

**ASSOCIATION OF KANNADA KOOTAS OF AMERICA, INC.
2006 WORLD KANNADA CONFERENCE**

**Statement of Cash Receipts and Disbursements
With Independent Auditor's Report**

For the Period from July 1, 2005 to January 29, 2007

ASSOCIATION OF KANNADA KOOTAS OF AMERICA, INC.
2006 WORLD KANNADA CONFERENCE
For the period July 1, 2005 to January 29, 2007

Table of Contents

	<u>Pages</u>
Independent Auditor's Report	1
Statement of Cash Receipts and Disbursements	2
Notes to the Statement of Cash Receipts and Disbursements	3-4

Agnelo G. Gonsalves, CPA

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INDEPENDENT AUDITOR'S REPORT

To the Finance Committee
2006 World Kannada Conference
Association of Kannada Kootas of America, Inc.
Frederick, Maryland 21703

I have audited the accompanying statement of cash receipts and disbursements of the Association of Kannada Kootas of America, Inc.'s (a non-profit organization) 2006 World Kannada Conference for the period from July 1, 2005 to January 29, 2007. This statement is the responsibility of the Finance Committee of the Conference. My responsibility is to express an opinion on this statement based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement of cash receipts and disbursements is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements. An audit also includes assessing the accounting principles used and significant estimates made by the Finance Committee of the Conference, as well as evaluating the overall presentation of the statement of cash receipts and disbursements. I believe that my audit provides a reasonable basis for my opinion.

This statement has been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In my opinion, the statement referred to in the first paragraph present fairly, in all material respects, the cash receipts and disbursements of the Association of Kannada Kootas of America, Inc.'s 2006 World Conference for the period from July 1, 2005 to January 29, 2007, on the basis of accounting described above.



Agnelo G. Gonsalves, CPA
Rockville, Maryland
January 31, 2007

ASSOCIATION OF KANNADA KOOTAS OF AMERICA, INC.
2006 WORLD KANNADA CONFERENCE
Statement of Cash Receipts and Disbursements
For the Period from July 1, 2005 to January 29, 2007

Receipts		
Donations and sponsors	\$ 269,063.00	
Registration	577,640.51	
Advertisements	70,768.00	
Exhibit booths	65,813.27	
Business forums	60,000.00	
Interest income	5,450.62	
Total receipts		\$ 1,048,735.40
Disbursements		
Facility, audio and video	337,971.76	
Registration	30,726.83	
Marketing and media publicity	14,583.90	
Administration	13,479.93	
Publications	32,720.31	
Decorations	1,066.70	
Hospitality	74,778.69	
Food	233,847.62	
Reception	12,961.84	
Gifts and awards	15,167.66	
Program	55,689.62	
Professional fees	1,564.00	
Insurance and security	21,815.40	
Funds advanced (see Note B)	15,000.00	
Total disbursements		861,374.26
Excess of receipts over disbursements		\$ 187,361.14
Cash, at the beginning of the period		-
Cash, at the end of the period		\$ 187,361.14

The accompanying notes are an integral part of this statement

ASSOCIATION OF KANNADA KOOTAS OF AMERICA, INC.
2006 WORLD KANNADA CONFERENCE
Notes to the Statement of Cash Receipts and Disbursements
For the period July 1, 2005 to January 29, 2007

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations

The Association of Kannada Kootas of America, Inc. ("AKKA") is a non-profit Educational, Linguistic and Cultural Organization incorporated in the State of Florida. AKKA's primary objective is to integrate, coordinate, network and unite the activities of all Kannadigas and Kannada Kootas for the promotion and preservation of the Kannada (a widely recognized and native language in the State of Karnataka, India) language and culture in North America. The 2006 World Kannada Conference ("Conference") was held in Baltimore, Maryland from September 1, 2006 to September 3, 2006.

Basis of Accounting

The accompanying statement of cash receipts and disbursements has been prepared on the cash receipts and disbursement basis of accounting. Under this basis of accounting, the receipts are recognized when collected and expenditures are recognized when paid. The statement referred to herein, covers only the transactions reflected in the Conference's bank checking account, money market account and merchant account established and maintained in the United States of America for the specific purpose of banking the Conference's receipts and disbursements; and does not include any other activities of the organization as a whole nor does it include any future receipts or disbursement that may be received or become payable after the report date.

Donated services

A number of volunteers have donated significant amounts of their time to the Conference assisting the organization in planning and development, fund-raising campaign, program services; and management and administration services. No amounts are reflected in the accompanying statement of cash receipts and disbursements for the donated services since no objective basis exist to measure the value of such services.

ASSOCIATION OF KANNADA KOOTAS OF AMERICA, INC.
2006 WORLD KANNADA CONFERENCE
Notes to the Statement of Cash Receipts and Disbursements
For the period July 1, 2005 to January 29, 2007

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

The organization (AKKA) is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income taxes have been provided for in the accompanying statement of receipts and disbursements.

NOTE B - RECEIPTS AND DISBURSEMENTS OUTSIDE OF THE UNITED STATES

In order to facilitate the outreach of the fund raising, planning, development and organizing activities of the Conference, the organization had made an arrangement with a Volunteer group in Bangalore, India to operate a bank account for the specific purpose of banking Conference's receipts and disbursements. To this effect, an amount of \$15,000 was disbursed from the US bank account, as referred to in Note A above, to the deposit of the foreign bank account held in Indian Rupees in Bangalore, India. The statement of receipts and payments (in Indian Rupees) related to the Conference's transactions in India was separately audited by B.S. Reddy & Co., Chartered Accountants from Bangalore, India who issued their report on January 23, 2007. The report by B.S. Reddy & Co and the statement of receipts and payments in Indian Rupees covered by the report of B.S. Reddy & Co is included as Supplementary Information for reference purposes only and has not been reviewed or audit by me and do not form part of the Conference's statement of cash receipts and disbursements.

NOTE C - CONFERENCE ORGANIZING AND SHARING OF EXCESS OF RECEIPTS OVER DISBURSEMENTS

The Conference was organized by AKKA in collaboration with another Maryland based organization, namely Kaveri Association. As part of the organizing memorandum of understanding between AKKA and Kaveri Association the excess of receipts over disbursements from the Conference are shared equally by the two organizations; and the excess of disbursements over receipts from the Conference is the sole responsibility of AKKA. Accordingly, one half of the excess of receipts over disbursements is payable to Kaveri Association.

SUPPLEMENTARY INFORMATION

B.S. Reddy & Co.

CHARTERED ACCOUNTANTS

37, 2nd Floor, South End Road
Basavanagudi, Bangalore - 560 004
Ph : 26764009, Mobile - 9448462247

AUDITORS REPORT

To the Finance Committee of
ASSOCIATION OF KANNADA KOOTAS OF AMERICA

We have audited the attached Receipts & Payments account of Association of Kannada Kootas of America 2006 World Conference Bangalore bank account for the period 31.05.2006 to 22.01.2007. This statement is the responsibility of the Committee of the Conference. Our responsibility is to express opinion on this statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 Committee of the Conference, as well as evaluating the overall presentation of the statement of receipts & payments account. We believe that our audit provides a reasonable basis for our opinion.

This Statement is prepared on the cash System of accounting generally followed in India for Association of Persons, Trusts, Body of Individuals etc. In our Opinion and according to the information & explanations given to us, the Statement of receipts & payments account annexed hereto reflects a true and fair position of the Association's affairs for the period mentioned above.

Place : Bangalore

Date : 23.01.2007

For B. S. REDDY & CO.,
CHARTERED ACCOUNTANTS



B.SAHADEVA REDDY
PARTNER

ASSOCIATION OF KANNADA KOOTAS OF AMERICA
WORLD KANNADA CONFERENCE 2006

Statement of Receipts and Payments
from 31.05.2006 to 22.01.2007

Particulars	Amount (Rs.)
<u>RECEIPTS</u>	
Registration charges	20,130.00
Donations	470,000.00
Booth Collections	211,012.50
Advertisement Charges	176,469.00
Refund from Excelsoir travels	110,000.00
Capital fund (wire transfer)	691,279.00
Booth rent	46,000.00
Total receipts (A)	1,724,890.50
<u>PAYMENTS</u>	
Bank charges	25.00
Computer maintenance(Ink Cartridges)	14,352.00
Commission	142,749.00
Mobile currency charges	3,306.00
Petrol Charges	8,000.00
Stationery	715.00
Printing of Souvenirs, cards & posters	554,611.00
Packing & shipping of Souvenirs, Bags, Books etc.	240,000.00
Stage decorations, Banners etc.	88,000.00
CA - Professional charges	15,000.00
Photographer charges, CD for inaguration	117,500.00
Booth Refunds	211,012.52
Miscellaneous expenses	7,153.00
Air Fare & Visa expenses	92,714.00
Honorarium	139,500.00
Service charges for Kadambari contests	31,920.00
Total Payments (B)	1,666,557.52
Balance (A - B)	58,332.98
Cash at Bank as at 22.01.2007	58,332.98

Place: Bangalore
Date : 23.01.2007

For B S Reddy & Co.
Chartered Accountants


B. Sahadeva Reddy
Partner.

Bank Reconciliation Statement as on 22.01.2007

Particulars	Amount (Rs.)
Balance as per Receipts & Payments account	58,332.98
Add: Cheque issued but not encashed by the party Ch. No. 609036 - Sheela Sridhar dt: 12.12.2006	11,250.00
Balance as per Bank Statement	69,582.98

Place: Bangalore
Date : 23.01.2007

For B S Reddy & Co.
Chartered Accountants


B. Sahadeva Reddy
Partner.