

Sri Lanka Judo Association - 2018

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 2018 comprising the statement of financial position as at 31 December 2018 and the income and expenditure statement, cash flow statement 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 Practices.

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 standards are further described in the Scope of Audit section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with 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 Financial Statements

1.5.1 Documentary Evidence not made available for Audit

Audit Issue	Amount	Evidence not available	Management Comments	Recommendation
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	Rs.			
(a) Non-current Assets	12,156,531	Physical Verification Reports and Fixed Assets Register	Association's comments had not been submitted.	The documents should be adequately furnished to audit in order to verify the Non-current Assets.
(b) Cash at bank	31,179	Bank reconciliation and Confirmation	Association's comments had not been submitted.	The documents should be adequately furnished to audit in order to verify the Balance of Cash at bank.
(c) Cash in hand	460,342	Physical Verification Report	Association's comments had not been submitted.	The documents should be adequately furnished to audit in order to verify the Cash in hand.

2. Financial Review

2.1 Financial Results

Income and expenditure of the Association were not occurred due to non operation in the year 2017. The operations of the Association for the year 2018 had resulted in deficit of Rs.14,368 as compared with corresponding zero surplus or deficit for preceding year thus indicating a deterioration of Rs.14,368 in the financial results. Increase of expenditure more than the income by Rs.14,368 had been the main reason for this deterioration.