

Financial Performance of Commercial Public Enterprises - 2004

State Development & Construction Corporation

1 Name & Address of the Enterprise: **State Development & Construction Corporation**
7, Borupana Road, Ratmalana

2 Mission:

To assist the economic development of the country by participating in national infrastructure development and various construction activities and carrying out such activities to the highest standard of quality and be the market leader in the civil construction industry and heavy reinforced/ pre-stressed concrete members in the pre-cast concrete industry.

3 Major Activities:

To be self financing Government Organization.
To be financially and operationally established entity.
To build corporate image for timeliness and quality of works.
To maintain highly motivated workforce.
To reduce the wastages and losses to a good effect.

4 Performance Trend:

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B
1	Total Revenue for the year	(Rs.' 000) 303,193	326,539	559,813	633,395	1,022,500
2	Gross Profit for the year	(Rs.' 000) 29,074	58,883	60,910	65,439	190,000
3	Net Profit before Interest and Tax for the year	(Rs.' 000) 36,914	10,927	20,758	22,162	128,572
4	Financial Charges for the year	(Rs.' 000) 1,621	1,503	3,160	3,164	5,818
5	Total Cost of Employment for the year	(Rs.' 000) 73,749	95,089	113,234	112,691	55,454
6	Capital Expenditure for the year	(Rs.' 000) 11,713	21,226	2,795	17,578	25,000
7	Non-Current Assets as at end of the year	(Rs.' 000) 334,266	359,004	326,583	640,429	449,832
8	Current Assets as at end of the year	(Rs.' 000) 321,679	345,023	446,483	564,730	796,521
9	Current Liabilities as at end of the year	(Rs.' 000) 204,424	270,600	326,341	434,413	657,250
10	Non-Current Liabilities as at end of the year	(Rs.' 000) 105,809	106,541	110,273	130,503	116,473
11	Equity as at end of the year	(Rs.' 000) 345,712	326,886	336,453	640,242	472,630
12	Contribution to the Consolidated Fund	(Rs.' 000) -	-	-	-	10,000
13	Number of Employees as at end of the year	(Nos.) 619	610	591	564	595
14	Investment of Surplus Fund as at end of the year	(Rs.' 000) 81,267	106,097	85,473	95,464	97,339
15	Key Performance Indicators					
i)	Net Profit bef. Tax to Equity	% 10%	3%	5%	3%	26%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	% 6%	2%	3%	2%	10%
iii)	Current Ratio	% 157%	128%	137%	130%	121%
iv)	Total Cost of Employment per Employee	(Rs.' 000) 119	156	192	200	93

5 Comments on performance:

Total revenue, gross profit and net profit although have increased during the year the rate of increase reflects a decrease.

Total cost of employment has declined marginally during the year with the decline in the number of employees.

Capital expenditure has increased substantially during the year.

There has been substantial improvement in the asset base and equity.

Return on equity and total assets however reflect a deterioration.

The Corporation has substantial surplus funds in investments without the required approval in terms of the Finance Act No. 38 of 1971.

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