

Financial Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

Sri Lanka Ports Authority
No19, Church Street,
Colombo 01.

2 Mission:

Promote, develop, maintain, operate and establish Commercial Ports in Sri Lanka for both international and domestic shipping trade.

3 Major Activities:

Provision of efficient and regular services for both transshipment/domestic cargo in the form of navigation, stevedoring, wharf handling, warehousing, delivery & supply of water, fuel and electricity to vessels, handling of petroleum products and ancillary services related to Port activities.

4 Brief Comments on financial performance

Despite substantial improvement in revenue and gross margins the net profits have declined owing to the heavy VRS expenditure during the year.

During the year under the VRS, 4,000 employees have opted to retire at a cost of Rs.3,140mn.

Total assets and the equity have declined substantially during the year, owing to the writing off of a fictitious assets.

Decline in total assets with substantial increase in total liabilities have reflected in a sharp drop in the liquidity.

Return on equity and total assets have declined very sharply during the year.

The Authority has made substantial investments amounting to Rs.5,370Mn without the required approval in terms of the Finance Act No. 38 of 1971.

No contribution to Consolidated Fund has been made during the year in view of the decline in net profits and liquidity.

The Authority owes Rs.1.9bn to the Treasury by way of long outstanding customs duty payment.

The Authority has now been identified as a Strategic Enterprise and brought under SEMA to improve the efficiency and effectiveness and financial viability of the enterprise.

5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B	
1	Total Non-Current Assets (WDV) as at end of yr.	(Rs.' Mn) 48,036	49,431	56,347	49,185	60,301	
2	Total Current Assets as at end of year	(Rs.' Mn) 10,530	11,649	22,470	13,659	19,252	
3	Total Equity as at end of year	(Rs.' Mn) 13,306	12,936	25,906	8,109	26,978	
4	Total Non-Current Liabilities as at end of year	(Rs.' Mn) 39,644	37,486	43,183	46,006	43,559	
5	Total Current Liabilities as at end of year	(Rs.' Mn) 5,616	10,658	9,729	8,730	9,016	
6	Total Revenue for the year	(Rs.' Mn) 14,716	16,389	15,667	16,356	16,687	
7	Gross Profit for the year	(Rs.' Mn) 5,050	5,258	3,931	4,858	7,694	
8	Net Profit bef. Tax for the year	(Rs.' Mn) 3,973	4,196	2,797	1,223	4,414	
9	Financial Charges for the year	(Rs.' Mn) 1,078	1,062	1,134	1,111	1,082	
10	Total Capital Expenditure for the year	(Rs.' Mn) 3,527	4,408	4,472	6,270	3,080	
11	Total Cost of Employment for the year	(Rs.' Mn) 4,162	5,016	5,833	5,045	4,715	
12	Total Number of Employees as at end of year	(Nos.) 19,344	18,561	17,909	13,443	13,000	
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	29.86%	32.43%	10.80%	15.08%	16.36%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	8.62%	8.61%	4.99%	3.71%	6.91%
c)	Total Cost of Employment per employee	(Rs.' 000)	215.14	270.27	325.70	375.29	362.69

58,566	
58,566	470
61,080	7,121
61,080	1,653
78,817	18,427
78,817	(1,765)
62,844	25,906
62,845	
79,553	
79,553	470,551,932
	7,120,827,853
	113,664,135
	403,471,050
	8,108,514,970

45,905,531,547
78,319,651
22,000,000

46,005,851,198