

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

Lanka Fabrics Ltd.
No.312, Galle Road,
Colombo 4.

2 Mission:

Lanka Fabrics Ltd. was established with a mission to meet the needs of the handloom industry and assist the small scale handloom weavers through the provision of an organization to market their products. Lanka Fabrics is also totally committed in supplying handloom yarn and related accessories to small scale weavers at a fair and reasonable price.

3 Major Activities:

Marketing of Handloom fabrics & supply of yarn to the handloom industry.

4 Brief comments on financial performance

There has been a substantial decline in the total revenue and the net profits.

Cost of employment has been on the increase despite the Company having the same number of employees.

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

The return on the total equity and the total assets reflects a sharp decline.

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	2001/2002	2002/2003	2003/2004 D	2004/2005 B
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000) 1,227	809	393	500	600
2	Total Current Assets as at end of year	(Rs.' 000) 27,236	30,201	31,144	34,909	33,000
3	Total Equity as at end of year	(Rs.' 000) 14,219	15,584	17,871	19,857	18,500
4	Total Non-Current Liabilities as at end of year	(Rs.' 000) 1,250	1,250	1,250	1,250	1,250
5	Total Current Liabilities as at end of year	(Rs.' 000) 12,994	14,176	12,416	14,302	13,850
6	Total Revenue for the year	(Rs.' 000) 29,856	31,109	38,462	31,219	43,000
7	Gross Profit for the year	(Rs.' 000) 4,814	5,801	6,344	6,993	6,500
8	Net Profit bef. Tax for the year	(Rs.' 000) 1,459	1,830	3,516	2,499	2,500
9	Financial Charges for the year	(Rs.' 000) 1,046	1,445	1,957	1,789	1,800
10	Total Capital Expenditure for the year	(Rs.' 000) -	-	-	-	-
11	Total Cost of Employment for the year	(Rs.' 000) 894	1,038	1,252	1,844	1,500
12	Total Number of Employees as at end of year	(Nos.) 13	13	13	13	12
RATIOS						
a)	Net Profit bef. Tax to total Equity	(%) 10.26%	11.74%	19.67%	12.58%	13.51%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%) 8.80%	10.56%	17.35%	12.11%	12.80%
c)	Total Cost of Employment per employee	(Rs.' 000) 68.77	79.85	96.31	141.85	125.00

CHECK the validity of the financial statements

1 Calculation of Equity

Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	1,227	809	393	500
Total Current Assets as at end of year	(Rs.' 000)	27,236	30,201	31,144	34,909
Total Assets	(Rs.' 000)	28,463	31,010	31,537	35,409
Total Non-Current Liabilities as at end of year	(Rs.' 000)	1,250	1,250	1,250	1,250
Total Current Liabilities as at end of year	(Rs.' 000)	12,994	14,176	12,416	14,302
Total Liabilities	(Rs.' 000)	14,244	15,426	13,666	15,552
Equity (Total Assets - Total Liabilities)	(Rs.' 000)	14,219	15,584	17,871	19,857
Equity as per line 7.3 of page 1	(Rs.' 000)	14,219	15,584	17,871	19,857
DIFERENCE	(Rs.' 000)	-	-	-	-

2 Current Assets to Current Liabilities

(Times)	2.10	2.13	2.51	2.44
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3 Total Revenue per Employee

(Rs.' 000)	2,297	2,393	2,959	2,401
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4 Total Assets per Employee

(Rs.' 000)	2,189	2,385	2,426	2,724
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5 Total Cost of Employment per Employee

(Rs.' 000)	69	80	96	142
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28,463
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31,010
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31,537
35,409
35,409
33,600
33,600

