

Financial Performance of Commercial Public Enterprises - 2004

Building Material Corporation Ltd

1 Name & Address of the Enterprise: **Building Material Corporation Ltd**
541, Sri Sangaraja Mawatha,
Colombo 10.

2 Mission:
To supply quality building materials and equipment at low price.

3 Major Activities:
Sales and distribution building materials.

4 Performance Trend

ABSOLUTE VALUES		2001	2002	2003	2004	2005 B
1	Total Revenue for the year	(Rs.' 000) 1,392,837	1,367,255	401,547	33,842	953,350
2	Gross Profit for the year	(Rs.' 000) 165,890	108,230	37,652	7,454	114,642
3	Net Profit before Interest and Tax for the year	(Rs.' 000) (40,554)	(91,380)	(89,466)	(7,409)	22,707
4	Financial Charges for the year	(Rs.' 000) 33,996	24,480	15,785	15,220	10,114
5	Total Cost of Employment for the year	(Rs.' 000) 125,700	139,643	128,765	71,085	107,137
6	Capital Expenditure for the year	(Rs.' 000) 1,414	3,844	1,449	472	-
7	Non-Current Assets as at end of the year	(Rs.' 000) 40,414	36,094	39,652	36,043	23,851
8	Current Assets as at end of the year	(Rs.' 000) 311,451	253,913	194,524	89,698	84,630
9	Current Liabilities as at end of the year	(Rs.' 000) 360,830	371,719	398,271	338,846	375,982
10	Non-Current Liabilities as at end of the year	(Rs.' 000) 132,572	175,764	169,105	118,586	22,507
11	Equity as at end of the year	(Rs.' 000) (141,537)	(257,476)	(333,200)	(331,691)	(290,008)
12	Contribution to the Consolidated Fund	(Rs.' 000) -	-	-	-	-
13	Number of Employees as at end of the year	(Nos) 1,052	1,065	1,064	362	N/A
14	Investment of Surplus Fund as at end of the year	(Rs.' 000) -	-	-	-	-
15	Key Performance Indicators					
i)	Net Profit bef. Tax to Equity	(%) -	-	-	-	-
ii)	Net Profit bef. Fin. Charges & Tax to Total Assets	(%) -12%	-32%	-38%	-6%	21%
iii)	Current Ratio	(%) 86%	68%	49%	26%	23%
iv)	Total Cost of Employment per Employee	(Rs.' 000) 119	131	121	196	N/A

5 Comments on Performance:

The performance has been fast deteriorating with no significant operation activities being carried out during the year.

Total revenue and gross profit have dropped substantially due to lack of operational activities.

The salary bill of the corporation has been funded by Treasury.

The Corporation implemented VRS during the year which was too funded by the Treasury.

The equity and working capital have been in negative and the Corporation is facing severe liquidity crisis.

The Corporation is being restructured with the assistance of PERC.