

## **Sri Lanka Carrom Federation - 2023**

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### **1. Financial Statement**

#### **1.1 Disclaimer of Opinion**

The audit of the financial statements of Carrom Federation of Sri Lanka (“the Federation”) for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of income and expenditure, statement of changes in accumulated fund, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No19 of 2018 and Section 21A of the Sports (amended) Act No. 47 of 1993. My Comments and observations which I consider should be report to parliament appear in this report.

I do not express an opinion on the accompanying financial statements of the Federation. Because of the significance of the matters described in paragraph 1.5 of this report. I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### **1.2 Basis for Disclaimer of Opinion**

I do not express an opinion on the accompanying financial statements of the Federation based on the matters described in paragraph 1.5 of this report.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those auditing standards are further described in the Scope of Audit section of my report.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium sized Entities (SLFRS for SMEs), and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Federation’s financial reporting process.

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

#### 1.4 Scope of Audit

My responsibility is to conduct an audit of the Federation’s financial statements in accordance with Sri Lanka Auditing Standards and to issue an auditor’s report. However, because of the matters described in the Basis for Disclaimer of opinion section, I was not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### 1.5 Audit Observations on the Preparation of Financial Statements.

##### 1.5.1 Accounting Deficiencies

Audit Issue	Management Comments	Recommendation
It was not in a position to determine the fair value of the property, plant and equipment amounting to Rs.2,223,530 shown in the Financial Statements for the year under review since those property, plant and equipment were not physically available at the Federation.	Director General of the Department of Sports Development, had requested the former Secretary of Sri Lanka Carrom Federation to handover all Books, Documents and Equipment to current officials of the Federation.	Prompt action should be taken to acquire and to verify the non-current assets shown in the financial statements.

##### 1.5.2 Documentary Evidence not made available for Audit

Items	Amount Rs.	Evidence available	not Management Comments	Recommendation
(a) Three payable balances	1,980,850	Rent agreement, invoices, bills and other supporting documents,	The evidence could be provided after receiving the necessary documents from the previous Secretary	Necessary evidence should be submitted to audit in order to ascertain the accuracy and reliability of these items.
(b) Receivable balance	30,180	confirmation		
(c) Balance of the savings account	1,122	bank saving pass book		

## 2. Financial Review

### 2.1 Financial Results

The operating result of the Federation for the year under review amounted to a surplus of Rs.522,660 and the corresponding deficit in the preceding year amounted to Rs.102,698. Therefore, an improvement amounting to Rs.625,358 in the financial result was observed. The main reason for this improvement was the increase of total income by Rs.1,396,800 with compared to previous year.