

Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise: Sri Lanka Export Credit Insurance Corporation (SLECIC)
42, Nawam Mawatha,
Colombo 02

2 Mission:

1. To provide competitive support services of export credit insurance and guarantee facilities for the development of foreign exchange earnings from export of goods and services of Sri Lanka
2. To assist exporters to diversify their products and markets
3. To enhance productivity of Small, Medium Enterprises through support services of SLECIC.
4. To enhance the financial viability of the institution
5. To increase our market share in the export credit insurance.

3 Major Activities:

1. Issue of insurance policies to exporters against non payment of buyers abroad due to commercial and non commercial risks.
2. Issue of pre and post shipment credit guarantees to commercial banks to facilitate granting of pre and post shipment credit facilities to exporters against letters of credit on confirmed orders.
3. Issue of export performance guarantees to commercial banks and direct guarantees to the International Chamber of Commerce, Sri Lanka covering the ATA Camet system.

4 Brief comments on performance

Total Revenue and the Gross Profits had been at peak in the year 2003.

Although the Net Profit had been on the increase it has not exceeded the 2000 level.

Return on equity and total assets had increased in the year 2003.

The Cost of employment had increased by 43% in 2003 with the increase in number of employees despite the embargo on new recruitments.

Currently the Corporation is not contributing to the Consolidated Fund.

The Corporation has made substantial investments amounting to Rs.314Mn without the required approval in terms of the Finance Act No. 38 of 1971.

Although the Cabinet approval was obtained for the conversion of the Corporation into a government owned company action is yet to be taken in this regard.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	206,987	219,905	69,045	66,112	61,312
2	Total Current Assets as at end of year	(Rs.' 000)	265,103	276,625	469,162	509,679	964,251
3	Total Equity as at end of year	(Rs.' 000)	465,579	487,845	518,146	555,201	613,552
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	1,910	1,862	2,689	3,473	403,853
5	Total Current Liabilities as at end of year	(Rs.' 000)	4,601	6,822	17,373	17,117	8,158
6	Total Revenue for the year	(Rs.' 000)	72,262	81,647	87,234	118,353	233,480
7	Gross Profit for the year	(Rs.' 000)	31,503	24,765	43,287	73,443	193,255
8	Net Profit bef. Tax for the year	(Rs.' 000)	37,173	22,266	30,301	37,055	57,532
9	Financial Charges for the year	(Rs.' 000)	31	45	92	805	609
10	Total Capital Expenditure for the year	(Rs.' 000)	4,111	19,603	4,371	4,467	1,867
11	Total Cost of Employment for the year	(Rs.' 000)	10,907	12,473	23,396	33,472	39,450
12	Total Number of Employees as at end of year	(Nos.)	36	39	40	51	55
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	7.98%	4.56%	5.85%	6.67%	9.38%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	7.88%	2.42%	3.42%	23.18%	0.15%
c)	Total Cost of Employment per employee	(Rs.' 000)	302.97	319.82	584.90	656.31	717.27

CHECK the validity of the financial statements

1 Calculation of Equity

Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000	#REF!	206,987	219,905	69,045	#REF!
Total Current Assets as at end of year	(Rs.' 000	#REF!	265,103	276,625	469,162	#REF!
Total Assets	(Rs.' 000	#REF!	472,090	496,530	538,207	#REF!
Total Non-Current Liabilities as at end of year	(Rs.' 000	#REF!	1,910	1,862	2,689	#REF!
Total Current Liabilities as at end of year	(Rs.' 000	#REF!	4,601	6,822	17,373	#REF!
Total Liabilities	(Rs.' 000	#REF!	6,511	8,684	20,062	#REF!
Equity (Total Assets - Total Liabilities)	(Rs.' 000	#REF!	465,579	487,846	518,145	#REF!
Equity as per line 7.3 of page 1	(Rs.' 000	#REF!	465,579	487,845	518,146	#REF!
DIFERENCE	(Rs.' 000	#REF!	-	1	(1)	#REF!

2 Current Assets to Current Liabilities

(Times)	#REF!	57.62	40.55	27.01	#REF!
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3 Total Revenue per Employee

(Rs.' 000	#REF!	2,007	2,094	2,181	#REF!
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4 Total Assets per Employee

(Rs.' 000	#REF!	13,114	12,732	13,455	#REF!
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5 Total Cost of Employment per Employee

(Rs.' 000	#REF!	303	320	585	#REF!
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472,090
496,530
496,529
538,207
538,208
575,791
575,791
1,025,563
1,025,563

