

Financial Performance of Commercial Public Enterprises - 2004

State Timber Corporation

1 Name & Address of the Enterprise: **State Timber Corporation**
82, "Sampathpaya"
Battaramulla

2 Mission:

Whilst protecting the environment through scientific management of forests, focus on endeavors for the expansion and improvement of activities in order to accomplish the expectations of people in their requirement of timber.

3 Major Activities:

Preparation of forecast of Timber requirement of the country for the next five years in consultation with the Conservator of Forest, Government Departments, Corporation and Private Sector Institutions.

Preparation of program and building up an organization for exploitations of Timber to meet the above requirements according to the scientific system of forest management in consultation with the Conservator of Forest.

Be responsible for the supply of Timber to Government Departments, Corporations & Public Sector.

Construction of forest roads on contract to the Forest Department

Mechanization of extraction of logs

Export of Timber

4 Performance Trend

	ABSOLUTE VALUES		2001	2002	2003	2004	2005 RB
1	Total Revenue for the year	(Rs.' 000)	1,152,423	1,270,770	1,334,887	1,337,842	1,782,151
2	Gross Profit for the year	(Rs.' 000)	466,667	518,563	658,049	574,859	662,147
3	Net Profit before Interest and Tax for the year	(Rs.' 000)	61,413	168,494	297,634	161,836	165,145
4	Financial Charges for the year	(Rs.' 000)	-	-	-	-	-
5	Total Cost of Employment for the year	(Rs.' 000)	462,165	462,625	438,380	600,683	636,176
6	Capital Expenditure for the year	(Rs.' 000)	307,369	26,518	27,711	5,013	10,000
7	Non-Current Assets as at end of the year	(Rs.' 000)	718,407	704,618	969,909	953,611	970,766
8	Current Assets as at end of the year	(Rs.' 000)	1,030,507	1,178,180	1,127,329	911,048	878,854
9	Current Liabilities as at end of the year	(Rs.' 000)	525,569	530,616	565,357	162,762	69,379
10	Non-Current Liabilities as at end of the year	(Rs.' 000)	144,831	150,230	153,886	271,066	283,809
11	Equity as at end of the year	(Rs.' 000)	1,078,514	1,201,952	1,377,995	1,430,831	1,496,432
12	Contribution to the Consolidated Fund	(Rs.' 000)	5,000	8,000	37,000	37,000	50,000
13	Number of Employees as at end of the year	(Nos.)	3,666	3,418	3,113	2,995	2,975
14	Investment of Surplus Fund as at end of the year	(Rs.' 000)	-	-	-	-	-
15	Key Performance Indicators						
i)	Net Profit bef. Tax to Equity	(%)	6%	14%	22%	11%	11%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%)	4%	9%	14%	9%	9%
iii)	Current Ratio	(%)	196%	222%	199%	560%	1267%
iv)	Total Cost of Employment per Employee	(Rs.' 000)	126	135	141	201	214

*RB- Revised Budget

5 Comments on Performance :

Total revenue of the Corporation although has increased marginally during the year the gross profit and net profit has declined very sharply.

Total cost of employment has increased by 37% despite drop in the number of employees.

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

There has been decline in the asset base and liabilities while equity has improved.

Contribution to the Consolidated Fund has not increased during the year mainly due to deterioration in the performance.

Return on equity and total assets too has dropped during the year mainly due to decline in the net profits.

