

Financial Performance of Commercial Public Enterprises - 2004

National Water Supply & Drainage Board

1 Name & Address of the Enterprise: **National Water Supply & Drainage Board**
Galle Road,
Ratmalana.

2 Mission:

To serve the nation in the provision of safe potable water and sanitation facilities ensuring affordable prices and environmental quality.

3 Major Activities:

Investigation, Planning, Design and construction of piped water supply and sewerage schemes in urban areas using local funds and donor assistance.

Operation and maintenance of piped water supply and sewerage schemes with optimum efficiency.

Facilitation for Local Authorities to provide water supply and sanitation facilities to rural areas. Assisting State Agencies, industries and private/ public sector institutions in water supply & sanitation activities.

4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B	
1	Total Revenue for the year	(Rs.' 000)	4,010,000	4,604,000	4,864,000	4,909,000	5,634,000
2	Gross Profit for the year	(Rs.' 000)	1,129,000	975,000	1,302,000	810,000	1,043,000
3	Net Profit before Interest and Tax for the year	(Rs.' 000)	639,000	322,000	416,000	(287,000)	(56,000)
4	Financial Charges for the year	(Rs.' 000)	481,000	461,000	550,000	525,000	931,000
5	Total Cost of Employment for the year	(Rs.' 000)	1,400,000	1,588,000	1,822,000	2,234,000	2,238,000
6	Capital Expenditure for the year	(Rs.' 000)	4,402,000	6,013,000	4,266,000	4,046,000	3,943,000
7	Non-Current Assets as at end of the year	(Rs.' 000)	35,588,000	40,696,000	54,864,000	66,462,000	88,873,000
8	Current Assets as at end of the year	(Rs.' 000)	6,801,000	9,190,000	9,503,000	9,533,000	10,067,000
9	Current Liabilities as at end of the year	(Rs.' 000)	1,609,000	1,847,000	1,787,000	2,141,000	2,105,000
10	Non-Current Liabilities as at end of the year	(Rs.' 000)	9,208,000	10,778,000	12,113,000	13,310,000	17,056,000
11	Equity as at end of the year	(Rs.' 000)	31,572,000	37,261,000	50,467,000	60,544,000	79,779,000
12	Contribution to the Consolidated Fund	(Rs.' 000)	-	-	-	-	1,000,000
13	Number of Employees as at end of the year	(Nos.)	8,023	8,104	8,188	7,919	8,200
14	Investment of Surplus Fund as at end of the year	(Rs.' 000)	584,000	293,000	200	200	-
15	Key Performance Indicators						
i)	Net Profit bef. Tax to Equity	%	1%	0%	0%	-1%	-1%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	%	2%	1%	1%	0%	0%
iii)	Current Ratio	%	423%	498%	532%	445%	478%
iv)	Total Cost of Employment per Employee	(Rs.' 000)	174	196	223	282	273

5 Comments on Performance:

Although the total revenue has increased marginally during the year with the increase in the supply of water gross profit has declined with the increase in the operational expenses.

Sharp increase in administrative expenses coupled with the total cost of employment during the year resulting in loss before interest and tax.

The profit situation has turned out to be a loss situation during the year.

Financial charges for the year 2004 however has declined by 5% during the year.

Capital expenditure too has declined during the year.

There has been build up in the asset base and equity with a corresponding increase in the liabilities.

Return on equity and total assets have been on the decline.

The Board was brought under the purview of Strategic Enterprise Management Agency to improve the efficiency and effectiveness and financial viability of the enterprise with the effect from August 2004.