



EMPLOYEES' PROVIDENT FUND FINANCIAL HIGHLIGHTS - 2016



Financial highlights of the Employees' Provident Fund (EPF) for the year ended 31st December 2016 and key performance indicators are disclosed below for the information of the general public. The audited financial statements will be presented to the Parliament in terms of Section 6(4) of the Employees' Provident Fund Act No. 15 of 1958. The financial statements as required under 5(1)(i) of the Employees' Provident Fund Act were submitted to Hon. Minister of Finance and Hon. Minister of Labour and Trade Union Relations.

SUMMARIZED INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2016

(Rs. Million)

Item	2016	2015	Change (%)
Total Gross Income	193,071	171,855	12.3
Less: Total Operating Expenditure	1,487	1,191	24.9
EPF Dept.: Central Bank of Sri Lanka	921	671	37.3
EPF Section: Department of Labour	566	520	8.8
Net Income before Income Tax	191,584	170,664	12.3
Less: Income Tax	15,657	13,727	14.1
Net Income after Income Tax	175,927	156,937	12.1
Add: Brought forward balance of the previous year Income Statement	216	311	(30.5)
Net Income available for Distribution to the Members	176,143	157,248	12.0
Distributions			
Less: Interest paid on Refund Benefit (current year)	4,646	2,833	64.0
Add: Transfer from Reserves	250	-	-
Less: Interest paid on Member Balances: 10.50% in 2016(2015:10.50%)	171,557	154,200	11.3
Carried Forward Balance	189	215	(12.1)

SUMMARIZED BALANCE SHEET AS AT 31ST DECEMBER 2016

(Rs. Million)

Item	2016	2015	Change (%)
Property, Plant & Equipment	278	275	1.1
Financial Assets	1,772,212	1,604,241	10.5
Current Assets	72,601	63,618	14.1
Total Assets	1,845,091	1,668,134	10.6
Less: Current Liabilities	3,594	3,282	9.5
Total Net Assets	1,841,497	1,664,852	10.6
Represented By:			
Total Member Balances (after crediting interest)	1,810,595	1,625,493	11.4
Reserves	30,713	39,144	(21.5)
Retained Profits	189	215	(12.1)
Net Worth of the Fund	1,841,497	1,664,852	10.6

SELECTED KEY PERFORMANCE INDICATORS

Indicator	2016	2015
Membership		
Currently Contributing Member Accounts (Active Members) (mn.)	2.4	2.6
Currently Non-contributing Member Accounts (Inactive Members) (mn.)	14.7	14.3
Total Member Accounts (mn.)	17.1	16.9
Contributing Employers (No.)	73,973	72,578
Total Member Balances (Rs. mn.)	1,810,595	1,625,493
Member Contributions (Rs. mn.)	118,327	102,453
Annual growth in Member Contributions (%)	15.5	13.8
Gross Income (Rs. mn.)	193,071	171,855
Income from Government Securities	189,897	167,686
Income from Equities	4,457	3,828
Income from Corporate Debts and Reverse Repos	3,787	2,975
Impairment of Financial Assets (Equities)	(5,232)	(2,957)
Other Income	162	323
Operating Expenses (Rs. mn.)	1,487	1,191
As a % of total Gross Income of the Fund	0.77	0.69
Investment Portfolio (Rs. mn.)	1,772,212	1,604,241
Composition (%)		
Government Securities		
Treasury Bonds and Bills	93.1	92.7
Equities	4.6	5.5
Corporate Debt Instruments	2.1	1.6
Reverse Repos	0.2	0.2
Total	100	100
Refunds		
Amount Paid to Members (Rs. mn.)	108,393	77,769
No. of Beneficiaries	187,147	136,815
Housing Loan Facilities		
Credit Approved (Rs. mn.)	5,414	5,489
No. of Certificates Issued	12,780	13,132
Return on Investment		
Gross Rate of Return on Average Portfolio (%)	11.43	11.28
Rate of Interest Paid on Member Balances (%)	10.50	10.50
Effective Rate of Interest Paid on Member Balances (%)	10.51	10.57

Performance Highlights - 2016

- Rate of Interest paid on member balances : 10.5%
- Increase in Investments : 10.5%
- Member contributions growth : 15.5%
- Increase in refunds : 39.4%

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

Indrajit Coomaraswamy
Governor
Central Bank of Sri Lanka

K N N Malkanthi Bandara
Superintendent
Employees' Provident Fund Department