

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

Sri Lanka Land Reclamation & Development Corporation
P.O. Box 56, Sri Jayawardanapura Mawatha,
Welikada, Rajagiriya

2 Mission:

To create lands for industrial, commercial and housing development while at the same time ensuring a flood free environment, to regulate filling of all lands owned by the private sector as well as the public sector, to conserve and maintain retention areas and all natural water bodies and all essential wetlands and to engage in engineering construction activities and consultancy services.

3 Major Activities:

1. Reclamation and development of lands
2. Rehabilitation and maintenance of canals under Treasury grants
3. Dredging of canals and lakes
4. Greater Colombo flood control and environment improvement project.
5. Repair and maintenance of vehicles and machinery
6. Construction and consultancy of projects

4 Brief comments on financial performance

There has been a marked improvement in the revenue generation, Gross Profits and Net Profits during the year.

The Corporation has made a profit of Rs.56mn during the year as against the loss of Rs.95mn in 2002.

However it has not been able to regain the position of 2001 where it made a profit of Rs. 253mn.

Financial charges represents 28% of the total revenue which includes foreign exchange loss of Rs 81mn.

The Corporation has not make any contribution to the Consolidated Fund by way of a levy/dividend.

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

The Corporation has made substantial investments amounting to Rs.1,336Mn without the required approval in terms of the Finance Act No. 38 of 1971.

Although the Corporation was identified for restructuring and a proposal was made to offer VRS be paid from the own funds, so far no action has been taken.

5 Performance Trend

ABSOLUTE VALUES			2000	2001	2002	2003	2004 B
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	1,049,832	1,014,926	1,022,276	856,025	1,027,250
2	Total Current Assets as at end of year	(Rs.' 000)	6,704,037	7,623,017	7,563,632	8,441,687	7,123,280
3	Total Equity as at end of year	(Rs.' 000)	554,491	703,508	342,477	716,264	492,093
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	1,893,942	1,624,397	1,626,202	1,555,690	1,343,491
5	Total Current Liabilities as at end of year	(Rs.' 000)	5,305,436	6,310,038	6,617,229	7,025,758	6,314,946
6	Total Revenue for the year	(Rs.' 000)	261,596	424,453	192,169	347,022	607,742
7	Gross Profit for the year	(Rs.' 000)	84,891	145,465	33,342	204,806	409,270
8	Net Profit bef. Tax for the year	(Rs.' 000)	107,464	253,868	(94,996)	56,667	40,132
9	Financial Charges for the year	(Rs.' 000)	2,009	13,386	140,775	96,316	136,800
10	Total Capital Expenditure for the year	(Rs.' 000)	2,488	9,804	2,169	3,270	10,000
11	Total Cost of Employment for the year	(Rs.' 000)	79,023	92,564	100,971	104,939	117,500
12	Total Number of Employees as at end of year	(Nos.)	1,661	1,610	1,548	1,505	1,462
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	19.38%	36.09%	-27.74%	7.91%	8.16%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	1.41%	3.09%	0.53%	1.65%	2.17%
c)	Total Cost of Employment per employee	(Rs.' 000)	47.58	57.49	65.23	69.73	80.37

CHECK the validity of the financial statements

1 Calculation of Equity

Total Non-Current Assets (WDV) as at end of yr.	(Rs.' 000)	1,049,832	1,014,926	1,022,276	856,025	1,027,250
Total Current Assets as at end of year	(Rs.' 000)	6,704,037	7,623,017	7,563,632	8,441,687	7,123,280
Total Assets	(Rs.' 000)	7,753,869	8,637,943	8,585,908	9,297,712	8,150,530
Total Non-Current Liabilities as at end of year	(Rs.' 000)	1,893,942	1,624,397	1,626,202	1,555,690	1,343,491
Total Current Liabilities as at end of year	(Rs.' 000)	5,305,436	6,310,038	6,617,229	7,025,758	6,314,946
Total Liabilities	(Rs.' 000)	7,199,378	7,934,435	8,243,431	8,581,448	7,658,437
Equity (Total Assets - Total Liabilities)	(Rs.' 000)	554,491	703,508	342,477	716,264	492,093
Equity as per line 7.3 of page 1	(Rs.' 000)	554,491	703,508	342,477	716,264	492,093
DIFERENCE	(Rs.' 000)	-	-	-	-	-

2 **Current Assets to Current Liabilities**

(Times)	1.26	1.21	1.14	1.20	1.13
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3 **Total Revenue per Employee**

(Rs.' 000)	157	264	124	231	416
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4 **Total Assets per Employee**

(Rs.' 000)	4,668	5,365	5,546	6,178	5,575
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5 **Total Cost of Employment per Employee**

(Rs.' 000)	48	57	65	70	80
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