



# EMPLOYEES' TRUST FUND BOARD FINANCIAL HIGHLIGHTS - 2021



Financial highlights of the Employees' Trust Fund Board (ETFBoard) for the year ended 31st December 2021 and key performance indicators are disclosed below for the information of the general public. Financial Statements for the year 2021, submitted by the Board to the Minister of Finance will be presented to the Parliament by the Hon. Minister in terms of the Section 11 of the Employees' Trust Fund Act no 46 of 1980.

## SUMMARIZED INCOME STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

Item	(Rs. Million)		
	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>	Change (%)
<b>Total Gross Income</b>	<b>35,490</b>	<b>34,729</b>	<b>2.2</b>
<b>Less: Total Operating Expenditure</b>	<b>2,330</b>	<b>2,229</b>	<b>(4.3)</b>
Operational expenditure	1,540	1,481	(3.8)
Member Expenses	750	700	(6.7)
Other Expenses	40	49	20.3
<b>Net Income before Income Tax</b>	<b>33,159</b>	<b>32,500</b>	<b>2.0</b>
Less: Income Tax	4,590	4,493	(2.1)
<b>Net Income after Income Tax</b>	<b>28,569</b>	<b>28,007</b>	<b>2.0</b>
Add: Retained profit brought forward	3,687	3,214	14.7
Adjustment for the Prior year Net Profit	-	-	-
Gain / (Loss) on Financial Assets Designated Under FVTOCI	407	259	56.9
<b>Net Income available for Distribution to the Members</b>	<b>32,663</b>	<b>31,481</b>	<b>3.8</b>
Less: Interest paid on Member Balances	11,553	10,423	10.8
Less: Dividend paid on Member Balances	16,367	17,371	(5.8)
Less: Interest & Dividend paid on Member Balances @ 7.25% in 2021 (8.00% in 2020)	27,920	27,794	0.5
<b>Retained Profit Carried Forward</b>	<b>4,743</b>	<b>3,687</b>	<b>28.6</b>

Sources: (a) Audited, (b) Provisional

## SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2021

Item	(Rs. Million)		
	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>	Change (%)
Property, Plant and Equipment (including Intangible Assets)	269	300	(10.4)
Financial Assets	411,156	372,417	10.4
Other Assets	7,707	7,209	6.9
<b>Total Assets</b>	<b>419,132</b>	<b>379,926</b>	<b>10.3</b>
Less: Liabilities	9,846	3,347	194.1
<b>Total Net Assets</b>	<b>409,286</b>	<b>376,579</b>	<b>8.7</b>
<b>Represented By:</b>			
Total Member Balances	406,289	375,215	8.3
Reserves	2,997	1,363	119.9
<b>Net Worth of the Fund</b>	<b>409,286</b>	<b>376,579</b>	<b>8.7</b>

Sources: (a) Audited, (b) Provisional

## SUMMARIZED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

Description	(Rs. Million)		
	Retained Profit	Other Reserves	Total
<b>Balance as at 31<sup>ST</sup> December 2019</b>	<b>3,214</b>	<b>(1,714)</b>	<b>1,500</b>
Net fair value gains/(losses) on remeasuring FA measured at FVTOCI	-	(564)	(564)
Net Profit for the year - 2020	28,007	-	28,007
Interest on Member Fund Balance	(10,423)	-	(10,423)
Dividend on Member Fund Balance	(17,371)	-	(17,371)
Net Gain / (Loss) From FA Designated Under FVTOCI	259	-	259
Actuarial Gain/(Loss)	-	(46)	(46)
<b>Balance as at 31<sup>ST</sup> December 2020</b>	<b>3,687</b>	<b>(2,324)</b>	<b>1,363</b>
Net Profit for the year - 2021	28,569	-	28,569
Net fair value gains/(losses) on remeasuring FA measured at FVTOCI	-	533	533
Interest on Member Fund Balance	(11,553)	-	(11,553)
Dividend on Member Fund Balance	(16,367)	-	(16,367)
Net Gain / (Loss) From FA Designated Under FVTOCI	407	-	407
Actuarial Gain/(Loss)	-	45	45
<b>Balance as at 31<sup>ST</sup> December 2021</b>	<b>4,743</b>	<b>(1,746)</b>	<b>2,997</b>

Sources: 2020 (Audited), 2021 (Provisional)

## SELECTED KEY PERFORMANCE INDICATORS

Indicator	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>
<b>Membership</b>		
Contributing Member Accounts (Active Members) (mn.)	2.1	2.5
Non-contributing Member Accounts (Inactive Members) (mn.)	12.6	13.4
<b>Total Member Accounts (mn.)</b>	<b>14.7</b>	<b>15.9</b>
Contributing Employers (Nos.)	44,501	75,756
<b>Gross Income (Rs. mn.)</b>	<b>35,490</b>	<b>34,729</b>
Income from Government Securities	30,983	27,421
Income from Equities	942	600
Gain/ (Loss) on Fair Valuation of Equities	165	(300)
Income from Fixed Deposits	2,125	5,187
Income from Corporate Debts	873	659
Income from Loan Schemes	113	129
Other Income	289	1,033
<b>Operating Expenses (Rs. mn.)</b>	<b>1,540</b>	<b>1,481</b>
As a % of total Gross Income of the Fund	4.3%	4.3%
<b>Investment Portfolio (Rs. mn.)</b>	<b>410,577</b>	<b>371,736</b>
Annual Growth in Investment Portfolio (%)	10.4%	10.7%
<b>Composition (%)</b>		
Government Securities - Treasury Bonds	85.9%	79.9%
Fixed Deposits	6.9%	14.2%
Equities	3.6%	3.0%
Corporate Debt Instruments	2.3%	1.4%
Other Fixed income securities	1.3%	1.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Benefits Granted to Members</b>		
Amount Granted (Rs. mn.)	441	405
Number of Benefits Granted (Nos.)	8,417	8,444
<b>Return on Investments</b>		
Gross Rate of Return on Average Portfolio (%)	7.30%	7.92%
Rate of Return on Member Balances (%)	7.25%	8.00%

Sources: (a) Audited, (b) Provisional

## SUMMARIZED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

For the year ended 31st December	(Rs. Million)	
	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>
Net cash generated from operating activities	(9,597)	(8,026)
Net cash used in investing activities	(24)	(16.9)
Net cash generated from financing activities	9,520	8,175.0
Net increase/ (decrease) in cash and cash equivalents	(102)	132.2
Cash and cash equivalents at the beginning of the year	681	548.6
<b>Cash and cash equivalents at the end of the year</b>	<b>579</b>	<b>681</b>

Sources: (a) Audited, (b) Provisional

## SUMMARIZED MEMBER FUND FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

Description	2021 <sup>(b)</sup>	2020 <sup>(a)</sup>
<b>Balance as at 01st January</b>	<b>375,215</b>	<b>339,241</b>
Net Contributions for the year	9,893	8,180
Interest and Dividend for the year	21,181	27,794
<b>Balance as at 31st December</b>	<b>406,289</b>	<b>375,215</b>

Sources: (a) Audited, (b) Provisional

## RATE OF RETURN FOR MEMBERS (Rs. Million)

Year	2017	2018	2019	2020	2021
Rate of Return offered by ETF (%)	9.00	9.00	8.00	8.00	7.25
Interest paid by ETF	7,546	8,435	9,423	10,423	11,553
Dividend paid/proposed by ETF	15,091	16,869	15,706	17,371	16,367

Sources: Annual Reports

We, the under-signed, certify that the above financial highlights were extracted from the unaudited financial statements for the year 2021 prepared in accordance with the applicable Sri Lanka Accounting Standards (LKAS/SLFRS).

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Deputy General Manager (Finance)  
Employees' Trust Fund Board

D P G Fernando  
General Manager  
Employees' Trust Fund Board