Sathorn Realty Co., Ltd.	243.75
Balance loan to United Homes Co., Ltd.	(241.18)
Balance loan to North Sathorn Realty Co., Ltd.	2.57

Golden Land Property Development Public Company Limited

Outstanding Balance

Balance loan to North Sathorn Realty Co., Ltd.	2.57
Balance loan to United Homes Co., Ltd.	241.18
	243.75

- (c) During the year 2006, a subsidiary repaid a loan from the Company and a related company by transferring the ownership of 3 condominium units of Baht 29.47 million to another company in return for which the Company received an additional 9% equity interest in the subsidiary previously held by the other company.
- (d) On 22 May 2006, the Investment Committee of Siam Real Estate Fund declared and paid dividend of Baht 2 per unit to unit holders, a total of approximately Baht 17.94 million, of which the Company's share was approximately Baht 10.76 million.

On 30 August 2006, the Investment Committee of Siam Real Estate Fund reduced its registered funds by Baht 12 million. The Company received its 60% share of the said reduction, amounting to Baht 7.2 million.

On 22 January 2007, the Investment Committee of Siam Real Estate Fund declared a dividend of Baht 0.30 per unit to unit holders, a total of approximately Baht 2.24 million, of which the Company's share was approximately Baht 1.35 million; and resolved to reduce its registered funds by Baht 30 million. The Company received its 60% share of the reduction, amounting to Baht 18 million.

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On 21 May 2007, the unitholders of Siam Real Estate Fund resolved to dissolve the Fund on 15 June 2007, and on 7 June 2007 the management company sent a letter notifying the Securities and Exchange Commission of the dissolution of the Fund. The Fund was liquidated on 11 July 2007, and on 18 July 2007, the Fund's liquidator registered the dissolution with the Securities and Exchange Commission. The Company received its share of the proceeds from the Fund dissolution, amounting to Baht 22.77 million.

- (e) On 6 October 2006, the unit holders resolved to dissolve Golden Land Fund Two on 9 October 2006, and on 10 October 2006, the Fund's management company sent a letter notifying the Securities and Exchange Commission of the dissolution of the Fund. The Fund was liquidated on 21 November 2006, and on 12 January 2007, the Fund's liquidator registered the dissolution with the Securities and Exchange Commission.
- (f) In October 2006, Golden Land Fund Two, a subsidiary of the Company, entered into a transfer agreement with the Company under which the Company agreed to pay compensation of Baht 696 million for the lease right to a plot of land at Soi Polo to the Fund. The Company paid in October 2006.

The Company's Board of Directors' meeting held on 18 October 2006 resolved as follows:

- dissolution of the investment in the Golden Land Fund Two;
 - acceptance of the Crown Property Bureau's offer to exchange the lease right for the Soi Polo site with a lease right for a plot of land on Rama IV Road for development in an amount equivalent to its book value total of Baht 696 million; and
 - purchase of the construction design of the Polo project from MSGL Property Company Limited.
- (g) The Company's subsidiary purchased 2 condominium units from Siam Real Estate Fund for the total amount of Baht 20.5 million. Ownership of the condominium units was transferred to the subsidiary in March 2007.
 - (h) At the Board of Directors' Meeting of the Company on 13 November 2006, it was resolved to establish Gold Property Fund (Type 1). It was offered for sale with the total fund size of the project not exceeding Baht 2,060 million divided into 206 million units of Baht 10 each. The fund was offered for sale to the public from 18 April 2007 to 26 April 2007 and received the subscription proceeds in May 2007.
 - (i) The Extraordinary Shareholders' Meeting of S.R.E.F. (Managers) Co., Ltd. held on 28 September 2007 resolved to dissolve the company on 30 September 2007, and on 1 October 2007, the company registered the dissolution with the Ministry of Commerce. The company was liquidated on 20 December 2007.
 - (j) In 2007, the Company entered into service agreements with subsidiary companies to provide services for general administration and management. The Company recorded management fee income amounting to Baht 3.4 million per month.

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5 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Cash on hand	1.30	2.22	0.11	1.89
Call deposits	268.24	198.66	5.76	6.40
Current accounts	6.93	48.34	7.20	0.10
Fixed deposit	-	2.66	-	1.44
Total	<u>276.47</u>	<u>251.88</u>	<u>13.07</u>	<u>9.83</u>

Cash and cash equivalent of the Group as at 31 December 2007 and 2006 were denominated entirely in Thai Baht.

6 Current investments under commitments and deposit at banks under commitments

- (a) As at 31 December 2007, savings accounts of subsidiaries totalling Baht 146.06 million (2006: Baht 589.06 million) comprised escrow accounts opened for the purpose of receiving payments from customers under agreements to purchase and sell land and houses. Withdrawal from escrow accounts is to be made in accordance with the withdrawal conditions stipulated in the escrow agreements.

The subsidiaries have transferred their rights of claim over money in escrow accounts to certain banks to secure loans from those banks.

- (b) As at 31 December 2007, bank deposits of subsidiaries totalling Baht 39.91 million (2006: Company and subsidiaries Baht 50.66 million and Company Baht 4.21 million), were pledged as collateral for bank guarantees obtained from those banks.

7 Trade accounts receivable and unbilled construction work in progress

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Sales with signed agreements	12,713.01	12,013.61	-	-
Total project sales	19,172.18	15,696.60	-	-
Ratio of sales with signed agreements to total project sales (%)	66.31	76.54	-	-

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Trade accounts receivable and unbilled construction work in progress, net as at 31 December 2007 and 2006 consisted of:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Unbilled construction work in progress	1,822.94	1,026.20	-	-
Accounts receivable, real estate	53.85	56.71	18.31	18.31
Rental and service receivable	29.83	29.58	0.02	1.62
Total	1,906.62	1,112.49	18.33	19.93
<i>Less</i> Allowance for doubtful accounts	(41.59)	(43.90)	(18.31)	(19.28)
Net	1,865.03	1,068.59	0.02	0.65
(Reversal) bad debts and doubtful debts expenses for the year	(2.31)	1.42	(0.97)	-

Trade accounts receivable and unbilled construction work in progress, net as at 31 December 2007 and 2006 classified by the ageing of the receivables were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Accounts receivable, real estate				
Over 1 - 3 months	14.59	12.25	-	-
Over 3 - 6 months	0.41	1.67	-	-
Over 6 - 12 months	1.80	2.51	-	-
Over 12 months	37.05	40.28	18.31	18.31
	53.85	56.71	18.31	18.31
Unbilled construction work in progress	1,822.94	1,026.20	-	-
	1,876.79	1,082.91	18.31	18.31
Rental and service receivable				
Over 1 - 3 months	24.94	23.77	0.02	0.65
Over 3 - 6 months	0.34	0.30	-	-
Over 6 - 12 months	0.18	0.10	-	-
Over 12 months	4.37	5.41	-	0.97
	29.83	29.58	0.02	1.62
Total	1,906.62	1,112.49	18.33	19.93
<i>Less</i> Allowance for doubtful accounts	(41.59)	(43.90)	(18.31)	(19.28)
Net	1,865.03	1,068.59	0.02	0.65

The normal credit term of rental and service receivable granted by the Group ranges from 15 days to 30 days.

If the receivable has been in default of payment for more than three months consecutively, the recognition of income ceases immediately and consideration is given to making an allowance for doubtful accounts.

As at 31 December 2007, the Company and subsidiaries had 4 receivables in default of payment for which the recognition of income has ceased totalling Baht 5.03 million (2006:4 receivables totalling Baht 5.72 million).

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Unbilled construction work in progress and unearned income.

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Installments due	13,568.14	12,079.03	322.04	322.04
<i>Less</i> Cash received	<u>(13,514.29)</u>	<u>(12,022.32)</u>	<u>(303.73)</u>	<u>(303.73)</u>
Installment accounts receivable	<u>53.85</u>	<u>56.71</u>	<u>18.31</u>	<u>18.31</u>
Installments due	13,568.14	12,079.03	322.04	322.04
<i>Less</i> Sales recognised to date	<u>(15,255.92)</u>	<u>(12,963.69)</u>	<u>(322.04)</u>	<u>(322.04)</u>
	<u>(1,687.78)</u>	<u>(884.66)</u>	<u>-</u>	<u>-</u>
The balance consisted of:				
Unbilled construction work in progress	1,822.94	1,026.20	-	-
Unearned income	<u>(135.16)</u>	<u>(141.54)</u>	<u>-</u>	<u>-</u>
	<u>1,687.78</u>	<u>884.66</u>	<u>-</u>	<u>-</u>

Trade accounts receivable and unbilled construction work in progress as at 31 December 2007 and 2006 were denominated entirely in Thai Baht.

8 Properties under development for sale - current projects

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Land	1,484.85	1,689.34	-	-
Leasehold land	24.52	33.82	-	-
Land improvement	717.56	702.13	-	-
Construction cost	646.97	595.61	-	-
Capitalised interest	61.61	71.04	-	-
Others	<u>178.59</u>	<u>141.45</u>	<u>-</u>	<u>-</u>
Total	<u>3,114.10</u>	<u>3,233.39</u>	<u>-</u>	<u>-</u>
<i>Less</i> Allowance for project devaluation	<u>(10.00)</u>	<u>(10.00)</u>	<u>-</u>	<u>-</u>
Net	<u>3,104.10</u>	<u>3,223.39</u>	<u>-</u>	<u>-</u>
Finance costs capitalised during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Rates of interest capitalised (per annum)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The subsidiaries have mortgaged land, including present and future structures thereon, with financial institutions to secure their bank loans, bank overdrafts and bank guarantees. In addition, the subsidiaries have transferred the ownership of certain land to the purchaser in accordance with the agreements to purchase and sell. If the purchaser breaches the conditions of the agreements, the purchaser would have to transfer the ownership of the land back to the subsidiaries.

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9 Other current assets

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Refundable VAT	39.33	15.52	-	-
Interest receivable	0.34	-	-	-
Transfer fees receivable from customers	14.53	17.71	-	-
Withholding income tax	107.23	3.66	-	-
Advance to contractors	50.52	96.58	-	-
Others	22.53	22.00	7.66	8.52
Total	234.48	155.47	7.66	8.52

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10 Investments in subsidiaries and associates

Investments in subsidiaries and associates as at 31 December 2007 and 2006 and dividend income from those investments for the years then ended were as follows:

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost method		Equity method		Dividend income	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	(%)		(in million Baht)							
Associates										
1 Baan Jearanai Co., Ltd.	50.00	50.00	20.00	20.00	9.23	9.23	-	-	-	-
2 Siam Real Estate Fund	-	60.00	-	-	-	-	-	39.19	1.35	10.76
3 Gold Property Fund	33.00	-	2,060.00	-	680.00	-	709.18	-	-	-
4 North Sathorn Hotel Co., Ltd.	20.00	-	1,100.00	-	220.00	-	219.81	-	-	-
Total			<u>3,180.00</u>	<u>20.00</u>	<u>909.23</u>	<u>9.23</u>	<u>928.99</u>	<u>39.19</u>	<u>1.35</u>	<u>10.76</u>
<i>Less</i> Unrealised gain from sale of land and building under finance lease							(436.66)	-		
Unrealised consultancy service income							(11.00)	-		
Unrealised rental income							(2.06)	-		
Net investment							<u>479.27</u>	<u>39.19</u>		

Golden Land Property Development Public Company Limited and its Subsidiaries
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	Separate financial statements (Restated)													
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost-net		Market price of listed securities		Dividend income	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Subsidiaries	(%)				(in million Baht)									
1 Baan Chang Estate Co., Ltd.	100.00	100.00	30.00	30.00	30.00	30.00	(30.00)	(30.00)	-	-	-	-	-	-
2 Narayana Pavilion Co., Ltd.	100.00	100.00	475.00	475.00	475.22	475.22	-	-	475.22	475.22	-	-	280.00	-
3 United Homes Co., Ltd.	100.00	100.00	50.00	50.00	50.00	50.00	(11.00)	-	39.00	50.00	-	-	410.00	-
4 Golden Land Developments Co., Ltd.	100.00	100.00	1.00	1.00	1.00	1.00	(0.70)	(0.31)	0.30	0.69	-	-	-	-
5 Golden Land (Mayfair) Co., Ltd. (including of Grand Mayfair Co., Ltd. - 100% holding)	100.00	100.00	11.00	11.00	11.00	11.00	-	(11.00)	11.00	-	-	-	1,100.00	-
6 North Sathorn Realty Co., Ltd.	100.00	100.00	638.60	638.60	549.04	549.04	-	-	549.04	549.04	-	-	-	-
7 Ritz Village Co., Ltd.	100.00	100.00	1.00	1.00	1.00	1.00	-	-	1.00	1.00	-	-	-	-
8 Golden Land Polo Limited (including of MSGL Property Company Limited - 100% holding)	100.00	100.00	1.00	1.00	1.00	1.00	(1.00)	(1.00)	-	-	-	-	-	-
9 Golden Land (Retail) Limited	100.00	100.00	0.10	0.10	0.10	0.10	(0.10)	(0.10)	-	-	-	-	-	-
10 Golden Land (Nichada Thani) Co., Ltd.	100.00	100.00	1.00	1.00	1.00	1.00	(1.00)	(1.00)	-	-	-	-	-	-
11 Grand Paradise Property Co., Ltd.	100.00	100.00	1.00	1.00	1.00	1.00	(1.00)	(1.00)	-	-	-	-	-	-
12 Golden Property Services Co., Ltd.	100.00	100.00	1.00	1.00	1.00	1.00	-	-	1.00	1.00	-	-	-	-
13 Golden Habitation Co., Ltd.	100.00	100.00	5.00	5.00	5.00	5.00	(5.00)	(5.00)	-	-	-	-	-	-
14 Sathorn Thong Co., Ltd.	79.00	79.00	154.00	154.00	121.66	121.66	(121.66)	(121.66)	-	-	-	-	-	-
15 S.R.E.F. (Managers) Co., Ltd. (See note 4 (i))	-	70.00	-	1.00	-	0.70	-	(0.39)	-	0.31	-	-	-	-
16 Sathorn Supsin Co., Ltd.	60.00	60.00	245.00	245.00	130.42	130.42	(130.42)	(130.42)	-	-	-	-	-	-
17 Walker Homes Co., Ltd. (100% holding together with subsidiary)	50.00	50.00	1.00	1.00	0.50	0.50	(0.50)	(0.50)	-	-	-	-	-	-
Associates														
1 Baan Jearnai Co., Ltd.	50.00	50.00	20.00	20.00	9.23	9.23	(9.23)	(9.23)	-	-	-	-	-	-
2 Siam Real Estate Fund (See note 4 (d))	-	60.00	-	-	-	-	-	-	-	-	-	-	1.35	10.76
3 Gold Property Fund	33.00	-	2,060.00	-	680.00	-	(13.60)	-	666.40	-	666.40	-	-	-
4 North Sathorn Hotel Co., Ltd. (See note 4 (d))	20.00	-	1,100.00	-	220.00	-	-	-	220.00	-	-	-	-	-
Total			4,795.70	1,636.70	2,288.17	1,388.87	(325.21)	(311.61)	1,962.96	1,077.26	666.40	-	1,791.35	10.76

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The following summarised financial information on associated companies which have been accounted for using the equity method is not adjusted for the percentage of ownership held by the Group:

	Owner- ship	Total assets	Total liabilities	Total revenues	Net profit/ (loss)
2007	(%)	<i>(million Baht)</i>			
Baan Jearanai Co., Ltd.	50.00	30.20	52.16	49.01	(10.38)
Gold Property Fund	33.00	2,486.36	1.74	111.97	88.43
North Sathorn Hotel Co., Ltd.	20.00	1,105.69	6.64	0.30	(0.95)
Total		3,622.25	60.54	161.28	77.10
2006					
Baan Jearanai Co., Ltd.	50.00	70.08	81.66	-	(0.13)
Siam Real Estate Fund	60.00	75.32	8.89	7.24	3.67
Total		145.40	90.55	7.24	3.54

- (a) In May 2007, the Company invested in Gold Property Fund in the amount of Baht 680 million or 33% of the investment. The Company has pledged the investment unit certificates of the fund to secure bank guarantees from financial institutions.

11 Properties under development for sale

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Land	461.96	468.80	452.32	452.32
Construction cost	58.28	74.33	58.28	58.28
Capitalised interest	31.22	33.31	28.28	28.28
Others	19.52	26.17	19.20	19.20
Total	570.98	602.61	558.08	558.08
<i>Less</i> Allowance for project devaluation	(3.73)	(11.03)	-	-
Net	567.25	591.58	558.08	558.08
Finance costs capitalised during the year	-	-	-	-
Rates of interest capitalised (per annum)	-	-	-	-

The Company has mortgaged most of its land, including present and future structures thereon, to secure bank overdrafts and loans from financial institutions.

12 Land and leasehold land held for development

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Land	1,140.66	1,239.71	313.25	313.25
Land improvement	41.48	10.43	1.66	1.05
Leasehold land (See note 4 (f))	726.50	1,373.66	726.50	711.01
Capitalised interest	50.53	176.24	25.21	20.88
Others	126.84	204.65	113.00	11.47
Total	2,086.01	3,004.69	1,179.62	1,057.66
Finance costs capitalised during the year	4.33	12.03	4.33	-
Rates of interest capitalised (per annum)	6.10 - 7%	-	6.10 - 7%	-

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- (a) During 1996, North Sathorn Realty Co., Ltd. ('NSR'), a subsidiary, entered into a lease agreement with Crown Property Bureau for a plot of land for high-end development. Total expenses incurred by NSR for the acquisition of the lease were Baht 745 million, comprising leasehold costs, related expenses and capitalised interest. These agreements were subsequently renewed and amended in 2002 and 2004 for a lease term ending in October 2038. In January 2007, the NSR and Crown property Bureau agreed to cancel these leases and enter into new lease agreements under which the plot of land was subdivided into two plots, one (the 'Hotel Plot') for a hotel project (the 'North Sathorn Hotel Project') and the other for an office/residential project, and the lease terms were extended to a total period of 33 years and 9 months ending in October 2040, with an option to extend the lease term for an additional 30 years.

During 2007, the Company entered into a joint venture agreement with a third party to develop the North Sathorn Hotel Project and, as described in note 4 (d), NSR sub-leased the Hotel Plot to the joint venture company.

- (b) The Company and its subsidiaries have mortgaged most of their land and leasehold rights to secure loans and overdrafts from financial institutions.
- (c) In January 2008, the Company had placed some collateral land held for development with court.

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13 Properties under development for rent

	Consolidated financial statements						
	Land	Leasehold rights	Buildings and other constructions	Equipment <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Construction in progress	Total
<i>Cost</i>							
At 1 January 2006	735.76	867.47	1,999.21	22.68	313.57	1.54	3,940.23
Additions	-	-	36.78	2.44	9.11	0.21	48.54
Disposals	-	-	-	(0.28)	(0.47)	-	(0.75)
Transfers in (out)	1.28	(543.54)	596.20	7.01	(28.20)	-	32.75
At 31 December 2006 and 1 January 2007	737.04	323.93	2,632.19	31.85	294.01	1.75	4,020.77
Additions	-	-	22.53	2.65	5.71	341.52	372.41
Disposals	(28.25)	-	(801.26)	-	-	-	(829.51)
Transfers in (out)	(1.28)	634.44	15.97	(2.14)	-	187.44	834.43
At 31 December 2007	707.51	958.37	1,869.43	32.36	299.72	530.71	4,398.10
<i>Accumulated depreciation</i>							
At 1 January 2006	-	178.67	199.74	12.72	110.17	-	501.30
Depreciation charge for the year	-	7.12	108.86	5.67	42.64	-	164.29
Disposals	-	-	-	(0.21)	(0.38)	-	(0.59)
Transfers in (out)	-	(158.11)	163.69	2.72	(3.64)	-	4.66
At 31 December 2006 and 1 January 2007	-	27.68	472.29	20.90	148.79	-	669.66
Depreciation charge for the year	-	11.10	81.31	3.72	44.96	-	141.09
Disposals	-	-	(143.04)	-	-	-	(143.04)
Transfers in (out)	-	(13.15)	11.96	(1.38)	-	-	(2.57)
At 31 December 2007	-	25.63	422.52	23.24	193.75	-	665.14

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	Consolidated financial statements						Total
	Land	Leasehold rights	Buildings and other constructions	Equipment <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Construction in progress	
<i>Net book value</i>							
Owned assets	737.04	296.25	2,159.90	10.95	145.22	1.75	3,351.11
Assets under finance leases	-	-	-	-	-	-	-
At 31 December 2006	<u>737.04</u>	<u>296.25</u>	<u>2,159.90</u>	<u>10.95</u>	<u>145.22</u>	<u>1.75</u>	<u>3,351.11</u>
Owned assets	707.51	932.74	1,446.91	9.12	105.97	530.71	3,732.96
Assets under finance leases	-	-	-	-	-	-	-
At 31 December 2007	<u>707.51</u>	<u>932.74</u>	<u>1,446.91</u>	<u>9.12</u>	<u>105.97</u>	<u>530.71</u>	<u>3,732.96</u>

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	Land	Buildings and other constructions	Equipment <i>(in million Baht)</i>	Separate financial statements Furniture, fixtures and office equipment	Construction in progress	Total
Cost						
At 1 January 2006	707.51	147.78	1.90	2.69	1.54	861.42
Additions	-	-	-	-	0.21	0.21
At 31 December 2006 and 1 January 2007	707.51	147.78	1.90	2.69	1.75	861.63
Additions	-	-	0.64	0.02	-	0.66
At 31 December 2007	707.51	147.78	2.54	2.71	1.75	862.29
Accumulated depreciation						
At 1 January 2006	-	77.01	1.88	2.69	-	81.58
Depreciation charge for the year	-	7.39	0.01	-	-	7.40
At 31 December 2006 and 1 January 2007	-	84.40	1.89	2.69	-	88.98
Depreciation charge for the year	-	7.39	0.02	-	-	7.41
At 31 December 2007	-	91.79	1.91	2.69	-	96.39
Net book value						
Owned assets	707.51	63.38	0.01	-	1.75	772.65
Assets under finance leases	-	-	-	-	-	-
At 31 December 2006	707.51	63.38	0.01	-	1.75	772.65
Owned assets	707.51	55.99	0.63	0.02	1.75	765.90
Assets under finance leases	-	-	-	-	-	-
At 31 December 2007	707.51	55.99	0.63	0.02	1.75	765.90

As at 31 December 2007, property development projects for rent at cost of Baht 13.33 million (2006: Baht 13.33 million) in the consolidated financial statements and Baht 4.57 million (2006: Baht 4.57 million) in the separate financial statements were fully depreciated but still in use.

Two subsidiaries had leasehold rights agreements with the Privy Purse Bureau and a foundation for 30 years, from 1 September 1992 to 31 August 2022, and for 50 years, from 5 October 2003 to 4 October 2053.

The Company and its subsidiaries have mortgaged most of their leasehold rights, land and buildings for rent thereon with financial institutions as collateral for the loans from financial institutions to the Company and its subsidiaries (See note 17).

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14 Property, plant and equipment

	Consolidated financial statements								
	Land	Golf course	Buildings and other constructions	Club house	Equipment (in million Baht)	Furniture, fixture and office equipment	Vehicles	Facilities systems	Total
Cost									
At 1 January 2006	70.24	205.13	12.61	40.62	4.64	86.49	19.91	63.18	502.82
Additions	-	-	0.11	-	0.41	5.94	15.22	-	21.68
Disposals	-	-	(0.03)	-	(2.75)	(26.35)	(6.02)	-	(35.15)
Transfers in (out)	-	-	-	-	11.54	(29.92)	-	-	(18.38)
At 31 December 2006 and 1 January 2007	70.24	205.13	12.69	40.62	13.84	36.16	29.11	63.18	470.97
Additions	-	-	-	-	2.37	1.28	5.88	0.59	10.12
Disposals	-	-	-	-	-	(0.34)	(4.55)	-	(4.89)
Transfers in (out)	(12.46)	-	-	-	(0.10)	(0.51)	-	-	(13.07)
At 31 December 2007	57.78	205.13	12.69	40.62	16.11	36.59	30.44	63.77	463.13
Accumulated depreciation									
At 1 January 2006	-	205.09	10.49	16.76	2.65	45.00	15.25	63.16	358.40
Depreciation charge for the year	-	0.04	0.24	2.03	2.56	5.80	4.28	-	14.95
Disposals	-	-	(0.01)	-	(2.13)	(21.37)	(2.53)	-	(26.04)
Transfers in (out)	-	-	-	-	4.68	(8.46)	-	0.02	(3.76)
At 31 December 2006 and 1 January 2007	-	205.13	10.72	18.79	7.76	20.97	17.00	63.18	343.55
Depreciation charge for the year	-	-	0.24	2.03	2.03	4.75	4.00	0.11	13.16
Disposals	-	-	-	-	-	(0.29)	(1.75)	-	(2.04)
Transfers in (out)	-	-	-	-	(0.10)	(0.51)	-	-	(0.61)
At 31 December 2007	-	205.13	10.96	20.82	9.69	24.92	19.25	63.29	354.06
Allowance for property devaluation									
At 1 January 2006	12.46	-	-	-	-	-	-	-	12.46
At 31 December 2006 and 1 January 2007	12.46	-	-	-	-	-	-	-	12.46
Increase (Decrease)	(12.46)	-	-	-	-	-	-	-	(12.46)
At 31 December 2007	-	-	-	-	-	-	-	-	-

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	Consolidated financial statements								Total
	Land	Golf course	Buildings and other constructions	Club house	Equipment <i>(in million Baht)</i>	Furniture, fixture and office equipment	Vehicles	Facilities systems	
<i>Net book value</i>									
Owned assets	57.78	-	1.97	21.83	6.08	15.19	11.35	-	114.20
Assets under finance leases	-	-	-	-	-	-	0.76	-	0.76
At 31 December 2006	57.78	-	1.97	21.83	6.08	15.19	12.11	-	114.96
Owned assets	57.78	-	1.73	19.80	6.38	11.67	11.19	0.48	109.03
Assets under finance leases	-	-	-	-	0.04	-	-	-	0.04
At 31 December 2007	57.78	-	1.73	19.80	6.42	11.67	11.19	0.48	109.07

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	Separate financial statements								Total
	Land	Golf course	Buildings and other constructions	Club house	Equipment (in million Baht)	Furniture, fixture and office equipment	Vehicles	Facilities systems	
Cost									
At 1 January 2006	57.78	205.13	7.90	40.62	4.46	29.79	16.90	63.18	425.76
Additions	-	-	-	-	-	5.31	15.23	-	20.54
Disposals	-	-	-	-	-	(13.34)	(5.58)	-	(18.92)
At 31 December 2006 and 1 January 2007	57.78	205.13	7.90	40.62	4.46	21.76	26.55	63.18	427.38
Additions	-	-	-	-	-	1.20	2.32	0.59	4.11
Disposals	-	-	-	-	-	(0.30)	(4.55)	-	(4.85)
At 31 December 2007	57.78	205.13	7.90	40.62	4.46	22.66	24.32	63.77	426.64
Accumulated depreciation									
At 1 January 2006	-	205.09	7.90	16.76	2.55	21.47	13.88	63.16	330.81
Depreciation charge for the year	-	0.03	-	2.03	0.41	3.50	3.77	-	9.74
Disposals	-	-	-	-	-	(8.98)	(2.08)	-	(11.06)
Transfers in (out)	-	-	-	-	-	(0.02)	-	0.02	-
At 31 December 2006 and 1 January 2007	-	205.12	7.90	18.79	2.96	15.97	15.57	63.18	329.49
Depreciation charge for the year	-	-	-	2.03	0.41	2.54	2.99	0.11	8.08
Disposals	-	-	-	-	-	(0.28)	(1.75)	-	(2.03)
At 31 December 2007	-	205.12	7.90	20.82	3.37	18.23	16.81	63.29	335.54
Net book value									
Owned assets	57.78	0.01	-	21.83	1.50	5.79	10.98	-	97.89
At 31 December 2006	57.78	0.01	-	21.83	1.50	5.79	10.98	-	97.89
Owned assets	57.78	0.01	-	19.80	1.09	4.43	7.51	0.48	91.10
At 31 December 2007	57.78	0.01	-	19.80	1.09	4.43	7.51	0.48	91.10

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As at 31 December 2007, plant and equipment at cost of Baht 296.96 million (2006: Baht 292.20 million) in the consolidated financial statements and Baht 294.69 million (2006: Baht 291.56 million) in the separate financial statements were fully depreciated but still in use.

The Company and subsidiaries have mortgaged most of their land, including structures thereon, to secure loans from financial institutions to the Company and its subsidiaries.

15 Intangible assets

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
<i>Software licenses at cost</i>				
Beginning balance at 1 January	4.85	8.34	4.40	7.94
Addition	1.77	0.07	1.77	0.02
Disposal	-	(3.56)	-	(3.56)
Ending balance at 31 December	6.62	4.85	6.17	4.40
<i>Accumulated amortisation</i>				
Beginning balance at 1 January	3.74	5.29	3.40	5.10
Amortisation for the year	0.47	1.18	0.40	1.03
Disposal	-	(2.73)	-	(2.73)
Ending balance at 31 December	4.21	3.74	3.80	3.40
<i>Net book value at 31 December</i>	2.41	1.11	2.37	1.00

As at 31 December 2007, software licenses at cost of Baht 2.90 million (2006: Baht 2.56 million) in the consolidated financial statements and Baht 2.56 million (2006: Baht 2.56 million) in the separate financial statements were fully amortised but still in use.

16 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Deferred expenses	8.10	4.16	-	4.16
Deposits (See note 21)	31.51	23.79	26.70	20.79
Others, net	4.60	1.92	-	-
Total	44.21	29.87	26.70	24.95

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17 Interest-bearing liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
<i>Current</i>				
Bank overdrafts				
- secured	4.83	73.74	-	46.04
Short-term loans from financial institutions				
- secured	-	76.00	-	76.00
	<u>4.83</u>	<u>149.74</u>	<u>-</u>	<u>122.04</u>
Current portion of long-term loans from financial institutions				
- secured	1,455.11	1,861.19	400.00	300.00
Short-term loans from related persons				
- unsecured	-	116.50	-	116.50
Current portion of debentures				
- secured	308.00	396.00	308.00	396.00
Current portion of finance lease and hire purchase liabilities	10.47	0.76	-	0.76
	<u>1,778.41</u>	<u>2,524.19</u>	<u>708.00</u>	<u>935.30</u>
<i>Non-current</i>				
Long-term loans from financial institutions				
- secured	1,460.31	2,105.56	-	400.00
Long-term loans from related parties				
- unsecured	0.03	-	912.30	1,326.45
Long-term loans from shareholder of subsidiary				
- unsecured	269.25	294.87	-	-
Debentures				
- secured	-	308.00	-	308.00
Finance lease liabilities	35.04	-	-	-
	<u>1,764.63</u>	<u>2,708.43</u>	<u>912.30</u>	<u>2,034.45</u>
Total	<u><u>3,543.04</u></u>	<u><u>5,232.62</u></u>	<u><u>1,620.30</u></u>	<u><u>2,969.75</u></u>

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The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Within one year	1,778.41	2,524.19	708.00	935.30
After one year but within five years	872.35	1,763.56	-	708.00
After five years	623.00	650.00	-	-
At call (See note 17 (b))	269.28	294.87	912.30	1,326.45
Total	<u>3,543.04</u>	<u>5,232.62</u>	<u>1,620.30</u>	<u>2,969.75</u>

- (a) The Company and its subsidiaries' bank overdrafts and short-term loans from financial institutions carry interest at the minimum overdraft rate and minimum loan rate plus/minus a certain percentage per annum, and are due for repayment within one year.
- (b) Long term loans from subsidiaries and shareholder of subsidiary represent at call promissory notes. The Group classified as a non-current liability because the Group will not receive payment within one year.
- (c) The Company and its subsidiaries' long-term loans from financial institutions carry interest at the minimum loan rate plus/minus a certain percentage per annum.

For most of the loans, repayment of principal is generally due whenever a plot of land is redeemed from mortgage, at the rates stipulated in the loan agreements, with the remaining balance to be repaid within a specific timeframe.

The loan agreements contain covenants and restrictions on the Company and its subsidiaries imposed by the lenders, related to such matters as the maintenance of a debt to equity ratio, merger or consolidation with or into any other corporations, investment in securities, share capital reduction or dividend payments, and guarantee of any other person, among others.

- (d) On 20 August 2003, the Company issued Baht 1,100 million of unsubordinated, amortising, 5-year, secured debentures (1.1 million units with a face value of Baht 1,000 each) maturing on 20 August 2008 and bearing interest at a fixed rate of 3.2 percent per annum, payable every quarter. Principal is scheduled for repayment in eleven installments, with ten installments of Baht 99 million each to be paid quarterly, commencing 20 February 2006, and the final installment of Baht 110 million to be paid on 20 August 2008. The conditions of the issuance of the above debentures stipulate certain significant covenants with which the Company must comply throughout the life of the debentures. These relate to matters such as the maintenance of a debt to equity ratio, a ratio of collateral value to total debt outstanding under the debentures, and a dividend payment ratio, among others.

Two commercial banks have given letters of guarantee to the debenture holders as collateral for the debentures secured by pledge of the Company's investment unit certification in Gold Property Fund (See note 10 (a))

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- (e) On 29 April 2005, the Annual General Meeting of the Company's shareholders passed resolutions approving actions by the Company in respect of several matters, with the significant resolutions being approval of the issue and offer of up to Baht 3,000 million of ten-year debentures through a public offering and/or private placements and/or offer to local investors and/or offer to foreign investors. Details and conditions are to be determined at the discretion of the Company's Board of directors. At present, the Company has not yet proceeded.
- (f) The Company and its subsidiaries have mortgaged most of their freehold land, leasehold land and the constructions thereon (both present and future constructions) with financial institutions to secure their overdraft, short-term loan and loans from financial institutions and subsidiaries have transferred their rights to receive money in escrow accounts to certain banks to secure their loans.
- (g) As at 31 December 2007, the Group had unutilised credit facilities totaling Baht 3,186.47 million (2006: Baht 5,071.73 million).

18 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Related party (See note 4)	6.43	-	-	-
Other parties	333.22	372.59	0.47	0.71
Total	339.65	372.59	0.47	0.71

Trade accounts payable of the Group as at 31 December 2007 and 2006 were denominated entirely in Thai Baht.

19 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Deposit received for land	-	15.01	-	-
Accrued interest expenses	1.52	2.93	1.13	2.92
Accrued specific business tax	90.03	75.15	-	-
Accrued expenses for juristic person of projects	83.90	70.42	-	-
Accrued other expenses	115.20	97.25	7.84	12.91
Deposits and advances received from customers	18.02	17.53	-	-
Unearned income (See note 7)	135.16	141.54	-	-
Construction retentions	109.94	74.98	-	-
Current portion of provision for rental guarantee (See note 21)	35.51	-	-	-
Others	44.72	36.55	16.27	14.89
Total	634.00	531.36	25.24	30.72

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20 Deferred income

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
At 1 January	-	-	-	-
Initial payment received (See note 4 (d))	988.60	-	-	-
Amortisation	(10.30)	-	-	-
At 31 December	<u>978.30</u>	<u>-</u>	<u>-</u>	<u>-</u>

21 Provisions

	Consolidated financial statements		
	Litigation claim	Rental guarantee expense	Total
	<i>(in million Baht)</i>		
At 1 January	166.00	-	166.00
Provision made	10.29	-	10.29
At 31 December 2006 and 1 January 2007	<u>176.29</u>	<u>-</u>	<u>176.29</u>
Provision made	31.07	84.09	115.16
At 31 December 2007	<u>207.36</u>	<u>84.09</u>	<u>291.45</u>
At 31 December 2006			
Current	-	-	-
Non-current	176.29	-	176.29
Total	<u>176.29</u>	<u>-</u>	<u>176.29</u>
At 31 December 2007			
Current	-	35.51	35.51
Non-current	207.36	48.58	255.94
Total	<u>207.36</u>	<u>84.09</u>	<u>291.45</u>
	Separate financial statements		
	Litigation claim	Rental guarantee expense	Total
	<i>(in million Baht)</i>		
At 1 January	166.00	-	166.00
Provision made	9.24	-	9.24
At 31 December 2006 and 1 January 2007	<u>175.24</u>	<u>-</u>	<u>175.24</u>
Provision made	31.07	-	31.07
At 31 December 2007	<u>206.31</u>	<u>-</u>	<u>206.31</u>
At 31 December 2006			
Current	-	-	-
Non-current	175.24	-	175.24
Total	<u>175.24</u>	<u>-</u>	<u>175.24</u>
At 31 December 2007			
Current	-	-	-
Non-current	206.31	-	206.31
Total	<u>206.31</u>	<u>-</u>	<u>206.31</u>

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As at 31 December 2007, the following significant litigation had been filed against the Company and its subsidiaries :

- (a) The House Committee on Consumer Protection filed lawsuits against the Company and a related company, seeking the return of deposits received of Baht 130.59 million on the grounds that the Company and the related company advertised and invited the public to purchase condominium units in a project of the related company, as a result of which the related company received deposits from customers, but the related company was not able to construct the condominium units and transfer ownership to the customers.
- For cases with claims totalling Baht 0.34 million, the cases are being heard by the court of first instance;
 - For cases with claims totalling Baht 34.32 million, the cases are being heard by the appeals court; and
 - For cases with claims totalling Baht 95.93 million, the appeals court judged that the Company is jointly liable for payment, together with interest at the rate of 7.5 percent per annum calculated from the latest date that project customers made payment in some cases and from the date that the customers filed suit with the courts in other cases until such time all the outstandings have been paid, confirming the decision of the court of first instance. The Company has petitioned against the decisions of the appeals court and the lawsuits are currently being heard by the Supreme Court.
- (b) The customers of a related company have filed lawsuits against the Company and the related company, suing for compensation of Baht 14.39 million on the grounds that they paid deposits for buildings in a project of the related company but the related company was not able to construct and transfer the condominiums to them.

The court of first instance judged that the Company is jointly liable for payment, together with interest at the rate of 7.5 percent per annum calculated from the latest date that project customers made payment in some cases and from the date that the customers filed suit with the courts in other cases until such time all the outstandings have been paid. The Company has appealed against the decisions of the court of first instance and the lawsuits are currently being heard by the appeals court.

The Company has made provision for liabilities set out in Notes 21(a) and 21 (b) based on the sales value plus interest at the rate of 7.5 percent per annum totalling Baht 206.31 million (2006: 175.24 million Baht). As at 31 December 2007, the Company had placed a collateral deposit of Baht 26.70 million (2006: Baht 20.40 million) with the court, which is included in deposits (See note 16).

22 Other non-current liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Interest payable (See note 4)	101.73	85.05	-	-
Rental deposits	9.50	-	-	-
Others	7.83	9.00	1.60	1.52
Total	119.06	94.05	1.60	1.52

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23 Share capital

	<i>Par value (in Baht)</i>	2007		2006	
		Number <i>(in million shares)</i>	Baht <i>(in million Baht)</i>	Number	Baht
Authorised					
At 1 January	10.00	708.78	7,087.82	708.78	7,087.82
Reduction in share capital	10.00	-	-	(76.30)	(763.00)
Creation of new shares	10.00	-	-	76.30	763.00
At 31 December	10.00	<u>708.78</u>	<u>7,087.82</u>	<u>708.78</u>	<u>7,087.82</u>
Issued and fully paid					
At 1 January	10.00	630.08	6,300.82	630.08	6,300.82
At 31 December	10.00	<u>630.08</u>	<u>6,300.82</u>	<u>630.08</u>	<u>6,300.82</u>

At the Extraordinary Shareholders' Meeting of the Company held on 21 December 2006 and the Board of Directors' Meeting held on 13 November 2006, it was resolved to:

- Decrease the registered capital of the Company from Baht 7,087.82 million to Baht 6,324.82 million by cancelling 76.30 million shares registered unissued shares at par value of Baht 10 each, amounting to Baht 763 million, remaining in the ordinary shares for warrants given to staff as per the minutes of the Annual General Meeting Shareholders No. 9/2002. Shares satisfy the exercise of 2.40 million outstanding warrants to acquire shares, which are valid until 20 January 2008.
- Retain 2.40 million shares of Baht 10 each, amounting to Baht 24 million, to satisfy the exercise of Baht 2.40 million outstanding warrants to acquire shares, which are valid until 20 January 2008.
- Increase the registered capital of the Company from Baht 6,324.82 million to Baht 7,087.82 million by issuing Baht 76.30 million new ordinary shares at a par value of 10 each, totaling Baht 763 million, Baht 47.25 million of which are reserved to provide for the exercise of rights under warrants to purchase ordinary shares of the Company distributed to directors of the Company.

24 Warrants

The balance of unexercised warrants as at 31 December 2007 was as follows:

Warrants unexercised 1 January 2007	Units		Warrants unexercised at 31 December 2007	Exercise by Cash or Debt/ Equity Conversion	Expiry date
	Warrants issued	Warrants cancelled			
	<i>(in million units)</i>			<i>(Baht/share)</i>	
(a) 2.40	-	(0.40)	2.00	10	20 January 2008
(b) 47.25	-	(15.75)	31.50	10	5 years after issuance date
<u>49.65</u>			<u>33.50</u>		

- The Company issued 28.18 million units of warrants, to staff of the Company free of charge. These warrants mature in 2008 and have an exercise price of Baht 10, with one warrant entitling the holder to purchase one ordinary share in the Company.

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- (b) At the Extraordinary Shareholders' Meeting of the Company held on 21 December 2006 and the Board of Directors' Meeting held on 13 November 2006, it was resolved to:
- Issue and offer 47.25 million units of warrants to purchase the Company's ordinary shares to directors of the Company (ESOP).
 - Allocate warrants to the Company's directors who are eligible for warrants exceeding 5% of the total ESOP.
 - Allot 47.25 million new ordinary shares at par value of Baht 10 each in the Company to reserve for the exercise of warrants offered to the Company's directors and approve to allot 29.05 million new ordinary shares by private placement. The offering price, subscription period, conditions and other details of the private placement allotment are to be determined by the Board of Directors.

25 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.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 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.

26 Segment information

Segment information is presented in respect of the Group's business segments based on the Group's 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.

The Group comprises the following main business segments:

<i>Segment 1</i>	Real estate business
<i>Segment 2</i>	Rental and service business
<i>Segment 3</i>	Golf course business

Geographic segments

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

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Business segment results

	Real estate business		Rental and service business		Golf course business		Others		Eliminations		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>											
Revenue	2,388.77	3,162.40	541.51	484.66	24.83	22.40	-	-	(134.24)	(34.62)	2,820.87	3,634.84
Cost of sales	1,594.33	2,017.13	356.82	319.18	5.30	5.65	-	-	(88.13)	-	1,868.32	2,341.96
Gross profit	794.44	1,145.27	184.69	165.48	19.53	16.75	-	-	(46.11)	(34.62)	952.55	1,292.88
Gain from sales of land and building under finance lease											797.76	-
Interest income											24.93	13.60
Other income											83.39	27.84
Share of gain (loss) from investments accounted for using the equity method											31.69	(8.17)
Selling and administrative expenses											(658.64)	(630.08)
Loss on disposal investment of investment in subsidiaries and property fund											(0.70)	(0.75)
Directors' remuneration											(0.59)	(0.49)
Provision for litigation											<u>(31.07)</u>	<u>(10.29)</u>
Profit before interest and income tax expenses											1,199.32	684.54
Interest expense											(272.10)	(319.60)
Income tax expense											<u>(139.68)</u>	<u>(118.73)</u>
Profit after interest and income tax expenses											787.54	246.21
Net loss of minority interest											<u>36.60</u>	<u>24.92</u>
Net profit											<u>824.14</u>	<u>271.13</u>

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Business segment financial position

	Real estate business		Rental and service business		Golf course business		Others		Eliminations		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	<i>(in million Baht)</i>											
Properties under development for rent and property, plant and equipment	7.51	3.40	3,904.15	3,364.74	91.10	97.90	-	0.03	(160.73)	-	3,842.03	3,466.07
Other assets											8,956.02	9,118.44
Total assets											<u>12,798.05</u>	<u>12,584.51</u>
Interest-bearing liabilities	5,510.64	7,556.19	3,566.03	4,801.05	-	-	-	225.88	(5,533.63)	(7,350.50)	3,543.04	5,232.62
Other liabilities											2,541.52	1,426.45
Total liabilities											<u>6,084.56</u>	<u>6,659.07</u>

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27 Other income

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Consultancy service income (See note 4)	44.00	-	55.00	-
Share of gain from property fund dissolution	0.22	-	22.77	-
Others	39.16	27.84	31.07	19.11
Total	83.38	27.84	108.84	19.11

28 Selling and administrative expenses

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Personnel expenses	156.18	143.14	138.67	122.13
Marketing expenses	82.83	21.16	0.72	1.08
Ownership transferring expenses	81.32	137.79	-	-
Property tax	25.35	32.48	0.27	-
Depreciation	13.97	17.56	8.49	10.74
Management fee expense	37.41	64.88	0.44	-
Provision for loans to related parties	5.99	3.16	49.36	44.34
Others	255.59	209.90	69.54	43.15
Total	658.64	630.07	267.49	221.44

29 Directors' remuneration

Directors' remuneration represents benefit paid to the Company's directors in accordance with Section 90 of the Public Limited Company Act, exclusive of salaries and related benefits payable to executive directors.

30 Personnel expenses

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Wages and salaries	160.67	148.51	126.06	104.72
Contribution to defined contribution plans	3.07	1.91	2.30	1.40
Other	4.06	29.08	10.31	16.01
Total	167.80	179.50	138.67	122.13
	<i>(number of employees)</i>			
Number of employees as at 31 December	422	392	200	164

The defined contribution plans comprise provident funds established by companies in the Group for their employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at 3% of their basic salaries and by the Group at 3% 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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31 Interest expense

	Consolidated financial statements		Separate financial statements	
	2007	2006	2007	2006
	<i>(in million Baht)</i>			
Interest expense:				
- related parties, related persons and director	21.49	26.77	30.24	9.34
- financial institutions	257.54	304.87	65.20	94.77
- others	0.05	-	-	-
	279.08	331.64	95.44	104.11
Capitalised as cost of properties under development for sale - current projects	-	-	-	-
Capitalised as cost of properties under development for sale	-	-	-	-
Capitalised as cost of land and leasehold land held for development	(4.33)	(12.03)	(4.33)	-
Capitalised as cost of properties under development for rent	(2.64)	-	-	-
Net	272.11	319.61	91.11	104.11

32 Income tax expense

The income tax charge as the Company's profit for the year ended 31 December 2007 is lower than the amount determined at the statutory tax rate because the dividend income from the subsidiaries is not subject to corporate income tax.

Income tax reduction

Royal Decree No. 387 B.E. 2544 dated 5 September 2001 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300 million for the five consecutive accounting periods beginning on or after enactment. The Company has, accordingly, calculated income tax on the portion of its taxable profit for the year ended 2006 not exceeding Baht 300 million at the 25% corporate income tax rate.

33 Basic earnings per share

The calculation of basic earnings per share in the consolidated and separate financial statements for the year ended 31 December 2007 was based on the consolidated and separate net profit attributable to ordinary shareholders of Baht 824.14 million and Baht 1,729.41 million, respectively, (2006: Baht 271.13 million and Baht 37.04 million, respectively) and the number of shares outstanding during the year of 630.08 million shares (2006: 630.08 million shares).

34 Changes in accounting policy

The following change of accounting policy by the Company has no effect on the consolidated financial statements of the Group.

Until 31 December 2006, the Company accounted for its investments in subsidiary companies, jointly controlled entities and associates in its financial statements using the equity method.

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During 2007, the FAP issued the following revised TAS which are effective for accounting periods beginning on or after 1 January 2007:

TAS 44 (revised 2007) *Consolidated and Separate Financial Statements*

TAS 45 (revised 2007) *Investments in Associates*

These revised TAS require a parent company which has an investment in a subsidiary company, an entity under joint control, or an associate company, which is not classified as a “held for sale” investment, to record such investment in accordance with either the cost method or with the recognition and measurement basis for financial instruments (when a TAS on financial instruments is issued and becomes effective), instead of the equity method currently used.

Starting from 1 January 2007, the Company has, accordingly, changed its accounting policy for its investments in subsidiary companies and associate companies in its financial statements from the equity method to the cost method. The change in accounting policy has been applied retrospectively and the Company’s 2006 financial statements, which are included in the Company’s 2007 financial statements for comparative purposes, have been restated accordingly. The effects of the change in accounting policy on the Company’s annual 2007 and 2006 financial statements are as follows:

	Separate financial statements	
	2007	2006
	<i>(in million Baht)</i>	
<i>Investments in subsidiaries and associates</i>		
Balance at January before change in accounting policy	2,078.06	2,469.98
Decrease in retained earnings	(1,000.80)	(719.07)
Balance at 1 January after change in accounting policy	<u>1,077.26</u>	<u>1,750.91</u>
<i>Excess loss over cost of investment in subsidiaries</i>		
Balance at January before change in accounting policy	(85.67)	(38.03)
Decrease in retained earnings	85.67	38.03
Balance at 1 January after change in accounting policy	<u>-</u>	<u>-</u>
<i>Retained earnings</i>		
Balance at January before change in accounting policy	121.60	(143.13)
Decrease in share of profits from investments accounted for using the equity method, net	(915.13)	(681.04)
Balance at 1 January after change in accounting policy	<u>(793.53)</u>	<u>(824.17)</u>
<i>Net profit</i>		
Net profit for the year before change in accounting policy	824.14	271.13
Increase in dividend income from subsidiaries and associates	1,791.35	10.76
Return of capital in excess of cost of investment in property fund	40.77	7.20
Reversal of dividend received from property fund	-	(11.80)
Decrease in share of profits from investments accounted for using the equity method, net	(926.85)	(240.25)
Net increase (decrease)	<u>905.27</u>	<u>(234.09)</u>
Net profit for the year after change in accounting policy	<u>1,729.41</u>	<u>37.04</u>
Increase (decrease) in earnings per share (Baht)	<u>1.43</u>	<u>(0.37)</u>

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35 Financial instruments

Financial risk management and policies

The Company and its subsidiaries are exposed to risks from changes in market interest rates and in currency exchange rates, and from non-performance of contractual obligations by counterparties. The Company and its subsidiaries do not use derivative instruments to manage such risks. They do not hold or issue derivative instruments for speculative or trading purposes.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's and its subsidiaries' operations and their cash flows. The Company's and its subsidiaries' exposure to interest rate risk relates primarily to its deposits with financial institutions, bank overdrafts, loans and debentures. The Company and its subsidiaries do not use derivative financial instruments to hedge such risk.

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable and debt securities mature or reprice were as follows:

		Consolidated financial statements					
		Effective interest rates (% per annum)	At call	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		<i>(in million Baht)</i>					
2007							
Non-current							
	Loans receivable - Related parties	-	-	-	-	-	-
	Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2006							
Non-current							
	Loans receivable - Related parties	-	37.17	-	-	-	37.17
	Total		<u>37.17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37.17</u>
		Separate financial statements					
		Effective interest rates (% per annum)	At call	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		<i>(in million Baht)</i>					
2007							
Non-current							
	Loans receivable - Related parties	5.51% - 5.97%	1,933.28	-	-	-	1,933.28
	Total		<u>1,933.28</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,933.28</u>
2006							
Non-current							
	Loans receivable - Related parties	4.64% - 5.8%	2,129.19	-	-	-	2,129.19
	Total		<u>2,129.19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,129.19</u>

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The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or reprice were as follows:

	Effective interest rates (% per annum)	At call	Consolidated financial statements			Total
			Within 1 year	After 1 year but within 5 years	After 5 years	
<i>(in million Baht)</i>						
2007						
Current						
Bank overdrafts and short-term loans from financial institutions	MOR	-	4.83	-	-	4.83
Current portion of long-term loans from financial institutions	MLR -1.65% - MLR + 0.5%	-	1,455.11	-	-	1,455.11
Short-term loans from related persons	-	-	-	-	-	-
Current portion of debentures	3.20%	-	308.00	-	-	308.00
Current portion of finance lease and hire purchase liabilities	-	-	10.47	-	-	10.47
Non-current						
Long-term loans from financial institutions	MLR-1.65%- MLR+0.5%	-	-	837.31	623.00	1,460.31
Long-term loans from related parties	-	0.03	-	-	-	0.03
Long-term loans from shareholder of subsidiary	MLR	269.25	-	-	-	269.25
Debentures	-	-	-	-	-	-
Finance lease liabilities	-	-	-	35.04	-	35.04
Total		269.28	1,778.41	872.35	623.00	3,543.04
2006						
Current						
Bank overdrafts and short-term loans from financial institutions	MOR	-	149.74	-	-	149.74
Current portion of long-term loans from financial institutions	MLR-1.65%- MLR+0.5%	-	1,861.19	-	-	1,861.19
Short-term loans from related persons	MLR	-	116.50	-	-	116.50
Current portion of debentures	3.20%	-	396.00	-	-	396.00
Current portion of finance lease and hire purchase liabilities	-	-	0.76	-	-	0.76
Non-current						
Long-term loans from financial institutions	MLR-1.65%- MLR+0.5%	-	-	1,455.56	650.00	2,105.56
Long-term loans from shareholder of subsidiary	-	294.87	-	-	-	294.87
Debentures	3.20%	-	-	308.00	-	308.00
Finance lease liabilities	-	-	-	-	-	-
Total		294.87	2,524.19	1,763.56	650.00	5,232.62

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	Effective Interest rates (% per annum)	At call	Separate financial statements			Total
			Within 1 year	After 1 year but within 5 years	After 5 years	
<i>(in million Baht)</i>						
2007						
Current						
Bank overdrafts and short-term loans from financial institutions	-	-	-	-	-	-
Current portion of long-term loans from financial institutions	MLR+0.50%	-	400.00	-	-	400.00
Short-term loans from related persons	-	-	-	-	-	-
Current portion of debentures	3.20%	-	308.00	-	-	308.00
Current portion of finance lease and hire purchase liabilities	-	-	-	-	-	-
Non-current						
Long-term loans from financial institutions	-	-	-	-	-	-
Long-term loans from related parties	-	912.30	-	-	-	912.30
Debentures	-	-	-	-	-	-
Finance lease liabilities	-	-	-	-	-	-
Total		912.30	708.00	-	-	1,620.30
2006						
Current						
Bank overdrafts and short-term loans from financial institutions	MOR, MLR-0.75%	-	122.04	-	-	122.04
Current portion of long-term loans from financial institutions	MLR+0.50%	-	300.00	-	-	300.00
Short-term loans from related persons	MLR	-	116.50	-	-	116.50
Current portion of debentures	3.20%	-	396.00	-	-	396.00
Current portion of finance lease and hire purchase liabilities	-	-	0.76	-	-	0.76
Non-current						
Long-term loans from financial institutions	MLR+0.50%	-	-	400.00	-	400.00
Long-term loans from related parties	-	1,326.45	-	-	-	1,326.45
Debentures	3.20%	-	-	308.00	-	308.00
Finance lease liabilities	-	-	-	-	-	-
Total		1,326.45	935.30	708.00	-	2,969.75

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Foreign currency risk

As at 31 December 2007 and 2006, the Company and its subsidiaries have no assets/liabilities denominated in foreign currency.

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 a non-going 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. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Fair value

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.

Since the majority of the Company's and subsidiaries' financial assets are short-term and the loans and secured debentures carry interest at rates close to current market rate (except for certain interest-free loans to associated companies), the management believes that the fair values of the Company's and subsidiaries' financial assets and liabilities (except for certain interest-free loans to associated companies) do not materially differ from their carrying values.

36 Commitments

As at 31 December, the Company and its subsidiaries had the following outstanding commitments:

- (a) The Company had outstanding commitments of Baht 52.14 million in respect of the uncalled portion of share capital in its investment in a subsidiary (*31 December 2006: Baht 52.14 million*).
- (b) As at 31 December 2007, the Company and its subsidiaries had outstanding bank guarantees of Baht 494.35 million in the consolidated financial statements and Baht 318.13 million in the separate financial statements (*2006: Baht 226.20 million and Baht 4.21 million respectively*), which were issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds required in the normal course of business. The Company has provided guarantees to financial institutions in respect of guarantees given by subsidiaries.
- (c) As at 31 December 2007, the subsidiaries had outstanding commitments of Baht 912.71 million (*2006: Baht 1,668.80 million*) with respect to design and construction contracts. Furthermore, the subsidiaries had outstanding capital commitments of Baht 287.87 million, USD 0.85 million, and SGD 3,000 (*2006: Baht 39.02 million, USD 0.85 million, and SGD 3,000*) with respect to design and construction contracts.

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- (d) A subsidiary has an agreement with a foundation to lease land on which to develop a residential building for rent, for a period of 50 years commencing 5 October 2003. Future rental payments under these lease agreements are as follows:

Payment due	2007	2006
	<i>(in million Baht)</i>	
Within one year	8.86	8.68
After one year but within five years	15.82	20.63
After five years	230.12	234.17
Total	254.80	263.48

At the end of the lease period, the lessor agreed to extend the lease period for another 11 years with future rental commitments of Baht 94.4 million.

- (e) A subsidiary has an agreement with the Privy Purse Bureau to lease land on which to develop an office building for rent for a period of 30 years commencing 1 September 1992. Future rental payments under these lease agreements are as follows:

Payment due	2007	2006
	<i>(in million Baht)</i>	
Within one year	2.54	2.42
After one year but within five years	11.48	10.93
After five years	38.98	42.07
Total	53.00	55.42

- (f) A subsidiary has 4 lease agreements with the Crown Property Bureau to lease land for the development of office and/or residential buildings for a period of 33 years and 9 months ending October 2040. Future minimum rental payments under these lease agreements are as follows:

Payment due	2007	2006
	<i>(in million Baht)</i>	
Within one year	49.30	68.25
After one year but within five years	198.60	197.90
After five years	1,350.00	1,300.00
Total	1,597.90	1,566.15

The lessor has granted the subsidiary the option to renew these lease agreements for an additional 30 years term under the conditions, covenants and with the rental fees as stipulated in the agreements.

- (g) The Company has lease agreements with the Crown Property Bureau to lease land for the development of a building for rent for a period of 33 years ending October 2039. Future minimum rental payments under these lease agreements are as follows:

Payment due	2007	2006
	<i>(in million Baht)</i>	
Within one year	16.00	15.50
After one year but within five years	69.00	67.00
After five year	642.39	660.39
Total	727.39	742.89

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The Company has the option to renew these lease agreements for an additional 30 years term, under the conditions, covenants and with the rental fees as stipulated in the agreements.

- (h) Two subsidiaries have management and royalty agreements with two companies, for management of serviced apartment projects of the subsidiaries and trademarks. The agreements are for a 20 year period, with options to extend for further periods of ten years. The subsidiaries are to pay various fees at a percentage of the gross revenues and/or net operating profits of the projects, as stated in the agreements.

In May 2007, the Company and a subsidiary, Golden Land (Mayfair) Co., Ltd., entered into an assignment and assumption agreement with a group of companies that provide residential service project management to the subsidiary, for its transfer of the said right to Grand Mayfair Co., Ltd.

37 Contingent liabilities

The Company, a subsidiary and a related company are engaged in litigation as a result of agreements and compensation claims by customer project “complainants” in the amount of Baht 4.47 million. One case is currently pending hearing by the appeal court. The other case is ongoing and the result has not been decided. As at 31 December 2007, the outcome of these cases is uncertain and the Company and the said subsidiary company have not recognised any related expense in the statement of income.

38 Thai Accounting Standards (TAS) not yet adopted

The Group has not adopted the following TAS that have been issued as of the balance sheet date but are not yet effective. These TAS will become effective for financial periods beginning on or after 1 January 2008.

TAS 25 (revised 2007)	<i>Cash Flows Statements</i>
TAS 29 (revised 2007)	<i>Leases</i>
TAS 31 (revised 2007)	<i>Inventories</i>
TAS 33 (revised 2007)	<i>Borrowing Costs</i>
TAS 35 (revised 2007)	<i>Presentation of Financial Statements</i>
TAS 39 (revised 2007)	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
TAS 41 (revised 2007)	<i>Interim Financial Reporting</i>
TAS 51	<i>Intangible Assets</i>

The adoption and initial application of these TAS is not expected to have any material impact on the consolidated or separate financial statements.

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39 Events after balance sheets date

At the Board of Directors' Meeting on 25 February 2008, it was resolved to

- a) pay dividend to shareholders for the operation from 1 January 2007 to 31 December 2007 at Baht 0.05 per share, totalling Baht 31.50 million. The dividend payment will be made on 28 May 2008.
- b) increase on investments in the Company's subsidiaries as follows:
 - Purchasing their new issuing shares of United Homes Co., Ltd. which will increase the registered fully paid up capital from Baht 50 million to Baht 100 million, divided into 10 million shares at a par value of Baht 10 each. After purchasing new issuing shares of United Homes Co., Ltd, the Company will hold 100% of the total shares in United Homes Co., Ltd.
 - Purchasing their new issuing shares of Ritz Village Co., Ltd. which will increase the registered fully paid up capital from Baht 1 million to Baht 100 million, divided into 10 million shares at a par value of Baht 10 each. After purchasing new issuing shares of Ritz Village Co., Ltd, the Company will hold 100% of the total shares in Ritz Village Co., Ltd.

40 Reclassification of accounts

Certain accounts in the 2006 financial statements have been reclassified to conform to the presentation in the 2007 financial statements.