

# Financial Performance of Commercial Public Enterprises - 2004

## Sri Lanka Cashew Corporation

**1 Name & Address of the Enterprise:** **Sri Lanka Cashew Corporation**  
396, Galle Road,  
Colombo 03.

**Mission:**  
Development of the Cashew Industry

**3 Major Activities:**  
Plantation of cashews, development of new planting of cashews, research & development, processing marketing etc.

### 4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B	
1	Total Revenue for the year	(Rs.' 000)	47,207	61,338	50,059	47,837	73,307
2	Gross Profit for the year	(Rs.' 000)	15,886	12,696	12,360	5,841	46,491
3	Net Profit before Interest and Tax for the year	(Rs.' 000)	9,174	2,660	4,223	(4,101)	1,808
4	Financial Charges for the year	(Rs.' 000)	60	60	114	86	95
5	Total Cost of Employment for the year	(Rs.' 000)	18,895	17,855	20,165	28,282	28,127
6	Capital Expenditure for the year	(Rs.' 000)	38,849	31,764	25,490	25,048	20,381
7	Non-Current Assets as at end of the year	(Rs.' 000)	314,723	338,904	357,128	375,867	386,443
8	Current Assets as at end of the year	(Rs.' 000)	34,294	26,586	32,524	20,973	55,176
9	Current Liabilities as at end of the year	(Rs.' 000)	11,990	10,732	15,358	13,728	28,525
10	Non-Current Liabilities as at end of the year	(Rs.' 000)	-	-	6,717	10,160	7,226
11	Equity as at end of the year	(Rs.' 000)	337,018	354,759	367,576	372,952	405,868
12	Contribution to the Consolidated Fund	(Rs.' 000)	-	-	-	-	-
13	Number of Employees as at end of the year	(Nos)	408	436	435	440	440
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	(%)	3%	1%	1%	-1%	0%
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%)	3%	1%	1%	-1%	0%
iii)	Current Ratio	(%)	286%	248%	212%	153%	193%
iv)	Total Cost of Employment per Employee	(Rs.'000)	46	41	46	64	64

### 5 Comments on Performance:

Performance has been fast deteriorating with the decline in the total revenue and the profit situation has now turned to be a loss situation.

The revenue of the Corporation has dropped mainly due to decline in the revenue generated from cashew kernels, raw cashew and cashew mother seeds.

Total cost of employment has increased by 40% during the year with a marginal increase in the number of employees.

Capital expenditure of the Corporation has been almost remained the same during the year while Treasury has released Rs.14mn as capital grant to cultivate bud cashew in 1505 acres.

Total assets and equity have improved marginally with a corresponding increase in the liabilities.

The Corporation needs to be restructured for improved performance and contribute to the national economy by way of levy to the Consolidated Fund.