

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

National Equipment & Machinery Organization
National Housing Secretariat,
Sri Chittampalam A Gardiner Mw.,
Colombo 2.

2 Mission:

To provide the services of machinery and equipment for the construction industry contrywide & undertake construction work.

3 Major Activities:

Hiring Heavy Machineries & Pipe Laying Road Constructions

4 Brief comments on financial performance

NEMO is a unit functioning under the National Housing Development Authority operating as a separate entity.

Although a marginal improvement is shown in the revenue generation, the Organisation has been incurring heavy losses continuously.

The total cost of employment represent 88% of the Revenue which is a substantial increase from 2002.

During the year 2003 a VRS was offered to 287 employees who retired in January 2004 at cost of Rs.105mn funded by the Treasury.

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

Currently the Organisation is undergoing a restructuring process.

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)	388,685	407,224	325,274	476,556	475,654
2	Total Current Assets as at end of year	(Rs.' 000)	335,508	312,974	259,957	327,426	214,350
3	Total Equity as at end of year	(Rs.' 000)	641,885	639,650	488,073	693,134	614,174
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	-	-	-	-	-
5	Total Current Liabilities as at end of year	(Rs.' 000)	82,308	80,548	97,158	110,787	75,829
6	Total Revenue for the year	(Rs.' 000)	169,724	132,034	111,623	130,276	184,406
7	Gross Profit for the year	(Rs.' 000)	(86,140)	(99,834)	(131,501)	(105,878)	38,618
8	Net Profit bef. Tax for the year	(Rs.' 000)	(114,681)	(120,200)	(150,775)	(131,060)	21,021
9	Financial Charges for the year	(Rs.' 000)	153	175	1,029	3,610	500
10	Total Capital Expenditure for the year	(Rs.' 000)	14,342	381	171	107	-
11	Total Cost of Employment for the year	(Rs.' 000)	92,436	102,545	118,724	114,841	105,963
12	Total Number of Employees as at end of year	(Nos.)	975	980	908	924	625
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	-17.87%	-18.79%	-30.89%	-18.91%	3.42%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	-15.81%	-16.67%	-25.59%	-15.85%	3.12%
c)	Total Cost of Employment per employee	(Rs.' 000)	94.81	104.64	130.75	124.29	169.54

724,193
724,193
720,198
720,198
585,231
585,231
803,982
803,921

430,000

Revised Budget