



# EMPLOYEES' TRUST FUND BOARD

## FINANCIAL HIGHLIGHTS - 2022



Financial highlights of the Employees' Trust Fund Board (ETFB) for the year ended 31st December 2022 and key performance indicators are disclosed below for the information of the general public. Financial Statements for the year 2022, 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 2022

(Rs. Million)			
Item	2022 <sup>(b)</sup>	2021 <sup>(a)</sup>	Change (%)
<b>Total Gross Income</b>	<b>46,122</b>	<b>35,490</b>	<b>30.0</b>
<b>Less: Total Operating Expenditure</b>	<b>2,694</b>	<b>2,330</b>	<b>(13.5)</b>
Operational expenditure	1,648	1,540	(6.6)
Member Expenses	933	750	(19.6)
Other Expenses	113	40	(64.2)
<b>Net Income before Income Tax</b>	<b>43,428</b>	<b>33,159</b>	<b>31.0</b>
Less: Income Tax	6,449	4,590	(28.8)
<b>Net Income after Income Tax</b>	<b>36,978</b>	<b>28,569</b>	<b>29.4</b>
Add: Retained profit brought forward	4,732	3,685	28.4
Adjustment for the Prior year Net Profit	-	(9)	-
Gain / (Loss) on Financial Assets Designated Under FVTOCI	83	407	(79.6)
<b>Net Income available for Distribution to the Members</b>	<b>41,794</b>	<b>32,652</b>	<b>28.0</b>
Less: Interest paid on Member Balances	24,302	16,367	48.5
Less: Dividend paid on Member Balances	12,679	11,553	9.7
Less: Interest & Dividend paid on Member Balances @ 8.75% in 2022 (7.25% in 2021)	36,981	27,920	32.5
<b>Retained Profit Carried Forward</b>	<b>4,812</b>	<b>4,732</b>	<b>1.7</b>

Sources: (a) Audited, (b) Provisional

### SUMMARIZED STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2022

(Rs. Million)			
Item	2022 <sup>(b)</sup>	2021 <sup>(a)</sup>	Change (%)
Property, Plant and Equipment	297	254	17.2
Financial Assets	456,427	410,685	11.1
Other Assets	8,571	8,436	1.6
<b>Total Assets</b>	<b>465,295</b>	<b>419,374</b>	<b>10.9</b>
Less: Liabilities	4,436	9,846	(54.9)
<b>Total Net Assets</b>	<b>460,859</b>	<b>409,529</b>	<b>12.5</b>
<b>Represented By:</b>			
Total Member Balances	459,631	406,289	13.1
Reserves	931	2,986	(68.8)
<b>Net Worth of the Fund</b>	<b>460,561</b>	<b>409,275</b>	<b>12.5</b>

Sources: (a) Audited, (b) Provisional

### SUMMARIZED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

(Rs. Million)			
Description	Retained Profit	Other Reserves	Total
<b>Balance as at 31<sup>st</sup> December 2020</b>	<b>3,685</b>	<b>(2,324)</b>	<b>1,361</b>
Impact on change in capitalization policy	(9)		(9)
Net fair value gains/(losses) on remeasuring FA measured at FVTOCI		533	533
Net Profit for the year - 2021	28,569		28,569
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>4,732</b>	<b>(1,746)</b>	<b>2,986</b>
Net Profit for the year - 2022	36,978		36,978
Net fair value gains/(losses) on remeasuring FA measured at FVTOCI		(2,191)	(2,191)
Interest on Member Fund Balance	(12,679)		(12,679)
Dividend on Member Fund Balance	(24,302)		(24,302)
Net Gain / (Loss) From FA Designated Under FVTOCI	83		83
Actuarial Gain/(Loss)		55	55
<b>Balance as at 31<sup>st</sup> December 2022</b>	<b>4,812</b>	<b>(3,882)</b>	<b>931</b>

Sources: 2021 (Audited), 2022 (Provisional)

### SELECTED KEY PERFORMANCE INDICATORS

Indicator	2022 <sup>(b)</sup>	2021 <sup>(a)</sup>
<b>Membership</b>		
Contributing Member Accounts (Active Members) (mn.)	2.4	2.1
Non-contributing Member Accounts (Inactive Members) (mn.)	14.4	12.6
Total Member Accounts (mn.)	16.8	14.7
Contributing Employers (Nos.)	68,488	44,501
<b>Gross Income (Rs. mn.)</b>	<b>46,122</b>	<b>35,490</b>
Income from Government Securities	44,719	30,836
Income from Equities	761	942
Gain/ (Loss) on Fair Valuation of Equities	(1,399)	165
Income from Fixed Deposits	120	2,125
Income from Corporate Debts	1,383	1,021
Income from Loan Schemes	94	113
Other Income	445	288
<b>Operating Expenses (Rs. mn.)</b>	<b>1,648</b>	<b>1,540</b>
As a % of total Gross Income of the Fund	3.6%	4.3%
<b>Investment Portfolio (Rs. mn.)</b>	<b>456,313</b>	<b>410,577</b>
Annual Growth in Investment Portfolio (%)	11.1%	10.4%
<b>Composition (%)</b>		
Government Securities	97.0%	86.9%
Fixed Deposits	0.3%	6.0%
Equities	-1.4%	3.1%
Corporate Debt Instruments	3.0%	2.9%
Other Fixed income securities	1.2%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Benefits Granted to Members</b>		
Amount Granted (Rs. mn.)	477	441
Number of Benefits Granted (Nos.)	17,945	16,568
<b>Return on Investments</b>		
Gross Rate of Return on Average Portfolio (%)	8.53%	13.92%
Rate of Return on Member Balances (%)	8.75%	7.25%

Sources: (a) Audited, (b) Provisional

### SUMMARIZED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

(Rs. Million)		
For the year ended 31st December	2022 <sup>(b)</sup>	2021 <sup>(a)</sup>
Net cash generated from operating activities	(9,344)	(9,597)
Net cash used in investing activities	0	(24.4)
Net cash generated from financing activities	9,349	9,519.6
Net increase/ (decrease) in cash and cash equivalents	6	(102.0)
Cash and cash equivalents at the beginning of the year	579	680.8
<b>Cash and cash equivalents at the end of the year</b>	<b>584</b>	<b>579</b>

Sources: (a) Audited, (b) Provisional

### SUMMARIZED MEMBER FUND FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022

Description	2022 <sup>(b)</sup>	2021 <sup>(a)</sup>
<b>Balance as at 01st January</b>	<b>406,289</b>	<b>375,215</b>
Previous Year Contribution Adjustment	6,737	(5)
Net Contributions for the year	9,623	9,898
Interest and Dividend for the year	36,981	21,181
<b>Balance as at 31st December</b>	<b>459,631</b>	<b>406,289</b>

Sources: (a) Audited, (b) Provisional

### RATE OF RETURN FOR MEMBERS

(Rs. Million)					
Year	2018	2019	2020	2021	2022
Rate of Return offered by ETF (%)	9.00	8.00	8.00	7.25	8.75
Interest paid by ETF	8,435	9,423	10,423	11,553	12,679
Dividend paid/proposed by ETF	16,869	15,706	17,371	16,367	24,302

Sources: Annual Reports

We, the under-signed, certify that the above financial highlights were extracted from the unaudited financial statements for the year 2022 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