

Sri Lanka Judo Association - 2019

1. Financial Statement

1.1 Disclaimer of Opinion

The audit of the financial statements of the Sri Lanka Judo Association (“the association”) for the year ended 31 December 2019 comprising the statement of financial position as at 31 December 2019 and the income and expenditure statement, statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 No. 19 of 2018. My Comments and observations which I consider should be report to parliament appear in this report. To carry out this audit I was assisted by a firm of Chartered Accountants in Public Practice.

I do not express an opinion on the accompanying financial statements of the Association. 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

My opinion is Disclaimed 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 Generally Accepted Accounting principles 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 Association’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 Association or to cease operations, or has no realistic alternative but to do so.

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

As per Section 16(1) of the National Audit Act No.19 of 2018, the Association 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 Association.

1.4 Scope of Audit

My responsibility is to conduct an audit of the Association’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 Internal Control Over the preparation of financial Statements

Audit issue -----	Management Comment -----	Recommendation -----
Bank reconciliation statements had not been prepared by the Association for the year under review.	Association’s comments had not been submitted.	Bank reconciliation should be prepared in monthly basis.

1.5.2 Documentary Evidence not made available for Audit

Audit Issue -----	Amount Rs. -----	Evidence not available -----	Management Comments -----	Recommendation -----
(a) Cash in hand	460,342	Confirmation	Association’s comments had not been submitted.	The documents should be adequately furnished to audit in order to verify the existence of cash in hand.

(b)	Receivable	234,220	Confirmation and Schedules	Association's comments had not been submitted	The documents should be adequately furnished to audit in order to verify the existence of receivables.
(c)	Payable	1,573,716	Confirmation and Schedules	Association's comments had not been submitted	The documents should be adequately furnished to audit in order to verify the existence of payables.
(d)	Non-current Assets	12,156,531	Physical verification report Fixed Assets Register	Association's comments had not been submitted.	The documents should be adequately furnished to audit in order to verify the existence of assets.

2. Financial Review

2.1 Financial Results

The operating result of the association for the year under review amounted to a surplus of Rs.311,765 and the corresponding deficit in the preceding year amounted to Rs. 14,348. Therefore, an improvement amounting to Rs.326,113 of the financial result was observed. The reasons for the improvement were decrease the income by Rs.1,721,865 and decrease the expenditure by Rs.2,047,978.