

# Financial Performance of Commercial Public Enterprises - 2004

## Ceylon Petroleum Corporation

**1 Name & Address of the Enterprise:** **Ceylon Petroleum Corporation,**  
109, "Rotunda Tower", Galle Road,  
Colombo 03.

**2 Mission:**  
To achieve excellence in petroleum refining, sales and marketing of high quality products through a loyal and efficient dealer network.

**3 Major Activities:**  
Importers and distributors of petroleum products.

#### 4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B
1	Total Revenue for the year	(Rs'Mn) 74,351	80,114	85,900	121,540	125,388
2	Gross Profit for the year	(Rs'Mn) 11,617	12,903	10,429	14,790	15,258
3	Net Profit before Interest and Tax for the year	(Rs'Mn) 7,649	9,209	5,300	6,477	8,576
4	Financial Charges for the year	(Rs'Mn) 6,090	1,952	426	2,033	2,958
5	Total Cost of Employment for the year	(Rs'Mn) 1,964	1,817	2,015	1,613	1,349
6	Capital Expenditure for the year	(Rs'Mn) 2,306	4,001	5,266	255	443
7	Non-Current Assets as at end of the year	(Rs'Mn) 8,947	11,646	14,565	14,113	17,228
8	Current Assets as at end of the year	(Rs'Mn) 14,851	18,502	23,220	32,072	26,972
9	Current Liabilities as at end of the year	(Rs'Mn) 32,567	30,667	33,160	34,801	32,286
10	Non-Current Liabilities as at end of the year	(Rs'Mn) 5,270	7,069	9,034	8,400	7,251
11	Equity as at end of the year	(Rs'Mn) (14,039)	(7,589)	(4,409)	2,984	4,663
12	Contribution to the Consolidated Fund	(Rs'Mn) -	9	-	-	1,750
13	Number of Employees as at end of the year	(Nos) 8,086	7,692	2,401	2,643	N/A
14	Investment of Surplus Fund as at end of the year	(Rs'Mn) -	-	-	-	-
15	<b>Key Performance Indicators</b>					
i)	Net Profit bef. Tax to Equity	(%) -11%	-96%	-111%	149%	120%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%) 32%	31%	14%	14%	19%
iii)	Current Ratio	(%) 46%	60%	70%	92%	84%
iv)	Total Cost of Employment per Employee	(Rs'Mn) 0.24	0.24	0.84	0.61	N/A

#### 5 Comments on Performance:

Total revenue has increased by 41% during the year mainly due to the increase in price.

Gross profit although has increased during the year, the net profit has declined with a substantial increase in the financial charges

Although the number of employees has increased during the year total cost of employment has declined.

Capital expenditure has declined very sharply during the year.

Liquidity position has been deteriorating and the Corporation continues to operate with a negative working capital.

The corporation has not been able to contribute to the Consolidated Fund by way of levy in view of its liquidity problems.

CPC has been undergoing a restructuring process as part of the liberalization of the petroleum sector.

Ceylon Petroleum Storage Terminal owned by different players in the market has already been established to own & manage the petroleum Storage Terminals and Distribution Facility (CUF) with effect from November 2003.

LIOC has taken over 100 petrol stations and obtained the China Bay Tank Farm, on a 35 years lease with effect from December 2003.

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