

Performance of Commercial Public Enterprises - 2003

1 Name & Address of the Enterprise:

State Engineering Corporation of Sri Lanka
130, W.A.D. Ramanayake Mawatha,
Colombo 02.

2 Mission:

To provide the nation and our clients with unmatched services, ensuring total client satisfaction on quality, cost and timely delivery, in engineering / architectural design, project management, construction, and construction management, manufacture of building components and materials, engineering research, and training whilst achieving qualitative leadership, sustainable growth, financial stability and independence.

3 Major Activities:

Civil Engineering construction
Mechanical & Electrical services
Architectural & Engineering Consultancy services
Manufacture of Pre-cast components

4 Brief comments on financial performance

The performance has been fast deteriorating and the loss have been on the increase with sharp decline in revenue, high cost of operations and financial charges.

Trade debtors represents 47% of Current Assets mostly dues from Government Institutions.

Current Liabilities represents 88% of the Current Assets at the end of the year 2003 thus showing a deterioration in the liquidity position

The Corporation has not been contributing to the Consolidated Fund by way of levy in view of its heavy losses.

The Corporation is currently going through a restructuring process and Rs.200mn has been granted by the Government for the VRS.

5 Performance Trend

ABSOLUTE VALUES			2000	2001	2002	2003	2004B
1	Total Non-Current Assets (WDV) as at end of year.	(Rs.' 000)	89,075	94,539	77,046	60,930	120,428
2	Total Current Assets as at end of year	(Rs.' 000)	1,099,427	1,111,534	1,020,839	855,104	971,489
3	Total Equity as at end of year	(Rs.' 000)	127,899	69,033	25,065	(59,223)	115,980
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	399,704	367,823	281,700	219,939	375,811
5	Total Current Liabilities as at end of year	(Rs.' 000)	660,899	769,217	791,120	755,318	671,123
6	Total Revenue for the year	(Rs.' 000)	1,095,072	1,126,094	901,629	619,381	881,864
7	Gross Profit for the year	(Rs.' 000)	64,372	4,040	42,886	(21,672)	37,382
8	Net Profit bef. Tax for the year	(Rs.' 000)	24,857	(58,664)	(44,493)	(87,929)	2,982
9	Financial Charges for the year	(Rs.' 000)	4,845	14,920	36,348	11,598	10,000
10	Total Capital Expenditure for the year	(Rs.' 000)	17,672	23,737	779	491	9,000
11	Total Cost of Employment for the year	(Rs.' 000)	304,310	367,279	358,625	312,144	337,746
12	Total Number of Employees as at end of year	(Nos.)	3,193	3,315	2,990	2,722	2,837
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	19.43%	-84.98%	-177.51%	-	2.57%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	2.50%	-3.63%	-0.74%	-8.33%	1.19%
c)	Total Cost of Employment per employee	(Rs.' 000)	95.31	110.79	119.94	114.67	119.05

CHECK the validity of the financial statements

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1 Calculation of Equity

Total Non-Current Assets (WDV) as at end of year	(Rs.' 000)	89,075	94,539	77,046	60,930	120,428
Total Current Assets as at end of year	(Rs.' 000)	1,099,427	1,111,534	1,020,839	855,104	971,489
Total Assets	(Rs.' 000)	1,188,502	1,206,073	1,097,885	916,034	1,091,917
Total Non-Current Liabilities as at end of year	(Rs.' 000)	399,704	367,823	281,700	219,939	375,811
Total Current Liabilities as at end of year	(Rs.' 000)	660,899	769,217	791,120	755,318	671,123
Total Liabilities	(Rs.' 000)	1,060,603	1,137,040	1,072,820	975,257	1,046,934
Equity (Total Assets - Total Liabilities)	(Rs.' 000)	127,899	69,033	25,065	(59,223)	44,983
Equity as per line 7.3 of page 1	(Rs.' 000)	127,899	69,033	25,065	(59,223)	115,980
DIFERENCE	(Rs.' 000)	-	-	-	-	(70,997)

2 Current Assets to Current Liabilities	(Times)	1.66	1.45	1.29	1.13	1.45
3 Total Revenue per Employee	(Rs.' 000)	343	340	302	228	311
4 Total Assets per Employee	(Rs.' 000)	372	364	367	337	385
5 Total Cost of Employment per Employee	(Rs.' 000)	95	111	120	115	119

1,188,502	134,654
1,188,502	550,121
1,206,073	105,720
1,206,073	95,521
1,097,885	85,473
1,097,885	
916,034	971,489
916,034	120,428
1,091,917	971,489
1,162,914	(671,123)
70,997	420,794
	115,980
	375,811
	491,791
	70,997

