

Financial Performance of Commercial Public Enterprises - 2004 Northsea Ltd

1 Name & Address of the Enterprise:

Northsea Ltd
3rd Floor, B.O.I Building
No 14 Sir Baron Jayathilaka Mawatha
Colombo 01

2 Mission:

Rehabilitation of boat yard and partly rehabilitated fish net factory in Jaffna Peninsula. Creation of employment opportunities and supply of fishing net and boats to fishermen.

3 Major Activities:

Manufacturing and sale of fishing nets

Repair and manufacture of Trawlers and FRP boats .

Propose to manufacture ERP boats with private sector participation. Repairs and reconditioning of FRP boats will also be under taken.

Manufacture of block ice and flake ice for preservation of fish.

Marketing of fish.

4 Performance Trend

ABSOLUTE VALUES		2001/2002	2002/03	2003/2004	2004/2005 D	2005/2006 B
1	Total Revenue for the year	(Rs.' 000) 1,134	4,528	4,025	13,325	37,600
2	Gross Profit for the year	(Rs.' 000) (370)	(1,229)	(735)	3,348	4,375
3	Net Profit before Interest and Tax for the year	(Rs.' 000) (1,777)	(1,061)	(2,296)	(121)	893
4	Financial Charges for the year	(Rs.' 000) 223	5	4	52	25
5	Total Cost of Employment for the year	(Rs.' 000) 1,624	2,525	3,400	5,083	7,435
6	Capital Expenditure for the year	(Rs.' 000) 400	8	13	612	1,000
7	Non-Current Assets as at end of the year	(Rs.' 000) 16,007	15,147	14,312	14,721	23,575
8	Current Assets as at end of the year	(Rs.' 000) 5,620	5,546	5,178	8,460	10,333
9	Current Liabilities as at end of the year	(Rs.' 000) 102	255	1,352	5,112	3,728
10	Non-Current Liabilities as at end of the year	(Rs.' 000) -	-	-	-	-
11	Equity as at end of the year	(Rs.' 000) 21,525	20,438	18,138	18,069	18,893
12	Contribution to the Consolidated Fund	(Rs.' 000) -	-	-	-	-
13	Number of Employees as at end of the year	(Nos) 45	45	42	54	75
14	Investment of Surplus Fund as at end of the year	(Rs.' 000) -	21,524	20,438	18,069	30,180
15	Key Performance Indicators					
i)	Net Profit bef. Tax to Equity	(%) -9%	-5%	-13%	-1%	5%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%) -8%	-5%	-12%	-1%	3%
iii)	Current Ratio	(%) 5510%	2175%	383%	165%	277%
iv)	Total Cost of Employment per Employee	(Rs.' 000) 36	56	81	94	99

5 Comments on Performance:

There has been substantial improvement in the revenue generation and gross profit during the year. However the company continues to make losses and it has declined very sharply during the year.

Total cost of employment has increased during the year by 50% with the increase in the number of employees.

Capital expenditure too has increased substantially during the year.

There has been build up in the asset base with a corresponding increase in the liabilities while equity has declined with the continuous losses.

Company has not been contributing to the Consolidated Fund, however it has made a request for financial assistance from the Treasury for further rehabilitation.