RAMA IX ART MUSEUM FOUNDATION

Financial Statements

Year ended December 31, 2009

Deloitte.

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REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS
RAMA IX ART MUSEUM FOUNDATION

We have audited the balance sheets of Rama IX Art Museum Foundation as at December 31, 2009 and 2008 and the related statements of income and expenditure and changes in funds' equity for the years then ended. These financial statements are the responsibility of the Foundation's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of Rama IX Art Museum Foundation as at December 31, 2009 and 2008 and the income and expenditure for the years then ended in conformity with generally accepted accounting principles.

T. K. Krishanmra

Thaveekiarti Krishanmra
Certified Public Accountant (Thailand)
Registration No. 104
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
April 1, 2010

RAMA IX ART MUSEUM FOUNDATION

BALANCE SHEETS

AS AT DECEMBER 31, 2009 AND 2008

	Notes	2009	2008
			BAHT
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		848,189	289,402
Temporary investments	5	15,750,778	17,329,761
Supplies	6	558,145	563,002
Other current assets		156,090	171,877
Total Current Assets		17,313,202	18,354,042
NON-CURRENT ASSETS			
Building and equipment - net	7	427,378	674,750
Software - net	8	21,680	33,493
Art collection		19,088,153	18,808,153
Total Non-Current Assets		19,537,211	19,516,396
TOTAL ASSETS		36,850,413	37,870,438
LIABILITIES AND FUND'S EQUITY			
CURRENT LIABILITIES			
Accrued expenses		85,566	92,041
Foundation income tax payable		-	25,458
Total Current Liabilities		85,566	117,499
TOTAL LIABILITIES		85,566	117,499
FUND'S EQUITY			
Initial capital fund from donation		200,000	200,000
Additional funds from donation		1,027,600	1,027,600
Accumulated excess of income over expenditure		35,537,247	36,525,339
Total Fund's Equity		36,764,847	37,752,939
TOTAL LIABILITIES AND FUND'S EQUITY		36,850,413	37,870,438

Notes to the financial statements form an integral part of these statements

RAMA IX ART MUSEUM FOUNDATION

STATEMENTS OF INCOME AND EXPENDITURE

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

		BAHT
	2009	**2008**
INCOME		
Donation income	2,788,548	195,539
Donated artworks	280,000	653,000
Interest income	2,370	2,609
Investment income	579,199	1,094,346
Total Income	3,650,117	1,945,494
EXPENDITURE		
Personnel expenses	2,664,692	3,103,736
Rental fee	623,161	498,181
Professional fees	70,000	70,000
Depreciation and amortization	264,085	287,758
Miscellaneous expenses	958,114	430,356
60 years anniversary project expenses	-	720,000
Foundation income tax	58,157	109,696
Total Expenditure	4,638,209	5,219,727
INCOME UNDER EXPENDITURE	(988,092)	(3,274,233)

Notes to the financial statements form an integral part of these statements

RAMA IX ART MUSEUM FOUNDATION

STATEMENTS OF CHANGES IN FUNDS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

BAHT

	Capital Fund From Donation		Accumulated excess of income over expenditure	Total Fund's Equity
	Initial capital Fund	Additional Fund		
Beginning balance as at January 1, 2008	200,000	1,027,600	39,799,572	41,027,172
Income under expenditure	-	-	(3,274,233)	(3,274,233)
Ending balance as at December 31, 2008	200,000	1,027,600	36,525,339	37,752,939
Beginning balance as at January 1, 2009	200,000	1,027,600	36,525,339	37,752,939
Income under expenditure	-	-	(988,092)	(988,092)
Ending balance as at December 31, 2009	200,000	1,027,600	35,537,247	36,764,847

Notes to the financial statements form an integral part of these statements

RAMA IX ART MUSEUM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

1. OBJECTIVES OF THE FOUNDATION

Office of the National Culture Commission approved the setup of the Rama IX Art Museum Foundation ("the Foundation") on August 15, 1996. The registration for the setup of the Foundation was completed on October 4, 1996, with the following objectives:

1.1 To manage the Project of Art Exhibition in the honor of His Majesty King Bhumibol Adulyadej, the Supreme Artist, in Art and Culture, commemoration of the 50^{th} anniversary of His Majesty The King's accession to the throne.

1.2 To be responsible to fund raising in order to build up and manage a modern art museum to be named in the honor of His Majesty The King.

1.3 To support and develop knowledge of art. To collect and promote Thai artworks in the country and throughout the other countries around the world.

1.4 To promote and support the attitude to preserve the Thai contemporary art.

1.5 To organize a quality art publishing house concentrating in conventional publications and electronic educational aids for further understanding of Thai contemporary arts and to support and develop artistical knowledge.

1.6 To organize with other non-profit organization, education institution, art activities and others which have its same objectives in order to stimulate more grants and funding for public and young artists.

1.7 To encourage government organization, private organization, partnership, local and international company and international cultural collaborations in order to support objectives of the foundation.

2. FUNDING POLICIES

The Foundation was established with the initial funds of Baht 200,000. The Foundation may raise additional funds as follows:.

2.1 Funds provided by Governmental organizations or state enterprises, or others in the country.

2.2 Funds or properties donated by charitable persons or organizations in the country or abroad.

2.3 Fund or properties bequeathed under a will or other juristic acts, provided that there are no conditions obligating the Foundation to any liabilities or whatsoever.

2.4 Interest and dividends arising from funds and the property which constitute the assets of the Foundation.

2.5 Contributions from the usage of the property or facilities of the Foundation, or services provided by the Foundation with free of charge.

2.6 Other income from the Foundation's activities.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Foundation maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with accounting standards and practices generally accepted in Thailand.

The financial statements of the Foundation are prepared in compliance with the Department of Business Development regarding "The Brief Particulars in the Financial statements B.E. 2552" dated January 30, 2009, which are effective for financial periods beginning on or after January 1, 2009, onwards. The financial statements for the year ended December 31, 2008, presented herein for comparison, have been reclassify accordingly.

According to the Federation of Accounting Professions' Notification No. 21/2550 regarding "Exemption of Accounting Standards", the Foundation elected to adopt the exemption by not applying Thai Accounting Standard No. 7 (Revised 2007) "Cash Flow Statement" (previously No. 25), No. 24 (Revised 2007) "Related Party Disclosures" (previously No. 47) and No. 32 "Financial Instruments : Disclosure and Presentation" (previously No. 48).

The Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai accounting standards to be equivalent to the International Accounting Standards. Therefore, the reference Accounting Standards in these financial statements have used the new numbers to be in accordance with such Notification.

The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 86/2551 dated November 12, 2008 regarding the following accounting standards that were announced in the Royal Gazette which become effective for the financial period on or after January 1, 2009 and has no material impact to the Foundation's financial statements.

Accounting Standard / Thai Financial Reporting Standard (TFRS)		Effective date
TAS 36 (Revised 2007)	Impairment of Assets	January 1, 2009
TFRS 5 (Revised 2007)	Non-current Assets Held-for-Sale and Discontinued Operations (previously TAS 54)	January 1, 2009

The Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 16/2552 dated May 21, 2009 regarding the following new and revised accounting standards that have been announced in the Royal Gazette, but not yet in effective in 2009.

Accounting Standards		Effective Date
Accounting Framework (Revised 2007)		January 1, 2011
No. 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
No. 24 (Revised 2007)	Related Party Disclosures (previously No. 47)	January 1, 2011
No. 40	Investment Property	January 1, 2011

The Foundation's management has assessed the impact of these accounting standards, when they are effective, for financial periods of initial application and does not expect them to have a material effect on the Foundation's financial statements.

The financial statements have been prepared under the historical cost convention except as disclosed the significant accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Income and expenditure recognition

Income and expenditure are recognized on an accrual basis, except for income from donation, which is recognized on cash basis.

4.2 Temporary investments

Temporary investments are carried at fair value. Changes in fair value of investment are recognized in the statement of income.

In case an impairment in value of an investment has occurred, a provision for impairment is recognized in the statements of income and a related allowance for impairment is established.

4.3 Supplies

Supplies are stated at cost which is calculated on an average basis.

4.4 Building, equipment and intangible assets

Building and equipment is stated at cost less accumulated depreciation.

Intangible asset which is software is stated at cost less accumulated amortization.

Depreciation and amortization is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Office equipment	5 years
Software	5 years
Building Improvement	3 years

For office equipment, which was transferred from the Golden Jubilee Art Celebration, depreciation is calculated by the straight-line method, based on its remaining useful life.

4.5 Art collection

The artworks transferred from the Golden Jubilee Art Celebration as well as donated by artists, are estimated their value by individual artists.

4.6 Use of accounting estimates

The preparation of financial statements in conformity with generally accepted accounting principles also requires the Foundation's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

5. TEMPORARY INVESTMENTS

As at December 31, 2009 and 2008, the unrealized gains on investments in short-term fixed income fund and opened-end fund are as follows:

	2009			2008		
	Cost	**Gross Unrealized Gain**	**Net Asset Value**	**Cost**	**Gross Unrealized Gain**	**Net Asset Value**
	Baht	**Baht**	**Baht**	**Baht**	**Baht**	**Baht**
Short-term fixed income fund and opened-end fund	12,300,000	3,450,778	15,750,778	14,400,000	2,929,761	17,329,761
Total	12,300,000	3,450,778	15,750,778	14,400,000	2,929,761	17,329,761

6. SUPPLIES

Supplies as at December 31, 2009 and 2008, consist of the following:

	2009 Baht	**2008 Baht**
Art in the Reign of Rama IX Books and art catalogues	545,753	549,858
CD Project 6 Decade	12,392	13,144
	558,145	563,002

Supplies will be given to donors who provide the Foundation with financial support.

7. BUILDING AND EQUIPMENT - NET

Building and equipment - net as at December 31, 2009 and 2008, consists of the following:

December 31, 2009

	Balance December 31, 2008 Baht	Additions Baht	Write-off Baht	Balance December 31, 2009 Baht
Cost:				
Office equipment	1,476,840	4,900	-	1,481,740
Building improvement	130,594	-	-	130,594
Total cost	1,607,434	4,900	-	1,612,334
Accumulated depreciation:				
Office equipment	(905,730)	(226,153)	-	(1,131,883)
Building improvement	(26,954)	(26,119)	-	(53,073)
Total accumulated depreciation	(932,684)	(252,272)	-	(1,184,956)
Building and Equipment - net	674,750			427,378

December 31, 2008

	Balance December 31, 2007 Baht	Additions Baht	Write-off Baht	Balance December 31, 2008 Baht
Cost:				
Office equipment	1,407,687	69,153	-	1,476,840
Building improvement	-	130,594	-	130,594
Total cost	1,407,687	199,747	-	1,607,434
Accumulated depreciation:				
Office equipment	(656,739)	(248,991)	-	(905,730)
Building improvement	-	(26,954)	-	(26,954)
Total accumulated depreciation	(656,739)	(275,945)	-	(932,684)
Building and Equipment - net	750,948			674,750

Depreciation for the years		
2009	**Baht**	252,272
2008	**Baht**	275,945

8. SOFTWARE - NET

Software - net as at December 31, 2009 and 2008, consists of the following:

December 31, 2009

	Balance as at December 31, 2008 Baht	Additions Baht	Disposals Baht	Balance as at December 31, 2009 Baht
Software	59,068	-	-	59,068
Less Accumulated amortization	(25,575)	(11,813)	-	(37,388)
Software - net	33,493			21,680

December 31, 2008

	Balance as at December 31, 2007 Baht	Additions Baht	Disposals Baht	Balance as at December 31, 2008 Baht
Software	59,068	-	-	59,068
Less Accumulated amortization	(13,761)	(11,814)	-	(25,575)
Software - net	45,307			33,493

Amortization for the years

2009	Baht	11,813
2008	Baht	11,814

9. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the authorized director of the Foundation on April 1, 2010.