

# Financial Performance of Commercial Public Enterprises - 2004

## Sri Lanka Land Reclamation & Development Corporation

### 1 Name & Address of the Enterprise:

**Sri Lanka Land Reclamation & Development Corporation**

P.O. Box 56, Sri Jayawardanapura Mawatha  
Welikada, Rajagiriya

### 2 Mission:

To create lands for industrial, commercial and housing development while at the same time ensuring a flood free environment, to regulate filling of all lands owned by the private sector as well as the public sector, to conserve and maintain retention areas and all natural water bodies and all essential wetlands and to engage in engineering construction activities and consultancy services.

### 3 Major Activities:

Reclamation and development of lands  
Rehabilitation and maintenance of canals under Treasury grants  
Dredging of canals and lakes  
Greater Colombo flood control and environment improvement project.  
Repair and maintenance of vehicles and machinery  
Construction and consultancy of projects

### 4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B
1	Total Revenue for the year (Rs.' 000)	352,127	192,168	347,022	241,137	410,896
2	Gross Profit for the year (Rs.' 000)	112,612	33,342	204,806	138,916	130,856
3	Net Profit before Interest and Tax for the year (Rs.' 000)	78,943	45,779	152,983	55,301	44,501
4	Financial Charges for the year (Rs.' 000)	28,386	140,775	96,316	55,239	N/A
5	Total Cost of Employment for the year (Rs.' 000)	180,791	191,791	186,224	218,960	220,000
6	Capital Expenditure for the year (Rs.' 000)	9,804	2,321	2,023	862	N/A
7	Non-Current Assets as at end of the year (Rs.' 000)	1,014,926	1,022,275	856,025	1,351,251	971,778
8	Current Assets as at end of the year (Rs.' 000)	7,536,355	7,563,633	8,441,691	8,526,883	8,829,049
9	Current Liabilities as at end of the year (Rs.' 000)	6,258,560	6,417,229	7,025,759	7,661,404	7,590,055
10	Non-Current Liabilities as at end of the year (Rs.' 000)	1,624,397	1,626,202	1,555,692	1,525,831	1,463,828
11	Equity as at end of the year (Rs.' 000)	668,324	542,477	716,265	690,899	746,944
12	Contribution to the Consolidated Fund (Rs.' 000)	15,000	-	-	-	10,000
13	Number of Employees as at end of the year (Nos.)	1,610	1,548	1,505	1,449	N/A
14	Investment of Surplus Fund as at end of the year (Rs.' 000)	-	-	-	-	-
15	<b>Key Performance Indicators</b>					
i)	Net Profit bef. Tax to Equity (%)	8%	-18%	8%	0%	N/A
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets (%)	1%	1%	2%	1%	0%
iii)	Current Ratio (%)	120%	118%	120%	111%	116%
iv)	Total Cost of Employment per Employee (Rs.' 000)	112	124	124	151	N/A

### 5 Comments on Performance:

There has been substantial deterioration in the revenue generation, gross profit and net profit during the year. Financial charges although has declined during the year, it represents 23% of the total revenue.

Number employees has declined mainly due to VRS implemented during the year. However total cost of employment has increased during the year.

Capital expenditure of the Corporation has declined significantly during the year.

Total assets and liabilities although have increased equity has declined.

During the year Treasury has released Rs.44mn for project activities.

The Corporation has not been contributing to the Consolidated Fund during the year 2004, however it is expected to contribute Rs.10mn in the year 2005.

The Corporation has been identified for restructuring.