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வருடாந்த அறிக்கை 2023
ANNUAL REPORT 2023



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National Sports Fund

Annual Report - 2023

Introduction

The National Sports Fund, established under the provisions specified in sections 22 to 27 of the Sports Act No. 25 of 1973 of the National State Council, has been operating under the full supervision of the Ministry of Sports since 2007. The Sports Fund was established with the aim of encouraging, promoting, and developing sports in Sri Lanka and its functions have been carried out to achieve these objectives.

Vision

Development of the Capabilities of
Sportsmen and Sportswomen

Mission

The Mission of the National Sports Fund is to give encouragement to Sports in Sri Lanka and to provide aid and support for the development and promotion of sports.

Role of the National Sports Fund

The National Sports Fund, operating under the Ministry of Sports and Youth Affairs, provides funding for the development of Sri Lankan sports through support for human resources, including sportsmen, sportswomen and coaches as well as the enhancement of physical and other infrastructure in the sports sector.

Presently, payments are being made for the following functions by the Sports Fund as appropriate.

Making payments for sports-persons and coaches for the sake of winning international events according to approved criteria, payment of monthly nutritional allowance on the basis of identified criteria, granting allowances for special requests recommended for the development of sports, sponsoring the National Sports Games, payments for local and international training programmes, awarding rewards for specific sports festivals and special grants (payments for sports events conducted for universities and other institutions, payments made at retirement/ farewell of sportspersons, sponsoring for special sports equipment requests, payment of allowances provided to various teams for local and foreign competitions, ex-gratia payments made to individuals involved in sports on compassionate grounds and other payments made pending the development of sports.)

Legal Background

The National Sports Fund has been established by the National State Assembly Sports Law Act No. 25 of 1973. In accordance with the Act, money allocated by the Government for the activities of the Fund, aid received from foreign countries, money received from any institution as sponsorship assistance for any sport or sports festival, money donated by any individual and money received from any other source shall be credited to the Fund. The Fund shall pay any amount of money determined by the Minister for the encouragement, development and promotion of any sport in Sri Lanka, as a gratuity for sportsmen and sportswomen, for investments and for the implementation or strengthening of the provisions of this Act.

Receipt of Funds for the National Sports Fund

According to the financial statements of the fund as of December 31, 2023, the total amount of receipts from various sources for the National Sports Fund in the year 2023 is Rs. 292,151,224.00, as detailed below.

Serial No.	Source	Amount Received (Rs.)
1	Government Grants	27,000,000.00
2	By National Lottery Board	166,557,412.00
3	Fixed Deposit Interest	12,569,258.00
4	Sponsorship Receipts	77,061,000.00
5	Other Income	8,963,554.00
	Total	292,151,224.00

Expenses Incurred from the National Sports Fund

According to the financial statements of the 2023 Fund, the total amount of payments made from the National Sports Fund is Rs. 256,122,857.00. The National Sports Fund primarily made payments for sports development programs, local and international tournaments, financial grants for achievements, allowances for coaches, and financial rewards for the farewell of sportsmen and sportswomen who earned international medals. Details are provided below.

Provision of Financial Assistance for Sportsmen and Sportswomen

Financial rewards have been granted in recognition of the farewell in sports life of sportsmen and sportswomen who earned international medals and made invaluable contributions by representing Sri Lanka on the global stage.

Serial No.	Subject	Amount Paid (Rs.)
1.	Payments for former sportsmen and sportswomen	4,300,000.00
	Total	4,300,000.00

Provision of Financial Assistance for Sports Tournaments

The contribution of the National Sports Fund has made to organize local tournaments and to facilitate participation in international sports tournaments in 2023.

Serial No.	Subject	Amount Paid (Rs.)
1	Local Tournaments	9,581,548.00
2.	International Tournaments	54,539,895.00
	Total	64,121,443.00

Provision of Financial Assistance for the Medalists and Coaches

Financial assistance has been made for the sportsmen, sportswomen already engaged in international level sports and coaches for their international achievements with the aim of developing the talents and skills of sportsmen and sportswomen. Financial grants were awarded for achievements in participation in the Commonwealth Games and the Para Athletics World Championship.

Serial No.	Subject	Amount Paid (Rs.)
1.	Payments to sportsmen, sportswomen and coaches for the achievements in competitions	22,875,000.00
	Total	22,875,000.00

Financial Assistance for Sports Development Programmes

In 2023, as per the requests received for the Hon. Minister of Sports, contributions from the National Sports Fund has been made to sports clubs, schools, Divisional Secretariats and other parties for the provision of sports equipment, development of grounds and other sports development programmes aimed at advancement and development of sports. Total expenses are as follows.

Serial No.	Subject	Amount Paid (Rs.)
1	Sports Development Programmes	132,956,048.00
	Total	132,956,048.00

Provision of Allowances for Coaches

Allowances have been provided to coaches for their contribution to the development of the sports sector by enhancing the talents of sportsmen and sportswomen already engaged in sports. The details are as follows.

Serial No.	Subject	Amount Paid (Rs.)
1.	Payment of allowances for coaches	3,000,000.00
2.	Other expenses for coaches	275,000.00
	Total	3,275,000.00

Administrative and Other Expenses

In 2023, the expenses incurred for the administrative activities of the National Sports Fund, payments for services rendered by the Appeal Advisory Committee, and the monthly allowances for the members of the National Sports Council were made with the approval of the Hon. Minister of Sports and the details of the expenses incurred from the fund are as follows.

Serial No.	Subject	Amount Paid (Rs.)
1	Administrative Expenses	556,219.00
2	Appeal Advisory Committee	6,929,667.00
3	National Sports Council	1,125,000.00
4	Audit Fee	209,760.00
5	National Sports Association Expenses	8,250,000.00
6	Trainee Allowances	13,334.00
7	Other	11,511,386.00
	Total	28,595,366.00

Gratitude

I express my gratitude to the Hon. Minister of Sports and Youth Affairs for the cooperation of the administration of the National Sports Fund by providing directions for the governance and administration. Furthermore, I highly appreciate the commitment of the officers of the Ministry of Sports in managing and accounting of the National Sports Fund as well as the cooperation received from the officers of the Department of Sports Development.



K. Mahesan

Secretary

Ministry of Sports and Youth Affairs

National Sports Fund
Statement of Financial Performance
For the Year Ended 31st December 2023

			Rs.	
Budget 2023	Note		Real	
			2023	2022
-		Income Receipts		-
144,000,000	3.1	1- Government Grants	193,557,412	119,063,017
57,000,000	3.2	2 - Investments	12,569,258	1,291,057
90,000,000	3.3	3 - Other Income	86,024,554	279,618,089
291,000,000		Total Income Receipts	292,151,224	399,972,163
-		Non Income Receipts	-	-
-		4 - Deposits	-	330,000
		Other Receipts		
-		Non Total Income Receipts	-	330,000
291,000,000		Total Income Receipts and Non Income Receipts c = (a)+(b)	292,151,224	400,302,163
-		Less : Expenses		
-		Recurrent Expenses		
-		5.1. - Investments		
89,000,000	4.1	6.1. - Tournaments	86,996,443	201,148,519
19,075,000	4.2	6.2. - Welfare Allowance	19,071,400	3,895,904
153,000,000		6.3. - Development Projects	132,956,048	
-	4.3	6.4. - Capacity Building	-	300,000
17,400,000	4.4	6.5 - Administrative Expenses	17,098,966	1,767,475
278,475,000		Total Recurrent Expenses	256,122,857	207,111,898
		Total Expenses	256,122,857	207,111,898
12,525,000		Surplus/ Deficiency as at 31.12.2023	36,028,367	193,190,265

National Sports Fund
Statement of Financial Position
as at 31.12.2023

	Notes	2023 Rs.	2022 Rs.
<u>Assets</u>			
<u>Financial Assests</u>			
Investment Account	5	47,194,271	91,938,363
Cash Balance	6	30,980,703	67,307,526
Miscellaneous Debtors	7	213,033,742	95,724,700
Total Assets		291,208,715	254,970,589
<u>Net Assets / Equity</u>			
<u>Non-Current Liabilities</u>			
Accumulated Fund	8	290,826,955	254,798,589
<u>Current Liabilities</u>			
Miscellaneous Deposits	9	-	-
Accrued Expenses	10	381,760	172,000
Current Liabilities		381,760	172,000
Total Liabilities		291,208,715	254,970,589

Account details presented by formats from page number 01 to 03 and account notes included from page number 04 to 20 are also part of this final account itself. These financial statements have been prepared in complying with generally accepted accounting principles and have used the most appropriate accounting policies as disclosed in the notes to the financial statements. It is hereby certified that the figures mentioned in the above final account, the related account note and other account information have been compared with the Treasury books of accounts and we are in agreement with the said figures.

We hereby certify that an effective internal control system for financial control exists in the reporting entity and that periodic reviews are conducted to monitor the effectiveness of the internal control system for the financial control and accordingly to make changes as necessary for the effective implementation of those systems.

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Chief Accounting Officer

Name :

Designation :

Date :

.....
Chief Accountant

Name :

Date :

National Sports Fund
Cash Flow Statement
For the year ended 31.12.2023

	2023 Rs.	Real 2022 Rs.
Surplus of the Year	36,028,367	193,190,265
	36,028,367	193,190,265
Overestimate of Investment Interest		
Overallocation of Audit Fees		
Non Cash Variation	-	-
<u>Cash Flow from Operating Activities</u>		
Decrease/ Increase of Debtors	(117,309,042)	65,453,803
Decrease/ Increase Miscellaneous Deposits	-	(330,000)
Decrease/ Increase of Miscellaneous Creditors	209,760	37,503
Net Cash Flow from Operating Activities	(117,099,282)	65,161,306
<u>Cash Flow from Investing Activities</u>		
Increasement of Fixed Deposit Investment/ Encashment of Fixed Deposits	44,744,092	(75,849,304)
Net Cash Flow from Investing Activities	44,744,092	(75,849,304)
Net Increase of Cash and Cash Equivalents	(36,326,823)	51,519,656
Cash and Cash Equivalents at the beginning of the period	67,307,526	15,787,870
Cash and Cash Equivalents at the end of the period	30,980,703	67,307,526

.....
Chief Accounting Officer
Name :
Designation :
Date :

.....
Chief Accountant
Name :
Date :

Notes for Financial Statements

1 Introduction

National Sports Fund which is established as per the provisions from no 22 to 27 cited in the Sports Law No. 25 of 1973 of National State Council was implemented under the full supervision of the Ministry of Sports from 2007. The functions of the fund were continued focusing on enhancing the nutritional status and sports skills of the sportspersons annually.

2 The Basis of forming Accounts

2.1 Conformity Statement

Financial Statements, Financial Performance Statement, Statement of Financial Position and Cash Flow Statement, Accounting policies and records have been formed in accordance with the Sri Lanka Public Sector Accounting Standards.

2.2 Financial Statements have been presented for the approximate rupee in Sri Lankan Rupees.

2.3 Time Period of Reporting

The time period from 01st January 2023 to 31st December 2023 is the time period of reporting for this financial statement.

2.4 Re-adjustment of values in financial statements in the previous year comparatively.

Variations which have been recognized relevant to the year 2022 comparatively adjusted for the accounts in the year 2022 and restated.

2.5 Financial Statements have been formed on accrued basis.

3 Notes for Income Receipt**Note 03.1 - Government Grants**

Income Code	Name and Description of the Account	Income of 2023 Rs. Cents	Income of 2022 Rs. Cents
1	Government Grants		
1 1	Grants	27,000,000	29,050,967
1 2	Income - National Lottery Board	166,557,412	90,012,050
1 3	Other	-	
		193,557,412	119,063,017

Note 03.2 - Investments

Income Code	Name and Description of the Account	Income of 2023 Rs. Cents	Income of 2022 Rs. Cents
2	Investments		
2 1	Fixed Deposit		
2 2	Fixed Deposit Interest	12,569,258	1,291,057
		12,569,258	1,291,057

Note 03.3 - Other Income

Income Code	Name and Description of the Account	Income of 2023 Rs. Cents	Restated Income 2022 Rs. Cents
3	Other Income		
3 1	Diyagama Mahinda Rajapaksa Stadium		
3 2	Sponsor Receipts	77,061,000	279,561,638
3 3	Other income and adjustments	8,963,554	56,452
		86,024,554	279,618,090

Note 03.4 - Deposits

Income Code	Name and Description of the Account	Income of 2023 Rs. Cents	Income of 2022 Rs. Cents
4	Deposits		
4 1	Deposit Receipts		330,000
4 2	Other		
		-	330,000

4 Notes for Expenses

Note 4.1 - Tournaments

Expenditure Code			Name and Description of the Account	Expenditure 2023 Rs. Cents	Expenditure 2022 Rs. Cents
6	1		Tournaments		
6	1	1	Local Tournaments	9,581,548	38,943,300
6	1	2	International Tournaments	54,539,895	79,053,719
6	1	3	Coach	22,875,000	83,151,500
				86,996,443	201,148,519

Note 4.2 - Welfare Allowance

Expenditure Code			Name and Description of the Account	Expenditure 2023 Rs. Cents	Expenditure 2022 Rs. Cents
6	2		Welfare Allowance		
6	2	1	For Sports Persons		
6	2	1	1 Nutritional Allowance of Sportspersons		2,601,004
6	2	1	2 Payments for the previous Sportsperson:	4,300,000	700,000
6	2	1	3 Other	11,496,400	594,900
			Medical Aid for the Sportspersons		-
			Sports equipment and other supplies		-
			Tribute for Sportspersons		-
6	2	2	For Coaches		
6	2	2	1 Allowances for Coaches	3,000,000	-
6	2	2	2 Other Expenses for the Coaches	275,000	
				19,071,400	3,895,904

Note 4.3 - Development Projects

Expenditure Code			Name and Description of the Account	Expenditure 2023 Rs. Cents	Expenditure 2022 Rs. Cents
6	3		Development Projects		
6	3	1	Sports Development Projects	132,956,048	150,000
6	3	2	Other Development Projects	-	150,000
				132,956,048	300,000

Note 4.4 - Capacity Building

Expenditure Code			Name and Description of the Account	Expenditure 2023 Rs. Cents	Expenditure Rs. Cents
6	4		Performance		
6	4	1	Capacity Building of Sportspersons	-	150,000
6	4	2	Capacity Building of Coaches	-	150,000
6	4	3	Capacity Building of Officers	-	
				-	300,000

Note 4.4 - Administrative Expenses

Expenditure Code		Name and Description of the Account		Expenditure 2023	Expenditure 2022
				Rs. Cents	Rs. Cents
6	5		Administrative Expenses		
6	5	1	Common Administrative Expenses		
6	5	1	1 Administrative Allowances for the Office	556,219	183,000
6	5	1	2 Audit Fees	209,760	361,818
6	5	1	3 Deposit Payments	-	
6	5	1	4 Other	14,986	547,490
6	5	2	Sports Administrative Expenses		
6	5	2	1 Appellate Advisory Committee	6,929,667	209,500
6	5	2	2 National Sports Council	1,125,000	415,667
6	5	2	3 National Sports Foundation/ Association	8,250,000	
6	5	2	4 Payments for the Coaches	13,334	50,000
				17,098,966	1,767,475

5 Investments

Description	2023	2022
	Rs. Cents	Rs. Cents
Opening Balance	91,938,363	16,089,059
Accumulations for the year		75,000,000
Withdrawals of the year	(50,000,000)	-
Interest	5,255,908	849,304
Closing Balance	47,194,271	91,938,363

6 Notes for the Cash Flow

Description	2023	2022
	Rs. Cents	Rs. Cents
Opening Balance	67,307,526	15,787,870
Receipts of the year	219,586,274	333,669,056
Payments of the year	255,913,097	282,149,401
Closing Balance	30,980,703	67,307,526

7 Miscellaneous Debtors**Note 7.1 - National Lottery Board**

Description	2023 Rs. Cents	2022 Rs. Cents
Opening Balance	94,433,643	29,421,593
Income of the year	166,557,412	90,012,050
Adjustments	-	-
Receipts from the General Treasury	50,000,000	25,000,000
Closing Balance	210,991,055	94,433,643

Note 7.2 - Fixed Deposit Interest

Description	2023 Rs. Cents	2022 Rs. Cents
Opening Balance	1,291,057	849,304
Interest of the year	12,569,258	1,341,810
Withdrawals of the year	11,817,628	-
Closing Balance	2,042,687	1,291,057

8 Equity Variation Statement

Description	2023 Rs. Cents	2022 Restated Rs. Cents
Accumulated Fund as at 01.01.2023	254,798,588	61,608,323
Deficiency/ Surplus of the year 2023	36,028,367	193,190,265
Other Adjustments	-	-
Accumulated Fund as at 31.12.2023	290,826,955	254,798,588

9 Miscellaneous Deposits

Description	2023 Rs. Cents	2022 Rs. Cents
Opening Balance	-	330,000
Receipts of the year	-	-
Transferring to income	-	330,000
Closing Balance	-	-

10 Accrued Expenses

Description	2023	2022
	Rs. Cents	Rs. Cents
Opening Balance	172,000	209,503
Accumulations for the year	209,760	172,000
Payments of the year		209,503
Closing Balance	381,760	172,000

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Chief Accountant

Name :

Date :

National Sports Fund
Trial Balance for the year ended 31.12.2023

Expenditure Head	Name and the Description of the Account	Ledger Page No	Debit	Credit
			Rs.	Rs.
	Accumulated Fund as at 01.01.2023	01		254,798,588
	Investment Account	02	47,194,271	
1 1	Grants	03		27,000,000
1 2	Income - National Lottery Board	04		166,557,412
1 2	Income Receivable - National Lottery Board	04	210,991,055	
1 3	Other			-
2 2	Fixed Deposit Interest	02		12,569,258
2 2	Receivable Fixed Deposit Interest	02	2,042,687	
3 2	Sponsor Receipts	05		77,061,000
3 3	Other Income and Adjustments	06		8,963,554
4 1	Deposit Account	07		-
6 1 1	Local Tournaments	08	9,581,548	
6 1 2	International Tournaments	09	54,539,895	
6 1 3	Paymenst for the Medalists and Coaches	10	22,875,000	
6 2 1 1	Nutritional Allowance of the Sportspersons	11	-	
6 2 1 2	Paymenst for the previous sportspersons	12	4,300,000	
6 2 1 3	Paymenst for the Medalists and Coaches	13	11,496,400	
6 2 2 1	Allowances for the Coaches	14	3,000,000	
6 2 2 2	Other Expenses for the Coaches	15	275,000	
6 3 1	Sports Development Projects		132,956,048	
6 3 2	Other Development Projects		-	
6 4 1	Capacity Building of the Sportspersons	17	-	
6 4 2	Capacity Building of the Coaches	18	-	
6 4 3	Capacity Building of the Officers	19	-	
6 5 1 1	Administrative Allowance for the Officers	20	556,219	
6 5 1 2	Audit Fees	21	209,760	
6 5 1 2	Allocation of Audit Fees	21		381,760
6 5 1 4	Other	22	14,986	
6 5 1 4	Other - Payable	22	-	
6 5 2 1	Appelate Advisory Committee	23	6,929,667	
6 5 2 2	National Sports Council	24	1,125,000	
6 5 2 3	National Sports Association		8,250,000	
6 5 2 4	Payment for the Trainees	25	13,334	
	Cash Balance		30,980,703	
			547,331,573	547,331,573

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 Chief Accountant
 Name :
 Date :

Annexure - 02

National Sports Fund
Receipt and Payment Account for the year ended 31.12.2023

Income Code				Name and the Description of the Account	Receipts in 2023	Receipts in 2023
					Rs.	Rs.
				Balance as at 01st January		67,307,526
1	1			Grants	27,000,000	
1	2			Income - National Lottery Board	50,000,000	
1	3			Other	-	
				Fixed Deposit	50,000,000	
2	2			Fixed Deposit Interest	6,561,721	
3	1			Diyagama Mahinda Rajapaksa Stadium		
3	2			Sponsor Receipts	77,061,000	
3	3			Other Income and Adjustments	8,963,554	
4	1			Deposits Receipts	-	
4	2			Other	-	
-						219,586,274
				Total Receipts		286,893,800
Expenditure Code				Name and the Description of the Account	Payments in 2023	Payments in 2023
5	1			Planning of Investment	-	
6	1	1		Local Tournaments	9,581,548	
6	1	2		International Tournaments	54,539,895	
6	1	3		Payments for the Medalists and Coaches	22,875,000	
6	2	1	1	Nutritional Allowance of the Sportspersons	-	
6	2	1	2	Payments for the previous Sportspersons	4,300,000	
6	2	1	3	Other	11,496,400	
6	2	2	1	Allowances for the Coaches	3,000,000	
6	2	2	2	Other Expenses for the Coaches	275,000	
6	3	1		Sports Development Projects	132,956,048	
6	3	2		Other Development Projects	-	
6	4	1		Capacity Building of the Sportspersons	-	
6	4	2		Capacity Building of the Coaches	-	
6	4	3		Capacity Building of the Officers	-	
6	5	1	1	Administrative Allowance for the Officers	556,219	
6	5	1	2	Audit Fees	-	
6	5	1	3	Payment of Deposit	-	
6	5	1	4	Other	14,986	
6	5	2	1	Appellate Advisory Committee	6,929,667	
6	5	2	2	National Sports Council	1,125,000	
6	5	2	3	National Sports Association	8,250,000	
6	5	2	4	Payments for the Trainees	13,334	
				Total		255,913,097
				Cash Balance as at 31 December	-	30,980,703

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 Chief Accountant
 Name :
 Date :

National Sports Fund
Income and Expenditure Account for the year ended 31.12.2023

Object Code				Name and the Description of the Account	Income in 2023	Income in 2023
					Rs.	Rs.
1	1			Grants	27,000,000	
1	2			Income - National Lottery Board	166,557,412	
1	3			Other		
2	2			Fixed Deposit Interest	12,569,258	
3	1			Diyagama Mahinda Rajapaksa Stadium		
3	2			Sponsor Receipts	77,061,000	
3	3			Other Income and Adjustments	8,963,554	
4	1			Deposit Receipts		
4	2			Other		
				Total Income		292,151,224
Object Code				Name and the Description of the Account	Expenses in 2023	Expenses in 2023
5	1			Investment Planning		
6	1	1		Local Tournaments	9,581,548	
6	1	2		International Tournaments	54,539,895	
6	1	3		Payments for the Medalists and Coaches	22,875,000	
6	2	1	1	Nutritional Allowance of the Sportspersons	-	
6	2	1	2	Payments for the previous Sportspersons	4,300,000	
6	2	1	3	Other	11,496,400	
6	2	2	1	Allowances for the Coaches	3,000,000	
6	2	2	2	Other Expenses for the Coaches	275,000	
6	3	1		Sports Development Projects	132,956,048	
6	3	2		Other Development Expenses	-	
6	4	1		Capacity Building of the Sportspersons	-	
6	4	2		Capacity Building of the Coaches	-	
6	4	3		Capacity Building of the Officers	-	
6	5	1	1	Administrative Allowance for the Officers	556,219	
6	5	1	3	Deposit Payment account	-	
6	5	1	2	Audit Fees	209,760	
6	5	1	4	Other	14,986	
6	5	2	1	Appellate Advisory Committee	6,929,667	
6	5	2	2	National Sports Council	1,125,000	
6	5	2	3	National Sports Association Account	8,250,000	
6	5	2	4	Trainee Payment Account	13,334	
				Total		256,122,857
				Surplus	-	36,028,367

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Chief Accountant

Name :

Date :

National Sports Fund
Budget Variance Analysis for the year ended 31.12.2023

Object Code	Name of Account and the Description	Revised Estimate	Real	Variance	Variance as a % of Original Expenditure Estimate	Reasons for the Variance
		Rs.	Rs.	Rs.		
	Receipts					
1	Grants	27,000,000	27,000,000	-	-	
1	Income - National Lottery Board	50,000,000	50,000,000	-	-	
1	Other	67,000,000	67,000,000	-	-	
2	Fixed Deposits	50,000,000	50,000,000	-	-	
2	Fixed Deposit Interest	7,000,000	6,561,721	438,279	6	
3	Diyagama Mahinda Rajapaksa Stadium	-	-	-	-	
3	Sponsor Receipts	80,000,000	77,061,000	2,939,000	4	
3	Other Income and Adjustments	10,000,000	8,963,554	1,036,446	10	
4	Deposit Receipts		-	-	-	
4	Other			-	-	

Object Code	Name of Account and the Description	Revised Estimate	Real	Variance	Variance as a % of Original Expenditure Estimate	Reasons for the Variance
	Rs.	Rs.	Rs.	Rs.		
5 1	Payments					
5 2	Investment Plannings	-	-	-	-	
6 1	Other Investments	-	-	-	-	
6 1 1	Local Tournaments	10,000,000	9,581,548	418,452	4	
6 1 2	International Tournaments	56,000,000	54,539,895	1,460,105	3	
6 1 3	Payments for the Medalists and Coaches	23,000,000	22,875,000	125,000	1	
6 2 1	Nutritional Allowance of the Sportsperson	-	-	-	-	
6 2 1 1	Payments for the previous Sportspersons	4,300,000	4,300,000	-	-	
6 2 1 2	Other	11,500,000	11,496,400	3,600	0	
6 2 1 3	Allowances for the Coaches	3,000,000	3,000,000	-	-	
6 2 2	Other Expenses for the Coaches	275,000	275,000	-	-	
6 2 2 1		-	-	-	-	
6 2 2 2		-	-	-	-	
6 2 2 3		-	-	-	-	
6 3 1	Sports Development Programmes	153,000,000	132,014,838	20,985,162	14	Programmes were not implemented as expected.
6 3 2	Other Development Expenses	-	-	-	-	
6 4 1	Capacity Building of Sportspersons	-	-	-	-	
6 4 2	Capacity Building of Coaches	-	-	-	-	
6 4 3	Capacity Building of Officers	-	-	-	-	
6 5 1	Administrative Allowance for the Officers	600,000	556,219	43,781	7	No revision of allowances as expected.
6 5 1 1		100,000	-	-	-	
6 5 1 2	Audit Fees	-	-	-	-	
6 5 1 3	Deposits Payments	-	-	-	-	
6 5 1 4	Other	50,000	14,986	35,014	70	Expenditure requirements not arised as expected.
6 5 2 1	Appellate Advisory Committee	7,000,000	6,929,667	70,333	1	
6 5 2 2	National Sports Council	1,300,000	1,125,000	175,000	13	Restriction of requirements.
6 5 2 3	National Sports Association	8,300,000	8,250,000	50,000	1	
6 5 2 4	Payments for the Coaches	50,000	13,334	36,666	73	Liabilities not presented as expected

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Chief Accountant

Name :

Date :

Note - 11

National Sports Fund

Miscellaneous Debtors as at 31.12.2023

2022 Rs. Cents	Object Code			Account Records and Descriptions	Account Records	2023 Rs. Cents
1,291,057.00	2	2		Receivable Fixed Deposit Investment Interest	16	2,042,687
94,433,643	1	2		Receivable National Lottery Board Income	14	210,991,055
						-
95,724,700				Total		213,033,742

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Chief Accountant

Name :

Date :

Note - 12**National Sports Fund****Statement of Changes in Equity for the year ended 31.12.2023**

2022 Rs. Cents	Name and the Description of the Account	2022 Rs. Cents
61,608,323	Accumulated Fund as at 01.01.2023	254,798,588
193,190,265	Deficiency/ surplus in the year 2023	36,028,367
254,798,588	Accumulated Fund as at 31.12.2023	290,826,955

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 Chief Accountant
 Name :
 Date :

Note - 13

National Sports FundNotes for the Final Accounts as at 31.12.2023Lottery Income - Acc. No. 041 and Receivable Lottery Income - Acc. No. 017

Rs. 50,000,000.00 has been received from General Treasury during the year 2023 and the amount to be received further from General Treasury by the date 31.12.2023 is Rs. 210,991,054.97

Lottery Income in the year 2023

Opening Balance as at 01.01.2023		94,433,642.97
Month	Amount relevant to the month Rs. Cents.	
January	13,063,070.00	
February	13,124,120.00	
March	15,950,410.00	
April	12,258,150.00	
May	12,217,450.00	
June	17,804,046.00	
July	15,238,100.00	
August	13,531,440.00	
September	13,704,850.00	
October	12,846,460.00	
November	12,577,454.00	
December	14,241,862.00	
Due Amount for the year 2023		166,557,412.00
Total Due Amount		260,991,054.97
Less- Receipts from Treasury		50,000,000.00
Closing Balance as at 31.12.2023		210,991,054.97

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Chief Accountant

Name :

Date :

Note - 14**National Sports Fund****Payable Expenses for the Year Ended 31.12.2023**

No.	Name of the Payee	Reason	Amount Rs.
1	Auditor General	Allocation of audit fees for the year 2022	172,000.00
2	Auditor General	Allocation of audit fees for the year 2022	209,760.00
Total			381,760.00

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Chief Accountant

Name :

Date :

Note - 16

National Sports Fund

Receivable Investment Interests of Fixed Deposits as at 31.12.2023

Account No	Fixed Deposit Started Date	Date of last renewal of Investment	Last dated of the Investment to be matured	Time	From	To	Number of Dates	Interest calculated method		Interest relevant to the year 2023 (Before deduction of withholding tax)	Withholding Tax 5%	Net Interest Amount	Interest for the year 2023	Receivable Interest for the year 2023
								Investment Amount with the Interest	Interest Rate					
78404430	2015.12.30	2023.01.03	2024.01.03	01 year	2023/01/01	2023/12/31	362	8,911,696.46	12.00%	1,060,613.96	53,030.70	1,007,583.26		1,007,583.26
78404516	2015.12.30	2023.01.03	2024.01.03	01 year	2023/01/01	2023/12/31	362	8,911,696.46	12.00%	1,060,613.96	53,030.70	1,007,583.26		1,007,583.26
90054788	2022.12.23	2023.12.27	2024.05.27	03 months	2023/01/01	2023/03/23	82	25,000,000.00	26.00%	1,460,273.97	73,013.70	1,387,260.27		
					2023/03/23	2023/06/23	92	26,522,602.27	20.00%	1,337,029.81	66,851.49	1,270,178.32		
					2023/06/23	2023/09/25	94	27,192,780.60	13.00%	930,487.07	46,524.35	883,962.71		
					2023/09/25	2023/12/27	93	28,676,743.31	10.00%	730,667.71	36,533.39	694,134.32	4,235,535.63	
					2023/12/27	2023/12/31	4	29,370,877.63	9.00%	28,968.54	1,448.43	27,520.11		27,520.11
90054780	2022.12.23		2023.04.24	01 month	2023/01/01	2023/01/23	23	25,000,000.00	26.00%	409,589.04	20,479.45	389,109.59		
					2023/01/23	2023/02/23	31	25,524,451.59	13.50%	292,657.07	14,632.85	278,024.21		
					2023/02/23	2023/03/23	28	25,802,475.80	13.50%	267,214.68	13,360.73	253,853.95		
					2023/03/23	2023/04/24	32	26,056,329.75	13.50%	308,392.72	15,419.64	292,973.09		
					2023/04/24	2023/05/24	30	26,349,202.84	19.00%	411,482.26	20,574.11	390,908.15	1,604,868.99	
90054792	2022.12.23		2023.06.23	06 months	2023/01/01	2023/06/23	174	25,000,000.00	26.00%	3,098,630.14	154,931.51	2,943,698.63		
					2023/06/23	2023/12/27	187	28,079,040.63	12.75%	1,834,176.78	91,708.84	1,742,467.94	4,686,166.58	
Total								47,194,270.55		13,230,797.71	661,539.89	12,569,257.82	10,526,571.19	2,042,686.63

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 Chief Accountant
 Name :
 Date :



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எனது இல.
My No.

SYA/A/NSF/6/23/20

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திகதி
Date } 07 October 2022

Secretary
Ministry of Sports and Youth Affairs

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the National Sports Fund for the year ended 31 December 2023 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

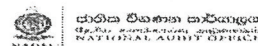
1.1 Qualified Opinion

The audit of the financial statements of the National Sports Fund ("the Fund") for the year ended 31 December 2023 comprising the statement of financial position at 31 December 2023 and the statement of financial performance and cash flow statement for the year then ended, and notes to the financial statements, including the summary of significant accounting policy information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018, Finance Act, No. 38 of 1971 and Sports Law, No. 25 of 1973. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the National Sports Fund as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

A sum of Rs.2,793,176 was given to the Department of Sports Development in two occasions on reimbursement basis for clearance of sports goods from the port and purchase of air tickets for players and officials to participate in an international



tournament. However, the Fund had been recognized this money as expense of the Fund instead of showing as a receivable balance.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Fund is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Fund.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

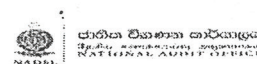
As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

- 2.1 National Audit Act, No. 19 of 2018 include specific provisions for following requirements.



- 2.1.1 Except for the effects of the matters described in the basis for Qualified Opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Council as per the requirement of section 12(a) of the National Audit Act, No. 19 of 2018.
- 2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- 2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.
- 2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;
- 2.2.1 to state that any member of the governing body of the Fund has any direct or indirect interest in any contract entered into by the Fund which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018;
- 2.2.2 to state that the Fund has not complied with any applicable written law, general and special directions issued by the governing body of the Council as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 *except for*;

**Reference to Rules and Laws/
Direction**

Non- compliances

- (a) Section 25(2) of the Sports Law No. 25 of 1973

Even though a report on the administration of the Fund should be prepared by the Secretary to the Ministry as soon as possible after the end of each calendar year, no such report had been prepared for the year 2023 till the date of the report.

- (b) Paragraph 877 (1) (d) of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka as amended by Public Finance Circular No. 01/2020 dated 28 August 2020

Treasury approval for the budget of the National Sports Fund for the year 2023 had not been obtained as per the provisions in the Financial Regulations.

- 2.2.3 to state that the Council has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018;

- 2.2.4 According to the requirement mentioned in Section 12(h) of the National Audit Act No. 19 of 2018, that the resources of the Council have not been procured and used in accordance with the relevant laws and rules in a timely manner, efficiently and effectively.

2.3 Other Matters

2.3.1 Objectives and Performance of Establishing the National Sports Fund

- (a) In accordance with Section 22 of the National Sports Law No. 25 of 1973, the National Sports Fund was established with the aim of encouraging, promoting and developing sports in Sri Lanka. However, the main objectives of the Fund were identified in the financial statements as annually improving the nutritional status of sportspersons and improving their sporting abilities. Therefore, the Fund had not properly identified its key functions and objectives.
- (b) Although 51 years have passed since the establishment of the Fund, Sri Lanka has won only 02 Olympic medals in 20 Olympic Games at the international level, 03 silver medals and 08 bronze medals at the Commonwealth Games, 02 gold medals, 03 silver medals and 02 bronze medals at the Asian Games.
- (c) Although the Fund had allocated Rs.5,000,000, Rs.200,000 and Rs.1,000,000 respectively for athletes' nutritional allowances, coaches' expenses and staff capacity development in the 2023 budget, no expenditure was incurred thereof.

2.3.2 Expenditure incurred for activities contrary to the objectives of the Sports Fund.

- (a) Even though the Attorney General's Department informed that legal assistance would be provided, a total of Rs.8,250,000 had been paid in relation to 06 legal cases instituted by and against the Minister of Sports in the year under review.
- (b) A sum of Rs.500,000 was given to a Member of Parliament who had not been recommended by the National Sports Selection Committee, National Sports Council, Department of Sports Development and National Association of Sports to participate in the BWF World Senior Badminton Championship - 2023.

2.3.3 Deficiencies in Contract Administration

- (a) An amount of Rs. 104.7 million had been given to various parties for the implementation of 13 sports infrastructure development projects during the year under review and instead of giving an advance based on the estimates that had been prepared and reimbursing the expenses according to the final stage of the work, the total estimated amount had been released to the project. Further, a specific time frame was not introduced for the works to be carried out in relation



to the amount given as above, and no confirmation was obtained that the relevant construction was completed within that period. Furthermore, the physical progress of 07 projects with a value of Rs. 90 million expected to be completed by 31 December 2023 was in the range of 0 to 60 percent, and a work completion certificate by an engineer by mentioning that the rest of the projects were successfully completed was not submitted to the audit. Therefore, it was not possible to confirm whether the given money was used for the said projects and whether the benefits were obtained for the money released for the said projects.

- (b) The National Sports Fund had given an amount of Rs.9,157,992 to the Matara District Secretariat on 20 July 2020 for the preparation of a building at the Matara, Kamburupitiya Boxing Stadium and the development of the volleyball court. Out of that, only Rs. 7,265,483 was spent up to 12 January 2022, and the remaining amount of Rs. 1,892,509 was not returned to the fund even after more than two years elapsed from January 2022 to August 2024.

2.3.4 Management inefficiencies

- (a) Instead of preparing and following a formal system for providing financial assistance and sponsorship to athletes and coaches, money was released based on their requests that directly made to the Fund. Accordingly, in the year under review alone, an amount of Rs.11 million was given to them in this way and the Fund did not carried-out follow up action to find out whether the given money was used for specific purposes. Further, instead of providing assistance and financial support for the competitions in which Sri Lanka must be represented, the Fund had acted in this regard in irregularly.
- (b) The purchase of air tickets for the sportspersons was not done in a transparent manner and according to the audit test check, it was revealed that the air tickets purchased in 09 occasions by using an amount of Rs. 4,484,293 released by the Fund had not been done at the lowest cost based on calling a competitive quotations.
- (c) It was not possible to ascertain whether the expected works had been performed and completed by using the sums of Rs. 23,690,647 given to other institutions and parties including the Department of Sports Development for various tasks in 38 instances, due to not submitted sufficient evidence to the audit.

2.3.5 Management of Funds

A music show called RISE 2023 was held in the year 2023 with the aim of collecting assistance of Rs.5,000,000 to the National Sports Fund under the leadership of the Ministry of Sports and Youth Affairs' Employee Welfare Association. However, no financial statement was provided on the income and expenses incurred for that musical shows and the action had not been taken to obtain the contribution to the Fund.

WPC Wickramaratne
Auditor General.