

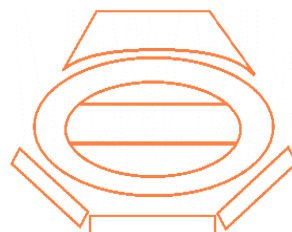


வாரீக வாரீல வருடாந்த அறிக்கை 2016 ANNUAL REPORT



சுගததாச காதிக ஸ்ரீலா கங்கீரஸ் அபிகாரீய
சுகததாச தேசிய விளையாட்டுக் கட்டிடத்தொகுதி அதிகாரசபை
SUGATHADASA NATIONAL SPORTS COMPLEX AUTHORITY

The Sugathadasa National Sports Complex Authority



**Annual Report
2016**

The Sugathadasa National Sports Complex Authority

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Co-ordination of Information

Name of the Institution - Sugathadasa National Sports Complex Authority

The Sugathadasa National Sports Complex Authority is legally established by the Parliamentary Act No. 17 of 1999.

BOARD OF MANAGEMENT

Brigadier GMSS Jayasundara RSP, USP	- Chairman
Mr. K.D.S. Ruwanchandra (Director General, Department of Sports Development) (Up to June 2016)	- Member
Mr. STRTMSP Bandara (Up to June 2016)	- Member
Mrs. Sandya Sirimanne (With effect from July 2016)	- Member
Mr. S.W. Madanayake (Director – Department of State Accounts)	- Member
Mr. STRTMSP Bandara (Director General - Department of Sports Development) (With effect from July 2016)	- Member
Mr. KA Aloka Sri Kantha	- Member
Mr. IRU Mahesh Wijerathne	- Member
Mr. WTP Cabraal	- Member
Mr. Sunil Gunawardene	- Member
Mr. Sampath Dissanayake	- Member
Mr. HLMS Bandara	- Member
Mr. AM Rakeeb	- Member

BANKERS:

Bank of Ceylon - Grandpass Branch

AUDITORS:

Auditor General,
Auditor General's Department
No.306/72, Polduwa Road, Battaramulla.

ADDRESS:

The Sugathadasa National Sports Complex Authority,
P.O. Box: 2011, Arthor de Silva Mawatha,
Colombo 13.

Telephone : - 011-2445677. 2422841
011-2384490, 2384385

Fax : - 011-2445675

E-mail : - sugathad@sltnet.lk

AUDIT AND MANAGEMENT COMMITTEE

Mr. S.W. Madanayake (Director – Department of State Accounts)	- Chairman
Mr. STRTMSP Bandara (Director General - Department of Sports Development)	- Member
Mr. KAA Sri Kantha	- Member
Mr. HAW Abhayakumara (Chief Internal Auditor - Ministry of Sports)	- Member
Mrs. TLT Madhushani Ranaweera	- Secretary

Participation in observatory Level

Mr. DSAS Anulasiri
(Superintendent of Audits – Auditor General's Department)

Officers participated in the third Audit and Management Committee

Mr. ST Rathnayake (Superintendent of Audits – Auditor General's Department)	
Mr. Gamini Chandrasiri	- Secretary (Acting)

MANAGEMENT – CONTROLLING OF STADIUMS

Brigadier JMSS Jayasundara RSP, USP	- Chairman
Mr. SSK Gunawardene	- Director
Mr. Chaminda K Udukumbara	- Assistant Director (Administration)
Mr. CHJ Rupasinghe	- Assistant Director (Finance)
Ms. WMYA Wijesooriya	- Assistant Director (Sports)
Mr. MM Ajith Ranasinghe	- Assistant Director (Technical)
Mrs. Gayani Deepika Kumari	- Assistant Director (Technical)
(With Effect From August 2016)	
Mr. Kapila Munasinghe	- Legal Officer
Ms. TLTM Ranaweera	- Audit Officer
Mr. K Bandutilleke	- Information Technology Officer
Mrs. PDN Prabha Kirielle	- Manager Stadiums (Outdoor)
Mr. PD sampath Perera	- Manager Stadiums (Reservations)
Major HG Upali Gamage	- Manager Stadiums (Security)
Mrs. DDS Liyanarachchi	- Manager Stadiums (Indoor)
Mr. SMI Silva	- Manager Stadiums (Bogambara)
Ms. Shanika Prabhashwari	- Officer Marketing / Purchasing

COMPILATION:

Supervision: SSK Gunawardene (Director)
C Anuradha Widanagamachchi (Assistant Director – Administration)
H. Anoja Priyadharshani (Administrative Officer)
Computer type setting:
Ajith Indika Senewirathne (Management Assistant)
M. Thilina Sashiranga Muthunayake (Management Assistant)
Translation (Tamil, English): Mr. M Nusrath (Government Translator)
Printing: Selacine Television Institute

Our Vision and Mission

Vision

Transforming the Sugathadasa National Sports Complex Authority into an internationally recognized sports complex equipped with First class sports facilities and facilitation in the development of Sri Lankan sports in Sri Lanka with concessionaries through the development of the other sports complexes owned by the Authority.

Mission

Contribution in the development of Sri Lankan sports by providing internationally recognized facilities and to become the pioneer sports complex equipped with internationally recognized facilities required to upgrade the talents of Sri Lankan Sportsmen and Sportswomen.

Establishment of the Sugathadasa National Sports Complex Authority

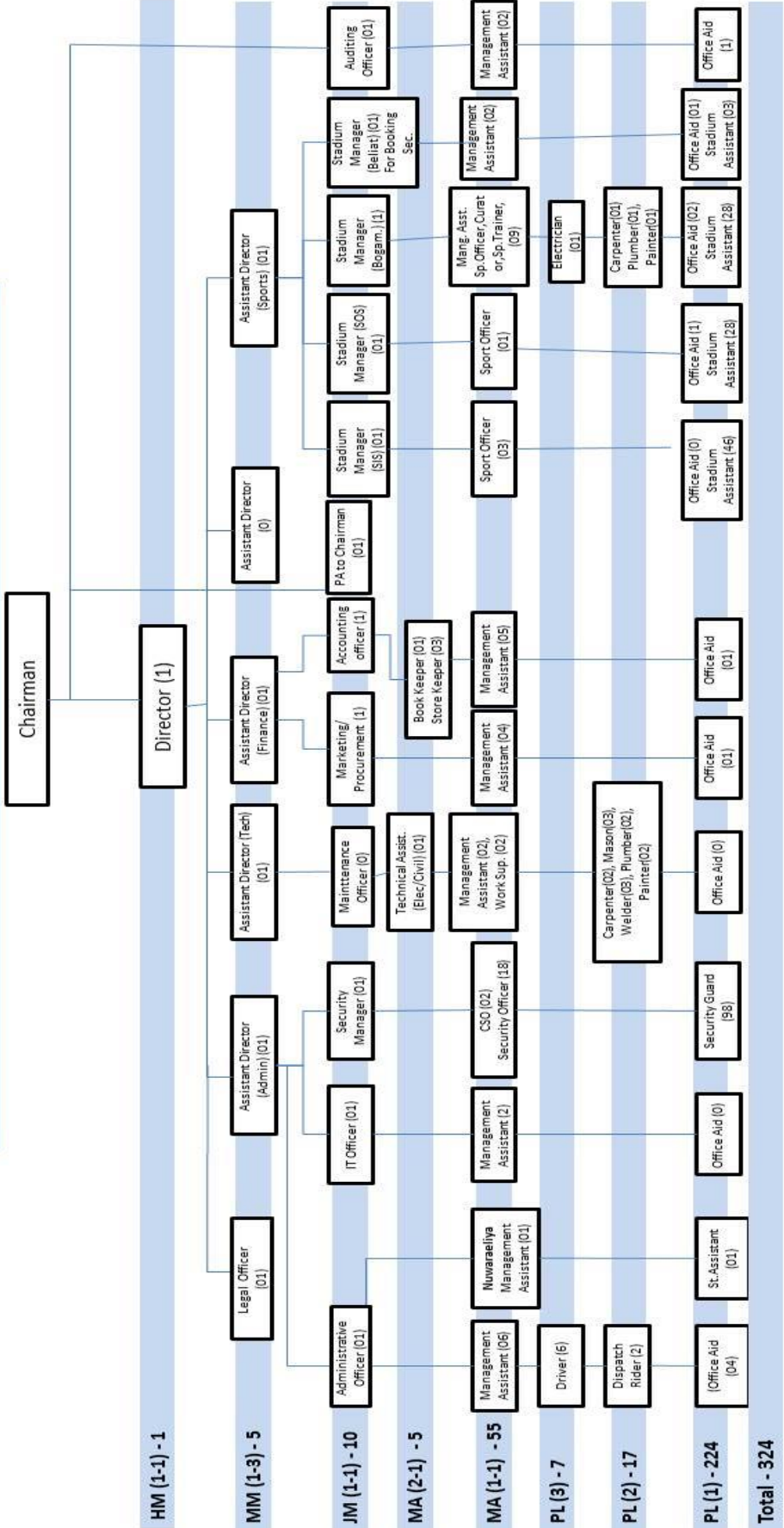


The Sugathadasa National Sports Complex had been assigned to the Ministry of Sports as a trust fund with effect from **01.02.1995** and the **Act No. 17 of 1999** for incorporating it as the Sugathadasa National Sports Complex was submitted to the Parliament of Sri Lanka on the **20th April 1999**. The said Act had been passed at the Parliament with effect from **01.09.1999** and this National Sports Complex has been established as the Sugathadasa National Sports Complex Authority since then.

Management activities of the Authority are carried out by a Board of Management appointed by the Hon. Minister in charge of the Sports and the Board comprises of the following members.

- 1) Chairman – appointed by the Minister in charge of Sports.
- 2) Secretary or a representative of the Ministry which is under the purview of the Minister in charge of Sports.
- 3) Director General of Sports appointed under the Sports Act No. **25 of 1973** of the National State Council.
- 4) A representative of the General Treasury.
- 5) In addition, seven (07) members appointed by the Minister in charge of Sports.

The Sugathadasa National Sports Complex Authority – Existing Organizational Chart



Approved Cadre

In addition to the members of the Board of Management, the total number of permanent employees recruited as per the approved Scheme of Recruitment of the Authority is **343**. The number of employees served in the Authority out of the approved cadre as at 31.12.2016 was **94%**. It is comprehensively indicated below.

No.	Designation	Salary Segment	Approved Permanent Cadre	No. of Employees Approved on Contract Basis	No. of Employees as at 31.12.2016	No. of Employees on Contract Basis as at 31.12.2016	No. of Vacancies/Surplus
1	Chairman		1	-	1	-	0
2	Director	HM 1-1	1	-	1	-	0
Middle Level Management							
3	Deputy Director / Assistant Director (Administration)	MM 1-3	1	-	1	-	0
4	Deputy Director / Assistant Director (Finance)		1	-	1	-	0
5	Deputy Director / Assistant Director (Sports)		1	-	1	-	0
6	Deputy Director / Assistant Director (Technical)		1	-	1	-	0
7	Deputy Director / Assistant Director		1	-	0	-	1
8	Legal Officer		1	-	1	-	0
Junior Management							
9	Private Secretary to the Chairman	JM 1-1	0	1	0	1	0
10	Internal Auditor		1	-	1	-	0
11	Administration officer		1	-	0	-	1
12	Accounting Officer		1	-	0	-	1
13	Information Technological Officer		1	-	1	-	0
14	Maintenance Officer		1	-	1	-	0
15	Purchasing Officer / Marketing Officer		1	-	1	-	0
16	Security Manager		1	-	1	-	0
17	Stadium Manager (Indoor)		1	-	1	-	0
18	Stadium Manager (Outdoor))		1	-	1	-	0
19	Stadium Manager Bogambara)		1	-	1	-	0
20	Stadium Manager Beliatte)		1	-	1	-	0
Management Assistant (Technical)							
21	Technical Assistant (Civil)	MA 2-1	1	-	0	-	1
22	Technical Assistant (Electric)		1	-	1	-	0
23	Store Keeper		3	-	3	-	0
24	Book Keeper		1	-	1	-	0
Management Assistant (Non - Technical)							
25	Management Assistant	MA 1-1	31	-	26	-	5
26	Ground Controller		1	-	1	-	0
27	Works Supervisor		2	-	2	-	0
28	Sports Officer		8	-	5	-	3
29	Sports Trainer*		1	-	1	-	0
30	Chief Security Officer		3	-	3	-	0
31	Security Officer		17	-	17	-	0
32	Management Assistant (Officer in charge of the Station) Nuwalra-eliya		1	-	0	-	1
33	Security Officer (Controller) Nuwara-Eliya		1	-	0	-	1
Primary Skilled							
34	Electrician*	PL 3	1	-	1	-	0
35	Driver		6	-	6	-	0
Primary Semi Skilled							
36	Carpenter	PL 2	3	-	3	-	0
37	Mason		3	-	3	-	0
38	Plumber		3	-	3	-	0
39	Painter		3	-	3	-	0
40	Welder		3	-	3	-	0
41	Bicycle Orderly		2	-	2	-	0
Primary Non-Semi Skilled							
42	Stadium Assistant	PL 1	111		110	-	1
43	Security Guard		108		104	-	4
44	K.K.S. (Office Assistants)		10	-	10	-	0
Total			342	1	323	1	19

Responsibilities and Functions of the Authority

Responsibilities

1. Management, maintenance of the Sugathadasa National Sports Complex Authority and taking necessary action to safeguard the Authority as a national asset.
2. Maintenance of all facilities and services.
3. Carrying out improvements or changes required for the buildings and structures.
4. Provision of Facilities to the Sri Lankan Citizens, particularly to the Sri Lankan youth for enabling them to improve their talents in sports and their physical fitness and health subjected to the Conditions imposed by the Board of Management.
5. Conducting training courses and programmes on sports with the objective of improving sports, particularly in rural sectors.
6. Provision of facilities required for the National and International festivals subjected to the Conditions imposed by the Board of Management.
7. Organization of International and National Sports Trainings and Developing Co-ordination and cooperation with Sports Institutions with the objective of improving sports and recreation facilities available in Sri Lanka.
8. Provision of facilities of the Authority to Schools, Youth Sports Clubs and Sports Organizations by charging concessionary rates subjected to the Conditions imposed by the Board of Management.

Functions

1. The following procedures were adopted by the Authority in order to hold the above responsibilities and services and facilities are provided to Sports Clubs, School Sports Clubs and Public as well as Private Institutions under concessionary rates approved by the Board of Management.
2. Provision of infrastructure facilities that are necessary for training sportsmen and sportswomen for National and International track and field events.
3. Provision of facilities required to conduct matches with international recognition during day and night times.
4. Facilitation for the advancement of sportsmen/ sportswomen equipped with talents in schools with low facilities and in rural level by providing infrastructure facilities for uplifting their talents.
5. Provision of swimming and diving pool facilities required for the conduct of nationally and internationally recognized swimming competitions.
6. Supplying facilities necessary for conducting examinations, conferences, conventions, festivals and recreational activities.
7. Organization of workshops on training purposes.

Management

Fields for which Facilities and Services are provided

The Sugathadasa National Sports Complex Authority which possesses a specific capacity for the provision of facilities and services in day times as well as in night times has contributed immensely in the National Level for the provision of facilities and services in the fields of Sports, Health, Education and Recreation. The Sugathadasa National Sports Complex Authority has become the pioneer institution of providing services and facilities in par with the International Standards specifically in the sphere of Sports.

Sports

Provision of internationally recognized facilities for sports such as Athletics, Rugby, Netball, Cricket, Basketball, Squash, Handball, Badminton, Table Tennis, Judo, Wrestling, Wushu, Boxing, Taekwondo, Karate and Gymnastics.

Health and Education

Provision of internationally recognized services and facilities to National and International festivals, workshops, training courses, swimming and lifesaving courses, body building courses, shows and meetings.

Recreation

Supplying services and facilities for the nationally and internationally recognized mega shows.

Publicity and Advertisements

Supply of services and facilities by arranging backgrounds necessary for still photographs and videos in relation to marketing purposes. It is noteworthy that some of the very popular advertisements have been televised at the vicinity of the Sugathadasa National Sports Complex Authority.

The Sugathadasa National Sports Complex Authority comprises of the following institutions for the provision of the aforementioned services and facilities.

- 1) Sugathadasa Indoor Stadium and Swimming/Diving Complex.
- 2) Sugathadasa Sports Hotel.
- 3) Sugathadasa Outdoor Stadium.
- 4) R. Premadasa International Cricket Stadium
(has been leased to Sri Lanka Cricket Board for a period of thirty years with effect from 01.11.2006)
- 5) Bogambara Outdoor Stadium.
- 6) Beliatte and Weeraketiya Swimming Pools.
- 7) Nuwaraeliya Race Course.

Human Resources Development

special attention was focused on the motivation and skills development of employees during the financial year of 2016. The Superior Controlling Authority had made arrangements during the year to provide training courses and Programmes in accordance with the following fields of subject.

Serial Number	Course	Duration	Participation	Amount (Rs.)
01	Workshop on Surge Protection Critical Facilities; An End use Perspective On Power Quality.	2016.02.03 to 2016.11.06	01	4,500.00
02	Olympic Solidarity Sports Administration.(OSSAC) 2016	2016.04.30 to 2016.05.03	02	6,000.00
03	Olympic Solidarity Sports Administration.(OSSAC) 2016	2016.02.03 to 2016.11.06	02	6,000,00

Reporting to the Management

Reporting the monthly progress of the Institution to the Ministry of Sports is carried out continuously in every month and arrangements had been made to duly submit the Performance Report tabled in the Parliament of Sri Lanka at the end of the third quarter and to submit statistical data to the Department of Management Services, Department of Budget and to the Department of Census and Statistics.

Meetings of the Board of Management held in relation to the Year 2016

The Board of Management takes decisions related to the progress of this Authority and the relevant meetings are held monthly. 10 Management Board meetings have been conducted in relation to the Year 2016 and the important decisions taken at the meetings are mentioned below.

Serial No.	Date	Matter	Decision Taken
01	January 2016	Payment of the Interim Allowance for the wellbeing of the employees in the Year 2015.	The approval of the Board of Management was granted at the meeting held on 17-12-2015 to pay a bonus of Rs. 2000/- per one employee for the Staff as per the Management Services Circular No. 02/2015 dated 09-12-2015. However, a request was made by the members of the Staff to provide a bonus of Rs. 5000/- as paid in the year 2014 and a Committee was appointed to inquire whether it is possible to pay the relevant amount and the Committee recommended that it is appropriate to pay an interim allowance of Rs. 1500/- for the welfare of the employees. The Report of the Committee with the recommendation to pay the interim allowance for the welfare of employees was approved by the Board of Management and the Board further instructed to prepare a report on the relevant allowance and to take necessary action to get the approval of the Department of Management Services on the recommendation of the Secretary of the Ministry of Sports.
02		Absorption of the Post of Store Keeper under the Salary Segment of MA 2-1 belonging to the Category of Management Assistants Technical Services.	Only 01 Post of Store Keeper has been approved by the letter of the Department of Management Services bearing No.DMS/B2/42/2 dated 27-01-2012 considering the exigencies of the service in compliance with the request made to the Department of Management Services. However, three Store Keepers have been serving at the occasion as stores were established in Stadiums. Thereby, several requests had been made to create 03 additional Posts as it was not possible to absorb one employee under the aforementioned approval. Accordingly, approval was granted by the letter of the Department of Management Services dated 26-11-2015 to create a total of 03 Store Keeper Posts. The approval of the Board of Management was granted to absorb the three officers in the service category of Management Assistants Non-technical (MA 1-1) who are currently holding the Post of Store Keeper with effect from 27-01-2012 in accordance with the new approved scheme of recruitment for Management Assistants Technical (MA 2-1) and to pay salary arrears and arrears in allowances entitled to them with effect from that day.

03		Functioning of Electrical timing equipment – Sugathadasa Indoor and Outdoor Stadiums	A trained group of employees are available in our institution to determine the speed using the electrical timing equipment for swimming competitions conducted in the Sugathadasa Indoor Stadium and to provide service facilities using Electrical timing equipment and electrical measuring equipment for the determination of time and the determination of the distance in the conduct of track and field events in the Sugathadasa Outdoor Stadium and the said facility is provided for competitions when the facility is requested by the clients. The persons serving in the staffs received an allowance of Rs. 1000/- per day for the provision of the aforementioned service facility and the Board of Management discussed about the recommendation made by the Manager (Indoor) to pay an allowance of Rs. 1500/- per day taking into consideration the current travelling expenses and cost of living as this is another duty performed by them in addition to the duties assigned to them and also this is a specific professional task. Accordingly, the approval has been granted to pay an allowance of Rs. 1500/- per person subsequent to charging from external parties who apply for obtaining these services.
04		Creation of the Post of Working Director – SNSCA	A written request has already been forwarded to the Secretary of the Ministry of Sports for the amendment of the Sugathadasa National Sports Complex Authority Act No.17 of 1999 for the creation of the Post of Working Director and necessary action is being taken to amend the Act. The Board of Management instructed to prepare and to submit a Report indicating the need for creating the Post of Working Director to the Department of Management Services with the recommendation of the Secretary of the Ministry of Sports. Likewise, the Board of Management further instructed to effect all necessary amendments to the Act and to take necessary action to revise the Structure of the Employees at the same instance. The Board of Management has decided to temporarily appoint Mr. K.A. Aloka Srikantha, Member of the Board of Management to the aforementioned Post for the duration of 06 months until the necessary arrangements are made to create the Post of Working Director on the exigencies of the Service.
07		The Building of Sri Lanka Anti-doping Agency proposed to be constructed in the land of the Sugathadasa National Sports	The Executive Director of the Sugathadasa National Sports Complex Authority has informed that it has been scheduled to construct the proposed Building of the Sri Lanka Anti-doping Agency (SLADA) in the portion of land belonging to the Sugathadasa National Sports Complex Authority where the Building constructed by the Judo Association is located and it had been scheduled that the Foundation Stone would be laid with the leadership of Hon. Minister of Sports.

		Complex Authority	The approval of the Board of Management had been granted at the meeting held on 26-08-2014 for constructing the building and the officers of the institution had planned to initiate the functions of this Project as Provisions had been allocated in the year 2016 by the General Treasury. However, Mr. S. Madanayake, Member of the Board of Management / representative of the General Treasury informed that consent cannot be granted for such a construction in a land owned by the Sugathadasa National Sports Complex Authority. Likewise, he pointed out that it is appropriate to do such construction as per the Master Plan. The Board of Management pointed out that it is important to inquire whether a part of a building from a major construction Project implemented by our institution can be granted along with parking facilities in the future. Subsequent to having lengthy discussions in this regard, the approval of the Board of Management was granted to take necessary future action required as the Board of Management decided that an appropriate land has to be allocated to construct the relevant project subsequent to holding discussions with the officers of the Sri Lanka Anti-Doping Agency and the Central Engineering Consultancy Bureau since the Sri Lanka Anti-Doping Agency functions as an institution affiliated to the Ministry of Sports.
08		Star Class Hotel proposed to be constructed in the land located adjacent to the "D" Vehicle park.	The land proposed to construct the Star class hotel is currently owned by the Urban Development Authority. It had been mentioned that it was appropriate to construct a new hotel complex under the methodology that suits our Authority since the UDA has granted its consent to transfer the land to our Authority. Accordingly, the Chairman of the SNSCA informed that it is possible to initiate the activities of the project in the land adjacent to the "D" vehicle park. The approval was granted to make inquiries in relation to this project and to proceed as the institution can earn income from this Project.
09	April 2016	Charging fees for advertisements published on the LED Advertising Hoarding.	All the construction activities of the 20'x10' LED advertising hoarding established facing Sirimavo Bandaranaike Mawatha in the backyard area of the venue where the statue of Mr. V.A. Sugathadasa erected in the Sugathadasa Outdoor Stadium have been finalized and the supplier had handed over the Hoarding to our institution on 20-01-2016. The Manager (Information Technology) had informed that opportunity could not be granted to the clients to advertise their products as decision was not taken on the charges to be levied for advertisements even though advertisements had been received and recommendations had been submitted to publicize advertisements of 20 seconds for 100 times under a sum of Rs. 25,000 (Without VAT) per month. The Board of Management discussed in length regarding advertising on the LED Hoarding and notified that it is important to focus attention on

			the matters mentioned below. All the advertisements provided for advertising should be submitted for the information of the Chairman and arrangements should be made to obtain the approval of the Chairman of the Sugathadasa National Sports Complex Authority to publicize advertisements. Formulation of policies for advertising. Providing opportunities for advertising through the introduction of a concessionary methodology for the advertisement of events of the clients who obtain facilities of the Authority. Advertising on environmental matters/waste management. Carrying out 90% of advertising of the clients while carrying out 10% of the advertising requirements of the Authority. Taking necessary arrangements to provide a suitable insurance coverage. Instalment of a CCTV camera System to guarantee the security of the LED Hoarding/ observing following up activities. The Manager (Information Technology) proposed that necessary action should be taken if approval should be obtained from the Colombo Municipal Council for advertising and to select a group of employees from the Authority to carry out marketing activities for advertising on Led Hoarding and the approval of the Board of Management was granted to do the relevant advertising activities. The approval of the Board of Management was granted to publicize advertisements of 20 seconds for 100 times by charging a fee of Rs. 25,000/- (Without Taxes) per Month.
10		Obtaining the assistance of the Sri Lanka Army for improving the Stadiums.	As per the request made by the Ministry of Sports, 03 Army Officers and 10 other ranks were deployed to the Authority on full time basis by the Ministry of State Defense for the provision of service contribution for achieving the convenience in maintaining grounds and for carrying out duties for the improvement of stadiums. Accordingly, the concurrence of the Board of Management was given to appoint Lt. Colonel B D L Kolonne USP of the Engineering technicians' Service as the Chief Coordinating Officer of Stadiums as per the exigencies of service and to deploy other officers and other ranks in the duties requested. The Board of Management instructed to assign duties and responsibilities to the relevant Officers and it was decided to provide transport facilities and telephone facilities for the Officers attached.
11		Leasing the	The shopping Complex located facing Arthur de Silva Mawatha has been

		shopping premises facing Arthur de Silva Mawatha.	leased to "TATA Tailoring" for a period of 02 years on a lease payment of Rs.100,000/- per Month and the tenure of lease would be terminated on 30-04-2016. The owner of the respective Institution had again made a request to extend the tenure of lease by 03 years by increasing the monthly rental of the shopping complex up to Rs. 5,000/-. The Board of Management discussed the request made by the owner and the approval of the Board was granted to lease the shopping complex again to "TATA Tailoring" for a period of one (01) year on the basis of increasing the monthly payment of lease by 5%.
12	May 2016	Purchasing a Kubota model Hand Tractor for fulfilling maintenance requirements of the Bogambara Stadium.	The approval of the Board of Management was granted to make forward arrangements to purchase a Kubota model hand tractor to remove waste disposed from the Stadium in carrying out daily cleaning and maintenance activities and to obtain the due approval of the Ministry of Finance for that purpose Further, the Board of Management informed that such requirements had to be identified and they should have been included in the Action Plan of the year 2016. Likewise, It was instructed to obtain a report on the tractor that is currently being used at the Bogambara Stadium from an Officer of the Department of Motor Traffic and German Technical Training Institute as the tractor is in inactive state.
Are		Obtaining Consultation services - Renovation of the Football Ground and re-layering of 400m/200 m artificial running tracks. .	The Director of the Sugathadasa National Sports Complex Authority informed the Board of Management that necessary action were being taken to initiate activities of the projects as the approval of the Ministry of Finance had been granted to provide the necessary financial provisions for renovating the Football ground and for relayering the 400m/200 m artificial running tracks of the Sugathadasa Outdoor Stadium. The Board of Management had discussed that appropriate officers should be nominated to appoint to the Technical Evaluation Committee and a written request had to be made to the Ministry of Finance in that regard through the Ministry of Sports since financial provisions had been allocated for relayering the 400 m /200 m artificial running tracks. Further, it was mentioned that it is appropriate that the Officers nominated by the Ministry of Sports should possess an excellent knowledge in this regard and it was necessary to refer the appointment of the other officers to the Ministry of Finance. It was informed that plans were made to prepare the football ground with the assistance of the Sri Lanka Air Force and a written request has been made by the Secretary of State Defense through the Ministry of Sports. In addition, action had been taken to deploy soldiers of the Air force on a Cabinet approval and necessary action was being taken for that

			purpose and the Board of Management mentioned that it was important to know whether Sri Lanka Air force agrees to undertake this Project before obtaining approval by submitting a Cabinet Memorandum. It was further informed that it had been planned to obtain the consultation services from Central Engineering Consultancy Bureau (CECB), one of the Public Sector Institutions and the institution had already coordinated the required action. The Board of Management declared that it was appropriate to obtain the consultation services of local / foreign contractors through Central Engineering Consultancy Bureau (CECB) and the consent of the Board of Management was granted for that purpose.
14		Carrying out renovation and modernization activities of the Sugathadasa Sports Hotel. Phase 2	The first phase of renovation and modernization activities of the Sugathadasa Sports Hotel were carried out by Sri Lanka Land Reclamation & Development Corporation (SLLR&DC) apart from the Procurement Process in accordance with the Decision of the Cabinet of Ministers bearing No. CP/13/1114/503/085. The Technical Division had informed that rough estimates and the draft of the Bidding documents were provided by the Central Engineering Consultancy Bureau (CECB) for the phase 2 of this Project. The Board of Management had informed that all the Ministries had been notified through a letter of the Ministry of National Policies and Economic Affairs that in case there are projects which had been scheduled to be commenced after 08.01.2015 based on the approved Decisions of the Cabinet of Ministers, such Projects should be reported to the Cabinet Committee on Economic Management and further stated that it is important to act accordingly subsequent to inquiring the matters in relation to the matter. The Director of the Sugathadasa National sports Complex Authority informed the Board of Management that it is better to accomplish the phase 2 of the Sports Hotel from the Same Contractor as the first phase of the Sports Hotel had been accomplished through the Sri Lanka Land Reclamation & Development Corporation (SLLR&DC) and further stated that some activities which had not been completed in the first phase had been included in the second phase. Subsequent to discussing this matter in length, the approval of the Board of Management was granted to adopt the Procurement Procedure and to take action in compliance with the recommendation of the Departmental Procurement Committee and subject to the approval granted to the Cabinet Memorandum.
15		Carrying out renovation and modernization	The Technical Division had informed that rough estimates and the draft of the Bidding documents were provided to our Institution by the Central Engineering Consultancy Bureau (CECB) for the phase 2 of this Project.

		activities of the Sugathadasa Sports Hotel. Phase 3	The approval of the Board of Management was granted to adopt the Procurement Procedure to accomplish the activities of this Project and to take action in compliance with the recommendation of the Departmental Procurement Committee and subject to the approval granted to the Cabinet Memorandum No.CP/13/1114/503/085.
	June 2016	Rearrangement of the 400 m/200 m artificial running tracks and the football ground of the Sugathadasa Outdoor Stadium.	The Procurement Process related to the relayering of 400m / 200m artificial running tracks are being carried out by the Ministry of Sports and arrangements were made to award the relevant tender on 21.09.2016 according to the work arranged and time schedules. The Central Engineering Consultancy Bureau (CECB) had informed that the estimated cost for the preparation of ground was Rs. 67 Million and The concurrence had been granted to supply trained/technical workers in the Sri Lanka Air Force for re-preparation of the Ground and their service has to be obtained for six months until the ground is prepared and until the end of the maintenance period. The Sri Lanka Air force had requested to pay an amount of Rs. 1,200/00 per day for a skilled / technical worker. A written request had been made to the Secretary of the Ministry of Sports to make necessary forward arrangements required to purchase raw materials and equipment for the preparation of the Ground as it should be done through the Authority by adopting the Procurement Procedure. It was informed that a serious attention had to be paid in the provision of raw materials in an instance where the assistance of the trained workers and required raw materials are obtained separately and arrangements should be made to obtain only the Goods that are in compliance with accurate and recommended standards and it was discussed that it is appropriate to appoint a Technical Committee with proper knowledge from the institution or externally in the supply of required goods and raw materials in order to prepare the ground. The consent was granted to pay an amount of Rs. 1,200/- per day for obtaining the skilled labour and technical expertise of the Sri Lanka Air Force as it could be justifiable and it was decided to take necessary forward action to adopt the procurement procedure accurately and transparently in compliance with the Procurement Guidelines.
	July 2016	Policies to be adhered to in advertising using the LED Hoardings	A Code of Instructions had been formulated by the Manager (Information Technology) to be executed in using the LED Advertising Hoarding in accordance with the instructions issued at the Meeting of the Board of Management held on 27.04.2016 and it was forwarded for the information and approval of the Board of Management. The Board of Management discussed the Code of Instructions and gave instructions and granted approval to effect the following revisions.

			(1) Advertisements designed by the inclusion of political matters should not be published. (2) The Section "Provision of concessionaries will be given also for the advertisements approved by the Ministry of Sports" should be removed from the Code of Instructions. (3) Instruction mentioned in the Codes of Instructions as "All the Advertisements are publicized on the approval of the Chairman of the Sugathadasa National Sports Complex Authority" should not be executed and instead appointing a Committee that comprises of the Chairman, an Officer of the Ministry of Sports and Officers of the Department of Sports Development and to take necessary forward action subsequent to holding a meeting in the third week of every Month for discussing and granting consent for the advertisements proposed to be published. (4) The advertisements that were prepared on food and beverages and drugs in connection with sports should not be published. (5) The approval of the Board of Management was granted to execute the other policies that had been submitted.
		Welfare Activities	A sum of Rs. 100,000.00 had to be incurred for the distribution of dry ration to the value of Rs.5,000.00 per one person for 20 officers serving in the Authority and permanently resided in the area of disaster and faced damages of the disaster occurred due to the unfavourable weather condition in the period related to 15.05.2016. The Board of Management discussed this matter in length and further mentioned that it is important to pay attention to the instructions of the Circular as it had been notified to act according to the Circulars issued. However, the assistant Director (Administration) informed that the Authority responded the request made at the occasion by the Presidential Secretariat over Electronic Media. Accordingly, the Board of Management informed to make arrangements to get the relevant notification made by the Electronic Media issued by the Presidential Secretariat as evidence since the request made by the Presidential Secretariat was justifiable. Accordingly, it was decided to grant the covering approval of the Board of Management for the sum spent on the provision of dry ration to the value of Rs. 100,000.00 subject to the relevant notification made by the Presidential Secretariat.
	September 2016	Charging fees for rest rooms and restaurants reserved for Special Guests.	Rooms and restaurants (A -9, 10 and 11) reserved for special guests on the occasions of conducting sports events and various festivals in the Sugathadasa Indoor and Swimming Pools have been provided up to date without charging any fee. It had been proposed to charge the following fees at the occasions where

			certain sports events / any other festival is conducted in the aforementioned places as new furniture were provided for such places and such fees were revised by the Board of Management. The approval of the Board of Management was granted to charge the revised fees with effect from 15.08.2016. <table><tr><th colspan="2" rowspan="2">Room Number</th><th colspan="2">Proposed Fee to be Charged (Without Taxes) Rs. Cents</th><th colspan="2">Revised Fee 9Witohut Taxes) Rs. Cents</th></tr><tr><th>Without the Air Condition facility</th><th>With the Air Condition facility</th><th>Without the Air Condition facility</th><th>With the Air Condition facility</th></tr><tr><td>01</td><td>Room for Special Guests (A - 9)</td><td>3,000.00</td><td>3,500.00</td><td>3,000.00</td><td>4,000.00</td></tr><tr><td>02</td><td>Restaurant for Guests (A - 10)</td><td>4,000.00</td><td>5,000.00</td><td>4,000.00</td><td>5,000.00</td></tr><tr><td>03</td><td>Restaurant room for Guests (A - 11)</td><td>2,000.00</td><td>2,500.00</td><td>2,000.00</td><td>3,000.00</td></tr></table>	Room Number		Proposed Fee to be Charged (Without Taxes) Rs. Cents		Revised Fee 9Witohut Taxes) Rs. Cents		Without the Air Condition facility	With the Air Condition facility	Without the Air Condition facility	With the Air Condition facility	01	Room for Special Guests (A - 9)	3,000.00	3,500.00	3,000.00	4,000.00	02	Restaurant for Guests (A - 10)	4,000.00	5,000.00	4,000.00	5,000.00	03	Restaurant room for Guests (A - 11)	2,000.00	2,500.00	2,000.00	3,000.00
Room Number		Proposed Fee to be Charged (Without Taxes) Rs. Cents				Revised Fee 9Witohut Taxes) Rs. Cents																									
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02	Restaurant for Guests (A - 10)	4,000.00	5,000.00	4,000.00	5,000.00																										
03	Restaurant room for Guests (A - 11)	2,000.00	2,500.00	2,000.00	3,000.00																										
		In relation to the essential renovation activities and new constructions to be effected in the Sugathadasa Indoor and Outdoor Stadiums.	It was proposed that it is essential to establish modern sophisticated technical equipment and to prepare methodologies required for sports and to construct places required for the provision of modern sports infrastructure facilities inclusion of modern and sophisticated accessories since it was observed that essential renovation activities had to be carried out on water leakages in certain buildings, leakages in drainage pipe systems, cracks in concrete, decaying of iron parts and outdated lavatory systems. Thereby, the approval of the Board of Management was granted to outsource the required plans and consultation services from the University of Moratuwa and to pay an amount if a certain payment should be made for the consultation services and to take necessary forward action in that regard.																												
		Registration of Ponies who ride carrying local/ foreign tourists daily in the Nuwara-eliya Race Course	It was approved to charge an amount of Rs. 1,000/- per month for the issuance of a membership card to Ponies as per the Board papers submitted to the Board of Management on 01.12.2015 and 01.03.2016. Written requests had been forwarded informing that they are disinclined to pay an amount of Rs. 1000/- per month. Accordingly, the Management of the Institution had notified that it is appropriate to revise the charge to Rs. 500/-. The Board of Management discussed the current situation that prevails in relation to riding of ponies and decided that it is justifiable to reduce the monthly charge. The approval of the Board of Management was granted to provide a membership card after charging an amount of Rs. 500/- per month per one Pony with effect from 01.09.2016.																												

		Amendment of the Sugathadasa National Sports Complex Authority Act No. 17 of 1999.	The Board of Management informed that the Draft of the Amendments to the Act was submitted to Hon. Minister of Sports by the Committee appointed to amend the Act and Hon. Minister of Sports granted approval to the Draft Amendments proposed to be made to the Sugathadasa National Sports Complex Authority Act after instructing not to alter the title of Authority as done in the Draft of the proposed amendments to the Act and to retain the title of the Authority further as Sugathadasa National Sports Complex Authority and to forward all the other amendments included in the Draft without any alterations.																				
	October 2016	South Asian Swimming Competition – 2016	It was notified that the Sri Lanka Aquatic Sports Union had made a request on the provision of the following facilities and repairs for the South Asian Swimming Championship scheduled to be conducted on the 18th October 2016 (i) Servicing and maintenance activities of the electronic timing system. (ii) Making arrangements to purchase Hannes of the Electronic Timing System that should be replaced. (iii) Replacement of Spring Boards - 02 since the Spring Boards that are currently being used for the Diving Pool are older than 20 years. (iv) Renovation of Lavatory system and Colour washing the Swimming Pool Complex. It had been proposed to allocate financial provisions for servicing and maintenance activities, purchasing of new accessories and repairs/ colour washing from the income earned by the Authority since a prior notice on this tournament had not been made by the Sri Lanka Aquatic Sports Union and as a result, financial provisions had not been allocated for this purpose. The estimated expenditure for the accomplishment of these activities is as follows. <table border="1"> <tr> <td>(i)</td><td>Servicing and maintenance activities of the timing System</td><td>-</td><td>Rs.0.350 Million</td></tr> <tr> <td>(ii)</td><td>Purchasing new Hannes</td><td>-</td><td>Rs. 1.300 Million</td></tr> <tr> <td>(iii)</td><td>Purchasing new Spring Boards</td><td>-</td><td>Rs. 5.000 Million</td></tr> <tr> <td>(iv)</td><td>Renovation of Lavatory system and Colour washing the Swimming Pool Complex</td><td>-</td><td>Rs. 5.000 Million</td></tr> <tr> <td></td><td>Total Estimated Amount</td><td>-</td><td>Rs. 11.650 Million</td></tr> </table> Even though quotations were called from a foreign supplier for directly	(i)	Servicing and maintenance activities of the timing System	-	Rs.0.350 Million	(ii)	Purchasing new Hannes	-	Rs. 1.300 Million	(iii)	Purchasing new Spring Boards	-	Rs. 5.000 Million	(iv)	Renovation of Lavatory system and Colour washing the Swimming Pool Complex	-	Rs. 5.000 Million		Total Estimated Amount	-	Rs. 11.650 Million
(i)	Servicing and maintenance activities of the timing System	-	Rs.0.350 Million																				
(ii)	Purchasing new Hannes	-	Rs. 1.300 Million																				
(iii)	Purchasing new Spring Boards	-	Rs. 5.000 Million																				
(iv)	Renovation of Lavatory system and Colour washing the Swimming Pool Complex	-	Rs. 5.000 Million																				
	Total Estimated Amount	-	Rs. 11.650 Million																				

			purchasing the Spring Boards of the Diving Pool that should be replaced, the time period is not sufficient to import the relevant accessories and since it was observed that the accessories available at the moment is in due condition to be used for the purpose and as a result, it was decided not to import the accessories on the instructions issued by the officers of the Sri Lanka Aquatic Sports Union. Accordingly, it was proposed to purchase the accessories in the year 2017. The approval of the Board of Management was granted to include the requirement of purchasing Spring Boards in the Budget report for the year 2017 for allocating financial provisions.
	November 2016	Leasing the shop located facing Arthur de Silva Mawatha.	The task of leasing shops of this Authority located facing Arthur de Silva Mawatha was unsuccessful as buyers did not apply for shops even though paper advertisements had been published for several times in order to lease the shops owned by the Authority. Hence, quotations were called through notifying the matter in public places for creating awareness as per a decision taken by the Procurement Committee. In calling so, only one person had applied and had requested to conduct a Ayurveda Massage Centre and to pay a monthly lease payment of Rs. 40,000/- (Without Taxes) and Rs. 100,000/- as the refundable deposit and to lease the shop for a period of 03 or 05 years. Further, it had been mentioned that the person agrees to increase the lease payment by 10% per year after the end of the tender period if the Authority give the shop on lease for a period of 05 years. The Board of Management discussed on leasing out the relevant shop and it was decided that it is suitable to lease the shop by signing the agreement under a specific Conditions that would not be detrimental to the goodwill of the Authority.

The Audit Task of the Sugathadasa National Sports Complex Authority for the Year 2016

92 Audit queries had been submitted from the Audit Year 2016 and answers had not been provided for such Audit Queries. Action had been made by the Audit and Management Committee to conduct 03 meetings for the Year. Accordingly;

01. Answers for Internal Audit queries had been provided in relation to the year 2016 and they had been implemented.
02. The number of Audit Reports from the Year 2016 was 23.
03. The relevant Officers of the Authority had taken part in 04 meetings held by the Audit and Management Committee of the Ministry of Sports.

Annual Stock Verification

The stock verification Committee consists of 10 sub committees was appointed on 08.12.2016 for the relevant Annual Stock Verification of the Sugathadasa National Sports Complex Authority for the year 2016. It had been completed as per the Financial Regulations 756 and 757. The disposals of goods are in progress.

Annual Procurement

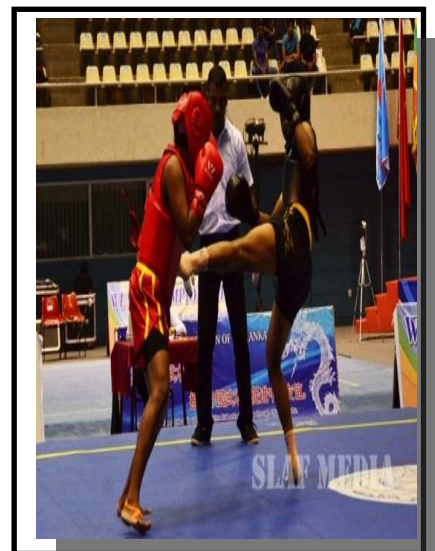
The procurement process carried out for the activities during the Financial Year of 2016 is as follows.

Serial Number	Procurement	Amount (Rs.)
01	Sewing uniforms for security officers of the Sugathadasa Authority.	678,004.00
02	Purchasing of chemicals required for the Swimming pools of the Sugathadasa National Sports Complex Authority.	1,381,911.60
03	Purchasing salary and arrival and departure software modules for Sugathadasa National Sports Complex Authority.	840,000.00
04	Purchasing of chemicals required for the Swimming pools.	1,006,250.00
05	Leasing the Lavatory System of "D" vehicle park of the Outdoor Stadium on monthly rental basis.	62,000.00
06	Obtaining a cleaning service for Indoor, Outdoor and Sports Hotel of the Sugathadasa National Sports Complex Authority for the year 2016.	590,520.00
07	Reparing the Vehicle bearing No. 252-7017.	683,905.00
08	Purchasing raw materials for the renovation of Rugby / Football Grounds of the Sugathadasa National Sports Complex Authority.	13,855,496.91
09	Renovation of the Sports Hotel - Second Phase	50,805,601.56
10	Painting the Swimming Pool Complex of the Sugathadasa Indoor Stadium.	4,940,545.00
11	Purchasing of hume pipes required for the preparation of Rugby / Football grounds of the Sugathadasa Outdoor Stadium.	852,689.28
12	Purchasing of 260 cubes of ¾ stones for the renovation of the Rugby / Football grounds of the Sugathadasa National Sports Complex Authority.	2,104,759.80
13	Obtaining Cleaning Service for Bogambara Stadium.	129,500.00
14	Purchasing PVC items for repairing the Rugby / Football grounds of the Sugathadasa Outdoor Stadium.	2,784,656.00
15	Auctioning goods identified as unusable goods from the Survey of goods conducted in the year 2015 - 2016	186,000.00
16	Purchasing sand for repairing the Rugby / Football grounds of the Sugathadasa Outdoor Stadium.	1,658,730.00
17	Provision of Uniforms for officers serving in the Security Division of the Sugathadasa Authority Sugathadasa National Sports Complex Authority for the Year 2016.	601,565.00
18	Purchasing of 02 Digital Score Boards for the Sugathadasa Outdoor Stadium.	10,062,500.00
19	Renovation of Security Fence constructed around the 400 m running track in the Sugathadasa Outdoor Stadium of the Sugathadasa National Sports Complex Authority.	13,214,056.44
20	Purchasing of equipment required for maintaining the Sugathadasa Rugby / Football grounds.	30,580,361.70

The Sugathadasa Indoor Stadium

The Sugathadasa Indoor Stadium consists of the following sections.

1. Indoor Stadium
2. Sub Stadiums (Badminton, Squash and Table tennis)
3. Swimming Pool Complex
4. Body Building Centre
5. Sports Hotel



15th National Wushu Competition - 2016

Main Arena

Indoor stadium is equipped with an air-conditioned auditorium with a seating capacity of 5,004 and the width and the length of the indoor playground of the Indoor Stadium is 35 metres and 40 metres respectively. This stadium facilitates the conduct of indoor sports competitions such as Basketball, Badminton, Netball, Judo, Gymnastics, Volleyball, Table Tennis, Boxing, Karate and Wrestling. In addition, facilities are provided in this stadium for the conduct of various festivals, conferences, musical shows, state festivals and various workshops.

Derana Dream Star 2015, Derana Little Star 2015, 28th Jothipala Commomorative Musical Show, International Competitive Examinations of the British Council and National and International Karate Championships were conducted in the Indoor Stadium of the Sugathadasa Indoor Stadium this Year.

An income of රු. 18,492,299.00 Rs.31,326,015.00 has been earned from this indoor stadium up to the 31st of



The summary of total number of Matches / Championships and other festivals conducted in the Indoor Stadium up to the 31st of December 2016 is mentioned below.

Serial No.	Activity	International	National	Total
01	Gymnastic Tournaments	-	01	01
02	Karate Matches	01	08	09
03	Musical Shows (Mega)	-	01	01
04	Musical Shows (Non-Commercial)	-	05	05
05	Wushu Matches	-	01	01
06	Examinations/Educational Programmes	01	-	01
07	Award Ceremonies	-	03	03
08	Conferences	-	04	04
09	Taekwondo Matches	-	01	01
10	Meetings (Swimming pool lecture hall)	-	05	05
11	Trainings	-	24	24
Total		02	53	55



47th Anniversary of the Public Services United Nurses Association – 2016

Sub Arena

The sub stadiums are comprised of 2 Badminton Courts and 4 Squash Courts and these Sub Stadiums provide facilities to conduct matches and training activities.



Swimming Pool Complex

The Authority owns one and the only swimming pool complex equipped with all the facilities that are recognized nationally and internationally and it comprises of the following Sectors.

1. Main Swimming Pool
2. Sub Pool for training activities
3. Diving Pool
4. Pool for Children

The swimming pool complex facilitates school level swimming competitions up to internationally recognized swimming competitions and facilities such as high-tension electric light towers, electric timing machines have been provided for the conduct of day / night matches. In addition, a swimming school is being conducted for school children and a great service is being rendered through these facilities by charging very reasonable concessionary rates for children who are not facilitated with swimming pools.



A summary on the Competitions / championships / trainings conducted in the Swimming Pools and a summary on the Swimming memberships as at 31st December 2016 is stated below.

Swimming membership for school children	551
Swimming membership for Elders	179
Swimming Competitions	19
Diving Competitions	04
Water ball Competitions	07
Trainings	426
Commercial filming	01
Matches for Selections	01
Total	1,118

An income of Rs.9,607,734.00 has been earned from the Swimming Pools by the provision of the aforementioned matches/championships/ trainings and Swimming memberships.

Gymnasium of the Indoor Stadium



A Body Building Centre that has been in operation from the period of the establishment of this Sports Complex is existing and The Centre was modernized in the year 2013 and sophisticated body building equipment were purchased for the Body Building Centre. Sportsmen / sportswomen as well as the other parties are able to obtain the membership and thereby, they are allowed to get required facilities that are available in the Centre.

An income of Rs.1,562,638.00 has been earned from the body building centre as at the 31st December 2016.

Sports Hotel

This Sports Hotel comprises of the following sections.

Single rooms	06
Double rooms	14
Air-conditioned double rooms	04
Cluster rooms	18

The Sports Hotel, which has been continued since the period of establishing the Sugathadasa Sports Complex is equipped with 42 rooms and meeting facilities that are adequate for approximately 100 persons and with cluster room facilities which provide lodging facilities for sportsmen and sportswomen. In addition to providing with room facilities, this hotel also provides facilities for weddings, meetings and workshops. Priority is given to the welfare of sportsmen / sportswomen and facilities of this hotel are provided for such sportsmen/sportswomen and for the National Sports Clubs at concessionary rates.

The facilities are even provided to the general public whenever space facilities are available, without hindering the general requirements of the stadium.

An income of Rs.3,719,092.00 has been earned from the Sports Hotel up to 31st December 2016.

An income of Rs.39,613,131.00 has been earned from the Indoor Stadium, Swimming Pool, Body Building Centre and Sports Hotel of the Indoor Stadium and from rentals and from the other sources as at 31st December 2016.



Physical and Financial Progress of the Developmental Projects associated with the Sugadathasa Indoor Stadium.

(As at 31 December 2016)

	Activity	Estimated Value (Rs. Million)	For the Year 2015 (Rs. Million)		For the Year 2015 (Rs. Million)		Physical Progress
			Provisions	Expenditure	Provisions	Expenditure	
01	Repairing the roof and the wooden floor of the Indoor Stadium.	141.35	-	-	141.35	84.00	Ceiling and the Roof were completed
02	Laying Tiles and Water Proofing in the Indoor Stadium.	33.65	-	-	33.65	28.43	Project is in operation
03	Reconstruction of the Sports Hotel.	60.00	-	-	60.00	17.13	Project is in operation

Proposed Developmental Projects of the Sugathadasa Indoor Stadium for the Year 2017.

	Project	Budgetary Provisions 2015 (Rs. Million)
01	Repairing the roof and the wooden floor of the Indoor Stadium.	141.35
02	Laying Tiles and Water Proofing in the Indoor Stadium.	33.65
03	Reconstruction of the Sports Hotel. (The remaining Portion)	60.00

Outdoor Stadium

This Stadium has been designed to conduct track and field events during the day and night times. Pavilion of this Stadium has been equipped with facilities required to accommodate 20,000 spectators at a time.

The Stadium comprise of two artificial running tracks to the distance of 400 metres and 200 metres. In addition, this Stadium is equipped with the facilities such as three storeyed media unit and a high-tension electric light system for facilitating the conduct of matches in the night times. Facilities have also been provided in this Stadium for the conduct of sports events such as Athletics, Volleyball, Rugby, Football and Basketball and for the conduct of various functions as well.

Information regarding the Matches and Festivals conducted in this Stadium up to the 31 December 2016 are mentioned below.

Serial No.	Activities	National	International	Total
1.	Football Matches	03	-	03
2.	Sports Festivals (School Inter House Sports Meets)	25	-	25
3.	Sports Festivals (Running track 200m)	51	-	51
4.	Athletic Matches	01	-	01
5.	Rugby Matches	17	-	17
6.	Trainings	193	-	193
7.	Membership on Jogging as an Exercise	106	-	106
8.	Netball Matches	01	-	01
9.	Others	01	-	01
Total		398	-	398



An income of Rs.23,694,335.00 has been earned up to 31st December 2016 from matches / festivals conducted at the Sugathadasa Outdoor Stadium and from "D" Vehicle park, rentals and from the other sources.

Physical and Financial Progress of Development Projects Associated with the Sugadathasa Outdoor Stadium (As at 31 December 2015)

	Activity	Estimated Value (Rs. Millions)	For the year 2014 (Rs. Millions)		For the year 2015 (Rs. Millions)		Physical Progress
			Provision	Expenditure	Provision	Expenditure	
01	Renovation activities of the Football Ground Establishment of Electronic Score Board / Construction of the Security Fence and Entrance Gate and the Protective Fence.	100.00	-	-	100.00	28.00	Project is in operation
02	Relayering of 400m and 200m Artificial Running Tracks.	500.00	-	-	500.00	0.12	Seeking the TEC Report

Developmental Projects of the Sugathadasa Outdoor Stadium proposed to be carried out in the year 2017

	Project	Budgetary Provisions 2015 (Rs. Million)
01	Renovation activities of the Football Ground.	73.23
02	Construction of the Security Fence and Entrance Gate and the Protective Fence.	15.20
03	Establishment of Electric Score Board.	11.57
04	Relayering of 400m and 200m Artificial Running Tracks.	500.00

R. Premadasa Cricket Stadium

R. Premadasa Cricket Stadium is one of the Stadiums owned by our country equipped with all the facilities required for the conduct of nationally and internationally recognized cricket matches. The Stadium is well equipped to provide accommodation for about 35,000 spectators at a time and a huge vehicle park is also available in the Stadium. This Stadium has been leased out for an amount of Rs.250,000/- per month to the Sri Lanka Cricket for a period of thirty (30) years with effect from 01.11.2006 as per a Cabinet Decision taken on 10.05.2006. Accordingly, an income of Rs.3,500,000.00 has been earned from this Stadium up to 31 December 2016.

Leasing of the Stadium, which had been a major source of income of the Sugathadasa National Sports Complex Authority, to a fixed Monthly rental for a longer period of time has definitely reduced the income of the Authority.



Bogambara Outdoor Stadium

The Stadium had been administered by the Kandy Urban Council and it has been under the purview of the Authority since the year 1999. Pavilion facilities have been provided in this Outdoor Stadium with a seating capacity of about 10,000 spectators at a time. Facilities have been offered in this Stadium for Athletics, Football, Rugby, Volleyball, Netball and School Sports Festivals and for other festivals.

A novel Body Building Centre was constructed for this Stadium and sophisticated body Building equipment have been purchased for the Centre and sportsmen and sportswomen as well as the other parties can obtain the membership and subsequently they are able to enjoy the required facilities available here.



The income can be increased further if the space available in the Outdoor Car Park is allowed to be used for popular musical shows. However, the Outdoor Car Park is not allowed to be used due to the possibility of damaging the sports facilities available in the Stadium.

An income of Rs.10,212,743.00 has been earned up to the 31st December 2016 from matches and festivals conducted at this Stadium and from the Vehicle park, Body Building Centre and from the other sources.

The Summary of Competitions / Championships and Festivals conducted in this Stadium up to the 31st December 2016 is as follows.



School Athletics	- 57
Athletics	- 25
Football Matches	- 32
Rugby Matches	- 24
Trainings	- 471
Others	- 03

Beliatte and Weeraketiya Swimming Pools



Beliatte Diving Pool



Beliatte Main Swimming Pool



Weeraketiya Swimming Pool

These Swimming Pools consists of the following aspects.

Beliatte Swimming Pool

- (i) 50 m long Swimming Pool with 08 lanes.
- (ii) Diving Pool

Weeraketiya Swimming Pool

- (i) 25 m long Swimming Pool with 08 lanes.

Even though only the administration and maintenance activities of the Swimming Pools in Beliatte Technical College and Weeraketiya Rajapaksha Central College have been conducted by the Sugathadasa National Sports Complex Authority with effect from 07-08-2008, the Sugathadasa National Sports Complex Authority does not possess these Swimming Pools. Facilities for swimming training activities conducted for elderly persons and school students residing in the surrounding areas are provided by the sugathadasa National Sports Complex Authority.

The total income earned from these Swimming Pools up to 31 December 2016 was

Rs.737,833.00. It is not possible to anticipate a higher income as the participation of adults, school children and sports Clubs is very low even though they were made aware of these two swimming pools.

Further, Weeraketiya Swimming Pool is located within the premises of Weeraketiya Central College. Accordingly, the Swimming pool is under utilized as the entrance to the Swimming pool is the same main entrance of the School. It should be stated that an income sufficient to meet the expenses incurred for maintenance activities of these Swimming pool cannot be earned.

Nuwaraeliya Race Course

The Management of Nuwareliya Race Course has been transferred to the Sugathadasa National Sports Complex Authority with effect from 07.09.2011 by the Ministry of Sports.



An income of Rs. 4,491,046.00 has been earned from this Race Course which covers an area of 34,564 hectares. Stables in the Race Course, rentals, 10% rental for horse / pony back riding, renting out the premises during the festival seasons and charges for parking vehicles are the sources for earning income up to the 31st December 2016.

The Overall Progress of the Authority

The operating expenditure of the Authority for the year 2016 along with the provisions allocated for the depreciation and gratuity was Rs.363,345,451.00. A sum of Rs.89,648,834.00 out of the amount was allocated for depreciation of the fixed assets.

The Authority has obtained an amount of Rs.175,250,000.00 as Capital Provisions and an amount of Rs. 160,800,000.00 as recurrent provisions from the General Treasury for the year 2016.

The income earned by the Authority in the year 2016 was Rs.82,516,046.00 and it was a drop by Rs.17,105,399.00 when compared with the income earned in the year 2015.

The major reason for the increase in the expenditure in the year 2016 when compared with the expenditure incurred in the year 2015 was the increase in salaries and allowances by Rs.22,505,328.00.

The income earned by the Authority in the year 2016 was Rs.82,516,046.00 and the total expenditure including provisions allocated for depreciation was Rs. 363,345,451.00.

The incomes earned by the Authority from the year 2008 to the year 2015 have varied as mentioned below.

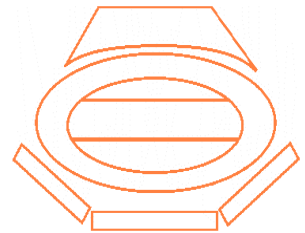
Year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Income	54.78	57.85	61.60	69.00	77.17	89.03	134.61	99.62	82.51

Total Credit of the Authority

The position of the credit of the Authority during the period of 2008 - 2016 has varied as indicated below.

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Loan	2.30	4.61	133.03	42.95	42.04	41.00	45.00	44.00	43.70

Sugathadasa National Sports Complex Authority



Accounting Policies 2016

01. General**1.1 The Statement of Conformity**

The Accounts of the Sugathadasa National Sports Complex Authority have been prepared according to the Accounting Standards issued by the Sri Lanka Chartered Accountants' Institution.

1.2 The Basis Of Preparation

The Financial Statements have been prepared on historical cost basis and the adjustments for the revaluation of lands, buildings and machinery have been mentioned in Accounts. Inflationary factors have not been taken into consideration here.

1.3 Incidents Occurred Subsequent to the Balance Sheet Date

The necessary adjustments have been made in Financial Statements and revealed in accounts, for possible material effects occurred subsequent to the balance sheet date.

02. Assets and the Basis of Valuation of Assets

Money and bank balances and the items that can be convertible into money within a period of one year in the ordinary course of transactions have been identified as current assets out of the assets depicted in the balance sheet.

2.1 Assets

The value of assets such as property, plant and machinery are depicted as the value after deducting the accumulated depreciation.

Material and direct labour costs are included in the cost of building assets. Likely, the fixed assets have been categorized into their major sub sections on the basis of their useful life.

R. Premadasa International Cricket Stadium

R. Premadasa International Cricket Stadium has been given on lease to the Sri Lanka Cricket Board for a period of thirty (30) years with effect from 01.11.2006 on the basis of charging an amount of Rs.250,000/- per month. An amount of Rs.25,753,844.64 has to be payable to the Sugathadasa National Sports Complex Authority as at the 31-12-2006 for the building constructed by the Sri Lanka Cricket and it is expected to negotiate and come into a compromise by the two parties in that regard and on the monthly rental that is being charged at present.

Beliatte and Weeraketiya Swimming Pool Complex

The Maintenance activities of the two swimming pools and the diving pool owned by the Beliatte Technical College and Weeraketiya Rajapakse Central College have been carried out by the Sugathadasa National Sports Complex Authority with effect from the 07th of August 2008. Ten (10) employees have been attached on temporary basis as per the approval of the Management of the Authority.

Even though the expenditure of these swimming pools had been recorded in accounts as the expenditure of the Indoor Stadium in the year 2008, the expenditure of these swimming pools has been recorded in separate Accounts from the year 2009 as per the decisions taken by the Board of Management.

2.2 Other Expenses

The costs incurred for the re-establishment of the parts contained in the property, Plant and machinery have been separately recorded in accounts for writing off during the useful life subsequent to capitalizing them. The other expenses that may cause the growth in the future economic benefits of the assets have been capitalized and all the other expenses have been adjusted in the Income Statement.

2.3 Depreciation

The Straight Line Method has been adopted as the Depreciation Policy and the assets are depreciated from the year of purchasing assets or from the year of completing the construction. The Depreciation has been written off to the Income and Expenditure Account during the expected useful life. Lands have not been depreciated.

• Buildings and Constructions	2.5%
• Towers with high-Powered Electricity	10%
• Artificial Running Track	20%
• Machines and equipment	10%
• Computers	25%
• Motor vehicles	20%
• Sports equipment	10%
• Furniture and equipment	10%
• Office equipment	10%
• Curtains	50%
• High powered electric bulbs and Ignitor	331/3%

Since the Pajero, bearing the Number 32-5811 has been registered under the Ministry of Manpower and Applications, it cannot be considered as an asset owned

by our Authority. Maintenance and other expenses in that regard have been indicated in the Income and Expenditure Statement of the Authority.

Since the Pajero, bearing Number 64-3180 has been registered under the Ministry of Sports and Youth Affairs, it cannot be considered as an asset owned by our Authority. Maintenance and other expenses in that regard have been indicated in the Income and Expenditure Statement of the Authority.

The new van bearing No. NB-1527 has been provided to the value of Rs.9,100,000 from the General Treasury as per the National Budget Circular bearing No.150. The value insured has been accounted as the value of the vehicle.

The new Cab bearing No. PD-9713 has been provided to the value of Rs.7,500,000 from the General Treasury as per the National Budget Circular bearing No.150. The value insured has been accounted as the value of the vehicle.

The new motor bicycle bearing No. BBG-3006 has been provided to the value of Rs.210,267.86 from the General Treasury as per the National Budget Circular bearing No.150. The value insured has been accounted as the value of the vehicle.

2.4 Trade and other Borrowings

Trade and other debts have been mentioned in the Financial Statements on their net realized value.

2.5 Stocks

Stocks has been recorded to costs in the Financial Statements. Value of stocks are determined on First In, First Out Method and purchasing cost and present position of stocks and all the expenses incurred until stocks are dispatched to the relevant place are applicable to the value of stocks.

03. Allocations and Liabilities

All the liabilities identified in the preparation of the Financial Statements have been accounted. Liabilities that are payable within a period of one year from the Balance Sheet date or liabilities that are payable on request have been identified as current liabilities in the Financial Statements. Non-current liabilities are the liabilities that have to be paid during a period of more than one year.

3.1 Entitlement of employees

Contributions made to the Employees' Provident Fund and Employees' Trust Fund have been identified as expenses in the Financial Statements.

3.2 Trade and Other Payables

Trade and the other payables have been recorded in the Financial Statements on their costs.

3.3 Retirement Gratuity for Employees

Allocations for gratuity have been made in the Financial Statements and every employee has been considered for such allocations from the first year of their Service. This has been done in conformity with No.16 of the Sri Lanka Accounting Standards. However, the payments are made only to employees who have completed a service of continuous five years subsequent to being entitled to the payments as per the Gratuity Payment Act No.12 of 1983.

04 Income Statement

4.1 Income

Income has been identified on the accrued basis subsequent to providing relevant services as per the Sri Lanka Accounting Standards.

4.2 Expenditure

The profit or loss in the Income particulars have been identified before taxation and after allocating for all the liabilities identified.

Expenses incurred in the maintenance of assets and in the conduct of the business have been adjusted to the Income particulars in calculating the net deficit.

Charges for telephone, electricity and water bills and rentals are recovered from the officers and employees who are entitled for such facilities and the relevant expenses have been depicted in the relevant columns.

Financial Expenses

Income earned from the interests paid to fixed deposits has been accounted in the accrued Method. Interest expenses and the other credit expenses have been adjusted in the calculation of financial expenses.

Grants

Grants and aids have been adjusted to meet the relevant expenses. Non-Financial Grants related to assets have been accounted for its financial value and such assets are written off to the income statement during the useful life of such assets.

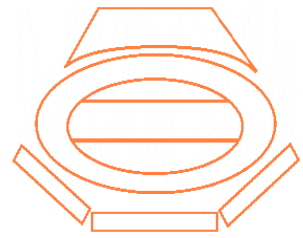
05. Cash Flow Statement**5.1 Cash**

Cash in hand and assets with high liquidity and which can be readily convertible to cash without any risk have been identified as Cash. Cash in Hand and Cash in Bank are identified as Cash for the purposes of the Cash Flow Statement. The Cash Flow Statement has been prepared based on the Indirect Method.

06. Incidents occurred subsequent to the Balance Sheet Date.

The necessary adjustments have been made in Financial Statements and revealed in accounts, for possible material effects occurred subsequent to the Balance Sheet date.

The Sugathadasa National Sports Complex Authority



- 1. Income and Expenditure Statement**
- 2. Balance Sheet**
- 3. Fund Flow Statement**

Income and Expenditure Statement

Income and Expenditure Statement for the year ended 31 December 2016

	31.12.2016 (Rupees)	31.12.2015 (Rupees)
Income	82,516,046	99,621,445
	82,516,046	99,621,445
Government Treasury Provisions	160,800,000	131,750,000
	160,800,000	131,750,000
Total Income	243,316,046	231,371,445
Expenditure		
Operational expenditure		
Expenditure for the payment of salaries to employees	(178,806,207)	(156,284,285)
Allowances and Expenses of the Board of Management	(799,500)	(359,500)
Provisions for Gratuity	(22,539,050)	(4,224,894)
Depreciations	(89,648,834)	(89,841,680)
Other Expenses	(71,551,859)	(48,505,958)
	(363,345,451)	(332,114,666)
Operational surplus (Deficit)	(120,029,405)	(100,743,221)
Surplus allocations for Gratuity	-	-
Financial Expenditure	(216,844)	(33,352,622)
Surplus (Deficit) before the Taxation	(120,246,249)	(134,095,844)
Added: Non-operational Income	-	-
Interest Income from Fixed Deposits	3,150,909	117,000
Net Surplus (Deficit) before Taxation	(117,095,340)	(133,978,844)
Income Tax	307,214	-
Surplus (Deficit) for the Year	(117,402,554)	(133,978,844)

Balance Sheet - Balance Sheet as at 31st December 2016

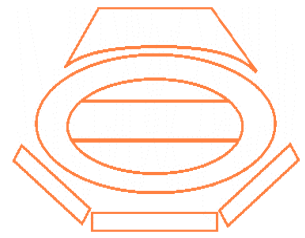
Assets	31.12.2016 (Rupees)	31.12.2015 (Rupees)
Current Assets		
Cash and Cash Equivalents	76,663,031	(28,707,565)
Debtors	10,811,023	43,912,053
Stock	11,483,637	8,834,824
Provision of ten Months Loan for the Staff	21,507,043	21,369,881
Advances and Other Receivable Balances	108,096,030	91,947,753
	228,560,765	137,356,946
Fixed Assets		
Lands	2,856,612,140	2,856,612,141
Buildings	1,243,588,617	1,223,818,817
High Tension Electric Towers	1,372,978	2,048,185
High Tension Electric Bulbs	1,266,922	2,766,341
Machines and Equipment	93,062,982	111,092,535
Computers	3,517,471	4,188,629
Motor Vehicles	376,222	2,141,778
Sports Equipment	27,459,563	32,095,189
Furniture and Equipment	17,832,243	12,383,983
Office and Other Equipment	8,023,582	9,618,343
Curtains	616,564	-
Work in progress	297,146,860	253,037,812
Fixed Deposits	29,767,006	29,671,032
	4,580,643,155	4,539,471,785
Overall Assets		4,856,831,731
Capital Equity and Liabilities - Current Liabilities		
Trade Creditors	7,532,472	5,808,072
Security Deposits	9,115,537	10,669,696
Advances received	2,869,115	2,925,624
Provisions for Taxes	792,240	340,803
Accrued Expenses and other Payables	13,173,499	9,181,293
Other Payables	70,181,833	56,280,460
	104,164,696	85,205,946
Non-current Liabilities		
Gratuity Allowances	65,369,896	44,215,170
	65,369,896	77,113,520
Overall Liabilities	169,534,592	162,319,466
Net Assets	4,639,669,328	4,694,512,265
Net Assets/ Capital Equities		
Government Grants	6,160,621,629	5,985,371,609
Accumulated Fund	(1,412,884,380)	(1,166,215,152)
Revaluation Surplus	9,334,652	9,334,652
Surplus/Deficit for the Year	(117,402,554)	(133,978,844)
Total Capital Equities and Liabilities	4,639,669,328	4,694,512,265

Fund Flow Statement

Fund Flow Statement for the year ended 31st December 2016

	31.12.2016 (Rupees)	31.12.2015 (Rupees)
Cash Flows from Operations	(117,402,554)	(133,978,844)
Surplus / Deficit		
Adjustments for Depreciation made to the Accumulated fund in the Previous Years		
Provision for Depreciation	89,648,834	89,841,680
Adjustments for Depreciation done in the Previous Years	-	-
Revaluation Surplus	-	-
Provisions for Gratuity	22,539,050	4,224,894
(Increases)/ Decreases in Stocks	(4,103,390)	134,613
Increases)/ Decreases in balance payable	18,814,526	(29,379,898)
Payment of Gratuity Allowances	(1,384,325)	(651,332.30)
Net Monetary Balance from Operations	6,668,723	37,022,614
Cash Flows from Investment Activities		
Purchasing Property, Plant and Machinery	224,303,395	(142,885,490)
Payment of Taxes		-
Investments in Fixed Deposits		-
Monetary Balance received from Investment Activities	180,000,000	(322,885,490)
Cash Flows received from Financial Activities		
Changes in Accumulated Fund	92,718	2,284,524
Government Capital Grants	175,250,000	243,000,000
Monetary Balance received from Financial Activities	175,342,718	245,284,524
Net Increase in Cash and Cash Equivalents	105,370,596	(114,623,580)
Cash and Bank Balance at the Beginning of the Year	(28,707,565)	85,916,015
Cash and Bank Balance at the End of the Year	76,663,031	(28,707,565)

The Sugathadasa National Sports Complex Authority



Report of the Auditor General

2016



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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No. }

CAS/A/SNSCA/FA/2016

ඔබේ අංකය
உமது இல.
Your No. }

දිනය
திகதி
Date }

13 March 2018

The Chairman.

Sugathadasa National Sports Complex Authority

Report of the Auditor General on the Financial Statements of Sugathadasa National Sports Complex Authority for the year ended 31 December 2016 in terms of Section 14(2)(c) of the Finance Act, No. 38 of 1971.

The audit of financial statements of the Sugathadasa National Sports Complex Authority for the year ended 31 December 2016, comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory 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 Section 13(1) of the Finance Act, No. 38 of 1971 and Section 9(2) of the Sugathadasa National Sports Complex Authority Act, No.17 of 1999. My comments and observations which I consider should be published with the Annual Report of the Authority in terms of Section 14(2) (c) of the Finance Act appear in this report.

1.2 Management's Responsibility for the Financial Statements

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



1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub - sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.



2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the Sugathadasa National Sports Complex Authority as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

Due to failure in reviewing the useful life of non-current assets annually in terms of Sri Lanka Public Sector Accounting Standard 07, the fixed assets costing Rs. 468.9 million had still been in use despite being fully depreciated. Accordingly, action had not been taken to revise the error in the estimate in terms of Sri Lanka Public Sector Accounting Standard 03.

2.2.2 Accounting Deficiencies

The following matters were observed.

- (a.) Of the mobilization advance amounting to Rs. 46,257,776 paid for implementing 04 projects, a sum of Rs. 32,859,055 had been settled by 31 December 2016. Nevertheless, the settlement had not been shown in the accounts. As such, the Advance Account, and the Work in Progress Account had been overstated and understated respectively by that amount.
- (b.) Even though a sum of Rs. 5,718,147 had been shown in the statement of financial position as interest receivable on fixed deposits as at the last date of the year under review, the amount had been Rs. 6,706,120 in accordance with the confirmation of bank balances, thus the interest receivable on fixed deposits had been understated by Rs. 987,973 in the accounts.



2.2.3 Unexplained Differences

A difference of Rs. 5,941,349 was observed in comparing the balances relating to 05 items of account shown in the financial statements of the year under review, with the schedules relating thereto.

2.2.4 Lack of Evidence for Audit

Evidence indicated against the following items of accounts, were not made available to audit.

Item of Account	Value	Evidence not Made Available
	Rs.	
(a.) Closing Stock	11,483,637	Verification reports on the physical stocks.
(b.) Balances receivable from the sports associations	10,172,936	Letters of confirmation of balances
(c.) Balances receivable	33,536,437	
	<u>55,193,010</u>	

2.3 Accounts Receivable and Payable

The following observations are made.

- The total of the balances receivable amounted to Rs. 43,709,373, and of those outstanding balances, a sum of Rs. 28,246,743 continued to exist for a period of more than 10 years, but the Authority failed to recover that sum.
- Action had not been taken to settle 11 balances totalling Rs. 437,878 that had remained payable over a period of 03 years.
- Even though a sum of Rs. 8,939,262 had been allocated in respect of Value Added Tax payable for the years 2012 and 2013, action had not been taken either to remit those monies to the Department of Inland Revenue, or settle the monies in the accounts.



2.4 Non-compliances with Laws, Rules, Regulations, and Management Decisions

Instances of non-compliances with Laws, Rules, and Regulations, etc. observed in audit, are shown below.

Reference to Laws, Rules, and Regulations	Non-compliance
(a.) Section 8(1) of the Finance Act, No. 38 of 1971	The budget should be prepared prior to 03 months of the commencement of the financial year, and approval of the Authority should be obtained thereon, but action had not been taken accordingly.
(b.) Public Finance Circular, No. 03/2015, dated 14 July 2015	Only the officers of the staff grade can be granted "ad hoc" Sub-Imprestts at a maximum of Rs. 100,000 in one instance in respect of a specific purpose. Nevertheless, subject clerks of the Maintenance Division, and Purchasing Division, had been granted advances totalling Rs. 2,388,905 in 07 instances.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result of the Authority for the year ended 31 December 2016, had been a deficit of Rs. 117,402,554 as compared with the corresponding deficit of Rs. 246,797,596 for the preceding year, thus indicating an improvement in the financial result of the year under review by Rs. 129,395,042 or 52 per cent as compared with the preceding year. The said improvement in the financial result had mainly been attributed by the increase in the Government grants by Rs. 29,050,000 or 22 per cent as compared with the preceding year.

The analysis on the financial results of the year under review and 4 preceding years revealed that the financial result had deteriorated from the year 2012 up to 2016. However, as compared with the year 2014, the deficit had increased in the year 2015 and decreased in the year under review. The employee remuneration, depreciation on non-current assets,



and Government taxes are adjusted to the financial result, the contribution of the Authority in the year 2012 amounting to Rs. 90,592,946 had continuously improved except for the year 2015, and reached Rs. 150,745,273 in the year under review.

3.2 Analytical Financial Review

The current ratio of the Authority had improved from 1.22 to 2.19 whilst the quick ratio had increased from 1.13 to 2.08 in the year under review as compared with the preceding year. Accordingly, the potential of the Authority to settle the short-term liabilities had increased.

4. Operating Review

4.1 Performance

The objectives of the Authority are not specifically stated in the Sugathadasa National Sports Complex Authority Act, No.17 of 1999 according to which the Authority had been established. However, the activities mentioned included : facilitation of infrastructure for conducting track and field and swimming events, and training sessions, providing infrastructure facilities for conducting examinations , seminars , summits and public recreation, providing hostel facilities for sportsmen, and providing parking facilities for those visiting the premises in that connection. The following observation is made in this connection.

Although provision amounting to Rs. 99 million had been made under special financial provisions in the year under review in respect of the project for the reconstruction of 400 meter and 200 meter synthetic tracks, that project had not been implemented in the year 2016 due to failure in completing the Procurement process.

4.2 Management Activities

The following observations are made.

- (a.) In the years 2008 and 2012, the Authority had invested a sum of Rs. 24,919,800 in Seven Day Call Deposits at a state bank. For the first 04 months, and the last 08 months in the year 2016, interest rates of 4.5 per cent and 5.75 per cent had respectively been received. An interest income of



Rs. 6,706,120 had been received on the said Seven Day Call Deposits from the year 2008 up to the year under review, whilst the bank had paid interest on the aforesaid interest income at the rate applicable to the Seven Day Call Deposits. Had those monies been invested in long-term fixed deposits, a higher interest income would have been received. However, as the investment had been made in the Seven Day Call Deposit, the Authority had been deprived of an opportunity for a favorable financial benefit.

- (b.) The Sugathadasa Sports Hotel had been built with the objective of providing accommodation for the sportsmen and sportswomen visiting from rural areas for sporting events and training, but visitors had been provided with accommodation free of charge. Moreover, the security camera system installed in the Hotel had remained non-functional for a period of about one year.
- (c.) Allocation for retirement gratuity amounting to Rs. 2,770,919 had been deposited in a savings account of the Bank of Ceylon instead of being invested long-term.

4.3 Procurement and Contract Process

The following observations are made.

- (a.) The contract valued at Rs. 135 million for repairing the roof and wooden floor of the main stadium had been awarded on 03 December 2015, and it was targeted to complete the repairs by 30 November 2016. However, due to errors in the estimate, the repairs on the floor had not been done even by 30 November 2016.
- (b.) A contract valued at Rs. 29.45 million for the construction of a drainage system and laying floor tiles of the Sugathadasa indoor stadium, had been awarded on 02 February 2016. The contract should have been completed by 31 December 2016 though, the project had not been completed even by 31 December 2016.



5. Accountability and Good Governance

5.1 Presentation of Financial Statements

In terms of Section 6.5.1 of the Public Enterprises Circular, No. PED/12, dated 02 June 2003, the accounts and the draft annual report should be furnished to the Auditor General within a period of 60 days after the close of the year of accounts. However, the financial statements for the year 2016 had been furnished by the Authority on 15 August 2017.

5.2 Action Plan

The Action Plan said to have been prepared by the Authority in terms of Public Finance Circular, No. 01/2014, dated 17 February 2014 by including activities targeting the achievement of objectives with a long-term vision, had not been furnished to audit.

5.3 Budgetary Control

As variances ranging from 28 per cent to 121 per cent were observed between the estimated expenditure and the actual expenditure relating to 13 items of expenditure, the budget had not been made use of as an effective instrument of management control.

6. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Authority from time to time. Special attention is needed in respect of the following areas of control.



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Auditor General's Department

9

Areas of Systems and Controls	Observation
(a.) Assets Management	Failure to maintain the Register of Fixed Assets in an updated manner.
(b.) Control of Debtors and Creditors	(i) Failure to decide on the maximum limit for the debtors, and duration. (ii) Failure to obtain the confirmation of balances relating to the debtors. (iii) Failure to settle the balances receivable and payable.
(c.) Accounting	(i) Failure to make use of the entire accounting system with the software purchased for accounting. (ii) Failure to record journal entries under the approval of a responsible officer.
(d.) Budgetary Control	Significant variances between the budgeted and actual values.

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General

H.M. Gamini Wijesinghe.

Auditor General

Updated Information for the Report of the Auditor General in terms of the Section 14 (2) (c) of the Finance Act No. 38 of 1971 on the Financial Statements of the Sugathadasa National Sports Complex Authority for the Year ended on 31st December 2015.

2.2.1 Sri Lanka Public Sector Accounting Standards

Action are being taken to rectify

2.2.2 Accounting Deficiencies

- (a) Arrangements have been made to rectify.
(b) Arrangements have been made to rectify.

2.2.3 Changes Not Clarified

Arrangements have been made to rectify.

2.2.4 Not supported with Adequate Evidences for the Audit

I have made arrangements to rectify it as at 31.12.2017.

2.3 Receivable and Payable Accounts

- (a) An amount of Rs. 4,652,171.32 out of the balances receivable (Rs.43,709,373.00) has been recovered by 30.06.2017. The legal methodology of recovering Rs.28,246,743.00, the balances outstanding even before 10 years is being taken in to consideration.
- (b) Since these are not the specified information for 11 balances, it is scheduled to take a decision by submitting the 11 balances to the Board of Manangement.
- (c) This amount is merely an allocation made by the Institution in accordance with the Sri Lanka Accounting Protective Concept. The Department of Inland Revenue has not yet given any letter / order to pay this amount. Therefore, it is not possible to adopt any procedure for settlement.

2.4 Noncompliance with Laws, Rules, Regulations and Management Decisions

- (a) This has been rectified.

- (b) These advances have already been settled and advances greater than Rs. 100,000.00 are not provided at present.

3. Financial Review

3.1 Financial Results

Agreed. Action is being taken to increase the income.

3.2 Analytical Financial Review

The ability of settling short term liabilities had decreased by 31.12.2015. The ability has increased as at 31.12.2016. Action is being taken to maintain this ability at the medium level.

4. Operational Review

4.1 Performance

Feasibility Studies have been carried out since such feasibility Studies have to be done in the land before implementing a project. Further, Financial Provisions were allocated for this Project in August 2016 and since the tender was cancelled in the first time, it was not possible to implement this Project in the Year 2016 and a long period of time had to be spent for this Project as this Project had to be implemented through inviting international quotations. The procurement activities of this Project were carried out by the Ministry of Sports.

4.2. Activities of the Management

- (a) Rectified at present.
- (b) Arrangments have been taken to conduct a preliminary investigation in this regard and one employee served has vacated the Post. It is scheduled to take forward action in compliance with the report of the preliminary investigation. All the security cameras installed in the Sports Hotel were removed as full modernization activites of the Sports Hotel had been initiated with effect from 2015 and arrangments would be made to replace the security camera system immediately after finalizing the modernization activities of the Sports Hotel.
- (c) Action is being taken to rectify.

4.3 Process of Procurement and Contracting

(a) The relevant Contractor and the Consultation Institute recommended that the wooden floor had to be fully repaired at the moment of initiating the repairing activities of the wooden floor. The Authority and the Consultation institute decided to remove the items of repairing the wooden floor from the Project of repairing the roof of the Main Stadium as the aforementioned matter had to be carried out as a separate Project due to the greater cost that had to be incurred in fully repairing the wooden floor.

(b) The reservation facilities of the Indoor Stadium for festival occasions were provided even at the instance of carrying out this Project and it was not possible to carry out activities of this Project in such days of reservation of the Indoor Stadium and in rainy days. Further, it could not be finalized within the specified period as additional functions which could not be identified at the instance of preparing estimates had to be carried out as this was a activity of repairing.

5. Accountability and Good Governance

5.1 Submission of Financial Statements

The Financial Statements of 31.12.2017 had been submitted on the specified date and accordingly, the error has been rectified.

5.2 Action Plan

Action Plan had been prepared

5.3 Budgetary Control

Action is being taken to rectify.

5.4 Systems and Controls

(a) Management of Assets

This has been rectified

(b) Control of Debtors and Creditors

- (i) Action is being taken to rectify.
- (ii) Has been rectified.
- (iii) Has been rectified.

(c) Accounting

- (i) 75% has been rectified. The rest is being rectified.
- (ii) Has been rectified.

(d) Budgetary Control

Action is being taken to rectify.



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නුවරඑළිය තුරඟ තරඟ පිටිය: 0522 222 659

බෙලුඅත්ත පිහිණුම් නටාකය: 0472 251 685