

Bridge Federation of Sri Lanka - 2023

1. Financial Statements

1.1 Disclaimer of Opinion

The audit of the financial statements of the Bridge Federation of Sri Lanka (“Federation”) for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of comprehensive income, statement of changes in equity and 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, No. 19 of 2018 and Section 21A of Sports Law, No. 25 of 1973 as amended by Section 9 of the Sports (Amendment) 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 the 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 based on the matters described in the 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 Auditor’s Responsibilities for the Audit of the Financial Statements 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 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 misstatement, 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 intends 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 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 paragraph 1.5 of this report, 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 Observation	Management Comment	Recommendation
The interest income of Rs.57,682 related to the previous year received during the year under review had been recognized as income for the year 2023 and annual subscriptions amounting to Rs.12,000 had not been recognized as income. Therefore, the surplus for the year under review had been overstated by Rs.45,682	Will be adjusted in the future accounts.	The financial statements should be prepared by recognizing correct figures and values.

1.5.2 Documentary Evidences not made available for Audit

Item	Amount Rs.	Evidence not available	Management Comment	Recommendation
Payments	Rs.110,190	Vouchers and supporting documents	Previous committee members are responsible.	Vouchers and supporting documents should be submitted for audit.

1.6 Accounts Receivable and Payable

1.6.1 Receivables

Audit Observation	Management Comment	Recommendation
Action had not been taken by the Federation to recover the annual subscription fees and sundry receivables amounting to Rs.36,000 and Rs.147,100 respectively which had remained outstanding over 2 years	It has been written off in the financial statements of 2024.	Action should be taken to recover receivables without delay.

1.7 Non-compliance with Laws, Rules, Regulations and Management Decisions

Reference to Laws, Rules and Regulations etc.	Non-compliance	Management Comment	Recommendation
Section 7 (xiii) of the National Associations of Sports Regulations, No. 01 of 2016 published in the Extraordinary Gazette No. 1990/23 dated 27 October 2016	Although, the Annual Financial Statements should be submitted to the Auditor General within two months after ending the financial year, the Federation had been submitted its financial statements for the year 2023 only on 13 June 2025, by delaying approximately 15 months.	Comments had not been received.	Sports regulations should be followed.

2. Financial Review

2.1 Financial Result

The operating result of the Federation for the year under review amounted to a surplus of Rs.68,173 and the corresponding deficit in the preceding year amounted to Rs.242,173 Therefore, an improvement amounting to Rs.310,346 in the financial result was observed. The main reason attributed for this improvement was increase in interest income.

3. Operational Review

3.1 Management Inefficiencies

Audit Observation	Management Comment	Recommendation
Two fixed deposits aggregating Rs.1,100,000 had been withdrawn on 02 August 2023 and deposited in a current account on the same day. Subsequently, this money had been laid idle in that current account up to 19 June 2024 without being utilized	Comments had not been received.	Action should be taken to utilize the funds for the development of the Federation.