

# Financial Performance of Commercial Public Enterprises - 2003

## 1 Name & Address of the Enterprise:

**Ceylon Hotels Corporation (CHC)**  
411, Galle Road,  
Colombo 4.

## 2 Mission:

The Main Mission of CHC is to promote and provide adequate accommodation services and carriage to holiday makers both local & foreign within and outside Sri Lanka. In fulfilling the above mission the assurance that will be made to the customers will be courtesy being the watchword and perfection as final goal.

## 3 Major Activities:

1. By establishing, maintaining and operating adequate, efficient & attractive services for the living accommodation, refreshment, entertainment and recreation of tourists in Sri Lanka.
2. By establishing, maintaining and operating adequate, efficient and attractive services for the carriage of tourists and their personal belongings to and from Sri Lanka.
3. By doing all such other acts or things as are necessary for or incidental or conducive to the attainment of the objects herein before mentioned .

## 4 Brief comments on financial performance

There has been a substantial improvement in the total revenue and gross profits.

The Corporation has been incurring heavy losses in the past.

However it has made an operational profit of Rs.4.6mn for the year before charging Rs.16.3mn incurred for VRS implemented during the year reflecting a hope of recovery.

During the year Rs.35mn has been spent on capital expenditure specially on the upgrading of hotels and other facilities.

There has been a build up of total assets with the corresponding increase in liabilities.

The Treasury has no direct ownership of CHC and as a result no contributions to the Consolidated Fund.

The Corporation is currently undergoing a restructuring process.

## 5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	133,465	145,414	155,656	178,502	N/A
2	Total Current Assets as at end of year	(Rs.' 000)	121,991	97,786	78,810	103,395	N/A
3	Total Equity as at end of year	(Rs.' 000)	210,103	199,794	186,312	174,668	N/A
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	15,576	21,799	21,365	18,682	N/A
5	Total Current Liabilities as at end of year	(Rs.' 000)	29,777	21,607	26,788	88,546	N/A
6	Total Revenue for the year	(Rs.' 000)	118,545	111,794	132,284	170,455	235,107
7	Gross Profit for the year	(Rs.' 000)	4,525	(20,713)	83,774	109,059	164,801
8	Net Profit bef. Tax for the year	(Rs.' 000)	19,126	(9,367)	(13,340)	(11,630)	36,526
9	Financial Charges for the year	(Rs.' 000)	-	-	703	1,382	120
10	Total Capital Expenditure for the year	(Rs.' 000)	13,107	5,177	8,464	35,126	-
11	Total Cost of Employment for the year	(Rs.' 000)	32,322	35,185	80,485	47,609	17,130
12	Total Number of Employees as at end of year	(Nos.)	441	481	552	518	518
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	9.10%	-4.69%	-7.16%	-6.66%	
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	7.49%	-3.85%	-5.39%	-3.64%	
c)	Total Cost of Employment per employee	(Rs.' 000)	73.29	73.15	145.81	91.91	33.07

Budgeted Balance Sheet is not available

## CHECK the validity of the financial statements

### 1 Calculation of Equity

Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	133,465	145,414	155,656	178,502	N/A
Total Current Assets as at end of year	(Rs.' 000)	121,991	97,786	78,810	103,395	N/A
<b>Total Assets</b>	(Rs.' 000)	255,456	243,200	234,466	281,897	#VALUE!
Total Non-Current Liabilities as at end of year	(Rs.' 000)	15,576	21,799	21,365	18,682	N/A
Total Current Liabilities as at end of year	(Rs.' 000)	29,777	21,607	26,788	88,546	N/A
<b>Total Liabilities</b>	(Rs.' 000)	45,353	43,406	48,153	107,228	-
<b>Equity (Total Assets - Total Liabilities)</b>	(Rs.' 000)	210,103	199,794	186,313	174,669	#VALUE!
Equity as per line 7.3 of page 1	(Rs.' 000)	210,103	199,794	186,312	174,668	N/A
<b>DIFERENCE</b>	(Rs.' 000)	-	-	1	1	#VALUE!

### 2 Current Assets to Current Liabilities

(Times)	4.10	4.53	2.94	1.17	#VALUE!
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### 3 Total Revenue per Employee

(Rs.' 000)	269	232	240	329	454
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### 4 Total Assets per Employee

(Rs.' 000)	579	506	425	544	#VALUE!
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### 5 Total Cost of Employment per Employee

(Rs.' 000)	73	73	146	92	33
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