

# Financial Performance of Commercial Public Enterprises - 2003

## 1 Name & Address of the Enterprise:

**State Timber Corporation**  
82, "Sampathpaya"  
Battaramulla

## 2 Mission:

Whilst protecting the environment through scientific management of forests, focus on endeavours for the expansion and improvement of activities in order to accomplish the expectations of people in their requirement of timber.

## 3 Major Activities:

1. Preparation of forecast of Timber requirement of the country for the next five years in consultation with the Conservator of Forest, Government Departments, Corporation and Private Sector Institutions.
2. Preparation of program and building up an organization for exploitations of Timber to meet the above requirements according to the scientific system of forest management in consultation with the Conservator of Forest.
3. Be responsible for the supply of Timber to Government Departments, Corporations & Public Sector.
4. Construction of forest roads on contract to the Forest Department
5. Mechanization of extraction of logs
6. Export of Timber

## 4 Brief comments on financial performance

Significant improvement is shown in the Revenue generation, Gross Profits and Net Profits.

The total assets and the equity have been on the increase with the marginal increase in liabilities.

During the year, the Corporation has paid a levy on profit after tax to the Treasury amounting of Rs. 37mn compared to Rs.20mn in the previous year.

The Corporation had invested surplus funds amounting to Rs.610mn without the required approval in terms of the Finance Act No. 38 of 1971.

The Corporation is overstaffed over and above the approved cadre by about 1,200, however there is a severe shortage of skilled employees especially for the furniture unit.

The Corporation has been identified for restructure and to offer VRS to the employees.

## 5 Performance Trend

ABSOLUTE VALUES		2000	2001	2002	2003	2004 B	
1	Total Non-Current Assets (WDV) as at end of year.	(Rs.' 000)	459,057	718,407	704,618	969,909	1,139,034
2	Total Current Assets as at end of year	(Rs.' 000)	1,170,943	1,030,507	1,178,180	1,127,329	800,486
3	Total Equity as at end of year	(Rs.' 000)	1,022,101	1,078,514	1,201,952	1,377,995	1,457,581
4	Total Non-Current Liabilities as at end of year	(Rs.' 000)	134,267	144,831	150,230	153,886	170,230
5	Total Current Liabilities as at end of year	(Rs.' 000)	473,632	525,569	530,616	565,357	311,709
6	Total Revenue for the year	(Rs.' 000)	1,675,207	1,152,423	1,270,770	1,334,887	1,457,582
7	Gross Profit for the year	(Rs.' 000)	812,055	466,667	518,563	658,049	486,741
8	Net Profit bef. Tax for the year	(Rs.' 000)	437,564	61,413	168,494	297,634	68,030
9	Financial Charges for the year	(Rs.' 000)	-	-	-	-	-
10	Total Capital Expenditure for the year	(Rs.' 000)	146,068	307,369	26,518	27,711	-
11	Total Cost of Employment for the year	(Rs.' 000)	362,899	462,165	462,625	438,380	477,573
12	Total Number of Employees as at end of year	(Nos.)	2,697	3,666	3,418	3,113	3,057
RATIOS							
a)	Net Profit bef. Tax to total Equity	(%)	42.81%	5.69%	14.02%	21.60%	4.67%
b)	Net Profit before tax & Fin. Charges to Tot. Assets	(%)	26.84%	3.51%	8.95%	14.19%	3.51%
c)	Total Cost of Employment per employee	(Rs.' 000)	134.56	126.07	135.35	140.82	156.22

**CHECK the validity of the financial statements**

**1 Calculation of Equity**

Total Non-Current Assets (WDV) as at end of year.	(Rs.' 000	#REF!	459,057	718,407	704,618	969,909
Total Current Assets as at end of year	(Rs.' 000	#REF!	1,170,943	1,030,507	1,178,180	1,127,329
<b>Total Assets</b>	(Rs.' 000	#REF!	1,630,000	1,748,914	1,882,798	2,097,238
Total Non-Current Liabilities as at end of year	(Rs.' 000	#REF!	134,267	144,831	150,230	153,886
Total Current Liabilities as at end of year	(Rs.' 000	#REF!	473,632	525,569	530,616	565,357
<b>Total Liabilities</b>	(Rs.' 000	#REF!	607,899	670,400	680,846	719,243
<b>Equity (Total Assets - Total Liabilities)</b>	(Rs.' 000	#REF!	#####	1,078,514	1,201,952	#####
Equity as per line 7.3 of page 1	(Rs.' 000	#REF!	1,022,101	1,078,514	1,201,952	1,377,995
<b>DIFERENCE</b>	(Rs.' 000	#REF!	-	-	-	-

2 Current Assets to Current Liabilities

(Times)	#REF!	2.47	1.96	2.22	1.99
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3 Total Revenue per Employee

(Rs.' 000	#REF!	621	314	372	429
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4 Total Assets per Employee

(Rs.' 000	#REF!	604	477	551	674
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5 Total Cost of Employment per Employee

(Rs.' 000	#REF!	135	126	135	141
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