



2014

Annual Report

Financial and Operational Highlights 2014

**Surplus
for 2014**
€11.6m



**Passengers
in 2014**
119 million



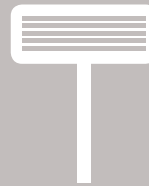
**Revenue Growth
in 2014**
€12m



**New Buses
in 2014**
70



**RTPI On-Street
Display Screens**
467



**Number of
Buses in 2014**
960



**No. of KMs
travelled in 2014**
57 million



**Number of
Employees in 2014**
3,176



**Low Floor
Accessible Fleet**
100%



Contents

Chairman's Statement	3
Operations Review	4
Directors and Other Information	14
Report of Directors	15
Board of Directors	19
Statement of Directors' Responsibility	21
Independent Auditors' Report	22
Principal Accounting Policies	24
Profit and Loss Account	26
Balance Sheet	27
Cash Flow Statement	28
Notes to the Financial Statements	29



Chairman's Statement

2014 Review

2014 marked a very positive year for Bus Átha Cliath. Passenger numbers continued to increase throughout the year resulting in the company carrying 119 million passengers, which is an increase of over 4 million on 2013.

It is also encouraging that Bus Átha Cliath is reporting a financial surplus again this year. The combination of cost reduction measures, improved service and revenue growth means the company is moving towards sustained financial stability. This positive trend in volume resulted in Bus Átha Cliath commencing its first recruitment drive in seven years, 160 new drivers were employed last year to cater for demand and to ensure that a quality service is delivered for customers.

The company continued its commitment to improving services for our customers through a number of developments during the year. These included an increase in the number of Real Time Passenger Information signs at bus stops, the completion of the rollout of next stop audio announcements and free Wi-Fi on all buses and additional facilities to give customers value for money through Leap Card. Leap Cards were used over 30 million times on services in 2014.

Another positive development for the company was the award of the Public Service Contract by the National Transport Authority (NTA) to cover the period from 2014 to 2019.

I warmly commend the contribution of all employees and our stakeholders in achieving these positive outcomes. I particularly wish to acknowledge the contribution of the previous Chairman, Mr Kevin Bonner in guiding the business through a most difficult uncertain economic period.

Bus Átha Cliath is the vital transport network for Dubliners and is a key component in enabling economic growth and the creation of jobs. As the economy continues to grow again, so also will passenger numbers. Our priority is to meet that customer demand and provide the services the city needs when it needs them. Annual capital investment is key to providing a sustainable bus service for the people of Dublin. The work which has been carried out in recent years to create a simplified and better network and improve the customer experience has provided a solid platform to grow our services to meet the needs of our customers and attract new customers.

Since 2012, 160 new buses have been added to the fleet. This has contributed to lowering the average age of the fleet to 7.5 years. Our target is to acquire 90 new buses per annum in order to lower the age further to 6 years. Regular investment in the fleet is imperative to ensure the service remains reliable, modern and cost efficient. This is also imperative to combat congestion issues. The upturn in the economy has resulted in traffic congestion becoming more prevalent throughout the city in the last year. I fully support the projects to provide increased reliability such as bus priority at traffic signals and Bus Rapid Transit. This enhanced bus system will provide express services and higher passenger capacity.

Significant challenges still remain and the careful and prudent management of the limited financial resources available to the company remain a top priority for the Senior Management and the Board. Areas of focus include the aging of the fleet; the nature and size of the subvention; continuing to give customers value for money and getting value for money from our suppliers.

Ultan Courtney

Operations Review

Overview

2014 was a highly successful year for Bus Átha Cliath with a number of positive developments occurring. Bus Átha Cliath continued to operate a fully low floor accessible fleet making it one of the few bus companies in Europe to offer this facility. Real Time Passenger Information (RTPI) remained extremely popular and was made more attractive to customers with the implementation of additional RTPI units across the city. The acquisition of 70 new buses has not only ensured that Bus Átha Cliath will continue to operate a fully low floor accessible service, but has also allowed for the introduction of a next stop audio system throughout the fleet and the introduction of an on-board next stop signage system on the fleet. The Leap Card continued to increase in popularity with over 900,000 cards registered since the schemes inception in 2011. Throughout 2014 Bus Átha Cliath continued its mission to provide an effective public service with an enhanced customer experience.

2014 Operating Result and Financial Position

In 2014 Bus Átha Cliath earned a net surplus of €11.6 million. This compares with a surplus of €0.5 million in 2013.

The key aspects of the financial results include revenue growth of €11.9 million and further cost reductions of €4.3 million. Through a combination of revenue growth and strenuous payroll and overhead cost reduction measures, the company has increased its profit in 2014. These measures are critical to achieving sustained financial stability over the coming years.

Total revenue grew by €11.9 million (5.8%) from €204.1 million to €216 million. The growth in revenue was assisted by a fares increase implemented in December 2013/January 2014. The National Transport Authority (NTA) approved an overall average increase in fares of 5% and increased the discount for use of Leap Card to 20%.

A third cost reduction programme in five years was agreed with staff in November 2013. This agreement incorporates a wide range of cost reduction measures including significant changes in work practices and reductions in payroll premium rates. The agreement includes provision for a termination date for some of the measures in 2015.

Cost reduction measures yielded further savings of €4.3 million during 2014. The measures included: reductions in payroll costs arising from commencement of the cost reduction programme in mid-November 2013 and the full year impact of these changes. Reductions in payroll costs amounted to €6.3 million during the year but were offset by non-payroll once-off costs of €2 million. There was an increase in average staff numbers by 4 during the year bringing the average staff numbers to 3,176 for 2014.

The savings from the cost reduction programmes combined with the rationalisation and efficiency benefits of the Network Direct project and continuing rigorous control of overhead costs have achieved further cost savings which amount to €64m, on an annualised basis since 2008.

Bus Átha Cliath received Public Service Obligation (PSO) payments of €60 million in 2014; a reduction of €4.5 million compared to 2013. The PSO payment for 2015 has been confirmed by the NTA at €60.1 million.

Continuing profitability after subvention is crucial to achieving the critical objectives of: financial stability for Bus Átha Cliath, generating cash for essential investment, providing security around provision of transport services and sustainability of employment.

Bus Átha Cliath will have to absorb some cost increases during 2015. They mostly arise from the reversal of some of the cost reduction measures in mid-2015, the cost of running additional services and a range of other non-payroll cost increases, amounting to €10.8 million in total. In addition the impact of Luas Cross City Works will impact on the Bus Átha Cliath revenue to a larger degree in 2015.

Despite these cost increases, the company plans to continue on its path to recovery through such measures as; revenue growth through volume and price, increased energy efficiency and some further reductions in support costs.



The revised network of services and improved service reliability delivered under Network Direct, the introduction of Real Time Passenger Information (RTPI) and Integrated Ticketing (ITS) and the welcome on-going reduction in the unemployment level have all opened up growth opportunities. These opportunities will be exploited through increased marketing activity for the core routes and specific targeted off-peak and weekend campaigns in addition to enhancing revenue protection resources.

Network

Following the conclusion of the Network Direct project several service enhancements were implemented:

- Route 44 was extended to DCU and a number of other services had timetable improvements;
- Additional bus capacity was implemented on well patronised bus corridors through Stillorgan, Lucan, Malahide Road, Ballymun and Finglas;
- Bus Átha Cliath operated Summer schedules on a selection of routes, for a 10 week period, from June during 2014;
- Operated cost effective Saturday timetables on four weekdays over the Christmas period.

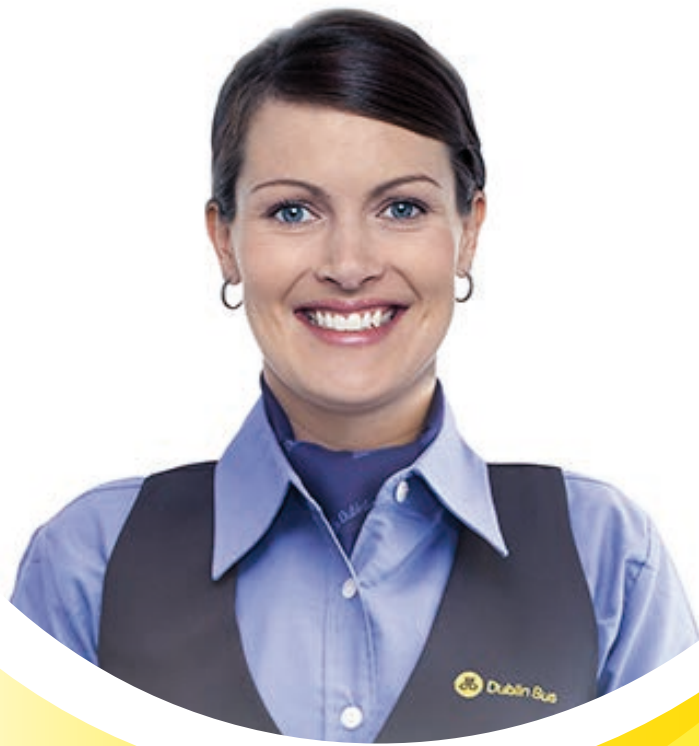
Public Service Contract

Under the five year Public Service Contract (2009-2014), a schedule of performance documents was supplied to the NTA each quarter. The results of each schedule were presented, explained and discussed at quarterly review meetings between the NTA and Bus Átha Cliath.

In December 2014, a new direct award contract was signed between the NTA and Bus Átha Cliath covering 2014 to 2019. The contract formally confirms Bus Átha Cliath's management of 100% of existing routes from 2014 to 2016 and 90% of routes from 2016 to 2019. The difference of 10% is comprised of local and orbital bus routes which are proposed to be tendered by the NTA in 2016. The new Public Service Contract (PSC) gives Bus Átha Cliath legal certainty for 5 years, and the contract specifies that a further Direct Award Contract is possible from 2019.

The new Public Service Contract (PSC) is significantly more detailed and explicit than the contract that expired in December 2014. The headline changes are as follows:

- More demanding performance standards in relation to reliability, punctuality and quality;
- Increased financial penalties for below target performance;
- Additional reporting requirements to improve accountability and transparency.



Bus Átha Cliath is determined that, with a focus on the new targets and performance requirements, to meet our obligations under the new PSC between 2014 and 2019. Customers will benefit with improved standards of service.

Leap Card

Over 900,000 Leap cards have been issued since the integrated transport ticketing system scheme was launched in 2011 with more than 350,000 unique cards used each month in the latter period of 2014. Major developments to the Leap card occurred through the year thus increasing the usage of the card and efficiency for Bus Átha Cliath customers.

The migration of all remaining Bus Átha Cliath prepaid paper tickets to Leap card began in 2014 with the 'Rambler' product range. By December 2014 the last remaining magnetic tickets were withdrawn from sale and the magnetic card validators were removed from buses.

The facility automatically to top up the e-purse on Leap cards continues to grow which enables customers to top up their card on the bus so that they never run out of credit. This facility deducts the top up amount directly from the customer's bank account.

Further developments in 2014 included a transfer rebate (whereby a discount is applied when Leap Card e-purse is used for an interchange journey within 90 minutes) on Leap card which was made available to Bus Átha Cliath in November 2014; remaining transport operators are scheduled to join in early in 2015, offering transfer rebates on all interchange journeys.

Department of Social Protection Free Travel passes are now being issued on a card compatible with the Leap Card. From mid-2015 the Free Travel Passes will be validated on board Bus Átha Cliath, bus services in the same manner as a normal Leap Card.

Leap cards accounted for over 50% of all Bus Átha Cliath passenger boarding numbers by December 2014, having risen from less than 20% at the start of the year. Leap card offers customers significant savings compared with cash payments with on-bus fares at least 20% cheaper when using Leap credit rather than cash.

Attracting New Customers

'Network Noel', a route and network awareness campaign, was launched in February 2014. The aim of the campaign was to tackle the public's perception of Bus Átha Cliath

routes as a 'complicated network'. This complexity was cited in market research as a key reason for not using Bus Átha Cliath services. The creation of 'Network Noel' allowed Bus Átha Cliath to inject personality and humour into a message that conveyed functional service information. The campaign objective was to sell the benefits of the revised Bus Átha Cliath network in a meaningful way to consumers and in turn to attract more customers.

The campaign attained a high level of publicity in the media and interaction with the public through social media channels. Online engagement was important to the campaign and a microsite 'Noel's Depot' was developed within the Bus Átha Cliath website which hosted an introductory video from Noel, the TV advertisements and service information including an interactive and downloadable core route map. Twitter and Instagram accounts offered online support to the campaign. An online competition, Network Noel's 'Hot Stops', invited customers to upload a story, image or video of their favourite bus related stories onto the route map displaying Bus Átha Cliath's 28 core routes with a grand prize of a smartphone. This initiative offered customers the opportunity to explore and reconnect with our core network in a fun and interactive way and also encouraged downloads of the core route map itself.

The 'Network Noel' campaign won four awards at the Kinsale Shark Awards, Ireland's most prestigious international advertising awards, and also took home 3 awards at the 'Love Radio Awards'.

Following on from the success of 'Network Noel', a 'Bus it to Events' feature was introduced on the Bus Átha Cliath website. This web initiative was implemented with the intent of encouraging occasional bus users to consider taking the bus to events or family days out. Users can pick from a list of venues and events which, when clicked on, will display all relevant details of how to get there along with a user friendly interactive map for convenience.

Bus Átha Cliath built on the success of its Wi-Fi implementation in 2013 to operate a fully Wi-Fi enabled fleet from April 2014. A campaign was launched in June, in conjunction with the 'Network Noel' campaign, to create awareness around the availability of Wi-Fi on all Bus Átha Cliath services. The campaign was extremely successful.

Customer Service Improvements

The Automatic Vehicle Location and Control (AVLC) system continues to perform an integral part of day to day operations and is a key management tool for controlling services and reporting. The principal downstream customer benefit is improved service reliability, the provision of Real Time Passenger Information (RTPI) at bus stops, on board bus services, online and on mobile applications.

The quantity of RTPI signs at bus stops increased from 435 to 467 over the last year and Bus Átha Cliath plan to deploy a further 190 display units during 2015. These provide predicted arrival times of buses and also service disruption messages.

During 2014 a programme to deploy next stop audio announcements across the entire fleet was completed. In tandem with the audio announcement system; electronic displays, announcing stops and route information are now fitted as standard equipment on all new buses and are being retrofitted to some older buses also. At the end of 2014 a total of 230 buses had the electronic displays installed as original equipment and 70 buses were retrofitted. Approximately 260 additional older buses will have the displays retrofitted. During 2014 the use of the on-bus AVL system for announcement of safety messages commenced.

A further RTPI enhancement planned for 2015 is the inclusion on the website and smart phone applications of stop-specific service disruption messages which will be displayed alongside predicted arrival times.

Bus Átha Cliath began operating a fully Wi-Fi enabled fleet from April 2014. The popularity of the on-board Wi-Fi facility continued to grow with approximately 721,567 unique users registering for the facility in 2014. Customer usage increased as well as length of session with customers spending on average 27 minutes connected to Wi-Fi. The user friendly nature of on-board Wi-Fi has led to a steady increase in returning customers with 27.5% of all users making more than 10 return visits.

The Importance of a Safe Workplace

The Board of Bus Átha Cliath and the Executive Management Team are committed to protecting the safety, health and welfare of employees, customers and those impacted by our activities, such as other road users, visitors to our premises and contractors employed by the company.

The company's Safety Management System Document provides a detailed framework for the management of health and safety risks associated with Bus Átha Cliath operations and is reviewed and approved by the Board annually. The methods described in the Safety Management System Document form an integral part of the responsibilities of senior managers, middle managers and supervisors who, in turn, must ensure that employees fully understand and comply with the requirements contained therein.

Whilst the requirement to provide adequate training and instruction is enshrined in the requirements of the Safety, Health and Welfare at Work Act, 2005, Bus Átha Cliath continues to recognise the importance of exceeding the minimum requirements by continually assessing the competencies of its employees. This is reflected in the company's annual training programme which also includes non-statutory training as well as regular in-house communication briefings relating to safety-critical information. During the course of 2014, new 'Safety in Engineering' and 'Vehicle Safety' handbooks were produced and all relevant employees will receive training in these specific areas during the first quarter of 2015.

2014 also saw the recommencement of driver recruitment in Bus Átha Cliath for the first time since August 2008. A total of 137 drivers were trained in the Bus Átha Cliath Driver Training Centre during the year and all commenced in-service driving by the year end. Recruitment of an approximately similar number is anticipated during the course of 2015. In striving continually to improve driver training methodologies, a new comprehensive mentoring and monitoring procedure was also established for new drivers. This procedure provides for more regular assessment and review of driver competence during the first 12-month probationary period.

Furthermore, in the context of driver training, Bus Átha Cliath was delighted to be in receipt of a 'Leading Light' award from the Road Safety Authority during the month of December. This award was in recognition of the quality of the Company's delivery of the 'Certificate of Professional Competence' course to its driving employees.

Developments in Commercial Services

2014 has been an extremely busy and successful year for Bus Átha Cliath's commercial services. The Airlink Express service continues to grow with sales of Airlink tickets up 25% on 2013 and the introduction of free Wi-Fi on board the Airlink service has contributed to this increase.

2014 saw a healthy performance from sightseeing tours with customer revenue up 13% on the previous year. Tourist figures to Dublin this year increased by 6% from 2013 figures.

During the summer months two new buses were unveiled for Bus Átha Cliath's Ghostbus tour. They received media exposure and positive feedback at the time which also resulted in increased revenue over last year, particularly over the Halloween period. Throughout the year, several improvements were made to Bus Átha Cliath's Coastal tours which resulted in a 45% increase in revenue.

Market Opening

In 2014 the National Transport Authority (NTA) indicated its intention to put out to tender 10% of existing Bus Átha Cliath services by 2016. The routes considered for tender are orbital and local routes which do not operate to or through the city centre.

Bus Átha Cliath, Bus Éireann, the Trade Unions and NTA/ Department of Tourism Transport and Sport (DTTAS) have been involved in joint discussions since July 2014 in the Labour Relations Commission to discuss the implications of market opening. These discussions have helped to develop a deeper understanding of the issues that arise and are continuing to arise.



Operations Review continued

In January 2015, the NTA published a Pre-Qualification Questionnaire to invite interested parties into the tender process.

Bus Átha Cliath is committed to providing an efficient and quality service to its customers and will be submitting tender bids for bus routes within the Dublin catchment area.

Smart Travel Policy – Energy and Sustainability

Bus Átha Cliath operated a fleet of 960 Buses covering 57 million kilometres in 2014. The primary energy consumption is the fuel usage associated with running the fleet of buses. The quantity of diesel fuel used in 2014 was 27.5 million litres. The other main energy sources include Bus Átha Cliath's seven depots and a number of office buildings. The breakdown of energy usage consists of fuel usage by the fleet (95.3% of consumption), electricity usage at Bus Átha Cliath premises (1.8% of consumption) and gas consumption at the premises (2.9% of consumption). Up to 70% of electricity usage in the company's depots is associated with lighting the buildings and the external yard areas. Gas consumption is primarily associated with heating of the premises. Lighting, office equipment and air conditioning units account for the majority of the office energy consumption.

In 2014, Bus Átha Cliath consumed 293,714 MWh of energy, consisting of:

- 279,911 MWh of Diesel Fuel for running of the bus fleet;
- 5,240 MWh of electricity;
- 8,563 MWh of natural gas.

Actions Undertaken in 2014

In 2014 Bus Átha Cliath undertook a range of initiatives to improve energy performance, including:

- Trial hybrid bus;
 - The results of the trial hybrid bus have seen fuel efficiency improvements of 15% better than the latest Euro 5 & 6 buses purchased over the previous 2-3 years.
- Installation of PIR sensors in workshop pits;
 - The results have seen savings of 0.3 KWhr per workshop pit.

- Expansion of fleet fuel monitoring by route;
 - Continued rollout of eco driving monitoring by route in each depot.
- Purchase of new vehicles which will be fitted with Euro 6 standard engines – a smaller and more efficient engine combined with lighter chassis providing reduced fuel consumption;
 - The new fleet of buses fitted with Euro 6 engines are 20% more efficient than the buses they replaced.
- Promotion of energy awareness among staff;
- Vigil Vanguard training for drivers – eco driving techniques;
- Continuation of the energy monitoring at each premise;
- Rain water harvesting for use on chassis cleaning of buses in depots;
- Continuation of eco driving training for drivers.

Actions Planned for 2015

In 2015, Bus Átha Cliath intends to further improve energy performance by undertaking the following initiatives:

- Trials of eco-driving for fleet using on board technology;
- Installation of water pumps with pressure activation demand motors;
- Purchase of 90 new vehicles which will be fitted with Euro 6 standard engines. The new vehicles will replace less efficient older vehicles;
- Installation of an automated fuel management system in each depot;
- Trial LED lighting in offices and workshop pits.

Bus Átha Cliath will continue to identify further energy saving opportunities through the local energy management teams.

Fleet Replacement Programme

In 2014 Bus Átha Cliath purchased 70 new double deck buses with Volvo B5 chassis and Wrightbus bodywork. These vehicles are fitted with the latest Volvo 5 litre Euro 6 engines combining selective catalytic reduction and exhaust gas recirculation equipment and are also fitted with diesel particulate filters. The advancement in technology will see a



significant improvement in NOx and particulate emissions. The body work on the vehicles is the Wrightbus Gemini 2 and the combined vehicle is significantly lighter and more fuel efficient than previous models which will also reduce CO2 emissions. In addition, the new buses are equipped with a number of features which will enhance the customer experience and improve satisfaction. These include a separate wheelchair and buggy space, next stop passenger information and Wi-Fi capability. The vehicles are also fitted with centre doors which will enhance boarding and reduce dwell times at stops.

65 of the 70 replacement vehicles were funded by the NTA with the remaining 5 funded by Bus Átha Cliath.

Fleet Refurbishment Programme

In 2011 Bus Átha Cliath commenced a series of service upgrades on existing vehicles and this programme continued during 2012 and 2013. In 2014 the fleet refurbishment programme was undertaken on 100 vehicles purchased in 2006. The upgrades were applied to a range of body work, mechanical and electrical elements of the vehicles.

The refurbishment programme which was assisted by funding from the NTA, improves vehicle safety, reliability and presentation, leading to greater customer satisfaction.

Network Accessibility – A Bus Service for Everyone

In 2014, Bus Átha Cliath built on its 2013 accessibility success and continued to operate a fully low floor accessible fleet. The entire fleet is equipped with a low floor chassis, kneeling suspension and retractable ramp. All new buses purchased by Bus Átha Cliath in 2014 have a separate space for a buggy as an additional feature. All buses also have an audio next stop announcement with more than 300 buses also having a passenger information display on both floors of the double deck buses giving a visual display of the next stop announcements.

The success of the Travel Assistance Scheme continued to grow in 2014 with numerous customers receiving assistance and practical advice on how to travel independently on public transport. With the help of a full-time Travel Assistant, a tailor-made travel plan is drawn up to meet each individual customer's needs. Since its inception, patronage levels of this programme have grown at a steady rate with over 700 assists carried out in 2014.

Following the commencement of the Luas Cross City project works, demand for the service has increased and Bus Átha Cliath is examining ways of developing the service to meet this growth.

Customers can access more information on Travel Assistance by contacting the Bus Átha Cliath Accessibility Officer on (01) 7033204 or by e-mailing travelassist@dublinbus.ie.



Luas Cross City

The LUAS Cross City (LCC) project continued during 2014 with works commencing on multiple sections of streets between St. Stephen's Green North and Western Way. The major impact for Bus Átha Cliath occurred in Dawson Street where two bus stops were removed and relocated to St. Stephen's Green causing the implementation of diversions to several bus routes. By the end of 2014 Bus Átha Cliath managed the removal of several bus stops from areas undergoing significant works such as College Green. 2014 saw significant planning and preparation in response to the planned works for 2015 that will impact heavily on Bus Átha Cliath routes and bus stops. Bus Átha Cliath has been involved with the Rail Procurement Agency, National Transport Authority, Dublin City Council and local Gardaí through the course of the proposed LCC implementation of the project to date. While a number of stops have been removed permanently from the city centre, it is now critically important that there are no further reductions in the accessibility of the city centre for bus customers

Corporate Social Responsibility (CSR) – Our Work in the Community

Through its Community Spirit Initiative, Bus Átha Cliath continued to play an active role in the communities in which its services operate. The overall initiative is comprised of three main elements:

1. The Bus Átha Cliath Community Spirit Awards
2. The Bus Átha Cliath Children's Art Competition
3. Bus Átha Cliath/Niall Quinn Penalty Shoot Out

This year's Bus Átha Cliath Community Spirit Awards saw 86 grants bestowed to various voluntary and community groups across the Greater Dublin Area (GDA). To date, nearly 1,600 groups have received funding under the programme which has helped many worthwhile causes in communities across the GDA. At this year's awards ceremony the following five organisations received the top award of €5,000; The Laura Brennan Charitable Trust, Baldoyle Boxing Club, Age Action Ireland, Sticks and Stones Anti-bullying Programme and Nurture. These awards were initiated to recognise and support the invaluable work undertaken each day by local groups located within the Bus Átha Cliath network. Ex-international footballer, Niall Quinn

has been patron of the initiative since its inception in 2003.

The second element of the Community Spirit Initiative is the annual Children's Art Competition and Calendar. Bus Átha Cliath employs dedicated School and Community Co-ordinators who build and maintain relationships with young people in national and secondary schools across Dublin. Each year the co-ordinators select a number of national schools across the company's route network to participate in the competition and invite the children to submit a bus themed picture or poem. This year's theme was 'It takes me here, it takes me there'. The competition promotes the value of public transport in local communities to younger passengers and creates awareness of the negative impact of vandalism on buses for the local community itself. This year 24 national schools from the following areas: Balgaddy, Ballyfermot, Ballymun, Brookfield, Clondalkin, Coolock, Corduff, Crumlin, Darndale, Finglas, Jobstown, Larkhill, Lucan, Mulhuddart, Rowlagh and Tallaght took part in the competition. After a series of regional finals were held, a selection of the winning entries was published in the Children's Art Calendar 2015 which was then distributed among the participating schools, Bus Átha Cliath employees and elected representatives in the Greater Dublin Area. Along with incorporating the winning entries into a calendar for distribution, on December 8th Bus Átha Cliath staged an exhibition of some of the winning entries in Pearse Street library in Dublin City Centre to launch the 2014 calendar.

2014 marked the 9th year of the annual Bus Átha Cliath/Niall Quinn Penalty Shoot Out. This year three events took place between May and July with children from St. Ultan's School, Ballyfermot; Foróige Summer Project, Tyrrelstown and St. Vincent's CBS, Glasnevin participating. As in previous years, a number of 8-14 year olds from local areas were given the opportunity to receive training and undertake a penalty shoot-out competition with Niall Quinn. This year a new event was introduced, a GAA school's challenge with former Dublin Manager, Paul Caffrey. Each year new areas are chosen to host the event, which is organised in conjunction with local Youth Groups and An Garda Síochána. The project aims to recognise the work carried out by voluntary groups and An Garda Síochána to support young people during the summer months and to promote the value of public transport in local communities to young people across Dublin.

Directors and Other Information

Board of Directors

Directors at 25th March 2015

Mr. U. Courtney *Chairman*

Prof. P. Barker

Ms. K. Barrington

Ms. G. Joyce

Mr. B. McCamley

Mr. T O'Connor

Dr. K. Rafter

Chief Executive

Mr. P. Doherty

Secretary

Mr. R. O'Farrell

Registered Office

59 Upper O'Connell Street

Dublin 1

Telephone: +353 1 872 0000

Facsimile: +353 1 873 1195

Website: www.dublinbus.ie

Registered Number: 119569

Auditors

PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

One Spencer Dock

North Wall Quay

Dublin 1

Report of Directors

The directors present their annual report together with the audited financial statements for the year ended 31st December 2014.

Principal Activities and Financial Review

The principal activity of the company is the provision of a comprehensive bus service for the city of Dublin and its hinterland.

Total customer revenues increased by 5.8% to €216 million in 2014 from €204.1 million in the previous year. Passenger demand in 2014 showed sustained growth through the year for the first time since 2007. The company carried 118.6 million customers, representing an increase of 3.7% on 2013.

The Net Operating Result for year ended 31st December 2014 was a surplus of €11.569m which compares with a surplus of €0.481m in 2013, giving rise to an improvement of €11.088m on 2013. The main reasons for the year-on-year improvement were; a 1.5% growth in revenue generating passenger demand, a 5% yield from the fares increase and a net €4.3m reduction in costs.

The overall financial performance for 2014 is very encouraging and confirms that the company remains on track to restore sustainable financial viability.

Results And Reserves

The financial statements for the year ended 31st December 2014 are set out in detail on pages 24 to 44. The results for 2014 show a surplus of €11,569,000 (2013 – Surplus €481,000).

Principal Risks

The company is committed to managing risk in a systematic and disciplined manner. The key risks facing the company are identified through a company-wide risk management process. A risk register is maintained and updated quarterly and includes action plans for addressing the identified risks.

Córas Iompair Éireann (CIÉ), on behalf of Bus Átha Cliath, enters into fuel & currency forward purchasing where it deems there is value and reduced risk to the company. A new objectives driven risk prioritisation system was introduced during the year which more sharply focuses the Board on the identified risks.

Capital Investment

During 2014, investment in the fleet continued and 70 new buses were delivered into service to replace over-age vehicles. Other significant expenditure included fleet refurbishment programmes to maintain quality and reliability for the benefit of the customer. Investment in improving services continued with the assistance of National Transport Authority funding in the following area:

- €25 million payment on 70 new buses
- €4.5 million on refurbishment of and equipment for buses
- €1.2 million on the continuing development of the Automatic Vehicle Location and Control System (AVLC), ticketing and Wi-Fi
- €0.6 million on network infrastructure

Audit, Finance & Risk Committee

The Audit, Finance & Risk Committee at 25th March 2015 comprises the following non-executive members of the Board: Patricia Barker, Gary Joyce and Kevin Rafter.

The main duties of the Audit, Finance & Risk Committee are to oversee the relationship with the external auditor, including consideration of the appointment of the external auditor, audit fees, and any question of independence, resignation or dismissal. The Audit, Finance & Risk Committee discusses with the external auditor the nature and scope of the audit and the findings and results. The Committee also monitors the integrity of the financial statements prepared by the Company.

Report of Directors continued

During the year ended 31 December 2014, the Committee kept under review the effectiveness of the Company's internal controls and risk management systems. In particular, we:

- participated in the discourse surrounding the updating of the Risk Management System and monitored its implementation;
- engaged with the internal auditor to assess our reliance on his team's work output and conclusions;
- met with the Procurement Officer to satisfy ourselves as to the rigour of the policies and procedures for procurement and contract management;
- monitored the application of the company's Good Faith Reporting policy;
- engaged with the external auditor to ask such questions as to satisfy ourselves as to their independence;
- engaged with the CFO and the external auditor to assure ourselves as to the accounting judgements applied to the financial statements;
- formalised our annual work schedule to ensure full coverage of the tasks set out for us under our Terms of Reference;
- received regular reports on the development of the Integrated Ticketing System (ITS) and engaged with the CFO on the measures being taken to protect the integrity of this revenue stream.
- conducted an internal review of our performance during the year under review.

The Terms of Reference of the Audit, Finance & Risk Committee have been approved by the Board and are reviewed on an annual basis and amended as appropriate. The Committee met eight times in 2014 (7 in 2013). The External Auditors, PricewaterhouseCoopers, were appointed during the year ended 31st December 2013 for a three year period following a procurement and tender process. Therefore, the Audit & Finance Committee recommends to the Board that they be formally reappointed for the year ended 31st December 2014. There were no contractual obligations that acted to restrict the Audit, Finance & Risk Committee in making this recommendation.

There were no other material services provided by the auditors during the year under review. Therefore the Audit, Finance & Risk Committee, having considered all relationships between the Company and the external audit firm, does not consider that those relationships impair the auditor's judgement or independence.

Employee Development

Bus Átha Cliath is committed to ensuring that the necessary skills and knowledge are identified and developed so that all employees have the opportunity to develop and make a positive contribution.

A competency framework is used to identify the behaviours, skills and abilities essential to the successful performance of the various roles of employees in delivering a quality service to the required standard.

The Bus Átha Cliath Training Centre provides a number of training programmes to ensure that bus drivers are given the highest standard of training to enable them deliver a safe, efficient and reliable bus service to our customers. All bus drivers participate in one day's training per year to qualify them for the Certificate of Professional Competence (CPC) in accordance with EU Directive 2003/59/EC and Road Safety Authority approval. In 2014 Bus Átha Cliath received the CPC Training Organisation of the Year award at the Road Safety Authority's Leading Lights in Road Safety Awards.

In addition to CPC, a driving skills competence development programme is delivered to all drivers. This programme uses a video training system (Vigil Vanguard) to facilitate reflective learning and behavioural change. The training programme has been acknowledged by the Chartered Institute of Logistics and Transport and the Road Safety Authority for its innovative approach to driver skills training.

A programme of managerial development continued in 2014 with a number of managers and administration officers undertaking third level studies. We provided a management coaching and development programme and an executive mentoring programme for newly appointed executives and managers to support them in their roles. Other role specific training continued for engineering, supervisory and administrative employees.

Health and Safety

The Company is fully committed to complying with the provisions of the Safety, Health and Welfare at Work Act, 2005 and all other national and EU Regulations. The Safety Management System is kept under review and is updated on an ongoing basis.

Equality and Diversity

The Equality and Diversity Strategy enables Bus Átha Cliath to:

- Deliver a more efficient and fulfilling work environment for employees;
- Meet the changing needs of customers;
- Develop a greater connection to the entire community served.

Bus Átha Cliath is committed to delivering a quality service to all its customers and to creating a fair and inclusive workplace where individuals are respected and people can work to the best of their ability.

The company has developed an action plan covering the principles of equality and inclusion and this reflects the diversity of its workforce. The company's Equality and Diversity Strategy was selected for inclusion in the European Commission Compendium of Good Practice in Diversity.

Bus Átha Cliath continues to work in partnership with the Equality Authority, Gay Lesbian Equality Network (GLEN), Immigrant Council of Ireland and the National Disability Authority on a number of initiatives to promote equality and diversity. In 2014 Bus Átha Cliath again worked in partnership with the Immigrant Council of Ireland, National Transport Authority and other public transport providers on the Stop Racism – Transport Links-Racism Divides campaign. As part of the programme an anti-racism training toolkit, entitled 'Towards an Inclusive Public Transport Service in Ireland', was developed and anti-racism training was delivered to our front line managers.

Payment Practices

Bus Átha Cliath acknowledges its responsibility for ensuring compliance, in all material respects, with the provisions of the EC (Late Payment) Regulation 2012. The company payment policy is to comply with the requirements of the Regulation.

Books of Account

The measures taken by the directors to secure compliance with the company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. FRS 102 is effective for the year ended 31 December 2015. The comparative amounts in the 2015 financial statements, prepared in accordance with FRS 102 will require restatement. Management are working with ClÉ group and with PwC to assess the impact of adopting FRS 102 and an appropriate action plan is being put in place.

The books of account are kept at Bus Átha Cliath, 59 Upper O'Connell Street, Dublin 1.

Code of Practice for the Governance of State Bodies

Details of the policies and procedures implemented by the company following publication of the Code of Practice for the Governance of State Bodies are provided in the Córás Iompair Éireann Group accounts. The code provides minimum standards and the Board endeavours to ensure compliance with best practice in Corporate Governance in the conduct of its business.

Directors

The directors of the company are appointed by the Minister for Transport, Tourism and Sport. The names of persons who were directors during the year ended 31st December 2014 or who have since been appointed are set out below. Except where indicated they served as directors for the entire year.

Mr U. Courtney *Chairman*
(Appointed 3rd September 2014)

Prof P. Barker

Ms K. Barrington

Ms G. Joyce

Mr B. McCamley

Mr K. Bonner (Retired 28th June 2014)

Ms M. Mc Gennis (Retired 7th March 2014)

Mr T. O'Connor

Dr K. Rafter

Report of Directors continued

None of the directors or the secretary held any interest in any shares or debentures of the company, its holding company or its fellow subsidiaries at any time during the year.

There were no contracts or arrangements entered into during the year in which a director was materially interested in relation to the Group's business.

Attendance at Board/Committee Meetings

Listed below is board directors' attendance at Board/Committee meetings during 2014.

Director	Board	Safety Committee	Audit, Finance & Risk Committee
Mr. U. Courtney	3/3		
Mr. K. Bonner	6/6		
Prof. P. Barker	10/10		8/8
Ms. K. Barrington	10/10	4/4	
Ms. G. Joyce	9/10		8/8
Mr. B. McCamley	9/10	4/4	
Ms. M. Mc Gennis	1/2	1/1	
Mr. T. O'Connor	8/10		
Dr. K. Rafter	9/10	2/4	8/8

A Board Remuneration & Succession Committee was established in January 2015. Its members are Mr. U. Courtney, Ms. G. Joyce and Dr. K. Rafter.

Going Concern

The board directors are satisfied that while a number of uncertainties exist, the company will have adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the 'going concern' basis for the preparation of the accounts. Note 1 "Going Concern" addresses those uncertainties and summarises the directors' conclusions in relation to going concern.

Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the board

Mr. U. Courtney *Chairman*

Prof. P. Barker *Director*

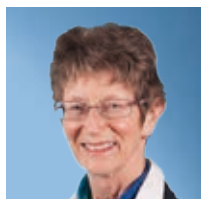
25th March 2015

Board of Directors



Ultan Courtney *Chairman*

Mr. Ultan Courtney was appointed to the Board of CIÉ and as Chairman of Bus Átha Cliath in September 2014. He has wide experience in the Human Resources and Industrial Relations field. He is Managing Director of his own consultancy business and previously held positions in C&C Group Plc, Superquinn, Waterford Foods and IBEC. Ultan holds a Masters Degree in Economics from Trinity College Dublin and numerous qualifications in the areas of employment law, mediation, arbitration and legal governance.



Patricia Barker

Patricia Barker is a retired professor of accounting. She is a Chartered Accountant and a Council Member of Chartered Accountants Ireland. Her PhD was in the disclosure of financial information to employees and she holds an MPhil from Trinity in Gender Studies. Patricia is a director of Veritas Publications Ltd, Tallaght Hospital and the Marine Institute. She served as Chairman of the BTSB and works as a volunteer with the Rape Crisis Centre.



Kathleen Barrington

Kathleen Barrington was appointed to the board on 9th September 2013. Kathleen is a communications consultant with a special interest in reputation management, public affairs, media relations and plain English. Kathleen was previously a government media adviser and an award-winning financial journalist with a special interest in consumer and investor issues. Kathleen was a member of the Consultative Consumer Panel of the Financial Regulator from 2007-2010.



Gary Joyce

Gary Joyce is Managing Partner of Genesis, a consulting firm that specialises in customer and brand strategy. She has extensive non-executive director experience in the public and private sectors. She is currently Deputy Chair of the Child and Family Agency and is on the board of Sam McCauley Chemists and Galway Arts Festival.



Bill McCamley

Bill McCamley was first appointed to the Board in December 1997 under the Worker Participation (State Enterprises) Acts, 1977. Bill joined Bus Átha Cliath in 1974 and works in Phibsboro garage as a bus driver. He has held a variety of positions in his trade union, SIPTU, including membership of the Regional, Divisional and Branch committees. Bill is presently a member of the Transport Sector and Dublin District committees. He has represented his trade union at a number of European transportation conferences and was a member of the Department of Justice Working Party on Bus Violence (1996). Bill has written extensively on transportation and trade union issues, including a book on the history of Dublin's tram-workers.



Marian Mc Gennis

Marian Mc Gennis was a TD for Dublin Central and a former member of Dublin City Council, Dublin County Council and Fingal County Council. As a member of the Oireachtas she was opposition spokesperson on equality and a member of the National Economic and Social Forum. She has been involved in voluntary organisations for almost 30 years. Marian is a graduate of the National University of Ireland Maynooth and holds a Social Science degree in Sociology and Social Policy. Marian retired on 7th March 2014.

Board of Directors continued



Kevin Bonner

Kevin Bonner was appointed as Chairman of Bus Átha Cliath and to the Board of CIÉ in June 2011. Kevin is a former Secretary General of the Department of Enterprise and Employment and has been chairman or director of a number of public and private sector bodies/companies e.g. Marine Institute, Ordnance Survey Ireland, Waterford Stanley. He is a graduate of UCD (BA) and TCD (MScEcon). Kevin retired on 28th June 2014.



Thomas O'Connor

Thomas was appointed to the Board December 2013 following his election to the CIÉ Board under the Worker Participation (State Enterprises) Acts 1977 to 2001. Thomas works a bus driver based in Ringsend Garage. He is a member of the National Bus and Rail Union, sits on the National Executive and has served as Dublin Branch Secretary since 2010. He previously worked in the electrical and signage industry.



Kevin Rafter

Dr Kevin Rafter was appointed to the board in January 2013. Kevin works as a communication consultant, and university lecturer. He is the author/editor of ten books on media and politics in Ireland and his research has been published in international peer review academic journals. He is a former political journalist having held senior editorial positions in several media organisations including the Irish Times and RTÉ. Since 2008 he has run his own consultancy business while at Dublin City University he works as Senior Lecturer in Political Communication and Associate Dean for Research. He is currently a member of the board of Oxfam Ireland.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with Irish law and regulations. Irish company law requires the directors to prepare financial statements giving a true and fair view of the state of affairs of the Company for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the requirements of the Companies Acts, 1963 to 2013. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of Bus Átha Cliath – Dublin Bus

We have audited the financial statements of Bus Átha Cliath – Dublin Bus for the year ended 31 December 2014 which comprises of the Principal Accounting Policies, the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 21, the directors are responsible for the preparation of the annual report and the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant

accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31 December 2014 and of its surplus and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013

Matters on which we are Required to Report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.
- The net assets of the company, as stated in the Balance Sheet, are not more than half of the amount of its called-up share capital and, in our opinion, on that basis there did exist at 31 December 2014 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company. This meeting was held on 16 June 2010.

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Teresa Harrington

for and on behalf of PricewaterhouseCoopers

Chartered Accountants and Statutory Audit Firm

Dublin

1 April 2015

Principal Accounting Policies

The significant accounting policies and estimation techniques adopted by the company are as follows:

(A) Basis of Accounting

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

(B) Tangible Assets and Depreciation

Tangible assets are stated at historical cost less accumulated depreciation based on that historical cost.

The bases of calculation of depreciation are as follows:

(I) Road Passenger Vehicles

Road passenger vehicles are depreciated on the basis of the historical cost of vehicles in the fleet spread over their expected useful lives on a reducing percentage basis which reflects the vehicles' usage throughout their lives.

(II) Bus Stops and Shelters

Bus stops and shelters are depreciated, by equal annual instalments, on the basis of historical cost spread over their expected useful lives.

(III) Plant and Machinery

Plant and machinery are depreciated, by equal annual instalments, on the basis of historical cost spread over their expected useful lives.

(C) Leased Assets – Operating Leases

Rental payments under operating leases are charged to the profit and loss account as they accrue.

(D) Stocks

Stocks of materials and spare parts are valued at the lower of average cost and net realisable value. Stocks which are known to be obsolete at the balance sheet date are written off and provision is made in respect of stocks which may become obsolete in the future.

(E) Grants

(I) European Union and Exchequer Grants

European Union (EU) and Exchequer grants, which relate to capital expenditure on specific projects, are credited to deferred income as they become receivable. They are amortised to the profit and loss account on the same basis as the related assets are depreciated. Grants in respect of revenue expenditure are credited to deferred income as they become receivable and released to the relevant expenditure account in the year to which the expenditure relates.

(II) Public Service Obligation Payment

The Public Service Obligation payment received during the year is dealt with in the profit and loss account.

(F) Foreign Currency

Transactions denominated in foreign currency are translated into euro at the rate ruling at the date of the transaction, or at contract rates where the amounts payable or receivable are covered by forward contracts.

Realised exchange gains or losses on transactions settled during the year are treated as part of the surplus or deficit for the year from ordinary activities.

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates ruling at the balance sheet date or at contract rates where applicable.

(G) PENSIONS

Bus Átha Cliath participates in a defined benefit scheme as part of CIÉ Group. This scheme has been accounted for in accordance with FRS 17 in the CIÉ Group financial statements. Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit credit method.

The excess of scheme liabilities over scheme assets is presented on the balance sheet of CIÉ Group as a liability. The defined benefit pension charge to operating profit in CIÉ Group comprises the current service cost and past service costs. The excess of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the profit and loss account of CIÉ Group as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses of CIÉ Group for the year in which they occur.

Bus Átha Cliath is unable to identify its share of the underlying assets and liabilities in the CIÉ Group scheme on a consistent and reasonable basis. In accordance with FRS 17 Bus Átha Cliath accounts for the contributions to the CIÉ Group scheme as if it were a defined contribution scheme. The defined contribution pension charge to operating profit comprises the contribution payable to the scheme for the year.

(H) Intercompany Balances

Transactions between Group companies are valued at historical cost and classified based on the relevant arrangements between the respective parties and substance of the transaction, as follows:

(I) Long Term Financial Asset

Represents the aggregate of:

- a. Cash flow generated from operations up to two years prior to the balance sheet date.
- b. Net investment in fixed assets from the date of incorporation to the balance sheet date.

(II) Short Term Trading Account

Represents the aggregate of:

- a. Net surplus generated/deficit incurred in the two years to the balance sheet date.
- b. Increase/reduction in working capital in the two years to the balance sheet date.

(III) Long Term Financial Liability

Represents the aggregate of the cash inflows and outflows from:

- a. Intergroup financing activities.
- b. The servicing of finance.

(I) Taxation

Corporation tax is calculated on the taxable profits or losses for the year as adjusted for group relief. Tax losses utilised for group relief are transferred between group members. Charges for group relief are determined on a case by case basis.

Deferred tax is provided on all timing differences that have originated but not reversed at the Balance Sheet date, where the transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. Timing differences are temporary differences between profits or losses as computed for tax purposes and as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax is not discounted.

Deferred tax assets are only recognised where it is more likely than not that sufficient taxable profit will arise in the future to utilise tax losses carried forward.

There was no corporation tax payable in respect of the year ended 31 December 2014 as the company has unutilised tax losses forward.

Profit and Loss Account

Year ended 31st December	Notes	2014 €000	2013 €000
Revenue		216,001	204,128
Public Service Obligation payment	3	60,039	64,540
Total Revenue		276,040	268,668
Costs			
Payroll and related costs	4	(167,058)	(173,411)
Materials and Services	5	(88,266)	(86,232)
EBITDA before exceptional operating costs		20,716	9,025
Depreciation	6	(9,585)	(9,591)
Exceptional operating Gains/(Costs)	7	(295)	29
Surplus before Interest and Tax		10,836	(537)
Gain on Disposal of Tangible Assets		646	785
Interest Receivable	8	87	233
Surplus for the year		11,569	481
Accumulated (Deficit) at Beginning of the Period		(51,675)	(52,156)
Accumulated (Deficit) at End of the Period		(40,106)	(51,675)

All figures relate to the continuing activities of the company.

There were no recognised gains or losses other than those included in the profit and loss account. As permitted by the Companies (Amendment) Act, 1986, the directors have adapted the prescribed format of the profit and loss account in a manner appropriate to the nature of the company's business.

On behalf of the board

Mr. U. Courtney *Chairman*

Prof. P. Barker *Director*

Balance Sheet

As at 31st December		2014	2013
	Notes	€000	€000
Fixed assets			
Tangible assets	9	146,166	139,917
Financial assets	11A	138,302	98,308
		284,468	238,225
Current assets			
Stocks	10	4,041	3,279
Debtors	11	37,144	20,646
Cash at bank and in hand		151	–
		41,336	23,925
Creditors (amounts falling due within one year)	12	(84,792)	(70,840)
Net current liabilities		(43,456)	(46,915)
Total assets less current liabilities		241,012	191,310
Provision for liabilities and charges	14	(74,260)	(72,547)
Deferred income	15	(120,596)	(84,089)
Long term financial liability	11A	(16,426)	(16,513)
		29,730	18,161
Financed by:			
Capital and reserves			
Called up share capital	16	69,836	69,836
Profit and Loss Account		(40,106)	(51,675)
Shareholder's funds	17	29,730	18,161

On behalf of the board

Mr. U. Courtney *Chairman*

Prof. P. Barker *Director*

Cash Flow Statement

Year ended 31st December		2014	2013
	Notes	€000	€000
Net cash inflow/(outflow) from operating activities	18 (A)	14,961	(28,930)
Servicing of finance	18 (B)	87	233
Capital expenditure	18 (B)	(74,021)	(12,980)
Consideration on disposal of assets	18 (B)	646	708
Capital grants received	18 (B)	61,249	37,369
Long Term Capital	18 (B)	(87)	(265)
Holding company Debtor	11 (A)	16,791	11,791
Cash inflow before financing		19,626	7,926
Net management of liquid resources	11 (A)	(16,791)	(11,791)
Increase/(decrease) in cash in the year		2,835	(3,865)

Liquid resources comprise amounts owed by the Holding Company, which represents cash generated not immediately required for operations, which is made available to the Holding Company, repayable as required.

Reconciliation of net cash flow to movement in net debt

		2014	2013
		€000	€000
Increase/(decrease) in cash in the year		2,835	(3,865)
Cash inflow from Holding Company balance	18 (C)	–	–
Movement in net debt in the year		2,835	(3,865)
Net Debt at 1st January	18 (C)	(2,684)	1,181
Net bank (overdraft)/cash at 31st December	18 (C)	151	(2,684)

Notes to the Financial Statements

1 Going Concern – Material Uncertainty

A copy of the Going Concern disclosure included in Note 1 of the CIÉ financial statements is as follows:

Background

In July 2013 the CIÉ Group successfully completed negotiations with the Group's banks in relation to re-financing and increasing the banking facilities available to the Group. Committed facilities of €160million have been secured up to July 2018.

These facilities contain a number of financial covenants, all of which have been met by the CIÉ Group in 2014. The budget for 2015 indicates that management expect that the CIÉ Group will continue to meet the covenant targets set out in the facility agreement for the period of at least 12 months from the date of signing these financial statements.

While trading performance improved during 2014 the CIÉ Group continues to face a challenging business environment which gives rise to uncertainties facing the Group. The Group has had regard to these uncertainties in assessing the Group's capacity to continue as a going concern.

Nature of Uncertainties Facing Group

While management are confident that overall financial covenant targets will continue to be met in the forthcoming year, the Group's future performance is based on a number of challenging targets and assumptions which will require constant monitoring and oversight by management. The Group's draft 5 year business plan assumes that the Group will incur a deficit in 2015 and that the resolution of the uncertainties currently facing the Group will dictate when the group will return to profitability.

The principal uncertainties affecting the future outlook can be summarised under the following headings:

- 1. Revenue** – The achievement of the revenue growth targets set out in the Group's draft 5-year business plan is based on a combination of assumptions related to increases in nominal fares and increases in passenger journeys. The capacity of the Group to secure the fare increases assumed in the plans is principally dependent on fare determinations by the National Transport Authority (NTA) and increases in passenger journeys is dependent on sustained economic recovery.
- 2. Operating Costs** – Maintaining operating costs at appropriate levels as set out in the Group's business plans remains critical. Assumptions used in preparing the business plan are by their nature subjective and it is imperative that performance against each subsidiary's plan is monitored closely, so that mitigating actions, which have already been identified by management can be put in place if necessary.
- 3. Investment Costs** – Achieving the appropriate level of investment in the maintenance, renewal and enhancement of public transport infrastructure is critical to underpinning the provision of effective, reliable and safe public transport services. Ensuring that necessary investment is appropriately funded is a continuing challenge for management so that the investment demand of the Group's operations do not undermine the financial sustainability of the Group.

The Group's plans for 2015 are subject to capital expenditure funding support from the Exchequer and the National Transport Authority and also envisage funding investment from operating cash flows. The Group's sustainability in the longer term is dependent on an appropriate level of government funding being in place to fund the public transport services that are required under the Groups' Public Service Obligation contracts.

Iarnród Éireann's (a fellow subsidiary in the CIÉ Group) financial sustainability is particularly sensitive to uncertainty associated with funding future investment. During 2014 Iarnród Éireann and the National Transport Authority undertook a process to review and evaluate possible solutions to the rail company's financial requirements. The supplementary estimate which was approved in December 2014 enhances the capacity to fund from cash flow the investment requirements of Iarnród Éireann in 2015.

Funding of investment requirements in the longer term remains a significant challenge for all stakeholders. Should there be a shortfall in levels of funding; the risk that the Group may not generate sufficient returns to protect its financial stability during the life of the current 5-year business plan arises. In that event, working capital will become constrained requiring constant monitoring. Mitigating actions will require to be taken to ensure that the overall financial covenant targets, to which the Group is committed, are not breached and that sufficient cash-flow is generated after investment to meet obligations as they fall due.

- 4. Pensions** – The Group's pension schemes are in deficit as set out in Note 19 to the financial statements. As explained in Note 19, these schemes are included in the consolidated financial statements of CIÉ and not at the individual operating company level. The net liability position of the pension schemes has increased significantly in the year. The increases arise mainly as a result of the low interest rate environment prevailing in Ireland and Internationally. CIÉ has commenced a review of the Group's pension schemes to identify measures to address the financial position of the schemes in light of the level of the deficit. The triennial valuations of the schemes are due to be performed in 2015.

Managements Actions

Group and Company management have taken and are continuing to take a number of actions, including:

- Close monitoring by management of the daily, weekly and monthly cash position across the group.
- Discussions with the NTA and Department of Transport, Tourism and Sport on the appropriate funding structure/ Net Financial Effect for Iarnród Éireann, Bus Éireann and Bus Átha Cliath.
- Continued implementation and rigorous monitoring of cost saving initiatives.
- Continuous review of risks and opportunities affecting the Group's business plan.
- Implementation of revenue protection initiatives and seeking new revenue generating activities
- Review of pension schemes to identify measures to address the financial position of Group's pension funds

Letter of Support

The on-going support of the Department of Transport, Tourism and Sport has been evidenced in the letter of support dated 31 March, 2015.

The letter states that: "the Department continues to monitor the financial position of CIÉ and is engaging with the company in relation to measures necessary to safeguard CIÉ's financial sustainability." Whilst the letter stated that nothing contained in the letter can be construed as a guarantee of the obligations or liabilities of CIÉ, it also states that "It remains Government policy that the business of CIÉ is at all times in a position to meet its liabilities. The State is CIÉ's sole shareholder and CIÉ understands that the State will continue to exercise its shareholder rights with a view to ensuring that CIÉ manages its operations in a manner that will enable it to meet all its obligations in a timely manner. Any action to be considered by the State however would have to be in compliance with EU law, including State Aid rules which may require Commission notification and approval".

Conclusion

Having made due enquiries, and considering the uncertainties described above, the Board Members have a reasonable expectation that the CIÉ Group will deliver on its budget and 5-year plan and related covenant targets, and that its existing banking facilities will be sufficient to fund the on-going cash-flow needs of the group for the period of at least 12 months from the date of signing these financial statements. They also have a reasonable expectation that the Government will support measures to ensure financial stability. For these reasons, the Board Members have concluded that the risks described above do not represent a material uncertainty that casts significant doubt on the Group's ability to continue as a going concern. The directors, having regard to above, have a reasonable expectation that the CIÉ group and therefore the company will have adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements and consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

2 Net (Deficit)/Surplus by Activity

	Social Activities		Commercial Activities	
	2014	2013	2014	2013
	€000	€000	€000	€000
Revenue	201,414	192,026	14,587	12,102
Costs	(255,336)	(258,732)	(9,135)	(9,455)
Operating (deficit)/surplus	(53,922)	(66,706)	5,452	2,647
Public Service Obligation payment	60,039	64,540	–	–
Emergency Additional Government Funding	–	–	–	–
Net (deficit)/surplus	6,117	(2,166)	5,452	2,647

3 Public Service Obligation

The Public Service Obligation payment payable to Bus Átha Cliath – through its holding company, Córas Iompair Éireann, amounted to €60,039,000 for the year ended 31st December 2014 (2013 – €64,540,000).

4 Payroll and Related Costs

	2014 €000	2013 €000
Staff Costs		
Wages and salaries	141,658	147,241
Social welfare costs	14,004	14,761
Other pension costs	11,221	11,303
Own work capitalised	–	(92)
Total staff costs	166,883	173,213
Directors' remuneration		
Emoluments		
– for services as directors	58	78
– for other services	117	120
Total directors' remuneration and emoluments	175	198
Total payroll and related costs	167,058	173,411

The Chief Executive, Paddy Doherty's, salary was €184,905 in 2014, in accordance with Department of Public Expenditure and Reform guidelines for Chief Executives. Additional emoluments in 2014 are: Use of Company Car €15,005, Employers Pension contributions €43,443 and Employers PRSI of €4,683. Mr. Doherty is a member of the CIÉ 1951 Contributory Pension Scheme.

Directors' emoluments for 2014 include Directors' Fees as follows:

Mr. U. Courtney €2,554, Mr. K. Bonner €12,600, Ms K. Barrington €10,710, Prof. P. Barker €10,710, Ms. G. Joyce €10,710, Ms. M. Mc Gennis €4,283 and Dr K. Rafter €10,710.

Mr. B McCamley and Mr. T O'Connor did not receive any Directors' Fees from the company.

	2014	2013
The average number of employees during the year was:	3,176	3,172

5 Materials and Services

	2014 €000	2013 €000
Fuel and lubricants	32,494	34,139
Materials	17,790	17,610
Road tax and licences	696	618
Rent and Rates	810	840
Operating lease rentals	525	606
Third party and employer's liability claims	8,535	6,432
Other services	27,774	26,126
Revenue grants (<i>note 15</i>)	(358)	(139)
	88,266	86,232

The expenses paid for directors in 2014 amounted to nil.

6 Depreciation

	2014 €000	2013 €000
Depreciation (<i>note 9</i>)	27,566	25,675
Amortisation of EU/Exchequer capital grants (<i>note 15</i>)	(17,981)	(16,084)
	9,585	9,591

7 Exceptional Operating Costs

	2014 €000	2013 €000
Business restructuring	295	(29)

8 Interest (Receivable)/Payable

	2014 €000	2013 €000
On balances with Holding Company	(92)	(238)
Other interest payments/(receipts)	5	5
	(87)	(233)

9 Tangible Fixed Assets

	Road Passenger Vehicles €000	Bus Stops and Shelters €000	Plant and Machinery €000	Total €000
Cost				
At 1st January, 2014	300,122	28,226	56,253	384,601
Additions	30,471	474	3,082	34,027
Disposals	(15,032)	–	(2,086)	(17,118)
At 31st December, 2014	315,561	28,700	57,249	401,510
Depreciation				
At 1st January, 2014	(194,686)	(10,419)	(39,579)	(244,684)
Charge for the year	(20,775)	(1,976)	(4,815)	(27,566)
Disposals	14,820	–	2,086	16,906
At 31st December, 2014	(200,641)	(12,395)	(42,308)	(255,344)
Net Book Amounts				
At 31st December, 2013	105,436	17,807	16,674	139,917
At 31st December, 2014	114,920	16,305	14,941	146,166

(a) The expected useful lives of the various types of assets for depreciation purposes are as follows:

	Lives (Years)
Road passenger vehicles	7-12
Bus stops and shelters	3-15
Plant and machinery	3-10

(b) Road passenger vehicles at a cost of €52,888,000 (2013 – €44,310,000) were fully depreciated but still in use at the balance sheet date.

(c) There are €19k of additions in respect of road passenger vehicles, being assets in the course of construction and assets not yet in service (2013 – nil).

(d) The company does not own the property in use, this is held on the financial statements of the CIÉ Holding Company.

10 Stocks

	2014 €000	2013 €000
Maintenance materials and spare parts	2,525	1,680
Fuel, lubricants and other sundry stocks	1,516	1,599
	4,041	3,279

11 Debtors

	2014 €000	2013 €000
Trade Debtors	8,786	8,108
Amounts owed by holding company (note 11a)	–	6,493
EU/Exchequer grants receivable	–	4,508
Other debtors and accrued income	28,358	1,537
	37,144	20,646

(A) Holding Company Debtor Reclassification

	2014 €000	2013 €000
Reclassified as:		
Amounts due from Holding Company	105,079	88,288
Long Term Financial Asset	138,302	98,308
Short Term Trading Account	(16,797)	6,493
Long Term Financial Liability	(16,426)	(16,513)
	105,079	88,288

12 Creditors

	2014 €000	2013 €000
Bank overdraft	–	(2,684)
Trade creditors	(5,307)	(4,972)
Income tax/levy deducted under PAYE	(2,887)	(3,191)
Pay related social insurance	(1,875)	(1,894)
Value added tax and other taxes	(394)	(2,458)
Other creditors	(1,188)	(3,106)
Amounts owed to Holding Company (note 11a)	(16,797)	–
Deferred revenue	(12,260)	(11,245)
Accruals	(15,233)	(13,623)
Voluntary severance	(1,666)	(2,528)
Third party and employer's liability claims (note 14)	(8,000)	(8,000)
Deferred income (note 15)	(19,185)	(17,139)
	(84,792)	(70,840)
Creditors for taxation and social welfare included above	(5,156)	(7,543)

13 Lease Obligations

	2014 €000	2013 €000
Operating Leases		
Commitments under non-cancellable operating leases payable in the coming year expire as follows:		
Within one year	101	97
Between one and five years	97	62
	198	159

14 Provision For Liabilities and Charges

	2014 €000	2013 €000
Third party and employer's liability claims		
Balance at 1st January	80,547	82,181
Utilised during the year	(5,787)	(7,615)
Transfer from profit and loss account	7,500	5,981
Balance carried forward at 31st December	82,260	80,547
Apportioned:		
Current liability (<i>note 12</i>)	8,000	8,000
Amounts falling due after more than one year	74,260	72,547
	82,260	80,547

Any losses not covered by external insurance are charged to the consolidated profit and loss account and unsettled amounts are included in provisions for liabilities and charges.

Provisions coming forward from previous years have been transferred to the consolidated profit and loss account based on recent claims history.

(A) External Insurance Cover

Córas Iompair Éireann has, on behalf of the company, the following external insurance cover:

- (i) Third Party Liability in excess of €2,000,000 on any one occurrence or series of occurrences arising out of any one road transport event, except in the case of claims subject to United States jurisdiction where the excess is US\$3,300,000.
- (ii) Third party liability for the Group in excess of €2,000,000.
- (iii) In addition, each of the subsidiary companies within the Group has aggregate cover in the twelve month period, April 2014 to March 2015, for rail and road transport third party liabilities in excess of a self insured retention of:

Iarnród Éireann – Irish Rail	€11,000,000
Bus Átha Cliath	€15,000,000
Bus Éireann – Irish Bus	€11,000,000

subject to an overall Group self insured retention of €27,000,000 in the annual aggregate after which any individual self insured retention in that annual period will be €50,000.
- (iv) Group Combined Liability Insurance, which does not exclude Terrorism liability, overall indemnity is €200,000,000 for the twelve month period, April 2014 to March 2015, for all rail and road transport Third Party and Other Risks liabilities.
- (v) All Risks, including storm damage, with an indemnity of €200,000,000 in respect of Group's property in excess of €1,000,000 on any one loss or series of losses, with the annual excess capped at €5,000,000 in aggregate after which any individual self insured excess in that annual period will be €100,000.
- (vi) Terrorism damage indemnity cover for the Group is €200,000,000 with an excess of €10,000,000 each and every loss except for railway and road rolling stock whilst in transit where the excess is €500,000 each and every loss in Ireland/Northern Ireland and €250,000 each and every loss in the United Kingdom (excluding Northern Ireland).

(B) Third Party and Employer Liability Claims Provisions and Related Recoveries

Provision is made at the year-end for the estimated cost of liabilities incurred but not finalised at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to the company. The estimated cost of claims includes expenses to be incurred externally in managing claims but excludes the internal overhead of claims management fees. The company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

In calculating the estimated cost of outstanding potential liabilities the company calculates individual file valuations to which contingency provisions are added with the assistance of external actuarial advice. The actuary's mathematical modelling is generally based upon statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the potential liabilities to increase or reduce when compared with the cost of previously finalised claims including, for example, changes in the legal environment, the effects of inflation, changes in operational activity and the impact of large losses.

In estimating the cost of claims notified but outstanding, the company has regard to the accident circumstances as established by investigations, any information available from legal or other experts and information on court precedents on liabilities with similar characteristics in previous periods. Exceptionally serious accidents are assessed separately from the averages indicated by actuarial modelling.

The estimation of IBNR claims is subject to a greater degree of uncertainty than the estimated liability for claims already notified to the company, because of the lack of any information about the claim event except in those cases where investigators have been called to the scenes of accidents. Claim types which have a longer development tail and where the IBNR proportion of the total reserve is, therefore, high will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these reserves.

Provisions for claims are calculated gross of any reinsurance recoveries where such recoveries can be reasonably estimated. Reinsurance recoveries in respect of estimated IBNR claims are assumed to be consistent with the historical pattern of such recoveries, adjusted to reflect changes in the nature and extent of the company's reinsurance programme over time. An assessment is also made of the recoverability of reinsurance recoveries having regard to notification from the company's brokers of any re-insurers in run off.

15 Deferred Income

This account represents EU/Exchequer grants which are accounted for in accordance with accounting policy E.

	2014 €000	2013 €000
Balance at 1st January	101,228	85,390
Received and receivable	56,892	32,061
Transfer to profit and loss account		
Amortisation of capital grants (<i>note 6</i>)	(17,981)	(16,084)
Revenue grant (<i>note 5</i>)	(358)	(139)
Balance carried forward at 31st December	139,781	101,228
Apportioned:		
Current liability (<i>note 12</i>)	19,185	17,139
Amounts falling due after more than one year	120,596	84,089
	139,781	101,228

(A) Disclosure in accordance with Department of Finance Circular reference 17/2010

	2014 €000	2013 €000
Capital Grants		
Vehicles and Plant	56,740	32,123
Property	–	–
Asset additions prior year paid	4,509	9,755
Asset additions prior year outstanding	–	(4,509)
Total Paid	61,249	37,369
Revenue Grants		
Revenue Grants to Profit & Loss Account	220	139
Prior year	–	–
Current year outstanding	–	(95)
Total Paid	220	44
Total Payments	61,469	37,413

The amount and term of the Capital Grants are amortised over the useful lives of the assets. Revenue Grants are brought to Profit and Loss in full in the relevant year received. The relevant agency and programme is the NTA and the Capital Funding Programme 2014. Grants are restricted to Public Service Obligation (PSO) activities.

16 Share Capital

	2014 €000	2013 €000
Authorised:		
Ordinary shares of €1.27 each at 1st January	126,974	126,974
Increase in Authorised Shares	–	–
Ordinary shares of €1.27 each at 31st December	126,974	126,974
Allotted, called up and fully paid:		
Ordinary shares of €1.27 each at 1st January	69,836	69,836
Increase in Issued Shares	–	–
Ordinary shares of €1.27 each at 31st December	69,836	69,836

17 Reconciliation of Movements in Equity Shareholders' Funds

	2014 €000	2013 €000
Balance at 1st January	18,161	17,680
Surplus for the year	11,569	481
Ordinary Shares issued	–	–
Balance at 31st December	29,730	18,161

18 Cash Flow Statement

(A) Reconciliation of operating deficit operating cash flows

	2014 €000	2013 €000
Operating deficit before interest and Public Service Obligation payment	(48,557)	(64,292)
Public Service Obligation (<i>note 3</i>)	60,039	64,540
	11,482	248
Depreciation (<i>note 6</i>)	27,566	25,675
Amortisation (<i>note 6</i>)	(17,981)	(16,084)
Gain on disposed of Assets	(646)	(785)
Decrease/(increase) in Stocks	(762)	190
(Increase) in Debtors	(21,009)	(7,420)
(Decrease)/Increase in Creditors and Provisions	16,311	(30,754)
Net cash (outflow)/inflow from operating activities	14,961	(28,930)

(B) Analysis of cash flows for headings netted in the cash flow statement

	2014 €000	2013 €000
Servicing of finance		
Interest received	92	238
Other interest (payments)	(5)	(5)
Net cash inflow from servicing of finance	87	233
Capital expenditure		
Purchase of Tangible Assets	(34,027)	(35,338)
(Increase)/Decrease in Financial Assets	(39,994)	22,358
Long Term Capital	(87)	(265)
Receipts from sales of tangible fixed assets	646	708
EU/Exchequer Capital Grants	61,249	37,369
Net cash inflow/(outflow) from capital expenditure	(12,213)	24,832

(C) Analysis of Net Debt

	At 1st Jan 2014 €000	Cash Flow €000	At 31st Dec 2014 €000
Cash in Hand and at Bank	–	151	151
Overdraft	(2,684)	2,684	–
	(2,684)	2,835	151

19 Pensions

The employees of Bus Átha Cliath are members of the Córas Iompair Éireann Group pension schemes. The Córas Iompair Éireann Group operates two defined benefit pension schemes covering the majority of employees, each of which is funded by contributions from the Group and the members.

The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method. It is not possible to identify the individual members' shares of the Córas Iompair Éireann Group pension scheme assets and liabilities, on a consistent and reasonable basis as even if it were possible to allocate non-active members across subsidiaries based on last day of employment, members may have worked for more than one subsidiary. Therefore, it is not possible to identify to whom the liability (and corresponding asset) for successive periods of employment belongs. The contributions to these schemes have been accounted for, as if it were a defined contribution scheme as permitted by Financial Reporting Statement (FRS) No. 17 (Retirement Benefits) by the Córas Iompair Éireann Group companies.

The most recent actuarial valuations of the schemes for the provisions of FRS 17 showed that at 31st December 2014 there was a deficit of €701.8 million (2013: €417.8 million) on the schemes.

The pension cost for the year on the defined benefit schemes was €11.2 million. These costs are also included in note 4.

20 Capital Commitments

	2014 €000	2013 €000
Contracted for	20,792	10,308
Authorised by the Directors but not contracted for	–	28,579
	20,792	38,887

21 Contingent Liabilities

Pending Litigation

The company, from time to time, is party to various legal proceedings. It is the opinion of the directors that losses, if any, arising in connection with these matters will not be materially in excess of provisions made in the financial statements.

Guarantees

The CIÉ Group has borrowings of €66,515,000 at the balance sheet date. These borrowings are cross guaranteed by Bus Átha Cliath and the other subsidiaries in the CIÉ Group.

22 Related Party Transactions

Entities controlled by the Irish Government are related parties of the company by virtue of the Irish Government's control of the holding company, Córas Iompair Éireann. On December 1st 2009, Bus Átha Cliath and the NTA entered into a direct award contract under the provisions of the Dublin Transport Authority Act 2008, to provide specified public service obligation services. Bus Átha Cliath entered into a subsequent direct award contract in December 2014.

In the ordinary course of business the company purchases goods and services from entities controlled by the Irish Government, the principal of these being various City and County Councils, the Dublin Airport Authority and the ESB. The directors are of the opinion that the quantum of these purchases is not material in relation to the company's business.

The financial statements of Córas Iompair Éireann provide the information required by Financial Reporting Standard No. 8 (Related Party Disclosures) concerning transactions between that company, its subsidiaries and the Irish Government.

23 Membership of Córas Iompair Éireann Group

Bus Átha Cliath – Dublin Bus is a wholly owned subsidiary of Córas Iompair Éireann (CIÉ – Group) and the financial statements reflect the effects of Group membership. Some group wide functions such as Treasury, Legal, Property and Pensions are carried out by the Holding Company on a shared services basis. Copies of the CIÉ consolidated financial statements can be obtained from the Company Secretary at Heuston Station, Dublin 8, Ireland.

24 Approval of Financial Statements

The directors approved the financial statements on 25th March 2015.

