මුදල් අමාත්‍යාංශය
நிதி அமைச்சு
MINISTRY OF FINANCE

මහලේකම් කාර්යාලය, කොළඹ 01. ශ්‍රී ලංකාව | செயலகம், கொழும்பு 01. இலங்கை | The Secretariat, Colombo 01. Sri Lanka

කාර්යාලය / அலுவலகம் / Office: (94)-11-2484500, (94)-11-2484600, (94)-11-2484700
ෆැක්ස් / பெக்ஸ் / Fax: (94)-11-2449823
වෙබ් අඩවිය / வெப் சைட் / Website: www.treasury.gov.lk

මගේ අංකය / எனது இல. / My No.: PE/COP/POLI/ Circulars
ඔබේ අංකය / உமது இல. / Your No.:
දිනය / திகதி / Date: 26 .09.2019

Public Enterprises Circular No. PED 01/2019

All Secretaries
Heads of the Departments
Chairmen of State Owned Enterprises

Guideline for the Statement of Corporate Intent (SCI)

The government has entered into a tripartite agreement named as "Statement of Corporate Intent - (SCI)" be signed among the Chairman of the State-Owned Enterprise (SOE) on behalf of the Board of Directors as the Executing Agency, the Secretary of the relevant line Ministry as the Supervisory Agency and the Secretary of the Ministry responsible for the subject of Finance as the Facilitating and Monitoring Agency.

The SCI is a mechanism for enhancing the operational, financial and service delivery performances of the SOEs within the agreed period in line with the macroeconomic policy framework of the government. Initial SCI agreements have been signed with 05 SOEs on 15.03.2017 and subsequently another eight (08) SCI agreements were signed with SOEs on 10th June 2019. The SCIs are expected to be gradually introduced to other SOEs.

It is an established fact that the SCI concept needs to be strengthened by establishing systems and procedures for its better implementation and achievement of the expected outcome of the project. Accordingly, a guideline (Appendix 1) is issued in order to facilitate and monitor the SCI process. This guideline will provide clarity to SOEs regarding the expectations with respect to the role and responsibilities of stakeholders directly involved in the process. The focus and formats of the SCI (Appendixes) will provide a clear framework for the implementation of its goals.

You are hereby requested to follow the indicated guideline as regards any organization coming under your purview which is directly affected by the SCI process.

R.H.S. Samaratunga
Secretary to the Treasury

Copies:
1. Secretary to the President
2. Secretary to the Prime Minister
3. Secretary to the Cabinet of Ministers
4. Auditor General

GUIDELINE ON STATEMENT OF CORPORATE INTENT

DEPARTMENT OF PUBLIC ENTERPRISES

GENERAL TREASURY

SRI LANKA

Guideline on Statement of Corporate Intent

Department of Public Enterprises

Table of Contents

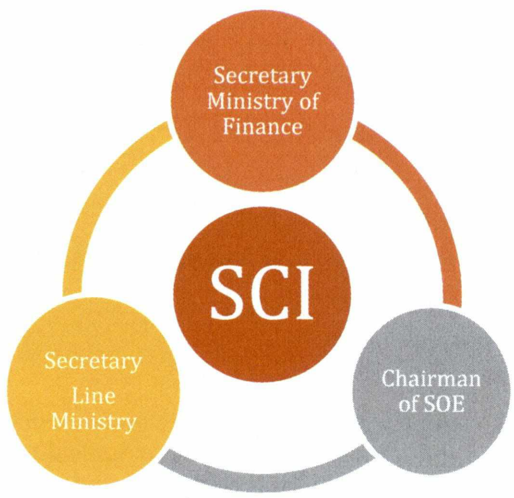
Appendix 1

Guideline for the Statement of Corporate Intent (SCI)

1. Introduction

Statement of Corporate Intent (SCI) is a mechanism for enhancing the operational, financial and service delivery performances of the SOEs within the agreed period in line with the macroeconomic policy framework of the government. It is a tripartite agreement which is signed among the Chairman of the State-Owned Enterprise (SOE) on behalf of the Board of Directors the Executing Agency, the Secretary of the relevant Ministry as the Supervisory Agency and the Secretary of the Ministry responsible for the subject of Finance. (Here in after referred as "Ministry of Finance") is, as the Facilitating and Monitoring Agency. Initial SCI agreements have been signed with 05 SOEs on 15.03.2017 and subsequently another eight (08) SCI agreements signed with SOEs on 10th June 2019. Such agreements are expected to be gradually introduced to other SOEs as well.

Tri Parties of SCI



The guideline is issued in order to facilitate and monitor the SCI process. It will also provide clarity to SOEs regarding the expectations with respect to the content, focus and format of the SCI and will provide a clear framework for its implementation.

The main goals expected to achieve through the SCI process include;

i. Encouraging the application of good corporate governance practices;
ii. Encouraging sustainable and private sector financing;
iii. Enhancing strong and prudent operational and financial management practices;
iv. Improving quality of service delivery;
v. Increasing exposure to competitiveness through innovative technologies;
vi. Use of international best-practices;
vii. Ensuring effective use of organizational resources.

The effectiveness of the SCI process will depend fundamentally on the extent to which the SCI will be used as a management, supervision, policy making and monitoring tool by the stakeholders. SCI will create a highly transparent operational environment within the SOE. This will be by exhibiting a clearly defined Vision and Mission. It will also clarify Goals, Objectives and Key Performance Indicators (KPIs) that are linked to financial and internal business perspectives. It will influence customer relations as well as the learning and growth outlook of the Balance Score Card concept within the Corporate Plan, the Action Plan and the Annual Budget. This will lead the SOEs to operate in a competitive, challengeable and commercially viable environment.

Ultimately, the success of SOEs will lead to the fulfilment of Sri Lanka's macro-economic and development objectives in line with the legislative framework on which the entity is established. Further, the SCI will facilitate the providing of transparent, reliable and timely information to all stakeholders, in line with the new Right to Information Act.

From the outset, the SOE reform agenda should be based on three (3) Underlying Principles in the following order of priority, which in essence define the mandate for the SOEs future:

Performance Focus

- SOEs should be anchored on profitability, ideally self-funding and minimize their reliance on fiscal support. They should be net contributors to government coffers via dividends, levy and taxes. SOEs should pursue fiscal and service delivery performance to achive value for money on the basis of their set objectives aligned with sectorial policies and National Development.

Governance

- SOEs and ownership entity should ensure strong corporate governance is practiced. This is the key in ensuring sustainability of performance and the SOEs' mandates are upheld.

National Development

- SOEs should support the government's macroeconomic policies and national development objectives, without compromising performance and governance above. The ownership entity should ensure that objectives of SOEs are aligned with macro-economic objectives and development policies.

2. The Process of Statement of Corporate Intent (SCI)

2.1. Planning Stage

2.1.1 The Ministry of Finance (MoF) sets the Macro-fiscal Policy Framework, objectives and assumptions which underpin the medium term budgetary structure that should also be used by all SOEs as a basis for their Corporate Plan. This will also affect the SCIs and their performance targets.

2.1.2 The relevant Ministries identify the role of the SOEs within the Sectorial Policy Framework of the Government. In case a sector policy has financial implications for the SOE or the National Budget, it needs to be cost valued and validated by the MoF prior to its integration into the Corporate Plan and the SCI.

2.1.3 Relevant Ministries and SOEs should clearly define their Vision, Mission and Goals (financial, non-financial and quality of services).So too as regards Objectives (Commercial and policy), Strategies and Key Performance Indicators (KPIs) involved in formulating the Corporate Plan.

2.1.4 Management of SOE prepare Annual Budget based on the Corporate and Action Plans with financial projections for the following two years.

2.1.5 The management of SOE in consultation with the Board of Directors and Shareholders formulates the "Statement of Corporate Intent" based on the Corporate Plan of the SOE for three consecutive years, while reporting on the actual performance of the past two years.

2.1.6 The Board adopts the SCIs upon agreement with the shareholders and presents it to the SOE management and staff to ensure its full adoption.

2.2. Implementation Stage

2.2.1 The SCI Agreement shall be signed by the Chairman of the SOE the Secretary of the relevant Ministry and the Secretary of the Ministry of Finance.

2.2.2 The relevant Ministry should appoint a senior level officer as a liaison officer who makes all coordinating actions and plays facilitation role of the SCI process.

2.2.3 Board of Directors should establish a board subcommittee named as "Performance Review Committee" comprising three directors of which two should be Non-Executive Directors.

2.2.4 Board of Directors should ensure that the agreed KPIs in the SCI are delivered to the operational level of the SOE. They may use a tool like Performance Agreement with employees outlining the rights, obligations and responsibilities of senior management in achieving the set KPI.

2.2.5 Board of Directors should make all operational level managers and sectional heads responsible for supervise their staff in achieving targets on a regular basis.

2.2.6 The Board of Directors should ensure that a proper Management Information Systems (MIS) is in place to support the effective implementation of the SCI and overall decision making process of the SOE.

2.3 Monitoring Stage

2.3.1 Monitoring of SCI monthly performance should be an agenda item at the meeting of the Board of Directors of SOEs

2.3.2. CEO should submit monthly progress reports to the Board of Directors in a format agreed upon with Department of Public Enterprises (PED).The CEO should submit the board approved monthly progress report to the Secretary of the relevant Line Ministry with a copy to PED within 28 days after the end of each month.,

2.3.3 SOEs should also submit a quarterly performance report of the SCI approved by the Board of Directors to the Secretary of the relevant Ministry to be reviewed at the Audit and Management Committee (AMC) meeting.

2.3.4. The quarterly performance report of the SCI should be reviewed at the AMC of the line ministry. An officer from the Department of Public Enterprises shall represent at the AMC. At the meeting, corrective measures will be proposed and guidance will be given as remedies for unfavorable performances.

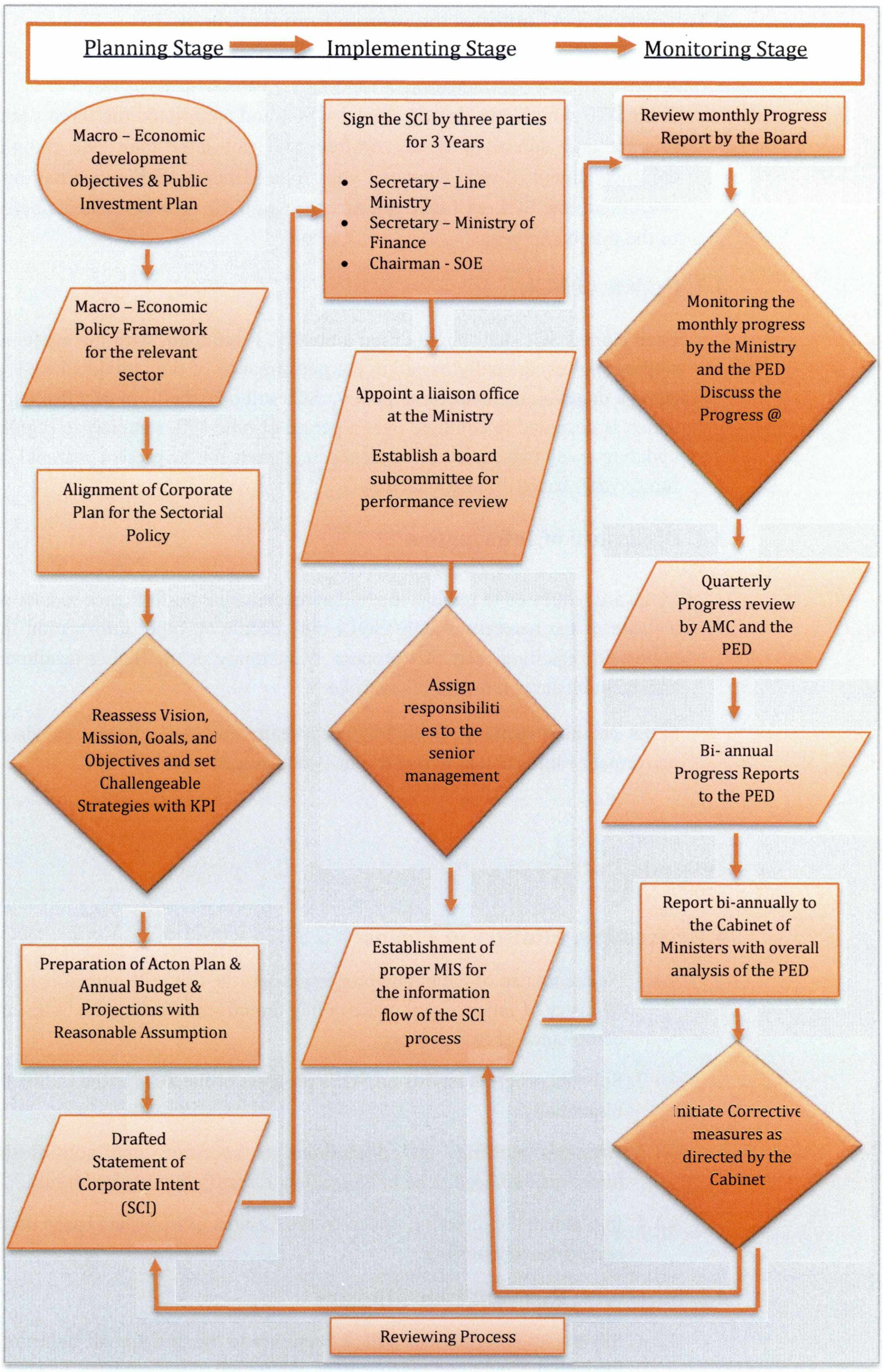
2.3.5. SOEs should submit quarterly performance report of SCI within one month after the end of each quarter to the Director General of PED. This performance report should be approved by the Board of Directors and should contain the observations of the relevant Ministry.

2.3.6 The PED should review the quarterly performance report sent by the SOE. PED should also discuss and agree the future actions that need to be implemented for rectifying the reported abnormal deviations at a meeting held within two months after the end of each quarter with Board of Directors /the senior management of the SOE.

2.3.7. SOEs should submit board approved bi- annual progress report to the Director General of PED not later than 01 month after the end of each six months period with the observations of the relevant Ministry.

2.3.8. The PED shall report the progress bi-annually to the Cabinet of Ministers within 2 months after the end of each bi- annual period and shall monitor the implementation of the directions given by the Cabinet of Ministers.

2.4. Flowchart Diagram of SCI Process (As an attachment)



3. Statement of Corporate Intent -Formats and relevant information

3.1. 'Appendix A' outlines the sample format of the SCI.

3.2. Preparation and Submission of SCI

Each SOE which has already signed a SCI and completed the three year period shall prepare and submit a newly drafted SCI not later than one month before the commencement of next financial year. The Ministry of Finance having perused the submitted new SCI, will take initiatives to sign the new agreements before 31 March of the preceding year.

3.3. Update of SCI

Each signed SCI shall be modified annually, if required, with the agreement of all the signing parties, annually based on the performance of the individual SOE and/or if any change in government/sectorial policy. SCI will take the form of a Rolling-Plan - a plan which is designed to continue over a period of time and is subject to regular review and updating - with two years of historical data, targets for the present year and targets for two future years based on historical data

3.4. Disclosure of Information

SOEs are requested to publish the SCI agreement and performance reports on the official website of the respective SOE. SOEs may decide on other information that should be published regarding their SCI process. A summary of the SOE's headline KPIs should also be published on the SOE's website.

SOEs are also required to submit performance related information via a centralized performance information management system once it is established.

4. Responsibilities of stakeholders in SCI process

4.1. Secretary, Ministry of Finance

4.1.1 As the trustee of the public property, signs the tripartite agreement. Moreover, the Ministry of Finance will make policy directives affecting the SOEs and ensure the compliance of SCI process.

4.1.2 Submits progress reports on SOEs progress of the SCIs to the Cabinet of Ministries bi-annually.

4.1.3 Arranges meetings and discussions as specified, and notifies the corrective measures that need to be implemented to rectify the reported issues.

4.1.4 Implement the directives given by the Cabinet of Ministers based on the bi- annual performance reporting.

4.2. Secretary, Relevant Line Ministry

4.2.1 Supervises and provides policy directives to the SOEs at all stages of SCI process through the audit and management committee of the ministry.

4.2.2 Appoints a liaison officer to coordinate the SCI process with the respective agencies and helps to facilitate the implementation of the SCI.

4.2.3 Ensures timely submission of the monthly, quarterly and bi-annual progress reports of the SCI with his recommendations to the PED

4.3. Chairman and Board of Directors of SOEs

4.3.1 Should ensure the implementation of SCI process efficiently and effectively and ensure the signing of sub performance agreements if necessary with the management to achieve the stipulated targets.

4.3.2 Should actively review the targets and expectations of SCI. So too with the Corporate Plan and design policy initiatives, while aligning the overall operation with set targets.

4.3.3 Should establish the board subcommittee named as "Performance Review Committee" to overlook the implementation of the SCI process and monitor, and review the SCI's overall performance.

4.3.4 Should empower the SOE management to ensure the achievement of the objectives and targets stipulated in the SCI and hold them accountable for the ensuing results.

4.3.5 Should introduce proper risk management strategies - fiscal and operational- to identify, assess and mitigate the potential risks of SOEs.

4.3.6 Should discuss the progress and monitor the achievements against KPIs as stipulated in SCI at monthly Board meetings and provide directives to the management for rectifying the reported variances from the targets.

4.3.7 Should establish a proper mechanism to ensure the timely submission of relevant information and progress reports of SCI to the relevant Line Ministry and to the PED.

4.3.8 Should report and actively participate at the audit and management committee meeting of the line ministry.

4.3.9 Should implement the measures that have been identified at the AMC and PED meetings to improve the performance.

[SAMPLE FORMAT]

Statement of Corporate Intent

Between

Ministry responsible to the subject of Finance and Ministry of..............................

And the

....

yy - yy

The Statement of Corporate Intent is agreed between the Ministry responsible for the subject of Finance (hereinafter referred to as 'Ministry of Finance') and Ministry of .... (Hereinafter referred to as '   ') one part, and the Board of Directors of .... (here in after referred to as 'the Board'), a State Owned Enterprise under the .... Act (incorporation of the Entity).

WHEREAS

The Ministry of Finance and Ministry of ...... are committed to clearly defining the working relationship between themselves and the State-Owned Enterprise, their focus being on performance;

The parties recognize the need for adequate and reasonable managerial and operational autonomy. The purpose is to facilitate achievement by the Board and management of the State-Owned Enterprise of the agreed and freely negotiated performance targets set out in this Agreement. The shared objective is to improve performance, efficiency and the quality of public services;

The parties are committed to improve the corporate governance of the SOE. They are also desirous of enhancing transparency in the management of public resources and accountability for results;

The Board and SOE management have indicated its capacity and competence to perform duties and to undertake functions specified under this Agreement.

SCI may be updated annually with the agreement of all the signing parties, to reflect the performance achieved in the past year and the updated performance targets for the next three years, making it a rolling and agile management tool for the SOEs as well as for the shareholders.

Chairman,................

Secretary, Ministry of ....

Secretary, Ministry of Finance

Colombo   Date

Outline of the sample format of SCI

Executive Summary

Section 1	Introduction
Section 2	National Macro-fiscal policy objectives and Policy on Sector
Section 3	Objectives of the SOE (Commercial and Policy objectives)
Section 4	Scope of public services and other special obligations
Section 5	Corporate Governance Structure and Strengthening
Section 6	Key Result Areas & Strategies and Key Performance Indicators (KPIs)
Section 7	Factors Affecting the SCI
Section 8	Assumptions Underlying the SCI
Section 9	Major Risks to Deliver the SCI Outcomes and proposed mitigation measures
Section 10	Fiscal Risk, Liabilities and contingent liabilities and Risk Mitigation Strategy
Section 11	Competitive Neutrality (constraints and mitigation measures)
Section 12	Financing Policy
Section 13	Dividend/Levy Policy
Section 14	Financial Information
Section 15	Transparency and Disclosure
Appendix I	Financial Statements
Appendix II	Approved Capital Investment Plan

1. Introduction

The introduction shall cover the following areas.

i. Establishment Act
ii. Vision
iii. Mission
iv. Mandate: simple and brief descriptions of the high-level objectives of an SOE in the long run. This is to emphasize the 3 Underlying Principles which in order of priority are:
    1. Performance – anchored on profitability and self-funding
    2. Governance
    3. National Development
v. SWOT Analysis
vi. Core Business /Principal activities
vii. Business and Corporate Strategy
viii. Subsidiaries
ix. Market share
x. Information to reflect the SOE's size (eg: total assets, number of employees, equity capital)
xi. Past 10 years performance achievements
xii. Board of Directors' responsibility for operational and financial performance of the SOE

    ("The …….. Board of Directors are responsible for the operational and financial performance of the corporation. This Statement of Corporate Intent (SCI) sets out the agreed financial and non-financial targets of ……. for the ….., ….. and …… financial years.")

2. Macro-fiscal and sector Policy priorities and assumptions

The SOEs mandate and objectives should be aligned with identified macro-fiscal, and relevant sectorial policy objectives.

3. Objectives of the SOE

The objectives should cover areas which the business is expected to achieve while being specific, measurable, achievable, relevant and time-bound. Commercial and policy objectives applicable for each SOE should also be clearly defined at this stage.

4. Scope of public service and other special obligations

The impact of non-commercial goods and services provided and carried out by the SOEs need to be included in the SCI. Accordingly, there will be understanding among the three parties about the contribution of SOEs to society on behalf of the government. The cost of those goods and services should be considered when evaluating the real performance of SOEs.

Clearly identify, define and explain public service and other special obligations which are separate from the regular commercial activities of the SOE. There should be a clear description and explicit financial cost estimate of the company's noncommercial objectives. When companies have significant policy objectives, the ownership entity needs to consult with line ministries or the ministry of finance to balance commercial and noncommercial objectives.

SOEs should disclose contingent liabilities, and impact of non-fulfilment (especially in supporting national development objectives) of those liabilities

5. Corporate Governance Structure and strengthening

Governance structure of the individual SOE should at all times comply with the Corporate Governance Code and other relevant circulars and guidelines issued by the Department of Public Enterprise.

SOEs are also encouraged to ensure Board diversity in terms of knowledge, experience and gender dimensions. SOEs should specify in the SCI the gender disaggregated composition of their Board and management as well as a target to improve diversity.

6. Key Result Areas & Strategies and Key Performance Indicators (KPIs)

The performance should be measurable through financial and non- financial KPIs. These KPIs need to be Specific, Measurable, Achievable, Relevant and Time-bound (SMART) and be aligned to the Strategic objectives, Corporate Plan and Annual Budget of SOE. In order to enhance quality of services delivered by SOEs, it is advised that SOEs adopt at least one customer satisfaction focused indicator and target, under mandatory KPIs discussed below.

Based on recommendations given by the Cabinet of Minister on the basis of performance report, KPIs can be updated annually taking into account the internal and external environmental changes.

Strategic Objective 1								
Measures/KPIs	Year 1 -2 (ex. Base year2017)		Year 1-1 (2018)		Year 1 Target		Year 2 Target	Year 3 Target
	Target	Actual	Target	Actual	Target	Actual	Target	Target

Strategic Objective 2								
Measures/KPIs	Year 1 -2 (ex. Base year 2017)		Year 1-1		Year 1 Target		Year 2 Target	Year 3 Target
	Target	Actual	Target	Actual	Target	Actual		

Mandatory KPIs - Each SOE will have at least one mandatory KPI in identified areas to avoid gaming / dysfunctional behavior i.e. focusing only the ones with big weight and ignoring the smaller ones. For example, 5% weighted KPIs on learning/ talent development/ capacity building/ customer satisfaction must be fulfilled.

7. **Key Factors Affecting the SCI for FY20..**

This section describes the Key factors affecting the financial and non-financial performance of the SOE. Their explanation should be based on the relevant financial year.

8. **Assumptions Underlying the SCI for Year 20..**

This section describes the most significant assumptions used to prepare the financial projections included in the SCI. These assumptions should take into account the expected business environment which provides the basis for the development of the SCI and this may be presented in the following format.

Underlying Performance Factor	Assumed Value	Sensitivity

9. **Risks to Deliver the SCI Outcomes for Year 20..**

SOE should identify the existing risks that may affect the strategic direction of the SOE and the achievement of the financial and non-financial targets. It is therefore needed to identify the risks that will impact on its performance and the mitigation strategies to be used.

Following format should be used to explain each key risk and mitigation strategies.

Anticipated Risk	Mitigation Strategy

10. **Fiscal Risk, Liabilities and contingent liabilities and Risk Mitigation Strategy**

This section will include a comprehensive analysis of financial and operational risks concerning the SOE and a broad strategy on risk mitigation. The SOE may conduct the risk analysis internally or seek assistance from specialized consultants and/or the relevant Line Ministry/ Department of Public Enterprise if necessary.

SOE should develop an internal risk management system to ensure SOE's ability to identify, manage, control and report on risks. The system should be equipped to apply to both operational and financial risks, but also where relevant and material to labor relations, environment and other sector specific risks.

While the internal risk management strategy may reflect their legal and regulatory environment, and the expectation of state ownership functions, the strategy will be implemented at the company level under the supervision of the Board of Directors. Board of directors may appoint a specialized Board committee to oversee implementation of risk management measures.

In addition to operational and financial risks, it is also advised that SOEs take into account climate risk and resilience dimension as well as their contribution to adaptation. Climate resilience is the ability to identify and anticipate climate risks, such as extreme weather events, like floods, droughts, storms, and landslides for example. SOE management needs to assess the likelihood, severity and impact of such risks on the SOE's assets and liabilities as well as on its operational performance in order to propose adequate mitigation measures. SOEs should proactively incorporate the climate resilience and adaptation plans into their strategic business plans where the implementation gears for each project are defined with viable mainstreaming outcomes. This is best done through stress tests on the SOE's business plan and main investments/ assets using different scenarios of climate shocks, such as the above and as informed by past trends. SOEs should also assess the impact their individual business would have on climate change and identify mitigation measures, for example in terms of greenhouse gas emissions, environmental stress including those on natural climate mitigation mechanism such as wetlands and other natural flood prevention schemes.

11. Competitive Neutrality

Competitive Neutrality refers to any subsidies, guarantees or exemptions that the SOE receives which are not available to private sector entities. This would include: inputs that are provided at below cost; exemptions from taxes; duties or levies; exemptions from other laws; government guarantees on loans; specific subsidies paid.

SOEs should focus on their core business and identify non-core assets and activities. A 3-step test can be utilized in determining:

1. Distinctive risk-return and management capabilities
2. Impact on core business/ value-chain analysis,
3. Feasibility of value-creating disposals.

12. Financing Policies

Financing policy provides the way in which the entity intends to finance its investment decision. This section describes the SOEs financing policy which it considers utilizing in the investment decisions. (ex.% of Equity and % of debt etc). This section would also describe private-finance mobilization measures if any.

13. Dividend/Levy Policy

Dividend policy takes into account the return its shareholders expect on their investments. This section should describe the SOE's dividend/levy policy considering the necessary funding for capital investments. The incorporation of the dividend policy in the SCI aims to increase predictability for all parties. Key considerations:

i. SOEs need to take into account their business objectives and strategy, in particular their growth expectations. For example, companies with high growth potential typically pay less (or no) dividends—a practice the market accepts.

ii. At the same time SOEs also need to be cognizant of relevant policies and mandates of their stakeholders especially MoF and line ministries. Some shareholders may have specific expectations on dividend/levy levels.

iii. Hence, SOEs need to align both considerations above in developing their dividend policies.

14. Financial Information

i. Projected Income Statement, Projected Statement of Financial Position (balance sheet) and Projected Cash Flow Statement should be presented for the financial years covered under the SCI - **Appendix I**

The financial projections should be based on the macro-fiscal guidance, objectives and assumptions provided by the MoF. When including financing from the consolidated fund, the current year and first year of the projections need to be fully aligned with the current and next years' budget proposal.

ii. Capital Investment and Financing Plan

This section should specify the SOE's investment plan, the full costing of each capital investment, the status of the proposed investment (idea, pre-feasibility study, feasibility study), if it has been approved by NPD/ MoF/ Cabinet and budgeted, as well as the expected return on investment. When seeking financing from the budget, the respective investment needs to be aligned with the Public Investment Plan and validated by NPD/ DG budget or the Public Investment Committee, depending on the amount.

Capital Investment and Financing Plan	Year 1-2		Year 1-1		Year 1 Budget Rs. Mn	Year 2 Projection Rs. Mn	Year 3 Projection Rs. Mn	Total Projection Rs. Mn
	Target	Actual	Target	Actual				
Use of Capital								
Sources of Finance								
Equity								
Retained earning								
Debt								
Total								

15. Transparency and disclosure

Under the Right to Information Act, SOBEs are directed to release annual reports and accounts online. Accordingly, SOEs should disclose material information focusing on areas of significant concern for the state as owner and the general public. Such are (i) clear statement to the public of the company's objectives and their fulfillment, (ii) ownership and voting structure of the company, (iii) cost and funding of public service or policy obligations (iv) any material risk factors and measures taken to manage such risks, (v) any financial assistance, including guarantees, received from the state and commitments made on behalf of the SOE, (vi) any material transactions with related entities, (vii) annual financial statements, including a balance sheet, cash flow statement, profit and loss statement, statement of changes to owners' equity, and notes and (viii) management discussion and analysis. SOEs are also expected to disclose any audit queries if any and of steps being taken to respond to these audit queries. SOEs are also encouraged to disclose gender disaggregated data relating to employees and Board of Directors.

SOEs are expected and encouraged to maintain their own websites with all relevant data and information including main financial trends. Additionally, in accordance with the Right to Information Act and Regulation 20, SOBES are required to routinely disseminate key information such as institutional and operational information, budget information and information on subsidies through a digital or electronic format.

Financial Performance of ....for the Month ending................

		Month 01		Variance	Explanations for variance
		Target	Actual		
1	Revenue				
2	Direct operational expenses				
3	Gross profit/Loss (1-2)				
4	Other income				
5	Administrative Expense				
6	Profit from operations(3+4-5)				
7	Net Finance Income				
8	Share of Profit of Associate				
9	Profit Before Tax(6+7+8)				
10	Income Tax expense				
11	Profit for the year(9-10)				
12	Other comprehensive income				
13	Total comprehensive income for the year(11+12)				
14	Non- current assets				
15	Current assets				
16	Total assets(14+15)				
17	Equity				
18	Non-current liabilities				
19	Current Liabilities				
20	Total Equity and Liabilities(17+18+19)				

Financial Performance of ………… …………………for Quarter ending……………..

		Month 01		Month 02		Month 03		Total	Total
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
1	Revenue								
2	Direct operational expenses								
3	Gross profit/Loss (1-2)								
4	Other income								
5	Administrative Expense								
6	Profit from operations(3+4-5)								
7	Net Finance Income								
8	Share of Profit of Associate								
9	Profit Before Tax(6+7+8)								
10	Income Tax expense								
11	Profit for the year(9-10)								
12	Other comprehensive income								
13	Total comprehensive income for the year(11+12)								
14	Non- current assets								
15	Current assets								
16	Total assets(14+15)								
17	Equity								
18	Non-current liabilities								
19	Current Liabilities								
20	Total Equity and Liabilities(17+18+19)								

Physical Performance of ………… ……………………for the Month ending……………..

Goal 01

	Month			Explanations for variance
Objective 01	Target	Actual	Variance	
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 02				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 03				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				

Goal 02

	Month			Explanations for variance
Objective 01	Target	Actual	Variance	
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 02				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 03				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				

Performance of ....for the Quarter ending................

Goal 01

	Quarter				Cumulative			
Objective 01	Target	Actual	Variance	Reasons for the variance	Target	Actual	Variance	Reasons for the variance
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 02								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 03								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								

Goal 02

	Quarter				Cumulative			
Objective 01	Target	Actual	Variance	Reasons for the variance	Target	Actual	Variance	Reasons for the variance
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective02								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective03								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								

First Six Months Performance of the period from ……….. to ……. for the year……… to be submitted to the Cabinet of Ministers

Financial Performance

	First Six Months period (From …to …..)		Variance %	Reasons for the variance
Objective 01	Target Rs. Mn.	Actual Rs. Mn.		
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 02				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 03				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				

Operational Performance

	For the first Six Months period (From …to …..)		Variance %	Reasons for the variance
Objective 01	Target	Actual		
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 02				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				
Objective 03				
-Input KPI				
-Process KPI				
-Output KPI				
-Outcome KPI				

Second Six Months Performance of for the period from ……….. to ……. for the year……… to be submitted to the Cabinet of Ministers

Financial Performance

	Second Six Months period (From …to …..)		Cumulative Annual 2018		Variance %		Reasons for the variance	
Objective 01	Target Rs. Mn.	Actual Rs. Mn.	Target Rs. Mn.	Actual Rs. Mn.	Second Six Months	Cumulative Annual	Second Six Months	Cumulative Annual
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 02								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 03								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								

Operational Performance

	Second Six Months period (From …to …..)		Cumulative Annual 2018		Variance %		Reasons for the variance	
Objective 01	Target	Actual	Target	Actual	Second Six Months	Cumulative Annual	Second Six Months	Cumulative Annual
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 02								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								
Objective 03								
-Input KPI								
-Process KPI								
-Output KPI								
-Outcome KPI								