

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise: **Sri Lanka Handicraft Board**
60, York Street,
Colombo 01.

2 Mission:

To promote Handicraft's Productions.
Upgrade handicraft producers
Contribute to the national economy by providing adequate return on investment

3 Major Activities:

Promote the sale and marketing of handicrafts of Sri Lanka in both Sri Lanka and abroad.

4 Brief comments on financial performance

The Board has been incurring heavy losses with the decline in total revenue and increase in cost of operations including the cost of employment and financial charges.

Although a net profit of Rs 3.7mn has been shown in 2003, the Board made loss of Rs.1.1mn through the general trading activities. It is the capital gains of Rs. 5.3mn on the sale of property turned the loss situation into profit situation during the year.

Cost of employment has been on the increase despite decline in the number of employees.

Treasury grant to the craft training division is not incorporated in the accounts of the Board but a separate set of accounts has been maintained for training division.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	136,221	104,827	93,112	88,511	N/A
2	Total Current Assets as at end of year	(Rs.' 000)	65,084	268,220	78,508	309,324	N/A
3	Total Equity as at end of year	(Rs.' 000)	94,262	84,223	70,628	81,989	N/A
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	7,254	7,171	15,553	355	N/A
5	Total Current Liabilities as at end of year	(Rs.' 000)	97,816	281,653	85,439	315,490	N/A
6	Total Revenue for the year	(Rs.' 000)	115,299	110,873	111,180	133,033	143,200
7	Gross Profit for the year	(Rs.' 000)	34,125	38,539	41,539	49,555	55,638
8	Net Profit bef.Tax for the year	(Rs.' 000)	(14,708)	(7,089)	(8,807)	3,779	(254)
9	Financial Charges for the year	(Rs.' 000)	9,023	8,658	662	2,355	1,235
10	Total Capital Expenditure for the year	(Rs.' 000)	211	158	786	1,498	N/A
11	Total Cost of Employment for the year	(Rs.' 000)	27,580	30,130	32,993	33,922	33,118
12	Total Number of Employees as at end of year	(Nos.)	283	297	296	273	269
RATIOS							
a)	Net Profit bef.Tax to total Equity	(%)	-15.60%	-8.42%	-12.47%	4.61%	
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	-2.82%	0.42%	-4.75%	1.54%	
c)	Total Cost of Employment per employee	(Rs.' 000)	97.46	101.45	111.46	124.26	123.12

Budgeted Balance Sheet is not available

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ost of employment and financial charges.