



FINANCIAL STATEMENTS OF COFFEE BOARD POOL FUND

For the Period from 01-01-2006 to 31-03-2007

(2005-06 & 2006-07)

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AUDIT CERTIFICATE

I have audited the attached Balance Sheet of Coffee Board, Pool Fund, Bangalore as at 31 March 2007 and the Income and Expenditure Account for the fifteen month (1.1.2006 to 31.3.2007) period ended on that date. Preparation of these financial statements is the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted my audit in accordance with applicable rules and the auditing standards generally accepted in India. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Based on our audit, I report that:

1. I have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit
2. Subject to the observations in the Audit Report annexed herewith, I report that the Balance Sheet and Income and Expenditure Account dealt with by this report are properly drawn up and are in agreement with the books of accounts.
3. In my opinion and to the best of my information and according to the explanations given to me:
 - (i) the accounts give the information required under the prescribed format of accounts,
 - (ii) the said Balance Sheet, Income and Expenditure Account read together with the Notes thereon and subject to the matters mentioned in the Audit Report annexed herewith, give a true and fair view:
 - a. In so far as it relates to the Balance Sheet of the state of affairs of the Coffee Board, Pool Fund, Bangalore as at 31 March 2007, and
 - b. In so far as it relates to the Income and Expenditure Account of the surplus for the fifteen month period ended on that date.

Sd/-
Pr. Accountant General (C&CA)
Karnataka

Place: Bangalore
Date: 02 November 2007

RE-REVISED

POOL FUND ACCOUNT FOR THE SEASON 2007**BALANCE SHEET AS ON 31.03.2007 (Period from 1.1.2006 to 31.3.2007)**

CAPITAL FUND AND LIABILITIES	Sche dule	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
Corpus / Capital Fund	1	262450876.00	228914718.00
Reserves and Surplus			
Earmarked / Endowment Funds			
Secured Loans and Borrowings	2	47463444.00	47463444.00
Deferred Credit Liabilities			
Current Liabilities and Provisions.	3	171670683.00	171694301.00
Total		481585003.00	448072463.00
ASSETS			
Fixed Assets	4	13237144.00	13635401.00
Closing Stock			
Investment - Others	5	405000000.00	375977243.00
Current Assets, Loans, Advances etc.,	6	63347859.00	58459819.00
Miscellaneous Expenditure (to the extent not written off or adjusted)			
Total		481585003.00	448072463.00
Significant Accounting Policies			
Contingent Liabilities and Notes on Account			

Sd/-
Dy. Director (Accounts)
Coffee Board : Bangalore

Sd/-
Director of Finance
Coffee Board : Bangalore

POOL FUND ACCOUNT FOR THE SEASON 2007

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007

Schedule No. 1 :: Corpus / Capital Fund

Sl. No.	PARTICULARS	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Balance as at the beginning of the year 2005-06	228914718.00	205345556.00
	Add / Less :		
2.	Balance of Net Income / Expenditure transferred from the Income & Expenditure	33536158.00	23569162.00
	Total :	262450876.00	228914718.00
	Balance as the year end	262450876.00	228914718.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007

Schedule No. 2 :: Secured Loans and Borrowings :: (a) Prohibitory Order Suspense

Sl. No.	PARTICULARS	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Prohibitory Order Suspense	361400.00	361400.00
	Sales Suspense	47102044.00	47102044.00
	Total	47463444.00	47463444.00

Annexure to the above schedule - Prohibitory Order Suspense Account :

Sl. No.	YEAR	Debit	Credit
1	1981-82	1433113.70	2362889.17
2	1982-83	279984.73	0.00
3	1983-84	155372.73	0.00
4	1984-85	1611144.45	320056.79
5	1985-86	14836.00	281429.55
6	1986-87	1886377.87	4163476.47
7	1987-88	1006757.45	0.00
8	1988-89	347049.42	0.00
9	1989-90	1193273.15	3833121.35
10	1990-91	6842228.67	5478573.28
11	1991-92	2287176.07	1204380.36
12	1992-93	354606.94	735373.50
13	1993-94	515946.72	288530.23
14	1994-95	474764.01	100609.90
15	1995-96	4408.50	0.00
	Total	18407040.41	18768440.60
	Nett Amount		361400.19
	Rounded off to the nearest rupee		361400.00

Annexure to the schedule II. Suspense Account, Sales Suspense

Sl. No.	YEAR	Debit	Credit
1	1979-80	0.00	21261.66
2	1980-81	0.00	153743.25
3	1981-82	0.00	282551.67
4	1982-83	0.00	867.67
5	1983-84	0.00	270779.87
6	1984-85	0.00	207231.86
7	1985-86	0.00	436.35
8	1986-87	76891.9	12753.13
9	1987-88	74299.68	27356.95
10	1988-89	2491.1	34081866.50
11	1989-90	68606169.68	71984319.25
12	1990-91	5157585.53	6750306.22
13	1991-92	6552287.2	9493244.42
14	1992-93	5767320.08	4021790.71
15	1993-94	528078.91	6537437.40
16	1994-95	528821.51	253485.67
17	1995-96	41333.43	248563.25
18	1996-97	0.00	89326.74
19	1997-98	0.00	0.00
20	1998-99	0.00	0.00
	Total	87335279.02	134437322.57
	Net Balance		47102043.55
	Rounded off to the nearest rupee		47102044.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007

Schedule No. 3 :: Current Liabilities and Provisions

Sl. No.	PARTICULARS	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Purchase Tax	163785427.00	163785427.00
2	Sales Tax Suspense	7885256.00	7885256.00
3.	E.M.D.		3910.00
4.	Security Deposit		19708.00
	Total	171670683.00	171694301.00

Annexure to the Schedule - 3 :: Purchase Tax, Sales Tax Suspense

Sl. No.	PARTICULARS		Amount
1(a)	Sales Tax Suspense :-		
	Karnataka State	329924.65	
	Tamilnadu	1128073.06	
	Andhrapradesh	1405277.03	
	Maharashtra	1408187.60	
	New Delhi	262829.16	
	Kerala State	3350964.47	7885255.97
		Rounded off to	7885256.00
1(b)	Purchase Tax :-		
		1989-90	10517107.69
		1990-91	47982892.31
		1991-92	4100000.00
		1992-93	66370939.74
		1993-94	34814487.72
		Rounded off to	163785427.00
	Total :		171670683.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31.03.2007 :: ASSETS

SCHEDULE NO. 4 :: FIXED ASSETS

(Revised)

Sl. No.	Name of Assets	Gross Bal. as on 31.12.2005	Deletion During 06-07	Additions During 06-07	Total value as on 31.03.2007	Depreciation as on 31.3.2007	Net value as on 31.3.2007
I.	Buidlings					2% for 15 months	
1	LIG / EWS at Hassan	225612.00	0.00	0.00	225612.00	5640.00	219972.00
2	Coffee Court, Bangalore	2358425.00	0.00	0.00	2358425.00	58961.00	2299464.00
3	Guest House, Bangalore	5933325.00	0.00	0.00	5933325.00	148333.00	5784992.00
4	ICD, Bhopal	107880.00	0.00	0.00	107880.00	2697.00	105183.00
5	No 11 Kailash Colony, New Delhi	1963178.00	0.00	0.00	1963178.00	49079.00	1914099.00
6	No. 11, Kilpauk, Chennai.	1961045.00	0.00	0.00	1961045.00	49026.00	1912019.00
7	University campus, Mysore	512209.00	0.00	0.00	512209.00	12805.00	499404.00
						10% for 15 Months	
II.	Vehicle, KA-04 P-1	103293.00	0.00	0.00	103293.00	12912.00	90381.00
III.	Office Equipment	327353.00	0.00	0.00	327353.00	40919.00	286434.00
IV.	Furniture	143081.00	0.00	0.00	143081.00	17885.00	125196.00
	Total	13635401.00	0.00	0.00	13635401.00	398257.00	13237144.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS**Schedule No. 5 :: Investment**

(All in Rs.)

Sl. No.	PARTICULARS	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Canara Bank, Infantry Road Branch, Bangalore	405000000.00	-
2.	Other Bank		375977243.00
Total		405000000.00	375977243.00

SCHEDULE NO. 6 :: CURRENT ASSETS, LOANS, ADVANCES ETC.

(All in Rs.)

Sl. No.	PARTICULARS	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	50% Deceed Amount with the Court	3861894.00	3861894.00
2	Advance with CPWD, Bhopal	30000.00	30000.00
3	Advance with General Fund	37160528.00	37160528.00
4	Advance with Pool Agents	66906.00	66906.00
5	Balance of C.E.D. in P.L. A/c	16537.00	16537.00
6	Deposit in Trail Court	430223.00	430223.00
7	Due from Promotion Department	8620997.00	8620997.00
8	Pending Court Cases	8272734.00	8272734.00
9	Current Assets	4888040.00	0.00
Total -A		63347859.00	58459819.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS

Annexure to the schedule No. 6 (Sl. No.2) :: Advance with CPWD, Bhopal

Sl. No.	PARTICULARS	Amount
1	Advance with CPWD, Bhopal	30000.00
	Total	30000.00

Annexure to the schedule No. 6 (Sl. No. 4) :: Advance with Pool Agent.

Sl. No.	PARTICULARS	Amount
1	M/s. MCPCS, Mysore	66906.00
	Total	66906.00

Annexure to the Schedule No. 6 (Sl. No.5) :: Balance of C.E.D. in P.L. A/c

Sl. No.	NAME OF THE POOL AGENT/DEPOSIT	Debit
1	M/s. Joseph Coffee Curing Works, Pattiveeranpatti	499.59
2	Justin Lianord Coffee Curing Works, Pattiveeranpatti	500.00
3	Chamundi Curing Works, Mysore	0.00
4	Rahmania Coffee Curing Works, Mettupalayam	499.87
5	Warehouse, Cochin & Mangalore	84.75
6	ACMO, Mangalore	87.30
7	CED on raw coffee supplied for manufacturing of Instant Coffee	15365.15
	Total	17036.66
	Net Balance	

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS

Annexure to the schedule No. 6 (Sl. No. 3) :: Advance with General Fund

Sl. No.	NAME OF SECTION	Date	Receipt	Payment
1	Secretariat Accouns	26.11.1996		8500000.00
2	Secretariat Accounts	21.01.1997		17310528.25
3	Secretariat Accounts	20.02.1997		15850000.00
4	Pension Section	13.07.1998		1800000.00
5	Promotion Accounts	13.07.1998		1200000.00
6	Secretariat Accounts	13.07.1998		700000.00
7	Development Accounts	13.07.1998		100000.00
8	Project Accounts	13.07.1998		800000.00
9	Extension Accounts	13.07.1998		2300000.00
10	Research Accounts	13.07.1998		1100000.00
11	Pension Section	23.04.1999		10000000.00
12	Non-Plan Accounts	18.07.1999	13700000.00	23700000.00
13	Non-Plan Accounts	22.03.2000	10000000.00	-
14	Non-Plan Accounts	24.04.2000	3700000.00	
15	Secretariar Accounts/Non-Plan	25.03.2000	700000.00	
16	Promotion Accounts	25.03.2000	1200000.00	
17	Non-Plan Accounts Mkt.	25.03.2000	400000.00	
18	Pension Section	26.04.2000	1800000.00	
19	Non-Plan Accounts	31.05.2000		5000000.00
20	Non-Plan Accounts	30.06.2000	9000000.00	
21	Non-Plan Accounts	14.06.2000		4000000.00
22	Non-Plan Accounts	10.07.2000	7500000.00	7500000.00
23	Non-Plan Accounts	04.09.2000		2000000.00
24	Non-Plan Accounts	29.12.2000	2000000.00	
25	Plan Fund Accounts	30.03.2001	3900000.00	
26	Plan Fund Accounts	04.04.2001	800000.00	
27	Non-Plan Accounts	19.02.2003	10000000.00	
	Total		64700000.00	101860528.25
	Total Amount Paid from 1996 to 2001	101860528.25		
	Amount Received	64700000.00		
	Balance yet to be received	37160528.25	Rounded off to :	37160528.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS

Annexure to the schedule No. 6 (Sl. No.7) :: Due from Promotion Department

Sl. No.	PARTICULARS	Amount
1	Due from Promotion Department (Supply of Raw Coffee)	8620997.00
	Total	8620997.00

Annexure to the schedule No. 6 (Sl. No.1 & 6) :: Deposit with the Court

Sl. No.	PARTICULARS	Amount
1	City Civil Court, Bangalore (50% decreed amount)	3861894.00
2	City Civil Court, Bangalore (Court Cost)	430223.00
	Total	4292117.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS

Detail to Annexure to the schedule No. 6 (Sl. No. 7) :: Due from Promotion Department

Sl.No.	JE. No.	Season	Amount		Remarks
			Debit	Credit	
1	47	1995-96		9000.00	Provision made towards amount payable to promotion department towards 50% of pay & allowance and amount adjusted from sundry debtors out of the provision made i.e. (6112718.04 - 6103718.04 = 9000.00)
2	48	1995-96		11500000.00	Provision made towards amount payable to promotion department towards 50% of pay & allowance for the year 1996 as per note of ADP accounts.
3	49	1995-96	19857447.00		Amount due from promotion dept. towards supply of raw coffee during 1994-95
		1997-98	272550.00		1500 kg of arabica cherry AB transferred by DM(A) Bangalore during 98 vide memo No.1 dated 21.01.1998 at Rs. 9085.00 per 50 kgs.
		Total	20129997.00	11509000.00	
		Net Balance		8620997.00	

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-3-2007 :: ASSETS

Annexure to the schedule No. 6 (Sl. No.8) :: Pending Court Cases

Sl. No.	JE. No.	Season	Name of Pool Agent	Amount		Remarks
				Debit	Credit	
1	17	1990-91	Rehamaniya Coffee Curing Works. Mettupalyam		513654.28	Part Amount of Rs. 761554.31 - JE 130 of 1990-91 season D.F. Note dt 10.05.1990 1275 Kg. AEP Coffee and Shortage.
2	17	1990-91	Rehamaniya Coffee Curing Works. Mettupalyam		25155.75	Note Sheet of Vigilance Officer
3	33	1989-90	Rehamaniya Coffee Curing Works. Mettupalyam	8698580.60		SRC 1995-96 Clearance of Pool Advance
4	41	1989-90	Rehamaniya Coffee Curing Works. Mettupalyam		300090.20	Pool Advance suspense cell.
			Total :	8698580.60	838900.23	
5	21	1989-90	L.R. Rangier & Sons Calicut		289074.66	J.E. No. 146, 1989-90. Amount with held from the bills of L.R. Rangier & sons. As per D.F. Note of 10.05.1990.
6	31	1995-96	L.R. Rangier & Sons Calicut	49815.48		The Board has paid Rs. 44115.00 towards Central Excise duty on 88230.250 Kgs of Shortages of Coffe at L.R.R. & Sons, Calicut, Amount to be recovered as per letter no. GL/CED/96/1174 Dt. : 20.09.1996. address to Mr. Bhaskar Menon, Advocate, Cochin

Sl. No.	JE. No.	Season	Name of Pool Agent	Amount		Remarks
				Debit	Credit	
7	33	1989-90	L.R. Rangier & Sons Calicut	653625.15		SRC 1995-96 clearance of pool advance
8	41	1987-88	L.R. Rangier & Sons		1312.00	Pool advance suspense cell
			Total :	703440.63	290386.66	
			Grand Total :	9402021.23	1129286.89	

Net Rs. 8272734.34 Rounded off to 8272734.00

Schedules forming part of Balance Sheet as at 31.03.2007 :: Assets
Schedule No. 7 :: Interest Earned

Sl.No.	Name of the Bank	(All in Rs.)	Rate of Interest	Period	No. of Days	Net Amount
1.	Canara Bank, Infantry Road Br, Bangalore	405000000.00	11.25	14.03.2007 to 31.03.2007	18	2246917.00
	Total	405000000.00				2246917.00

RE-REVISED

POOL FUND ACCOUNT FOR THE SEASON 2007
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.3.2007
(PERIOD FROM 1.1.2006 TO 31.3.2007)

Sl. No.	INCOME	Schedule Number	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Income from Sales / Services			
2	Grants / Subsidies			
3	Fees / Subscriptions			
4	Income from Investments			
5	Income from Roylty, Publication etc.			
6	Interest Earned	7	34209393.00	24672487.00
7	Other Income	8	388104.00	142903.00
8.	Increase / (decrease) in stock of Finihsed goods and work-in-progress			
	Total (A)		34597497.00	24815390.00
	EXPENDITURE			
1	Establishment Expenses			
2	Administrative Expenses			
3	Other Administrative Expenses	9	663082.00	928897.00
4	Other Recoveries and remittances (Plan-IEBR)			
5	Depreciation (Net total at the end - Corresponding to Schedule No. 4		398257.00	317331.00
	Total (B)		1061339.00	1246228.00
	Balance being excess of expenditure Over Income (B-A)			
	Transfer to / from General Reserve			
	Balance being surplus carried to Corpus / Capital Fund		33536158.00	23569162.00
	Contingent Liabilities and Notes on Accounts :			

Sd/-
For Dy. Director (Accounts)
Coffee Board : Bangalore

Sd/-
Director of Finance
Coffee Board : Bangalore

**SCHEDULES FORMING PART OF INCOME AND EXPENDITURE FOR THE
YEAR ENDED 31.3.2007 :: INCOME**

SCHEDULE NO. : 7 :: INTERST EARNED

Sl. No.		Schedule Number	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Interest on investments		34209393.00	24672487.00
Total :			34209393.00	24672487.00

SCHEDULE NO. : 8 :: OTHER INCOME

Sl. No.			Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Rent / Water / Electricity		67731.00	51475.00
2	Vigilance Recovery		320373.00	0.00
3	Price Stabilisation Fund			91428.00
Total :			388104.00	142903.00

SCHEDULE NO. : 9 :: OTHER ADMINISTRATIVE EXPENSES

Sl. No.		Schedule Number	Current Period 01-01-2006 to 31-03-07	Previous Year 01-01-05 to 31-12-05
1	Depreciation		398257.00	317331.00
Total			398257.00	317331.00
1	Ex-gratia		209007.00	-
2	Incidental		1718.00	4074.00
3	Legal Charges		210825.00	20000.00
4	Licence Fee		3506.00	-
5	Maintenance Of Building		199830.00	278238.00
6	Property Tax		28477.00	624494.00
7	Water Charges		9719.00	-
8.	Leave Encashment		-	1258.00
9.	Bonus 1995-96		-	833.00
Total :			663082.00	928887.00

Note of Accounts :

Pool Fund

1. The Pool Fund Accounts has been prepared on accrual basis with Income and Expenditure Statement and Balance Sheet, for the period from January 2006 to March 2007 covering a period of 15 months (01.01.2006 to 31.03.2007) as desired by the Board. The Pool Fund Account is operated through State Bank of Mysore Dr. B.R. Ambedkar Veedhi Branch, Bangalore-1.

The Pool Fund was created in accordance with Coffee Act 1942. On implementation of 100% Free Sale Quota to the growers during 1994-95, the Marketing activities of the board have ceased. The Final Pool Payment for the last Pooling season 1994-95 has since been completed. Although 100% FSQ was allowed and coffees are not being pooled, the Coffee Act has not been amended so far. There are many claims on the Pool Fund which are pending and have not been fully reflected as the matters pending in various courts.

2. **Provision for Purchase Tax / Sales Tax :**
The Commercial Tax Department of Karnataka, in 1989 levied Purchase Tax on the Coffee sold by the Board in the course of export. Similar demands were also made by the Government of Tamilnadu and Kerala States with a grand total nearly Rs. 450 crores. These claims are being contested at various fora by the Board and so they are not provided for in the Pool Fund Account.
3. The depreciation is allowed for the period of fifteen months from 01.01.2006 to 31.03.2007

Highlights on Accounts.

- a. As per the provision of the accounting standard amounts in paise have been rounded off to the nearest rupee in the Balance Sheet and Income & Expenditure Statement.

Sd/-
DIRECTOR OF FINANCE

AUDIT REPORT ON THE POOL FUND ACCOUNTS OF THE COFFEE BOARD, BANGALORE FOR THE YEAR 2006-07 (PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007).

1.INTRODUCTORY

The Coffee Board, Bangalore was established as a corporate body under the Coffee Act, 1942 to promote the development of coffee industry through assisting agricultural and technological research in coffee and promoting production, sale and consumption of coffee etc.

1.2 Section 30 of the Coffee Act envisages maintenance of two separate funds by the Board called 'Pool Fund' and 'General Fund'.

1.3 The Pool Fund relates to coffee sales undertaken by the Board on behalf of the growers in the pre-Free Sale Quota (FSQ) era. According to the provisions of Section 25 of the Coffee Act 1942, the coffee produced in the country by registered growers was compulsorily pooled by the Board. Subsequently, on sale, the proceeds were distributed among growers after covering the intermediation expenses. With the introduction of the FSQ, the pool account has largely been inactive. Consequently the inflows are mostly on account of the interest earned on cash balances and the outflows on account of the expenditure on personnel. Pooling of Coffee has been completely dispensed with from September 1996. Despite the discontinuance of the pooling system, this account continues to be operated for meeting the commitments of the earlier periods. According to the revised procedure approved in February 1980, the Pool Fund accounts were prepared for each season covering a period of twelve months from January to December. However, from the year 2006-07 the pool fund accounts have been drawn on the financial year basis and the accounts for 2006-07 have been drawn from January 2006 to March 2007 (15 months) as the 2005-06 accounts was for the period upto December 2006. The certification of accounts relating to General Fund is dealt with separately.

1.4 AUDITARRANGEMENTS

The audit of accounts of the Coffee Board has been entrusted under Section 20 (1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of services) Act 1971 for the period up to 2006-07.

COMMENTS ON ACCOUNTS

2.GENERAL

2.1 Non-adjustments of accounts

Various heads of account pertaining to suspense and advances are remaining unadjusted over a long period despite being pointed out in the previous audits. The details of such accounts are given below

Sl.No.	Head of account	Period	Amount remaining unsettled (in Rs.)	Effect on accounts
1	Sales suspense	1979 to 1999	47102044	Liabilities are overstated
2	Purchase tax	1989 to 1994	163785427	Liabilities are overstated
3	Sales tax suspense	-	7885256	Liabilities are overstated
4	Advance with CPWD, Bhopal	From 2003-04	30000	Assets are overstated
5	Advance with general fund	1996 to 2003	37160528	Assets are overstated
6	Advance with pool agents	From 1997-98	66906	Assets are overstated
7	Due from promotion department	1995 to 1998	8620997	Assets are overstated
8	Balance of Central Excise Duty in P&L A/c	From 1997-98	16537	Assets are overstated

- 2.2 The fixed asset schedule does not conform to the prescribed common format of accounts.
- 2.3 The Receipts and Payment Account has not been prepared, as required under the prescribed common format of accounts.
- 2.4 The accounts were revised at the instance of audit. The revised accounts were submitted on 10-9-07. The effect of revision was that the assets and liabilities decreased by Rs.0.80 lakh and the excess of income over expenditure reduced by Rs.0.80 lakh.

2.5 Management letter

Deficiencies, which have not been included in the Audit Report have been brought to the notice of the Chairman, Coffee Board, Bangalore, through a management letter issued separately for remedial/corrective action

**PRINCIPAL ACCOUNTANT GENERAL(C&CA)
KARNATAKA**

Place: Bangalore

Date: 02.11.07

