

# Financial Performance of Commercial Public Enterprises - 2003

**1 Name & Address of the Enterprise:** Sri Lanka Broadcasting Corporation  
P.O. Box 574  
Torrington Square  
Colombo 07

## 2 Mission:

To create educated society by providing accurate balanced comprehensive information also to provide tasteful entertainment of a highest order and to provide satisfactory service to fulfil the highest expectation of the business community.

## 3 Major Activities:

1. Selling of Airtime - local and foreign
2. Broadcasting news and current affairs
3. Broadcasting social, cultural and educational programs
4. Providing transmission facilities
5. Developing transmission by adopting new technologies
6. Accounting for income and expenditure maintaining records according to the Standard and providing information.
7. Maintaining of personal records

## 4 Brief comments on financial performance

The Corporation has been continuously incurring heavy losses resulting in erosion of capital.

There has been an increase in the revenue generation during the year, however the Corporation has not been able to make a gross profits or net profits.

Total assets and the equity have been on the decline.

Current Liabilities represents 98% of the Current Assets, showing a deterioration in liquidity.

Number of employees have increased despite the embargo on new recruitments.

Currently the Corporation has been attempting to dispose its idle land to settle the liabilities.

The Corporation 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	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000) 1,456,403	1,372,556	1,178,493	928,933	1,258,169	
2	Total Current Assets as at end of year	(Rs.' 000) 294,067	280,278	167,304	175,633	125,194	
3	Total Equity as at end of year	(Rs.' 000) 1,344,522	1,176,360	844,666	702,105	1,021,764	
4	Total Non-Current Liabilities as at end of year	(Rs.' 000) 193,655	241,555	329,684	230,334	225,200	
5	Total Current Liabilities as at end of year	(Rs.' 000) 212,293	234,920	171,449	172,127	136,400	
6	Total Revenue for the year	(Rs.' 000) 373,669	402,656	402,783	448,063	539,420	
7	Gross Profit for the year	(Rs.' 000)	(126,617)	(106,847)	(46,484)	(34,445)	
8	Net Profit bef. Tax for the year	(Rs.' 000) (159,907)	(146,676)	(128,540)	(55,869)	(43,695)	
9	Financial Charges for the year	(Rs.' 000) 14,893	20,060	21,692	9,385	9,250	
10	Total Capital Expenditure for the year	(Rs.' 000) 313,088	40,956	16,594	6,303	47,000	
11	Total Cost of Employment for the year	(Rs.' 000) 236,056	257,035	234,479	230,831	268,145	
12	Total Number of Employees as at end of year	(Nos.) 1,379	1,179	1,200	1,206	Not Budgeted	
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	-11.89%	-12.47%	-15.22%	-7.96%	-4.28%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	-8.28%	-7.66%	-7.94%	-4.21%	-2.49%
c)	Total Cost of Employment per employee	(Rs.' 000)	171.18	218.01	195.40	191.40	

## **CHECK the validity of the financial statements**

### **1 Calculation of Equity**

Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	1,456,403	1,372,556	1,178,493	928,933	1,258,169
Total Current Assets as at end of year	(Rs.' 000)	294,067	280,278	167,304	175,633	125,194
<b>Total Assets</b>	(Rs.' 000)	1,750,470	1,652,834	1,345,797	1,104,566	1,383,363
Total Non-Current Liabilities as at end of year	(Rs.' 000)	193,655	241,555	329,684	230,334	225,200
Total Current Liabilities as at end of year	(Rs.' 000)	212,293	234,920	171,449	172,127	136,400
<b>Total Liabilities</b>	(Rs.' 000)	405,948	476,475	501,133	402,461	361,600
<b>Equity (Total Assets - Total Liabilities)</b>	(Rs.' 000)	1,344,522	1,176,359	844,664	702,105	1,021,763
Equity as per line 7.3 of page 1	(Rs.' 000)	1,344,522	1,176,360	844,666	702,105	1,021,764
<b>DIFERENCE</b>	(Rs.' 000)	-	(1)	(2)	-	(1)

### **2 Current Assets to Current Liabilities**

(Times)	1.39	1.19	0.98	1.02	0.92
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### **3 Total Revenue per Employee**

(Rs.' 000)	271	342	336	372	#VALUE!
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### **4 Total Assets per Employee**

(Rs.' 000)	1,269	1,402	1,121	916	#VALUE!
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### **5 Total Cost of Employment per Employee**

(Rs.' 000)	171	218	195	191	#VALUE!
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