National Sports Fund

Mission Statement

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.

Vision

Development of the Capabilities of
Sportsmen and Sports women

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.

ANNUAL ADMINISTRATIVE REPORT 2018

INTRODUCTION

The National Sports Fund established under the provisions of Sections 22 to 27 of the Sports Law Act No. 25 of 1973 was made operative under the supervision of the Ministry of Sports from 2007 onwards. Action had been taken annually to disburse resources of the Fund with a view to promoting the nutrition standards of the sportsmen and sportswomen and to developing their sports abilities.

FUNCTIONS OF THE NATIONAL SPORTS FUND

Funds required for Sportsmen and Sports women being the Sports – related human resources imperative for the development of Sports as well as the physical and other facilities are granted through the National Sports Fund of the Ministry Of Sports.

Presently, the Sports Fund, as and when required pays for the following.
Making payments for sports personal 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 grand Sports Festival. Payments made on account of local and foreign training programmes Awards at specific grants (ie. Payments for sports festivals of Universities And other institutions, payments made at retirement / farewell of sports personnel, request for Specific Sports equipment and allowances to various teams of sports heading for foreign Sports events.

ALLOCATIONS MADE TO SPORTS FEDERATION

Measures were taken to release provision to sports federations representing various sports events to have sportsmen and sportswomen participated in a large number of National and International sports events and having considered the requests of sports federations.

Amount of money released from the Fund are as follows:

Serial No.	Sports Federations	Amount Paid (Rs.)
1.	Sports Clubs (For sponsoring the Asian Rowing Tournament)	3,000,000.00
2.	National Sports Council	24,000.00
	Total	**3,024,000.00**

FINANCIAL ASSISTANCE TO SPORTSMEN AND SPORTSWOMEN

Financial Assistance has been given to national level sportsmen and sportswomen who are currently engaged in sports with a view to promoting their mental faculties and helping to maintain their physical fitness satisfactorily.

Serial No. Subject Amount Paid (Rs.)
1. Nutritional Allowance to Sportsmen (paid to the following reserves and teams currently playing) 21,075,000.00
➢ Junior Athletes
➢ Weightlifting pool
➢ Rugby players

Serial No.	Subject	Amount Paid (Rs.)
1.	Nutritional Allowance to Sportsmen (paid to the following reserves and teams currently playing) ➢ Junior Athletes ➢ Weightlifting pool ➢ Rugby players ➢ Karate Pool ➢ Athletic Pool ➢ For the Commonwealth 22nd term	21,075,000.00

	➢ Rugby players ➢ Karate Pool ➢ Athletic Pool ➢ For the Commonwealth 22nd term ➢ Payment of allowances to medalists and coaches of Asian Athletics Championships	
2.	Sports goods and other supplies ➢ Providing shoes for karate athletes ➢ Supply of shoes for 12 players of the Netball Federation ➢ Provide swimming kits	294,500.00
3.	Payment-Asian Junior athletics ➢ To 9 winning players for 3 months from August 2018 to October 2018	2,025,000.00
	Total	**23,394,500.00**

FINANCIAL ASSISTANCE FOR SPORTS COMPETITIONS

The contributions made by the National Sports Fund for the National and International Sports Competitions held in Sri Lanka during 2018 are as follows :

Serial No.	Subject	Amount Paid (Rs.)
1	National Grand Sports Festival	7,233,800.00
2	International event	3,798,820.00
	Total	**11,032,620.00**

WELCOME AND APPRECIATION CEREMONIES

A number of steps have been taken during the year 2018 for the purpose of appreciating the careers of sportsmen and sportswomen who are now in retirement having brought credit to the country at national and international competitions as well as those who are actively engaged in sports and also to accord honorable welcome to the country when they come back to the motherland having achieved great victories abroad. The allocations made and expenditure incurred in this regard is given below:

Serial No.	Description	Amount paid (Rs.)
01	Appreciation of Sportsmen & Sportswomen ➢ Payment of 18 persons including players and coaches who have won the Commonwealth Games (Rs.23,750,000.00) ➢ Awarding of cash prizes to the coach of the javelin thrower (Rs.225,000.00)	23,975,000.00
	Total	**23,975,000.00**

MISCELLANEOUS EXPENSES

Other expenditure made by the National Sports Fund with the Minister’s approval.

Serial No.	Subject	Amount Paid (Rs)
1	Miscellaneous expenses ➢ Sponsoring the Ceylon Bar Association ➢ Sponsoring the Professional Sports Reporters Association ➢ Sponsoring airfare for sportsmen ➢ Sponsoring the Sri Lanka Boxing Association's domestic competitions ➢ Payment for media coverage for media coverage reporters of sports competitions	10,522,530.64
2	Administrative expenses(For accounting activities of the National Sports Fund)	509,250.00
3	Expenses for Diyagama Mahinda Rajapaksha Stadium ➢ Electricity, Water, Cleaning Monthly Payments	7,881,346.94
4	Other Allowances	587,430.16
5	International conference on Medical Science(Held in Sri Lanka) ➢ For airline tickets of foreign resource persons ➢ For Summit Event Management	7,049,997.36
	Total	**26,550,555.10**

PERFORMANCES OF SRI LANKAN SPORTSMEN AND SPORTSWOMEN DURING 2018

A list of medals won by Sri Lankan Sportsmen and Sportswomen at International Meets is given below. The National Sports Fund had made a significant contribution in achieving these best performances.

No	Sport	Tournament	Country held	Medals			Total
				Gold	Silver	Bronze	
1	Wushu	South Asian Wushu Tournament	Pakistan	6	1	3	10
2	Weight Lifting	Common Wealth Athletics Sports Festival	Australia		1	2	3
3	Boxing					3	3
4	400 metres (indoor)	8th Asian Tournament Indoor Athletics Sports Tournament	Iran	1		1	2
5	Long Jump					1	1
6	800 metres					1	1
7	800 metres	Thailand Open Athletic Sports Tournament	Thailand	1			1
8	Long Jump			1		1	2
9	High Jump			1			1
10	Javelin Throw			1			1
11	400 metres			1			1
12	200 metres				1		1
13	400 metre hurdles				1		1
14	Sephalon					1	1
15	400 metre hurdles					1	1

16	400 metre (men)	Invitational Tournament held in paralel to 18th Asian Sports Festival	Indonesia	1			1
17	400 metre (women)					1	1
18	400 metre (men)			1		1	2
19	Javelin Throw (men)				1		1
20	Javelin Throw (women)			1			1
21	Long jump (men)	Invitational Tournament held in paralel to 18th Asian Sports Festival	Indonesia			1	1
22	1500 metre (women)				1		1
23	300 metre hurdles (women)			1			1
24	Tenthalon (men)				1		1
25	Triple jump (women)				1	1	2
26	5000 metre (men)					1	1
27	3000 metre hurdles (men)			1			1
28	800 metre (women)				1	1	2
29	400 *4 metre (men)					1	1
30	100*4 metre (men)				1		1
31	400 metre (women)	18th Asian Junior Athletics Tournament	Japan		1		1
32	400 metre (men)			1	1		2
33	100 metre (women)				1		1
34	3000 metre hurdles (women)			1			1
35	800 metre (women)				1		1
36	200 metre (women)				1		1
37	400*4 metre (women)					1	1
38	400*4 metre (men)	Malaysia Open	Malaysia	1			1

39	100 metre (men)	Athletic Sports Tournament	Malaysia	1			1
40	100 metre (women)				1		1
41	400 metre (men)			1			1
42	400 metre hurdles			1			1
	Total			**23**	**16**	**22**	**61**
43	Carrom (men)	International Carrom Championship	Korea	Championship			
44	Carrom (women)			2^{nd} place			
45	Netball	Asian Netball Championship	Singapore	Championship			

GRATITUDE

The contributions made by the Hon. Minister of Sports, Officials of the Ministry of Sports and the officials of the Department of Sports Development in performing the activities of the National Sports Fund are greatly appreciated.

W.A.Chulananda Perera
Secretary,
Ministry of Telecommunication, Foreign Employment and Sports

National Sports Fund

Receipts and Payments Account for the year ended 31.12.2018

Receipts 2017	Code No 1	Code No 2	Code No 3	Account Name and Description	Account Note	Receipts 2018	Receipts 2018
Rs.						Rs.	Rs.
11,860,219.49				Balance as at 01st January			7,003,260.02
5,000,000.00	011	000	00	Withdrawal of fixed deposit		29,341,147.25	
2,405,730.40	020	000	00	Interest from fixed deposits		725,821.90	
29,000,000.00	041	000	00	Income-National Lotteries Board		25,000,000.00	
	042	002	00	Miscellaneous receipts			
19,500,000.00	001	000	00	Grants		11,500,000.00	
5,458,334.00	060	000	00	Miscellaneous Deposits		1,649,580.00	
19,712.00	064	000	00	Credited to vote Heads		77,750.00	
185,186.50	066	001	00	Payments received back			
				WHT receipts			
4,975,885.22	065	000	00	Diyagama Mahinda Rajapaksha Stadium		3,166,975.00	
1.00	066	000	000	Other income		803,008.00	
				Receipts from Sponsors		1,500,000.00	
	068	000	00	Receipts from sponsors Asian Junior Athletics		1,575,000.00	
	070	000	00	International conference on Medical Science 2018		7,833,779.00	
				Advance		10,000,000.00	
78,405,068.61				Total of Receipts		93,173,061.15	100,176,321.17

2017 Payments						2018 Payments	2018 Payments
32,500.00	021	000	00	International Competitions		3,798,820.00	
657,677.00	026	000	00	Administrative expenses		509,250.00	
600,000.00	027	002	00	Other allowances		587,430.16	
733,311.40	028	000	00	Sports goods and other supplies		294,500.00	
83,500.00	029	000	00	Foreign Tours of reporters			
20,100,000.00	033	000	00	Nutritional Allowances to athletes		21,075,000.00	
1,050,000.00	037	000	00	Medical assistance to athletes			
24,215,500.00	038	000	00	Tributes to athletes		23,975,000.00	
	040	035	00	Sri Lanka School Rugby Association			
	040	035	00	All Ceylon Karate Association			
381,500.00	040	035	00	Sports Clubs		3,000,000.00	
200,000.00	040	035	00	Matara District Athletics Sports Association			
504,000.00	040	035	00	Sri Lanka Gymnastic Association			
8,796,050.00	046	005	00	Payments to national Sports Festival		7,233,800.00	
8,122,633.00	047	000	00	Miscellaneous expenditure		10,522,530.64	
	052	000	00	Sports Council		24,000.00	
2,158,884.00	060	001	00	Miscellaneous deposits		495,480.00	
15,000.00	065	002	00	Fuel Advances		65,580.00	
39,666.00	065	003	00	Advances for damages			
226,826.10	065	004	00	Miscellaneous Advances		167,655.00	
3,484,761.09	065	001	00	Diyagama Mahinda Rajapaksha Stadium - expenses		7,648,111.94	

	070	**000**	**00**	**Receipts from sponsor Asian Junior Athletics**		**2,025,000.00**	
	068	**001**	**00**	**International conference on Medical Science 2018**		**7,049,997.36**	
				Advance		**10,000,000.00**	
71,401,808.59				**Total**			**98,472,155.10**
7,003,260.02				**Cash balance as at December 31**			**1,704,166.07**

National Sports Fund

Trial Balance for the year ended 31.12.2018

Code No 1	Code No 2	Code No 3	Account Name and Description	Account Notes	Debit	Credit
					Rs.	Rs.
002	000	00	Accumulated Fund as at 01.01.2018			159,953,437.42
011	000	00	Investment account as at 31.12.2018		125,773,894.48	
013	000	00	Fixed Deposit interest receivable as at 31.12.2018	05	6,956,829.90	
013	000	00	Fixed Deposit interest receivable as at 31.12.2016			
017	000	00	Income receivable -National Loteries Board	06	2,889,128.97	
020	000	00	Fixed Deposit investment interest	04		13,650,270.27
021	000	00	International event		3,798,820.00	
026	000	00	Administrative expenses		466,500.00	
027	002	00	Other allowances		587,430.16	
033	000	00	Nutritional Allowance to Athletes		20,775,000.00	
037	000	00	Medical Assistance to Athletes			
038	000	00	Tributes to Athletes		23,975,000.00	
028	000	00	Sports goods and other supplies		294,500.00	

029	000	00	Foreign Tours of reporters			
040	035	00	Sports Clubs		3,000,000.00	
041	000	00	Income National Lotteries Board	06		21,649,250.00
043	000	00	Payment of Audit Charges		180,000.00	
043	001	00	Payment of Audit Charges	07		720,000.00
046	005	00	Payment for National Sports Festival		7,233,800.00	
047	000	00	Miscellaneous Payments		10,522,530.64	
050	000	00	Cash Balance		1,704,166.07	
060	000	00	Miscellaneous Deposits	08		4,481,664.00
066	000	00	Payment received back	01		
001	000	00	Grants			11,500,000.00
038	000	00	Nutritional Allowance Payable			
066	000	00	Other income			803,008.00
064	000	00	Credit to vote heads			
011	001	00	Investment income adjustment account		123,160.80	
065	002	00	Fuel Advances Fuel Advances		50,580.00	
065	004	00	Miscellaneous Advances		147,655.00	
065	001	00	Expenses for Diyagama Mahinda Rajapaksha Sports Complex		7,766,918.72	
065	000	00	Receipts for Diyagama Mahinda Rajapaksha Sports Complex			2,989,475.00
065	002	00	Diyagama Mahinda Rajapaksha Sports Complex – Expenses payable			508,868.41

065	**000**	**00**	**Diyagama Mahinda Rajapaksha Sports Complex – Income receivable**		**5,000.00**	
			2018 Conference on Medical Science		**110,000.00**	
			Sponsor receipts-Asian Junior Athletic games-Receivables			**1,875,000.00**
			2018 Conference on Medical Science			**7,943,779.00**
			Sponsor receipts-Asian Junior Athletic games-Receivable		**300,000.00**	
			Payments-Asian Junior Athletic Games		**2,025,000.00**	
			2018 Conference on Medical Science - payments		**7,049,997.36**	
			Sponsor receipts			**1,500,000.00**
052	**000**	**00**	**Sports Council**		**24,000.00**	
					227,574,752.10	**227,574,752.10**

National Sports Fund
Income and Expenditure Account for the year ended 31.12.2018

Restated income Rs.	Notes	Code No 1	Code No 2	Code No 3	Account Name and Description	Account Notes	Income 2018 Rs.	Income 2018 Rs.
					Income			
14,792,802.70		020	000	00	Interest on Investment		13,650,270.27	
24,551,128.97		041	000	00	Income-National Lotteries Board		19,834,410.00	
185,186.50		066	000	00	Payment Received back			
19,500,000.00		001	000	00	Grants		11,500,000.00	
		060	000	00	Miscellaneous deposits			
1.00		066	000	00	Other income		803,008.00	
5,158,385.22		065	000	00	Diyagama Mahinda Rajapaksha Stadium		2,989,475.00	
4,278.35		020	000	00	Investment income adjustment			
					Sponsor receipts		1,500,000.00	
					Sponsor receipts-Asian Junior Athletic Games		1,875,000.00	
					2018 International conference on Medical Science		7,943,779.00	
64,191,782.74					Total Income			60,095,942.27

					Expenditure			
		023	000	00	Funds for Local events			
657,677.00		026	000	00	Administrative expenditure		466,500.00	
733,311.40		028	000	00	Sports goods and other supplies		294,500.00	
83,500.00		029	000	00	Foreign tours of reporters			
20,400,000.00		033	000	00	Nutritional Allowance to athletes		20,775,000.00	
381,500.00		040	035	00	Sports Clubs		3,000,000.00	
200,000.00		040	035	00	Matara District Athletics Association			
504,000.00		040	035	00	Sri Lanka Gymnastic Association			
		040	035	00	Sri Lanka School Rugby football Association			
		040	035	00	All Ceylon Karate Association			
1,050,000.00		037	000	00	Medical assistance for athletes			
24,185,500.00		038	000	00	Tributes to athletes		23,975,000.00	
32,500.00		021	000	00	International Tournament		3,798,820.00	
180,000.00		043	000	00	Payment of Audit Fees		180,000.00	
8,796,050.00		046	004	00	Payments to National Sports Festival		7,233,800.00	
8,122,633.00		047	000	00	Miscellaneous Payments		10,522,530.64	
600,000.00		027	002	00	Other Allowances		587,430.16	
		063	001	00	Presidential Awards			
6,000.00		065	002	00	Fuel Advances		50,580.00	
214,809.10		065	004	00	Miscellaneous Advance		147,655.00	
3,868,907.72		065	001	00	Diyagama Mahinda Rajapaksha Complex		7,766,918.72	
		052	000	00	Sports Council		24,000.00	

					Sponsor Receipts-Asia Junior Athletic sports		**2,025,000.00**	
					2018 International conference on medical science		**7,049,997.36**	
		020	**000**	**00**	**Investment income Adjustment**		**123,160.80**	
70,016,388.22					**Total expenditure**			**88,020,892.68**
(5,824,605.48)					**Surplus**			**(26,110,110.41)**

National Sports Fund
Balance Sheet as at 31.12.2018

Code No 1	Code No 2	Code No 3	Notes	Account name and description	Account Notes	Restated 2017 Rs.	2018 Rs.
				Assets			
050	000	00		Cash balance		7,003,260.02	1,704,166.07
			09	Special Advance receivables			-
				Miscellaneous debtors	03	14,747,288.58	12,075,798.87
						21,750,548.60	13,779,964.94
				Non-current Assets			
			09	Investment Account		142,760,514.45	125,773,894.48
				Total Assets		164,511,063.05	139,553,859.42
				Liabilities			
				Current Liabilities			
060	000	00		Miscellaneous deposits	08	3,327,564.00	4,481,664.00
018	000	00		Accrued expenses	07	1,230,061.63	1,228,868.41
				Allocations		4,557,625.63	5,710,532.41
				Non-Current Liabilities			
				Total liabilities		4,557,625.63	5,710,532.41
				Net Assets		159,953,437.42	133,843,327.01
				Net Assets/equity			
002	000	00	09	Accumulated Fund	11	159,953,437.42	133,843,327.01
				Total Net Assets/equity		159,953,437.42	133,843,327.01

National Sports Fund

Cash – flow Statement for the year ended as at 31.12.2018

Description	Amount	Amount
	Rs.	Rs.
Cash-flow from operational activities		
Year's surplus	(26,110,110.41)	(26,110,110.41)
Non-cash change		
Decrease of debtors	2,671,489.71	
Increase of miscellaneous deposits	1,154,100.00	
Increase of miscellaneous creditors	(1,193.22)	
Net cash flow from operational activities		
Cash-flow from investment activities		
Decrease in fixed deposits	(16,986,619.97)	
Net cash-flow from investment activities		
Net increase in cash and cash equivalents		(5,299,093.95)
Cash and cash equivalents at the beginning of the period		7,003,260.02
Cash and cash equivalents at the end of the period		1,704,166.07

National Sports Fund

Equity change Statement for the year ended 31.12.2018

2018 Re Stated Rs.	Notes	Account name and description	2018 Rs.
165,778,042.90		Accumulated Fund as at 01.01.2018	159,953,437.42
(5,824,605.48)		Deficiency in 2018	(26,110,110.41)
159,953,437.42		Accumulated Fund as at 31.12.2018	133,843,327.01

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

(English Translation)

CAS/A/NSF/6/18/11 24th May 2019

Secretary,
Ministry of Telecommunication, Foreign Employment and Sports.

Auditor General's Report in terms of section 12 of the National Audit Act No.19 of 2018 with regard to Financial Statements and other legal and regulatory requirements for the year ended 31st December 2018 of the National Sports Fund.

1. Financial Statements

1.1 Opinion

The Balance sheet of the National Sports Fund as at 31st of December 2018 as well as the Income and Expenditure Account, Statement on equity-change, cash-flow statement and the notes pertaining to them for the year ended 31st December 2018 were audited under my direction in Keeping with significant accounting policies and the National Audit Act No.19 of 2018 and the Finance Act No.38 of 1971 which should be read with the statute 154(6) of the constitution of the Democratic Socialist Republic of Sri Lanka.

According to my Opinion, the financial position as at 31st of December 2018 and the financial activities and cash-flows reflect a fair and true position according to Accounting Standards of the Government of Sri Lanka.

1.2 Basis for the Opinion

The Audit was carried out under my direction in keeping with the Auditing Standards of Sri Lanka. The responsibility vested in me under these auditing standards has been morefully described under “Auditors Responsibility over auditing of Financial Statements”. In my belief the evidence obtained by me to form a basis for my opinion is adequate and appropriate.

1.3 Responsibilities of management and those charged with governance for financial statements.

The management is responsible for the preparation of financial statement to give a true and fair view in accordance with Sri lanka Public Sector Accounting Standards and for such internal control as Management determines is necessary to enable the preparatiion of financial statement that are free from material misstatements whether due to fraud or error.

In preparing the financial statements management is responsible for assessing the institution’s capability to continue as a going concern basis of accounting unless either i tends to liquidate the institution or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the institution’s financila reporting process.

As per Sec.16 (1) of the National audit No.19 of 2018 the institution is required to maintain books and records properly pertaining to its income, expenditure,assets and liabilities to enable annual and periodic financial statements to be prepaed of the institution.

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 instruction'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's 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 instruction'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 instruction's 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

   For the sake of purposes special provisions have been included in the National Audit Act No.2018. In terms of the requirements Audit laid down in 12(a) of the National Audit Act No.19 of 2018.

   - All necessary information and explanations were obtained by me and according to my investigation it seems that the Fund had been maintained by way of proper financial records.
   - As per the requirement of Sec.6 (I) (d) (III) of the National Audit Act No.19 of 2018 the financial statements submitted by the Fund is in consistent with the preceding year.
   - According to the requirement of the Sec. 6 (i) (d) (iv) of the National Audit Act No.19 of 2018 the Financial Statements submitted include the recommendations made by me in the previous year.

   Being within the course of action taken on the basis of evidence received and significant facts nothing drew my attention to make the following statements.

   - The fact that any member of the governing Body of the Fund has any connection directly or indirectly in the form of an Agreement related to the Fund.

   - Non-compliance with any written law, common orc specific directions issued by the governing Body of the Fund other than complying with the observations made for the purpose of the Sec.12(e) of the national Audit Act No.19 of 2018.

Reference to Laws and Regulations		Descriptions
(i)	Sec. 25 (2) of the Sports Act No.25 of 1973	Though the Secretary of Ministry should prepare a report as soon as possible, on the administration of the fund no report had been prepared for the year under review.
(ii)	Financial Regulation 3689 (d)	Action had not been taken as per relevant Regulations with regard to 108 cheques valued at Rs.44,121,664 which had been issued but not submitted to the bank.

- That action has been taken without complying with powers, purpose and role of the Fund according to the requirement of sec.12(g) of National Audit Act No 19 of 2018.

- Resources of the Fund have not been made use of complying with relevant laws during the period effectively, productively and frugally, other than the following observations, according to the requirements laid down in Sec.12(h) of the National Audit Act No.19 of 2018.

(a) Management Activities

During the year under review the withholding tax to the value of Rs.423,645 had been paid at 4 occasions as a letter of clearance had not been obtained to the effect that investments of the National Sports Fund is exempt from the withholding Tax in terms of the sec.84 of the Inland Revenue Act No.24 of 2017.

(b) Action Plan

Although, the secretary of the Ministry should administrate the Fund, no Action Plan had been prepared for the year under review, complying with Sec.25(1) of the Sports Act No.25 of 1973.

(C) Controversial Transactions

During 2017 and the year under review a sum of Rs.1,185,000 had been paid as Coach Allowance to 4 staff officers attached to the Department of Sports

Development. But no evaluation had been done over their performance in making such Allowance. Another sum of Rs.1,600,000 had been paid out of the Fund as coach Allowance for achievements gained at the weight lifting events at the Common Wealth Games.

(d) Internal Audit

For the year under review, income of the Fund was Rs.61.9 million while the expenditure was Rs.88 million. The total value of assets is Rs.139 million. As per F.R. 133 there should have been an internal audit but there was not an Internal Audit Unit established for the Fund. An audit had not been done even by the Internal Audit unit established under the Ministry.

(e) Budgetary Control

When reconciling Budget related expenses with actual expenses, fluctuations from 19% to 346% relating to 13 Vote Heads had been observed where by it was noticed that the Budget had not been made use of as a tool for effective management control.

W.P.C. Wickramaratne
Auditor General