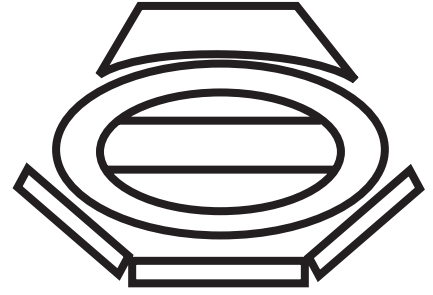


Sugathadasa National Sports Complex Authority



Annual Report
2013

The Sugathadasa National Sports Complex Authority

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Coordination of Information

Name of the Institution

Sugathadasa National Sports Complex Authority

Legal Establishment of the the Sugathadasa National Sports Complex Authority

Legalized by the Parliamentary Act No. 17 of 1999

BOARD OF MANAGEMENT

Brigadier G W P. Samaratunge RSP, USP, ATO, DGMM	- Chairman
Mr. Shantha Weerasinghe (Director - Development, Ministry of Sports)	- Member
Mrs. M D Ranjane Jayakody (Director General, Department of Sports Development)	- Member
Mr. Panduka Keerthinanda (Attorney at Law)	- Member
Mr. Manula Chamal Perera	- Member
Wing Commander Buwaneka Deshapriya	- Member
Mr. P Nisal Ratnayake	- Member
Mr. Manu Chanmugam	- Member
Mr. H M M S Bandara Herath	- Member
Mr. H B A Dayananda	- Secretary

AUDIT AND MANAGEMENT COMMITTEE

Mr. A W M A A Thilakarathne	- Chairman
Mr. Manu Chanmugam	- Member
Mr. B D Abeysooriya	- Member
Mrs. M M J Melani	- Member
Ms. Madushani Ranaweera	- Secretary

PARTICIPATION IN OBSERVATORY LEVEL

Mr. G H A Dharmapala

ADDRESS

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

Tel : 011-2445677, 2422841

011-2384490, 2384385

Fax : 011-2445675

Email: Sugathad@sltnet.lk

AUDIT

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

BANKERS

Bank of Ceylon,
Grandpass Branch

Administrative Management of Stadia

Brigadier G W P. Samaratunge RSP, USP, ATO, DGMM	- Chairman
Lt. Col. L.H.M. Rajapaksha RWP, RSP	- Director
Mr. R.S.M. Bandara Weeththewa	- Assistant Director (Finance)
Lt. Col. E.M.U Ekanayake RSP, USP	- Assistant Director (Sports)
Mr. Chaminda K. Udakumbura	- Assistant Director (Admin)
Ms. T.L.T. Madhushani Ranaweera	- Auditing Officer
Mr. K. Banduthilake	- Manager (IT)
Mrs. P.D.N. Prabha Kiriella	- Manager (Outdoor)
Mr. G.D. Sampath Perera	- Manager (Indoor)
Mrs. K.G.G. Nilmini Kiriella	- Manager (Admin)
Mr. H.A. Roshan Kumara	- Manager (Bogambara)
Major H.G. Upali Gamage	- Manager (Security)

Our Vision and Mission

Vision



Bringing Sugathadasa National Sports Complex Authority to a first class sports complex in Asia possessing sports facilities of international standard and through modernizing its other sports complexes and providing concessionary facilities for the development of sports in Sri Lanka.

Mission



Contributing to the development of the sports sector in Sri Lanka by providing facilities of international standard and to brighten the sports talents of Sri Lankan Sportsmen and women and bring the sports complex to a first class international standard with necessary facilities.

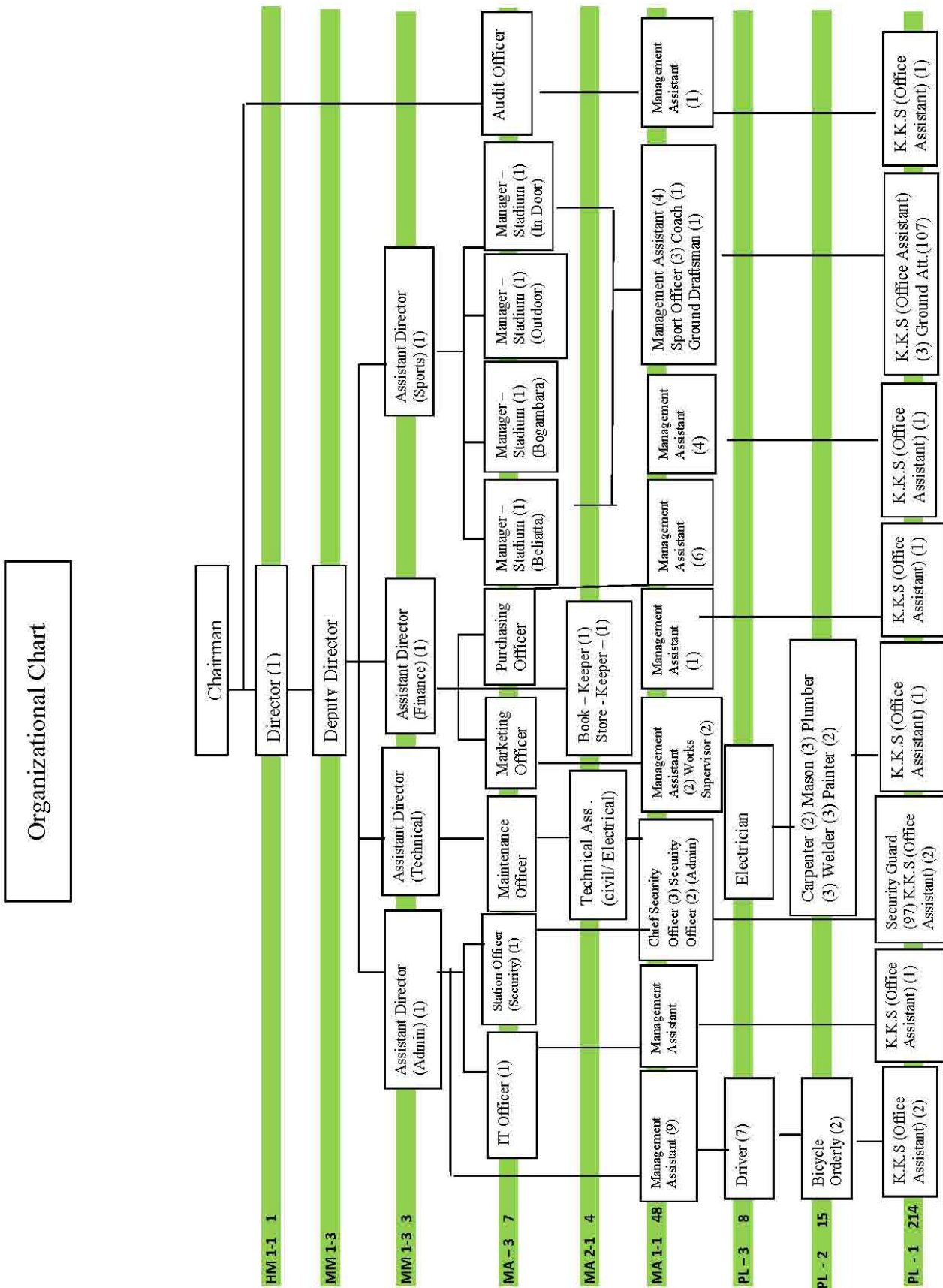
Establishment of the Sugathadasa National Sports Complex Authority

The Sugathadasa National Sports Complex Authority has been taken over by the Ministry of Sports as a Trust fund, with effect from 01-02-1995. The bill to convert the Sugathadasa National Sports Complex into an Authority was presented in Parliament on 20th April, 1999. The Bill was passed in the Parliament to be in force with effect from 01.09.1999 and this National Sports Complex has been established as '**Sugathadasa National Sports Complex Authority**' from this date.

The management activities of this authority are executed by a Board of Management appointed by the Minister in charge of sports and this board consists of the following members.

1. Chairman- One person among appointed members by the Minister in charge of Sports
2. The Secretary or a Representative of the Ministry of which Minister is in charge of Sports
3. Director General of Sports appointed under Sports Act No. 25 of 1973 of the National Sports Council
4. A representative of the Treasury.
5. In addition to this 07 members are appointed by the Minister who is the incharge of Sports

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 Institution is 326. The number of employees served in the institution out of the approved cadre as at 31.12.2013 was 88%. It has been comprehensively indicated below.

No	Designation	Salary Segment	No. of Employees as at 31/12/2013	Approved Permanent Cader	Vacancies / Surplus
01	Director	HM 1-1	01	01	-
02	Deputy Director	HM 1-3	-	01	01
03	Assistant Director	HM 1-3	03	04	01
Associate Officers					
04	Auditing Officer	MA - 3	01	01	-
05	Information Technology Officer		01	01	-
06	Maintenance Officer		-	01	01
07	Manager - Stadium		04	04	-
08	Purchasing Officer		-	01	01
09	Marketing Officer		-	01	01
10	Manager - Security		01	01	-
Management Assistant (Technical)					
11	Technical Assistant	MA 2-1	01	02	01
12	Store Keeper		-	01	01
13	Book Keeper		01	01	-
Management Assistant (Non - Technical)					
14	Internal Auditor	MA 1-1			
15	Management Assistant		29	31	02
16	Ground Draftsman		01	01	-
17	Works Supervisor		02	02	-
18	Sports Trainer / Sports Officer		03	09	06
19	Chief Security Officer / Security Officer		14	20	06
Primary / Skilled					
20	Electrical Technician	PL - 3	01	01	-
21	Driver		07	06	(01)
Primary / Semi Skilled					
22	Carpenter, Mason, Plumber, Painter and Welder	PL - 2	13	15	02
23	Bicycle Messenger		01	02	01
Primary / Non - Semi Skilled					
24	Stadium Assistant	PL - 1	102	110	08
25	Office Assistant (K.K.S.)		10	10	-
26	Security Guard (Male / Female)		92	100	08
	Total		288	326	38

Functions and Responsibilities of the Authority

Responsibilities

- 1) Management, maintenance and making arrangements to safe guard the Sugathadasa National Sports Complex Authority as a National Asset.
- 2) Maintenance of all facilities and services according to internationally recognized standards.
- 3) Effecting improvements or changes required for the buildings and structures.
- 4) Provision of Facilities to the Sri Lankan Citizens, particularly Sri Lankan youth for improving their talents in sports and for improving their physical fitness and health subjected to the Conditions imposed by the Board of Management.
- 5) Conducting training courses and programmes in sports with the intention of improving sports in rural sectors in particular.
- 6) Provision of facilities required for the National and International festivals subjected to the Conditions imposed by the Board of Management.
- 7) Developing Co-ordination and cooperation with International and National Sports Training Organizations and 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

The following procedures were adopted by the Authority in order to perform the above responsibilities and services and facilities are provided to Sports Clubs, School Sports Clubs as well as to Public and Private Institutions under concessionaire rates approved by the Board of Management.

- 1) Provision of infrastructure facilities that are necessary for training sportsmen and sportswomen for National and International track and field events.
- 2) Provision of facilities required to conduct matches with international recognition during day and night times.
- 3) Facilitation for the advancement of clever sportsmen/ sportswomen in rural level or in schools with low facilities by providing infrastructure facilities for uplifting their talents.
- 4) Provision of swimming and diving pool facilities required for the conduct of nationally and internationally recognized swimming competitions.
- 5) Supplying facilities necessary for conducting examinations, conferences, conventions, festivals and recreational activities.
- 6) Organization of workshops for training purposes

Fields Facilities by the Authority.

The Sugathadasa National Sports Complex Authority which possesses a specific capacity for the provision of facilities and services in day and 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, Basketball, Hand ball, Volleyball, Badminton, Squash, Table Tennis, Wrestling, Judo, Wushu, Boxing, Tykondo, Karate and Gymnastics, Cricket, Football and American Football.

Health and Education

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

Recreation

(1) Supplying of services and facilities of international standards to National and International mega shows.

(2) Publicity and Advertisements

Supply of services and facilities by arranging backgrounds necessary for still photographs and videos in relation to marketing. 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 is comprised of the following institutions for providing the above services and facilities

1. Sugathadasa indoor stadium, and Swimming / Diving pools
2. Sugathadasa Sports Hotel
3. Sugathadasa Outdoor Stadium.
4. R.Premadasa International Cricket Stadium
(Leased out to Sri Lanka Cricket Board for a period of thirty years from 01.11.2006)
5. Bogambara Outdoor Stadium
6. Beliatta and Weeraketiya Swimming pools.
7. Nuwareliya Race Cours

The Sugathadasa Indoor Stadium

The Sugathadasa Indoor Stadium is consisted of the following sections.

01. Indoor Stadium
02. Sub Arena
03. Swimming Pool Complex
04. Strength center
05. Sports Hotel

Indoor Stadium



Indoor stadium is equipped with an air-conditioned auditorium with a seating capacity of 5004. The width of this indoor stadium is 35 meters while its length is 40 meters. 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. In this year, specific festivals such as 2014 world cup selection volleyball tournaments, Ranaviru Real Star Musical Competition and British Council Examinations.

Rs.16,890,306.83 has been earned from this indoor stadium up to the 31st of December 2013.

The summary of total number of matches / championships and other festivals conducted at the Indoor Stadium in the year 2013 has been mentioned below.

Activity	International	National	Other	Total
Gymnastic Meet	-	03	-	03
Volley ball Matches	01	-	03	04
Boxing Meet	-	01	05	06
Karate	-	-	07	07
Table Tennis Matches	-	-	01	01
Netball Matches	-	-	01	01
Musical Shows (Mega)	-	-	01	01
Musical Shows (Non-Commercial)	-	-	01	01
Basket ball Matches	-	-	02	02
Wushu Meet	-	01	-	01
Music Competitions	-	-	03	03
Examinations / Educational Programs	-	-	46	46
Award Ceremonies	-	-	05	05
Programs on Children Activities	-	-	02	02
Conferences	-	-	04	04
Commercial Shooting	-	-	01	01
Meetings (Swimming Pool Lobby)	-	-	03	03
Training Programs	-	-	79	79



Ranaviru Real Star 2013



British Council Examinations

Sub Arena



The sub Arena is comprised of 2 Badminton Courts and 4 Squash Courts and an income of Rs.2,498,131.92 has been earned by facilitating matches and training activities during the year 2013.

Swimming Pool Complex

The Authority is the proud owner of the Nation's swimming pool complex equipped with all the facilities with international recognition and it is comprised of 04 swimming pools.



The swimming pool complex facilitates the conduct of school level swimming competitions up to internationally recognized swimming competitions. It facilitates the measurement of time using sophisticated Electronic equipment and it also facilitates day/ night matches by fixing high-tension electric light towers. In addition, a swimming school is being conducted for school children and a great service is being rendered through these facilities charging very reasonable concessionaire rates for children who are not facilitated with swimming pools.

An income of Rs.4,170,980.30 has been earned by the 31st of December 2013 as follows;

An income of Rs.4,170,980.30 has been earned by the 31st of December 2013 as follows;

- Swimming membership for school children - 560
- Swimming membership for Adults - 238
- Swimming Competition - 41
- Water Polo Matches - 07
- Diving Competitions - 05
- Training - 102

Gymnasium



A fully equipped Body Building Center is available and sportsmen / sportswomen as well as external persons are allowed to get membership. That are Further, a contract was awarded to modernize this Center on 06th December 2011 and modernization was completed in March 2012. Body building equipment was also purchased for the Gymnasium.

An income of Rs.1,128,170.94 has been earned from the Gymnasium during the year.

Sports Hotel

This sports hotel is composed of the following aspects.

Single rooms	-	06
Double rooms	-	14
Air-conditioned double rooms	-	04
Dormitory	-	18
Conference halls	-	02



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 Dormitory facilities which provide lodging facilities for sportsmen and sportswomen. In addition to providing with room facilities, this hotel also caters for weddings, meeting/Conference and workshops. Priority is given to the welfare of sportsmen / sportswomen and facilities of this hotel are provided for sportsmen/sportswomen and for the National Sports Clubs at concessionaire rates.

Provision of facilities even for the public is done whenever possible without hindering the general requirements of the stadium. Further, the kitchen had not been used since

catering of food and beverages has not been undertaken in this year. At present, only lodging facilities are available here.

An income of Rs.4,965,510.54 Was generated from the Sports Hotel up to 31st December 2013. Further, a proposal of converting the Sports Hotel into a three star hotel as a project of the Board of Investment has been submitted and the Technical Committee Report with the relevant proposal has been submitted to the Ministry of Sports for obtaining the approval of the SCARC.

Rs.30,931,228.05 has been earned from indoor stadium, swimming pool, body building centre and sports hotel owned by the indoor stadium and from rentals, interest for loans and from the other sources of revenue in the year, 2013.

Physical and financial progress of development projects related to Sugathadasa Indoor Stadium.

	Activity	Estimated value (Rs. Million)	For the year 2012 (Rs. Million)		For the year 2013 (Rs. Million)		Physical Progress
			Provision	Expenditur	Provision	Expenditur	
01	Main Arena Roof Repairs with Gutter	95	-	-	20	-	
02	Minor Repairs, Colour washing, Painting,	7	-	-	7	4.19	Processing
03	Improvement to Sub Arena Roof & Timber Floor	4	-	-	4	0.023	Project is in operation. Water leakages of the roof has been repaired by employees in the maintenance division of this Authority
04	Fixing & Painting Fibre Chairs at Main Arena & Pool	7	-	-	7	-	Waiting procurement committee decision
05	Covering of Waste Water Canal	1	-	-	1	-	Transferred to Admin block stage ii
06	Repairing of Boundary Fence & Gates	1	-	-	1	0.45	Repairing is being done by employees in the maintenance division of this Authority
07	Improvement to A/C System	4	-	-	2	1.05	100% Completed
08	Improvements of Electrical & Electronic System (with Hot Water System)	5	-	-	6.5	-	Contract awarded.
09	Improvements to Main Existing Water Pumps at Main & Sub Pools	5	-	-	5	0.36	Contract awarded to "REDECO"

	Activity	Estimated Value (Rs. Million)	For the year 2012 (Rs.Mn)		For the year 2013 (Rs.Mn)		Physical Progress
			Provisio	Expendi	Provisio	Expendi	
10	Replacing of Existing Fire System	3	-	-	3	1.22	100% completed
11	Repairs and improvements Floor and Pavilion in Baby swimming pool	-	-	-	4	-	
12	Repairs and improvements in main swimming pool and diving pool	39.90	11.97	11.72	7.90	7.841	100% completed
13	Furniture & Office Equipment	6.50	-	-	6.50	0.44	Procurement activities are being carried out
14	Sports Equipment	22.50	-	-	22.50	11.10	Activities pertaining to the purchase of equipment required for the Physical Fitness Centre of Bogambara Stadium have been completed and activities pertaining to the purchase of other essential equipment are
15	Plant, Machinery & Equipment	7.50	-	-	7.50	0.31	Procurement activities are being carried out
16	Other	1.00	-	-	1.00	0.13	Procurement activities are being carried out

**Proposed Development Project of the Sugathadasa Indoor Stadium
for the year 2014**

	Project	Budget Allocation - 2014 (Rs. Mn)
01	Improvements of Electric & Electronic System (Swimming Pool)	0.50
02	Establishment of an Electric Control Board (For swimming pool and main stadium)	0.50
03	Fixing & Painting Fibre Chairs at Main Arena & Pool	13.16
04	Improvements of Electrical & Electronic System (with Hot Water System)	3.00
05	Minor Repairs, Colour Washing, Painting , Repair & Improvements to existing Toilets in Indoor Stadium	0.31
06	Minor Repairs, Colour Washing, Painting , Repair & Improvements to existing Toilets in Indoor Stadium & Sports Hotel	3.18
07	Improvements to Main Existing Water Pumps at Main & Sub Pools	1.60
08	Improvements to Main Existing Water Pumps at Main & Sub Pools	5.00
	Total	27.25

Sugathadasa Outdoor Stadium

This Stadium has been designed for conducting track and field events during day and night times. Pavilion of this Stadium has been equipped with facilities required to accommodate 20,000 spectators at a time. The Stadium is comprised of two synthetic running tracks to the distance of 400 metres and 200 metres. In addition, facilities such as electronic time measuring machines and electronic measuring machines required for the conduct of internationally recognised

Sports Competitions and three storeyed media unit are among the facilities available in the Stadium. In addition, a Floodlight system has been installed for facilitating the conduct of matches in night times. Facilities have also been provided in this Stadium for the conduct of the sports events such as Athletics, Volleyball, Basketball, Rugby and Football and as well as for the conduct of various functions.



Information regarding matches and festivals conducted in this Stadium up to the 31st December 2013 has been mentioned below.

Activity	International	National	Other	Total
Football Matches	-	02	07	09
Sports Festivals (School Inter House Sports)	-	-	73	73
Sports Festivals (200 m Ground)	-	-	44	44
Athletics Championships	01	06	14	21
Rugby Football Matches	-	07	-	07
Volleyball Matches	-	-	01	01
Practices	-	-	201	201
Jogging as an Exercise	-	-	119	119
Commercial Shootings	-	-	02	02
Other	-	-	70	70

Physical and Financial Progress of Development Projects Related to Sugathadasa Outdoor Stadium

	Project	Estimated Value (Rs. Million)	For the year 2012 (Rs.Mn)		For the year 2013 (Rs.Mn)		Physical Progress
			Provisio	Expendi	Provisio	Expendi	
01	Improvement of Tennis Court & Basket Ball Court	02.00	-	-	02.00	1.73	100% Completed
02	Replacing of Existing Fire System	03.00	-	-	03.00	1.22	100% Completed
03	Replacement of Unserviceable Air Condition Units	01.50	-	-	01.50	1.36	100% Completed
04	Construction of Store House for Outdoor Stadium	27	-	-	12.00	9.48	100% Completed
05	Construction of Store House for Outdoor Stadium - Stage 02	27	-	-	20.00	3.62	100% Completed
06	Construction of Admin Block & Sports Shops	55	-	-	17.87	4.68	Construction has been started.

**Proposed development project of the Sugathadasa Outdoor Stadium
for the year 2014**

	Project	Budgetary Allocations 2014 (Rs. Millions)
01	Construction of Admin Block & Sports Shops (DPC Level Phase 11)	18.00
02	Repair Electronic Timing System	2.50
03	Improvements for Tennis and Basket Ball Courts (Phase two)	0.10
04	Construction of Admin Block & Sports Shops Stage ii (Consultancy Services)	0.93
05	Construction of Admin Block & Sports Shops - Stage i	18.19
06	Construction of Stores complex - Stage i	2.83
07	Construction of Stores complex - Stage ii	14.49
Total		57.04

R. Premadasa International Cricket Stadium

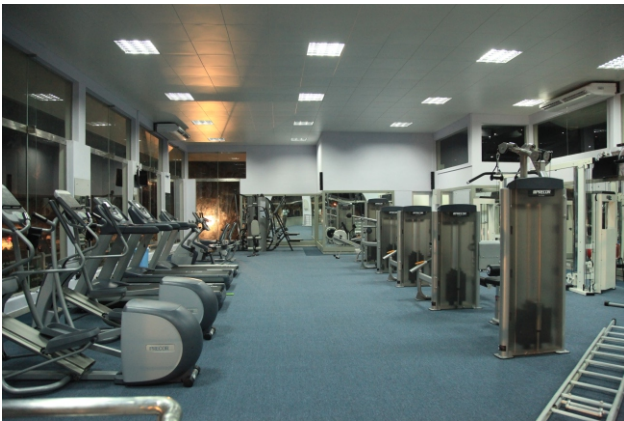


R. Premadasa International Cricket Stadium is one of the Stadiums owned by the country equipped with all the facilities required for the conduct of internationally and nationally recognized cricket matches. The Stadium is well equipped to provide accommodation for about 35,000 spectators at a time and a huge vehicle park is also available in the Stadium. This Stadium has been leased for an amount of Rs.250, 000 per month to the Sri Lanka Cricket Board 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. 2,250,000/- has been earned from this Stadium in the year 2013.

Leasing of the Stadium which had been a major source of income of the Sugathadasa National Sports Complex Authority by obtaining a fixed rental income per month for a longer period has definitely reduced the income of the Authority.

Bogambara Outdoor Stadium



New gymnasium was constructed for this stadium with modern equipment. Sportsmen / sportswomen as well interested persons can obtain the membership for these facilities. An income of Rs. 1,694,677.78 has been earned from this new Gymnasium as at 31st December 2013.

Even though the income can be increased by providing the outdoor vehicle park for Public Musical Shows, the management decided not to rent out the park to avoid disturbing the sports events conducted in the stadium

An income of Rs. 4,585,752.66 has been earned from matches , non sports festivals, Vehicle Park, gymnasium and from the other sources as at 31st December 2013.

The stadium was then administrated by the Kandy Urban Council and it has been under the purview of the Authority since 1999. Pavilion facilities are about 10,000 spectators at a time. Facilities have been offered in this stadium for Athletics, Football, Rugby, Volley Ball, Net Ball, School Sports Festivals and other festivals.

The report on the matches and festivals conducted in this Stadium in the year 2013.

Athletics meets	- 16
School Sports meet	- 47
Football Match	- 19
Rugby Match	- 23
Sports Training	- 686

**Physical and financial progress of development projects related to
the Bogambara Outdoor Stadium
(as at 31st December 2013)**

	Activities	Estimated value (Rs. Million)	For the year 2012 (Rs. Million)		For the year 2013 (Rs. Million)		Physical Progress
			Provision	Expenditure	Provision	Expenditure	
01	Construction of New Admin Block & Sports Shops with Improvements to the Gates of Ground entrance, Main entrance & the road - stage I	35	-	-	5.20	4.26	A part of the project has been completed. The residual activities are scheduled to be commenced
02	Continuation work of Gymnasium -Stage I & II	20.87	-	-	3.10	1.03	Completed
03	Continuation work of Gymnasium -Stage III	14.95	-	-	15.00	14.93	
04	Construction of Irrigation Canal (Dunumadalawa Ela)	21	-	-	16.00	7.19	Activities are being conducted.
05	Construction of New Admin Block, Sports Shops & Restaurant (Stage 1)	35	-	-	12.93	2.58	

**Proposed development project of the Bogambara Outdoor Stadium
for the year 2014**

	Project	Budgetary Allocations - 2014 (Rs. Million)
01	Construction of New Admin Block & Sports Shops (Stage I & II)	16.05
02	Construction of Irrigation canal (Dunumadalawa Ela) Stage I	23.42
03	Construction of Irrigation canal (Dunumadalawa Ela) Stage II	5.00
04	Minor Repair, Colour Washing, Painting, Refurbishment at Stadium	6.00
05	Construction of New Admin Block & Sports Shops (Stage III)	20
	Total	70.47

Beliatta and Weerakettiya Swimming Pools

The swimming Pools are consisted of the following aspects.

- Beliatta-**
- (i) 50m Swimming Pool with 8 lanes.
 - (ii) Diving Pool

- Weeraketiya-**
- (i) 25m Swimming Pool with 8 lanes.

Though administration and maintenance activities of the Swimming Pools of Beliatta Technical College and Weerakettiya Rajapaksha Central College have been conducted by the Sugathadasa National Sports Complex Authority, those swimming pools are not owned by the Sugathadasa Authority. Facilities have been provided to train swimming activities to elders and school students of surrounding areas by the Sugathadasa National Sports Complex Authority.



Beliatta Diving Pool



Beliatta Swimming Pool



Weeraketiya Swimming Pool

Summaries of matches / trainings conducted in these swimming pools and granting swimming memberships up to 31st December 2013 are as follows:

Swimming membership -school children	- 23
Swimming membership - elders	- 12
Swimming competitions	- 04
Trainings	- 98

The total income earned from these swimming pools as at 31st December 2013 is Rs. 56,312.28. Though elders, school students and sports societies were made

aware of these two swimming pools, the participation is very low and, therefore it is not possible to expect a higher income.

Further, the Weeraketiya Swimming Pool is located inside the premises of Weerakettiya Central College. Thereby, it was not possible to fully utilize the swimming pool since the entrance to the swimming pool is from the main gate of the school. It is noteworthy that is not possible to earn a sufficient income to cover the expenses incurred for the maintenance activities of the swimming pools.

Nuwareliya Race Course



The management of Nuwareliya Race Course had been transferred to the Sugathadasa National Sports Complex Authority by the Ministry of Sports on 07.09.2011.

An income Rs. 1,330,146.74 was earned from stables, rentals, 10% charge for horse / pony back riding, renting the premises in festival seasons and charges for parking vehicles as at 30th September 2013 from the Race Course of 34,564 hectares.

Further, open procurement proposal has been invited for the development of this race course as a fully equipped sports complex of high altitude. Accordingly, Discussions with foreign institutions have been scheduled for the establishment of sports facilities up to the international standards as a Sports Village.

The Overall Progress of the Institution

Capital Expenditure of the Authority in the year 2013 was Rs.93,941,869.00 and the operating expenditure along with depreciation and allocation for gratuity recorded as Rs.258,033,860.00. A sum of Rs.80,132,397.00 was the allocation for depreciation on fixed assets.

The Authority has been provided with an amount of Rs.90,000,000.00 as Capital Grants and an amount of Rs. 96,800,000.00 as recurrent provisions from the General Treasury for the year 2013. The recurrent provisions obtained during the year has been decreased by Rs. 18,400,000.00 when compared that of in the previous year.

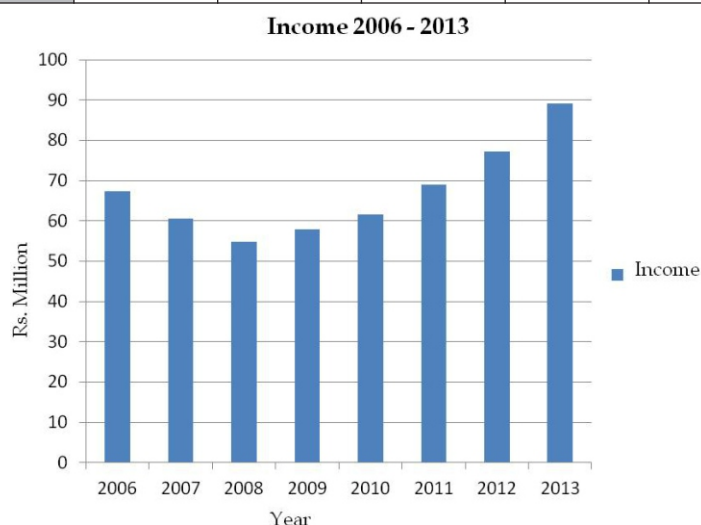
The income earned by the Authority in the year 2013 was Rs.89,031,160.00 and it was an increase of Rs.11,857,617.00.

The major reason for the increase in the expenditure in the year 2013 when compared that of in the year 2012 was the increase in salaries and allowances by Rs.10,178,781.00 while allocations for gratuity and the other expenses have increased by Rs. 2,585,042.00 and Rs.3,125,193.00 respectively.

The income earned by the Institution in the year 2013 was Rs.89,031,160.00 and the total expenditure (with Financial Expenses) along with the allocation for depreciation was Rs.258,033,860.00.

The income earned by the institution from the year 2006 to the year 2013 has been varied as shown below

Year	2006	2007	2008	2009	2010	2011	2012	2013
Income Rs. Million	67.32	60.65	54.78	57.85	61.60	69.00	77.17	89.03



A gradual increase in the income in the percentages of 12.01%, 11.08%, and 15.37% is obvious when the years 2011, 2012 and 2013 are taken into consideration.

Total Credit of the Institution

The position of credit of the Institution during the period of 2006 - 2013 has been varied as indicated below.

Year	2006	2007	2008	2009	2010	2011	2012	2013
Income Rs. Million	0.10	1.50	2.30	4.61	133.03	42.95	42.04	41.00

It is obvious that the position of credit has been drastically decreased when the years, 2011, 2012 and 2013 are taken into consideration.

Sugathadasa National Sports Complex Authority



Accounting Policies

2013

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

Money, and bank balances and the items that can be convertible into money within a period of one year in the process of normal 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 categorised 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.25,023,264/- has to be charged as at the 31-12-2006 by the Sugathadasa National Sports Complex Authority for the building constructed by the Sri Lanka Cricket Board and it is expected to negotiate and come into a compromise in that regard and on the monthly rental that is being charged at present.

Beliatta 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 are carried out by the by the Sugathadasa National Sports Complex Authority from the year 2008. Nine (09) employees have been attached on temporary basis as per the approval of the Management of the Authority. Three of them have been employed on contract basis.

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

Nuwaraeliya Race Course

The ownership of the Race Course has been transferred to the Ministry of Sports with effect from 05-07-2011 and the management of this Race Course has been assigned to our Authority with effect from 23rd October 2011.

2.2 Other Expenses

The costs incurred in the re-establishment of the parts contained in the property, Plant and machinery have been separately accounted for writing off during the useful life subsequent to capitalizing them. The 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 period of life. Lands have not been depreciated.

• Buildings and Constructions	-	2.5%
• Towers with high-tention 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	-	50%

Since the Pajero, bearing the Number 32-5811 has been registered under the Ministry of Manpower and Application, 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.

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.

The new van bearing No. NB-1527 has been provided to the value of Rs.9, 100,000.00 from the General Treasury as per the National Budget Circular bearing No.150. The value insured has been accounted considering it as the value of the vehicle.

The new Double Cab bearing No. PD-9713 has been provided to the value of Rs.7,500,000.00 from the General Treasury as per the National Budget Circular bearing No.150. The value insured has been accounted considering it as the value of the vehicle.

2.4 Trade and other debts

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

2.5 Stocks

Stocks in the Financial Statements have been recorded to costs. 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 brought to the relevant place are applicable to the value of stocks.

03. Allocations and Responsibilities.

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 five continuous 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 by the officers and employees who are entitled for such facilities and the relevant expenses have been depicted in the columns.

4.3 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.

4.4 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.



1. Income & Expenditure Statement

2. Balance Sheet

3. Cash Flow Statement

2013

Income & Expenditure Statement

Income & Expenditure Statement for the year ended on 31st December 2013

	31/12/2013 (Rupees)	31/12/2012 (Rupees)
Income	89,031,160	77,173,543
	89,031,160	77,173,543
Provisions from Government Treasury	96,800,000	78,400,000
	96,800,000	78,400,000
Total Income	185,831,160	155,573,543
Less		
Operational Expenses		
Expenses for Wage of Employees	(106,453,606)	(96,274,825)
Allowances and expenses of the Board of Management	(488,500)	(365,200)
Allocations for Gratuity	(7,847,352)	(5,262,310)
Depreciations	(80,132,397)	(76,442,520)
Other Expenses	(63,112,005)	(59,986,812)
	(258,033,860)	(238,331,667)
Operational Surplus (Deficit)	(72,202,700)	(82,758,124)
Extra Allocations for Gratuity	-	-
Financial Expenses	(10,248,227)	(132,086)
Surplus before taxation (Deficit)	(82,450,927)	(82,890,210)
Added: Non operational income	-	-
Interest income from fixed deposits	2,226,688	906,139
Net surplus before taxation (Deficit)	(80,224,240)	(81,984,071)
Income Tax	(235,887)	(70,164)
Surplus of the Year (Deficit)	(80,460,127)	(82,054,235)

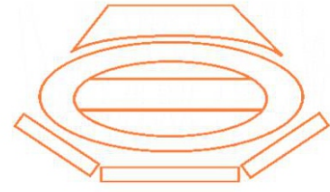
Balance Sheet - Balance Sheet as at 31st December 2013

Assets	31/12/2013 (Rupees)	31/12/2012 (Rupees)
Current Assets		
Cash & cash equivalents	17,498,861	6,209,385
Trade Receivables	40,999,600	42,043,413
Inventories	9,926,389	9,561,732
Staff ten month loan	16,105,588	15,696,923
Other Receivables & Advance	53,072,037	52,602,448
	137,602,475	126,113,902
Lands	2,856,612,141	2,856,612,141
Buildings	1,128,693,563	1,076,753,164
Flood light towers	3,443,716	4,141,482
Flood lights	995,362	1,777,915
Plant & Machinery	134,025,856	151,673,802
Computers	718,350	1,096,026
Motor Vehicles	9,792,824	14,526,848
Sports Equipments	40,463,816	38,048,039
Furniture & Fittings	1,066,078	773,661
Equipments (Office & Other)	8,604,977	7,174,199
Linen	2	2
Work in Progress	223,247,474	241,277,409
Fixed Deposits	29,605,530	29,529,338
	4,437,269,689	4,423,384,025
Total Assets Equity & Liabilities	4,574,872,164	4,549,497,926
Current Liabilities		
Trade Payables	848,197	19,940,272
Refundable Deposits	3,754,268	3,928,229
Receipts in Advances	1,178,550	908,284
Tax Provision	217,102	70,164
Accruals & amounts payables	7,725,797	6,444,476
Other Payables	43,354,895	17,163,010
	57,252,770	48,280,473
Non - Current Liabilities		
Retirement benefit obligations	38,230,005	32,999,316
	38,230,005	32,999,316
Total Liabilities	98,482,775	81,279,789
Net Assets	4,479,389,390	4,468,218,137
Net Assets/Equity		
Government Grant	5,567,371,609	5,475,905,208
Consolidated Funds	(1,016,856,744)	(934,967,488)
Revaluation Surplus	9,334,652	9,334,652
Excess/ (Deficit) for the year	(80,460,127)	(82,054,235)
Total Net Assets/Equity	4,479,389,390	4,468,218,136

Cash Flow Statement

For the year ended December 31, 2013

	31/12/2013 (Rupees)	31/12/2012 (Rupees)
Cash flow from operating activities	(80,460,127)	(81,984,071)
Surplus before taxation or net deficit		
Adjustment for depreciation made to the accumulated fund in the previous years.		
Allocations for depreciations	80,132,397	76,442,520
Adjustments for depreciations in the previous years	-	22,763,724
Revaluation surplus	-	4,660,229
Allocations for gratuity	7,847,352	5,262,310
Decrease/(Increase) in Inventories	(364,656)	1,402,611
Decrease/(Increase) Receivables	165,559	(44,278,917)
(Decrease)/Increase in payables	8,972,296	22,797,819
Gratuity paid	(2,616,663)	(2,198,908)
Net cash flow from Operating Activities	13,676,157	(2,198,908)
Cash flow from Investing activities		
Purchase of Properties	(93,941,869)	(201,084,342)
Tax paid	-	(70,164)
Investing fixed deposits	(76,192)	(19,970,255)
Net Cash flow from Investing Activities	(94,018,062)	(221,124,761)
Cash flows from Financing Activities		
Changes in Accumulated Fund	164,979	7,044,105
Government Capital Grants	91,466,401	156,739,500
Net Cash flow from Financing Activities	91,631,379	163,783,605
Net increase from cash & cash equivalents	11,289,475	(52,473,839)
Balance of cash & cash equivalents at the beginning of the year	6,209,386	58,683,225
Balance of cash & cash equivalents at the end of the year	17,498,861	6,209,386



***Auditor General's
Report
2013***



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கணக்காய்வாளர் தலைமை அபிப்பிதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல. }
My No. }

LS/A/SNSCA/FA/2013

ඔබේ අංකය
உமது இல. }
Your No. }

දානය
திகதி }
Date }

25 February 2015

The Chairman,
Sugathadasa National Sports Complex Authority.

Report of the Auditor General on the Financial Statements of the Sugathadasa National Sports Complex Authority for the year ended 31 December 2013 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 2013 comprising the statement of financial position as at 31 December 2013 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. A detailed Report in terms of Section 13(7) (a) of the Finance Act was furnished to the Chairman of the Authority on 25 November 2014.

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 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 judgment, 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 qualified 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 2013 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 Accounting Deficiencies

The following observations are made.

- (a) Advances amounting to Rs.9,841,873 paid relating to five constructions in the year under review and Value Added Tax amounting to Rs.277,242 paid on advances had been inappropriately brought to account under Work-in-Progress.
- (b) An invoice had not been issued for a sum of Rs.1,507,764 receivable as charges for reserving the indoor stadium of the Authority to the Sri Lanka Basketball Federation and it had not been taken to the financial statements in the year 2013.
- (c) The receivable Value Added Tax as at 31 December 2013 amounted to Rs.44,370,072. Even though the Department of Inland Revenue had confirmed that Rs.33,252,709 out of it could not be recovered, no required provisions had been made or it had not been so disclosed.



1.2.2 Accounts Receivable and Payable

The following observations are made.

- (a) No action had been taken to recover the trade debtors' balance of Rs.34,865,252 exceeding 5 years as at 31 December 2013, the security deposit balance of Rs.22,410 and receivable withholding tax of Rs.2,416,804 lapsed from 2 to 4 years while no action had been taken to settle the sum of Rs.702,981 older than 2 years retained by contracts and the trade creditors' balance of Rs.215,293.
- (b) The accuracy of the following balances which should be recovered by the Authority from sports societies and Department of Sports Development could not be confirmed as differences were observed in comparing the said balances with the financial statements of those institutes.

Balance as at 31.12.2013

Institute	Balance according to the account of the Authority	Balance according to the account of the relevant institute
	Rs.	Rs.
Archery Federation	222,091	Nil
National Olympic Committee	611,188	Nil
Sri Lanka Volleyball Federation	2,344,757	Nil
Department of Sports Development	1,562,869	59,227

Lack of Evidence for Audit

Due to lack of evidence of the following items shown in the accounts, they could not be satisfactorily accepted in audit.

Item -----	Value ----- , Rs.	Evidence not made available -----
(a) Balance to be paid to the Colombo Municipal Council	1,124,068	Schedules and confirmation of balances
(b) Unpaid balances	216,593	Schedules
(c) Income received in advance	139,449	Details relating to the income
(d) Refundable Deposits	3,925,338	Age analysis
(e) Trade Debtors	40,999,600	Confirmation of balances
(f) Trade Creditors	608,419	Confirmation of balances

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

Instances of non-compliance with laws, rules, regulations etc. observed in audit are given below.

Reference to Laws, Rules etc. -----	Non – compliance -----
Section 5.3.1 of Chapter XIX of the Establishments Code of the Democratic Socialist Republic of Sri Lanka	Even though 10 per cent of the salary of an officer residing in a scheduled quarter should be recovered as rental of quarters, the Authority had provided the Director with the Chairman's quarters without any charges.



(b) Financial Regulations of the
Democratic Socialist Republic of Sri
Lanka

(i) Financial Regulation 110

A Register of Losses had not been maintained.

(ii) Financial Regulation 754

Even though the Inventory Books should be balanced and maintained in an updated manner at the closure of a financial year, it had not been so done by the Authority.

(iii) Financial Regulation
755(1)

Every storekeeper or any officer who is otherwise entrusted with the custody of particular stores and other Government property, relinquishes his duties, or is transferred to another post, or goes on long leave, he should hand over to his successor, or to any other officer delegated for the purpose, all Government stores and other property for which he is responsible, and obtain in duplicate, and acknowledgement from the officer to whom the stores etc. are handed over. The officers of the Authority had not taken action accordingly.

(c) Public Enterprises Circular No.
PED/12 dated 02 June 2003

(i) Paragraph 5.1.2

Officers responsible for each function had not been identified in the Action Plan.

(ii) Paragraphs 5.1.3 and
5.2.1

Even though the approved Annual Budget should be presented to the Auditor General along with the Action Plan and the Capital Expenditure Estimates 15 days before the commencement of the year, the Authority had not taken action accordingly.



- | | | |
|-----|---|--|
| (d) | Treasury Circular No. IAI/1/2002/02 of November 2002 | A separate Register for Computers and Software had not been maintained. |
| (e) | Section 5.1.1(a) of the Procurement Guidelines of 01 March 2006 | The Authority had not prepared Registers for Calling Bids relating to purchase of goods for the Bogambara Stadium to the value of Rs.2,022,849 and no securities had been obtained for bids. |

2.2.5 Transactions not supported by Adequate Authority

Iron and other material purchased for a sum of Rs.507,409 in the months of October and November in the year 2013 to repair the security fence and the main gate had been stacked in the stores for scrap materials in the outdoor stadium without utilizing for the above purposes.

Financial Review

.1 Financial Results

According to the financial statements presented, the operation of the Authority for the year ended 31 December 2013 had resulted in a deficit of Rs.71,210,496 as compared with the corresponding deficit of Rs. 81,984,071 for the preceding year thus indicating an improvement in the financial result by Rs. 10,773,575 in the year under review. The increase of Government grants by Rs.18,400,000 as compared with the preceding year had mainly attributed to this improvement.



Operating Review

1 Management Inefficiencies

The following observations are made.

- (a) The R.Premadasa Stadium belonging to the Sugathadasa National Sports Complex Authority had been handed over to the Sri Lanka Cricket Institute on a lease agreement from the year 2006 and the stocks valued at Rs.2,149,491 belonging to the Authority and in the custody of the said stadium had been brought to account without a physical verification.
- (b) Four finger print machines purchased at a cost of Rs.190,000 by the Authority in the year under review had been disposed of due to being inactive.
- (c) Even though the gratuity payments should be made within one month of leaving of the employee in terms Payment of Gratuities Act, No.12 of 1983, a sum of Rs.46,918 had to be paid as surcharges due to non-compliance with it.
- (d) The sports hotel belonging to the Authority had been rented out for an annual rental of Rs.9,120,000 from 15 November 2010 for a period of 3 years and the Board of Directors of the Authority had cancelled the said lease agreement on 23 March 2011 and taken it under the management of the Authority. However, in comparing the net profit with the annual rent of the sports hotel in the years 2011, 2012 and 2013, the income had been deprived of by Rs.6,001,547, Rs.4,167,772 and Rs.4,672,424 respectively.



4.2 Transactions of Contentious Nature

The following observations are made.

- (a) Two steam generators with the power of 6 kilo watts, 3 bush cutters and a vacuum cleaner had been purchased by the Authority for the Bogambara Stadium by spending Rs.559,776 , 179,850 and 91,915 respectively. In all three instances goods had been purchased from institutions which had not submitted goods according to required specifications and without selecting the institutions which had submitted the minimum bid.
- (b) It was not ensured whether the basketball equipment purchased for Rs.3,625,000 on the recommendation of the Procurement Committee for the 3rd Asian Women's under 16 Basketball Tournament held at the Sugathadasa National Sports Complex Authority, Colombo from 23rd to 30th December 2013, were in accordance with the relevant trade names. Further, despite having adequate time, limited quotations had been called for and purchasings had been made considering as an emergency requirement without calling for competitive quotations.

4.3 Underutilization of Funds

A total sum of Rs.24,919,800 in the years 2008 and 2012 and as at 31 December of the year under review had been invested in seven days deposits without investing in fixed deposits.

4.4 Idle and Underutilized Assets

At the physical verification carried out on 12 September 2014 relating to the stocks of the stores, goods at a cost of Rs.573,214 had remained idle and out of which goods at a cost of Rs.100,712 had expired. Further, a stock of goods at the cost of Rs.154,075 had been underutilized.



4.5 Deficiencies in Contract Administration

The following observations are made.

- (a) According to the contract agreement of cleaning the outdoor stadium, indoor stadium and sports hotel of the Sugathadasa National Sports Complex Authority, the sum of Rs.270,892 relevant to 5 per cent to be deducted from the monthly contract payment when employees were deployed less than the number of employees stated in the agreement.

(b) Repairs of the Tennis and Basketball Courts – Rs.1,935,819

The following observations are made.

- (i) The contract had been awarded based on a Bill Of Quantities for Rs.1,935,819 submitted by the contractor without preparing a cost estimate for the repair of the tennis and basketball courts located in the outdoor stadium of the Authority.
- (ii) A sum of Rs.1,726,902 had been paid to the contractor only on the recommendation and approval of the Director (Engineering) of the Department of Sports Development on the basis of being completed about 98 per cent of the contract works of improving the tennis and basketball courts by 12 December 2013 without the approval of the Permanent Technical Committee. Even though the contract should be completed by 02 December 2013 in terms of the contract agreement, the completed works were not up to standard. It was also confirmed by the Chairman of the Authority to the Director (Engineering) that the works of the contract had not been completed by his letter No.04/03/03(13) 2013 of 28 March 2014 addressed
- (iii) The tennis court which had been completed had not been made use for training. Further, it was observed that the expenditure incurred in Phase I could be a fruitless expenditure as it was planned to construct a basketball court complex for an estimate of Rs.79,211,330 as Phase II within a short period of renovation.



4.6 Delayed Projects

Even though provisions of Rs.61.3 million had been made for 08 capital projects planned to be implemented by the Authority in the year 2013, the financial performance of the projects as at 31 December 2013 had been 1 per cent to 60 per cent.

4.7 Personnel Administration

The following observations are made.

- (a) Even though the prior approval of the Department of Management Services of the General Treasury should be obtained to fill the relevant vacancy, whenever a post becomes vacant, recruitments had been made to fill 08 vacancies existed in the Authority in the year 2013 without obtaining the relevant approval.
- (b) Applications had been called from internal employees for 08 posts of Karyala Karya Sahayakas and four applicants who had submitted applications after the closing date of applications had been recruited for the relevant posts. Further, out of 8 applicants recruited, 4 had been external applicants.
- (c) Thirty six officers recruited to the posts of Security Guard and Stadium Assistants had been attached to other duties outside the relevant duties. Further, there was no evidence to ensure the service of the relevant officers due to failure in handing over the assignment of duties in writing.
- (d) It was observed that 24 employees relating to 5 posts were employed exceeding the approved cadre due to attachment of officers from other posts exceeding the approved cadre relating to posts.
- (e) The applicant recruited to the post of Storekeeper had not fulfilled the basic qualifications and he had no service as well. Further, the other applications and reports of interviews for the relevant post had not been presented to audit.
- (f) Three fitness instructors had been recruited for the year 2013 for the Bogambara Fitness Centre without the approval of the Department of Management Services for the post of fitness instructor not in the approved cadre of the Authority.



5. Accountability and Good Governance

5.1 Internal Audit

Audit had not been carried out as planned, in comparing with the audit items carried out as per the Internal Audit Plan relating to the year under review.

5.2 Budgetary Control

The Budget for the year under review had not been presented to the Auditor General in terms of Paragraph 5.2 of the Public Enterprises Circular No. PED/12 of 02 February 2003.

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.

- (a) Assets Management
- (b) Accounting
- (c) Human Resources Management
- (d) Contract Administration
- (e) Stock Control
- (f) Budgetary Control
- (g) Income Administration

W.P.C.Wickramaratne
Acting Auditor General