

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

Independent Television Network Ltd.
Wickramasinghepura,
Battaramulla.

2 Mission:

To enrich the lives of Sri Lankans by providing them with high quality Information, Education and Entertainment through the Electronic Medium of Mass Communication, by involving our associates who are committed to satisfy our customers by conducting to the highest levels of ethical and performance standards in whatever, we do, whenever we operate and whenever it is necessary. We at ITN firmly believe in Independence, Loyalty, Trust, Commitment, Fair play, Friendship, Teamwork, Achievement, Sharing and Continuous Improvement.

3 Major Activities:

1. Provide high quality programmes of information, education & entertainment.
2. Provide island wide coverage & maintain high quality standards in technology utilisation.
3. Increase promotions, both television & radio.
4. Carrying out activities in relation to social responsibility.

4 Brief comments on financial performance

Total revenue and gross margins have almost doubled which enabled the Company to change the loss situation into a profit situation.

The Company has made a net profit of Rs.38mn during the year.

Trade and other receivables represents 61% of the Total Revenue.

There has been a substantial build up of total assets, equity and liabilities.

Number of employees have increased substantially during the year despite the embargo on new recruitments however the cost of employment per employee has decreased.

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

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003 D*	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	201,456	171,560	162,051	149,193	202,959
2	Total Current Assets as at end of year	(Rs.' 000)	140,460	183,219	191,821	287,512	260,976
3	Total Equity as at end of year	(Rs.' 000)	205,323	155,683	161,794	184,405	219,839
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	81,960	147,598	118,929	144,943	162,695
5	Total Current Liabilities as at end of year	(Rs.' 000)	54,633	51,498	73,149	107,357	81,401
6	Total Revenue for the year	(Rs.' 000)	158,979	145,448	187,908	348,702	369,500
7	Gross Profit for the year	(Rs.' 000)	130,691	124,528	145,506	261,240	284,800
8	Net Profit bef. Tax for the year	(Rs.' 000)	(16,063)	(29,225)	(11,654)	38,668	47,418
9	Financial Charges for the year	(Rs.' 000)	204	107	3,606	1,235	1,450
10	Total Capital Expenditure for the year	(Rs.' 000)	95,263	11,942	30,247	26,932	90,600
11	Total Cost of Employment for the year	(Rs.' 000)	66,402	72,102	79,565	83,942	85,360
12	Total Number of Employees as at end of year	(Nos.)	333	331	335	370	375
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	-7.82%	-18.77%	-7.20%	20.97%	21.57%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	-4.64%	-8.21%	-2.27%	9.14%	10.53%
c)	Total Cost of Employment per employee	(Rs.' 000)	199.41	217.83	237.51	226.87	227.63

*Annual Accounts not yet available. Information is based on the Draft Accounts.

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463,935

463,935

436,705

436,705

353,872

353,872

354,779

354,779

341,916

341,916

375,816