



**ANNUAL
REPORT**



Tuarascáil Bhliantúil 1975

1975

Coras Iompair Éireann

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Tuarascáil Bhliantúil 1975

Members of the Board

Dr. Liam St. J. Devlin, Chairman

Mr. D. Larkin

Mr. W. J. Fitzpatrick

Mr. E. Markey

Mr. J. A. Bristow

Mr. B. Connaughton

Mr. E. Farrell

CHAIRMAN'S REVIEW

A Significant Year

For many reasons 1975 was a significant year in the history of C.I.E. It was a difficult year; the deficit amounted to £28.1m, there was an embargo on recruitment, a definitive retrenchment programme was adopted and implemented, some services were attenuated and others were withdrawn. But notwithstanding the forces of recession and inflation, a new dynamism emerged. The Board recognised that it was not possible to provide all the public transport requirements of the nation and that C.I.E.'s role was to provide reasonable, efficient and economical transport services within the capacity of the undertaking's human and financial resources with a commitment to the railway and road passenger modes. Furthermore, it was recognised that, in the past, resources had been spread too thinly over the various and diverse activities of C.I.E. and, as a consequence, it had not been possible to satisfy either the community or those who worked and managed the services. Therefore, it was decided that priorities should be determined after taking into account social need and commercial benefit and that total resources should be devoted to meeting these priorities. In this context, it is appreciated that the traditional remedy of reducing services and cutting capital expenditure is not desirable. What is needed are new concepts of transport services, new work methods and new systems.

Revenue/Expenditure Predicament

A feature of the Board's operations during the past five years has been the absence of an identifiable sustained growth in the volume of traffic. There is an over manning situation in C.I.E. but this arises from the structure of the services, the working methods and systems employed rather than from exceptionally low individual productivity.

However, in the matter of basic pay, C.I.E. is not a leader and many of the staff work overtime in order to raise take home pay. It is the Board's aim to secure a progressive improvement in wages and living standards through improvement in productivity.

To resolve this problem of rising costs and falling revenue it is necessary to design services, which will stimulate growth in the volume of freight and in passenger numbers, which will reduce manning and costs, and which will increase basic wages and stabilise employment. These aims are not incompatible but they call for new ways of doing things, more enthusiasm and commitment from the staff and better management.

All of this has concerned the Board during 1975. The Rail Development Plan was reviewed and subsequently modified. Managers were encouraged and helped to eliminate jobs by reorganising working methods. Customer choice of services was limited in exchange for punctuality and reliability. I met the Trade Unions on two occasions to explain the problems as well as the development plans and programmes. Productivity negotiations were commenced in every area with a view to a reduction in manning and an increase in basic pay. A substantial beginning was made during the year and a momentum was established.

The Railway Plan

Henceforth the railway system will be a radial network, linking Dublin with Sligo, Ballina, Westport, Galway, Limerick, Tralee, Cork, Waterford, and Wexford. The upgrading of these lines has already commenced.

The track maintenance and improvement programme is now the responsibility of three engineering divisions at Dublin, Athlone and Limerick. These divisions are centrally controlled in order to get the best use of equipment. It is the aim to raise the maximum speed on the Dublin/Cork line to 80 miles per hour by 1977 and the average maximum speed on the other lines to 70/75 miles per hour within the next five years.

It is planned to operate air conditioned passenger coaches on all radial routes. Journey times will be shortened and frequency of service will be related to potential passenger traffic. Furthermore the fares schedule will be revised and simplified.

Rail freight will be moved in block trains and shunting will be at a minimum. Bulk traffics will be transported in full train loads. A new concept for the collection, movement and delivery of sundries is being tested; these sundries which will be consolidated in 10' containers will be forwarded on scheduled liner trains. The liner trains will provide capacity for full unit load, sundries in unit load form and parcels traffic. Ultimately we hope to convince the Department of Posts and Telegraphs of the advantage of moving mails in containers.

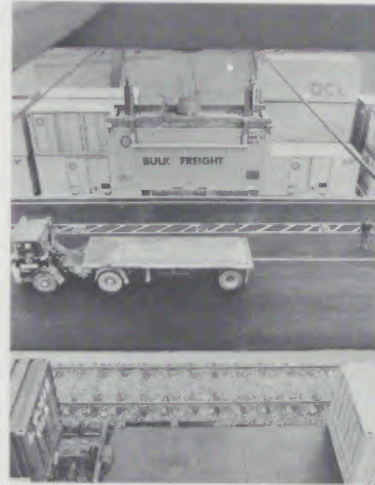
Track capacity depends on the efficiency of the signalling system. The Board has commissioned a communications study with a view to installing a fundamental telecommunications network which will provide for, an automatic signalling system, data

transmission, real time computer terminals and a PABX telephone system with access to locomotive cabs.

Road Passenger Development

During the past decade the cost of maintenance of road passenger vehicles has escalated and these costs have been aggravated by the relatively low availability of buses. There have been times when only 75% of the Dublin City fleet has been available for service. These difficulties forced a re-examination of the bus programme. As a result of an extensive survey and discussions with other fleet owners, three new bus types are being developed in conjunction with Van Hool/McArdle. The new buses will be powered by General Motors engines and will be air-sprung. Chassis and bodies will be constructed in Dublin and the first of the single-decker fleet will be available by the beginning of 1978. A satisfactory system of automatic vehicle monitoring has been developed for the Dublin City Services and the system will facilitate a more efficient monitoring of operations. This should enable bus controllers to match the actual operation more closely to the advertised frequency of services and this, in turn, should encourage an increase in passenger numbers.

Negotiations are proceeding for one-man operation of double-decker buses and the extension of one-man operation to all provincial services. The fares system will be simplified and it is envisaged that a single fare will apply in the provincial cities. The number of express country services has been increased and these services will complement rather than compete with the railway system.



Role of Road Freight

The basic change in the road freight activity is essentially a change in role. Resources will be allocated for the development of railhead road freight services and other road services which complement the railway operation. As with the road passenger services, the road freight will complement the railway operation not compete with it.

The Future

The immediate aim of the Board is to contain the annual deficit in real terms taking the year 1975 as a base. Developments will take place in the three areas described but withdrawal, where possible, from activities which are not directly associated with the Board's objectives is under consideration.

The Board is at present concerned with the maintenance of the canals, the operation of cross channel freight movements, financial participation in ferry operations and the management of a harbour and the operation of a chain of Hotels. It is difficult to explain the compatibility of these activities with the Board's main task of providing reasonable, efficient and economical transport services within the capacity of the resources available.

It is the intention to continue in the hotel business but a rationalisation has to take place. It is not easy to promote simultaneously the resort type of hotel such as Bundoran, Sligo, Mulrany and Kenmare and hotels

such as Killarney and Galway where guests stay for shorter periods. Both types cater for different businesses and while O.I.E. was a stimulant to the hotel industry during the 1960s and indeed primed the expansion of first class hotels in Ireland, the raison d'etre for C.I.E. to be involved in hotels must ultimately be re-examined by the Board. In the meanwhile a five-year marketing strategy and an operational plan have been approved.

The Board, which meets regularly at three-weekly intervals, is conscious of the problems and the difficulties which face the organisation. But the Board is also satisfied with the plans which have and are being formulated to overcome these difficulties and the members are confident that with the im-

plementation of these plans the objectives which have been set will be realised, fares will be stabilised and allowing for payments in accordance with EEC regulations (in respect of infrastructure, public service obligations and normalisation of accounts) C.I.E. should, depending on capital availability, substantially reduce the undertakings net deficit by 1981.

A handwritten signature in black ink, appearing to read 'Liam St. John Devlin', with a long horizontal flourish underneath.

LIAM ST. JOHN DEVLIN,
Chairman.

June, 1976.



REPORT

This C.I.E. Report for 1975 is the first for a calendar year, consequently the figures for 1975 are not directly comparable with those shown in the previous report which was for the nine months period 1st April, 1974 to 31st December, 1974. The outcome for the year was a total deficit of £28.085m, of

which £0.767m was in respect of O.I.E. Teoranta. It was a most difficult year for C.I.E. as the full force of the economic recession added substantially to expenditure and budgeted passenger and freight earnings were not realised.

The increase in labour costs during the year amounted to £14m and this was mainly due to payments arising from the National Wage Agreement. There was also a substantial increase in the cost of fuel and materials.

Revenue was adversely affected by the delay in getting permission to increase rates and fares and had the increases been granted with effect from 1st January, 1975, as budgeted, then a further £4m of revenue would have accrued. Freight revenue was affected by the contraction of the market which led to greater competition in the road haulage area where there is an excess of supply over demand. In addition, customers utilised their own available capacity more effectively.

Included in the total subvention payment of £26.5m is an amount of £2.8m arising from a commitment by the Government to pay a special subsidy to maintain pre-May 1975 fare levels from the 28th July for road passenger services and rail commuter services. While this commitment did save the travelling public a considerable sum of money, mainline rail passenger numbers decreased because the special subsidy was not applied to rail passenger fares.

The combined effects of rising costs and reduced business activity and the consequent escalating deficit did concern the Board. A programme involving retrenchment and reorganisation was formulated and implementation commenced during the second quarter of the year.

In the month of May a ban on recruitment was imposed. While the mainline rail timetable which was introduced in March, 1975 provided for a reduction in the frequency of trains, a further attenuated timetable was introduced in November, 1975. This new timetable coincided with the closure of four branch lines, and the withdrawal of freight traffic from 39 smaller stations in accordance with the Rail Development Plan. Appropriate alternative road services were provided. At the same time the conveyance of livestock by rail was discontinued and road freight collection and delivery services and road freight scheduled services were attenuated in line with traffic demands.

Economies were also achieved by negotiating a number of productivity agreements, and as a result of the measures taken, staff numbers were reduced by 1,171 and expenditure savings of approximately £1m were achieved. Further schemes are under discussion with the Trade Unions with a view to increasing efficiency, improving the level of services and reducing the cost to the community and it is hoped to reach agreement on these schemes in 1976.

The purpose of the retrenchment programme is to reduce costs, improve efficiency and divert resources to areas where C.I.E. can provide economic and efficient services. The Rail Development Plan, which was originally prepared in 1972, was reviewed and the updated plan was approved by the Board at the end of the year. The new plan provides for an acceleration in the upgrading of the railway infrastructure. The Board will invest in modern maintenance of railway equipment and technology and although manpower will be reduced, output will be increased substantially. The plan also proposes a change in the methods for dealing with Sundries traffic and in this context it involves a significantly smaller capital commitment than that originally envisaged. The objective of the plan is to break even on freight after taking into account the grants payable under EEC regulations.

Dublin City Services carried 216m passengers during 1975. This was not unsatisfactory in view of the difficulties experienced in maintaining service levels because of the increased incidence of illness among bus crews. Furthermore, traffic conditions within the city continued to impose severe operational problems both in the context of frequency of service and journey times.

Long-distance road passenger services are being developed under two headings, (a) the stage carriage or stopping services which are essentially local services and (b) the inter-town and inter-city services which are being converted to fast express services. The express services, a number of which were introduced this year, are complementary to the existing rail services. They are designed to serve areas in which there is no railway, to provide for cross radial journeys and to give a service to towns which cannot be adequately served by rail. During 1975 an effective

advertising promotion was implemented to establish the brand name of Expressway and to produce a greater awareness of the growing network of these services in the country. The outcome was a 50% growth in Expressway traffic and overall provincial bus services increased carryings by 1m passengers.

Extended tour operations showed signs of improvement in 1975 and were profitable; the indications are that the trend will continue in 1976. Private hire on the other hand, showed a loss.

Despite major economies and a reduction in numbers, road freight operations incurred a loss during the year. However, about 40% of the deficit arose because of the delay in obtaining official approval for an increase in charges.

The heavy loss arising on the operation of the Russell Court Hotel, Belfast, distorted the hotel results. Efforts were made during the year to dispose of this Belfast hotel but these were unsuccessful. Further offers are being considered at the present time.

In the field of transportation planning, studies on (1) the Dublin Rail Rapid Transit System and (2) the Dublin Transportation Centre were completed. These reports conclude the conceptual transport planning for the Dublin conurbation. The detailed design and implementation phases will commence as soon as Local Authority and Government approvals are secured. Both reports have been sent to the Local Authorities concerned and C.I.E. has asked that appropriate provision for the alignments and development areas be made in the revised Draft Development Plan for the Dublin conurbation.

The first phase of the Rail Rapid Transit project involves the upgrading of the Dublin suburban rail system. As the Government had already agreed in principle to the development of the Dublin suburban rail services following the earlier recommendations of the Dublin Transportation Study, the Board commissioned a report on the design of an electrified system between Howth and Greystones. The report is expected to be completed in 1976.

In Cork the Regional Development Organisation is initiating a transportation study for the Cork Area. C.I.E. assisted the work of the Steering and Technical Committees and recently a consortium of consultants was selected and it is hoped that the transportation study will be undertaken before the end of 1976.

In February, 1975 the Board announced a re-appraisal of the role and objectives of the undertaking and subsequently the top management structure was reorganised and the principal management functions were concentrated under six Assistant General Managers, responsible for Railways, Operations, Marketing, Finance, Personnel and Engineering Projects. The rail and road mechanical engineering functions were separated and the latter is now embraced within the Road Passenger and Road Freight Planning Groups.

Mr. John J. Byrne resigned from his post as General Manager in December, 1975 and Mr. John F. Higgins, who was Director of Transportation, was appointed by the Board to succeed Mr. Byrne as General Manager.



RAILWAYS

Rail revenue in 1975 was £20.271m., expenditure was £40.434m. leaving a deficit of £20.163m.

The general economic recession had a marked impact on both passenger and freight revenue and the working result was affected to a marked degree by the rapid increase in costs, reduced business activity and increased competition from private road hauliers. Passenger carryings, which numbered 13,891,145, were affected by the above factors as well as by the continuing unrest in Northern Ireland. Freight traffic also declined and there were substantial reductions in the movement of cement, sundries, fertilisers, steel and barytes.

During the year it was necessary to curtail certain passenger and freight services and, under the terms of the Rail Development Plan, four branch lines were closed and freight facilities were withdrawn from 39 stations with effect from 3rd November, 1975. The branch line closures were:—

Ardee—Dromin Junction
Loughrea—Attymon Junction
Collooney—Claremorris
Listowel—Ballingrane

With the exception of the Loughrea branch, on which there was a passenger train link, all the other lines catered exclusively for freight.

The Rail Development Plan, which as previously mentioned, was updated during the year, places particular emphasis on bulk haulage, unit load movement, an improved customer service and a reduction in the cost of services. The updated plan differs from the original proposals in that:—

- (a) it is now proposed to handle sundries traffic in containers rather than in 60' rail vans. This will result in a reduction in the number of trains required and will enable sundries traffic to be worked on scheduled unit load trains.
- (b) the decision to carry sundries in containers facilitates an increase from 24 to 41 in the number of locations for handling this traffic. By reducing sundries road delivery movements a significant reduction in road freight costs will be effected.
- (c) it is now proposed to develop existing Dublin sundries stores to cater for the new system and this will obviate the necessity of building the proposed central sundries store in Heuston. There will be a consequent saving in capital expenditure.
- (d) mobile lifting equipment will be provided in some locations rather than the gantries originally proposed. This will give greater flexibility in operation and will allow equipment to be transferred to alternative locations should circumstances require it.

The updated capital requirement for railhead development and equipment is about £5m less than that originally envisaged.

The Rail Development Plan contained provision for a new freight terminal at North Esk near Cork and this was opened during the year. The complex which covers 20 acres, with another 25 acres available for expansion, has a loading area which can accommodate 280 full size containers stacked two high. It has a 23 ft. wide roadway and four sets of tracks spanned by a gantry and can cater for unit load trains up to 800 ft. long.

There was a further expansion in 1975 in the number of Company liner trains.

During the year the Heuston Carriage valetting depot in Dublin was commissioned; its purpose is to provide maintenance and cleaning service for trains on a scheduled fixed interval basis.

The first phase of the modernisation of the signal system between Dublin and Ballybrophy was completed and will be put in service early in 1976. It is intended to install automatic signalling throughout the rail network and this will be integrated with a modern communication system which, among other things, will cater for the transmission of freight documentation and management information. A special study of these aspects will be undertaken in 1976.

Alternative road services from the railhead in Derry were provided by C.I.E. following the Londonderry and Lough Swilly Railway Company's decision in June to discontinue servicing rail traffic by road from Waterside Station.

There was a continued growth rate in Dublin Rail Commuter travelling and the rail/bus commuter ticket is being purchased by an increasing number of commuters. The new Dublin suburban rail timetable provides for an increase in the number of trains at peak hours and the evening services have been cancelled because of poor demand. Sunday trains on the Northern section were also cancelled for the same reason and seaside services were confined to the nine peak Sundays of the Summer. With the introduction of the suburban timetable, Booterstown Station was re-opened and it is being served by 39 trains a day.

During the year there was frequent disruption of the cross-border passenger and freight services as a result of bomb scares, damage to permanent way by explosion, hi-jacking of trains and damage to rolling stock. Three locomotives were extensively damaged and one locomotive and 12 wagons were slightly damaged in incidents on the Belfast line.

Five people lost their lives and 22 were injured on New Year's Eve when the 08.05 Rosslare/Dublin train was derailed at Clough Bridge between Ferns and Gorey. The derailment was caused when a hydraulic excavator on a low loader struck the bridge and dislodged the girders and sleepers some minutes before the train was due. The engine passed over the gap, derailed and capsized. The first two coaches were completely demolished. The Board wishes to extend again its sympathy to the relatives of those who lost their lives as well as those who were injured in this accident.



DUBLIN CITY SERVICES

Revenue for the year from Dublin City Services amounted to £16.813m, while expenditure, including financial charges, was £21.848m, leaving a net deficit of £5.035m.

There is a continual monitoring and development of routes in order to improve the level of service. There was a further extension of the radio telephone control system and this helped to combat the increasingly difficult traffic conditions. The principal developments included the introduction of a new route, the 17A, linking the Howth Junction suburban rail station with Finglas via Coolock, Santry and Ballymun. On route 85 services were extended to provide a town bus service in Bray and on the 77 route there was an extension to cater for the latest housing development in the Springfield area of Tallaght.

After extended negotiations, the 40-hour week (5.4 day week) for bus operatives was introduced in May, 1975.

Work on the installation and testing of the automatic vehicle monitoring system continued during the year. The results of the tests so far have been very good. It is expected that the final results will be available early in 1976. A proposal to extend the system to all garages is being considered.

A number of recommendations to improve bus operation in the city, including a contra flow bus lane and the reversal of the traffic flow on the quays, was discussed at meetings of the Traffic Study Group—a body which comprises C.I.E. management and Dublin Corporation officials. In addition, a Traffic Study Group for Dublin County was established. However, no practical progress has been made in getting priorities for public transport notwithstanding that such priorities are now common place in similar sized cities all over Europe.

The petrol shortage during one week in April allowed C.I.E. to demonstrate the role of public transport in carrying large volumes of passengers quickly and efficiently given suitable traffic conditions. At the peak of the fuel shortage city services were carrying 800,000 passengers a day with no increase in passenger waiting time.

ROAD SERVICES

Passenger/Provincial

The growth in Expressway traffic was the most significant development in C.I.E.'s provincial road passenger services during 1975. Passenger numbers carried on these express or limited stop coach services increased substantially during the year, a factor which demonstrates the changing passenger demand in provincial bus operation.



Revenue from the provincial services amounted to £13.618m, while expenditure, including financial charges, amounted to £14.465m, resulting in a net deficit of £847,000.

The total number of passenger journeys for the year was 60m, while, at the close of the year, 153,000 schoolchildren were being carried by the free school transport system compared to 146,000 in January, 1975. The increase occurred both in the number of primary and post-primary children carried.

A through Galway/London Expressway serving Athlone, Dublin, Birmingham, Coventry and Watford operated at weekends from May to September. This service was very successful and was re-introduced in December with the intention of making it a regular all-year service.

During the year productivity negotiations were initiated with the Trade Unions over the whole range of bus activity throughout the system. These talks are at present continuing.

The provincial bus fleet, for long distance services and provincial city services, was reduced by approximately 8% during the year despite a slight increase in mileage and an increase in the number of services provided.

The performance of the buses over the years has concerned the Board. Low availability, poor reliability and high maintenance costs have been and continue to be a feature of bus operation. This question has been under continuous study and it is hoped that proposals now under consideration will improve the position.

Towards the end of 1974 a firm of consultants was appointed to develop and install a system of work

measurement for all C.I.E. road vehicles maintenance garages. Work commenced on the assignment in January, 1975 and was completed at the end of December, 1975.

Road Freight

As in all the other functions, the financial results for road freight suffered from the delay in securing approval to increase rates. The loss in this connection was £300,000 of the total deficit of £740,000.

During the year major reorganisations were carried out, mainly in the Dublin City depots. Following a detailed survey, a complete re-arrangement was made of the railhead and scheduled services throughout the country. Transport House, Dublin, was closed in December. The total staff numbers employed in the road freight function were reduced by 243 during the year, and the number of vehicles in the fleet was reduced in line with requirements. A firm of consultants produced a scheme for the installation of work measurement in all road freight maintenance garages and progress on implementation is now in hands.

The economies derived from this implementation were only marginally effective in 1975 but the full benefit will be achieved in 1976.

Arising from the reorganisation and the implementation of the skilled craftsmen and supervisory productivity agreements, compensatory payments to staff to the extent of £319,000 were charged to expenditure in 1975.

Viewed, therefore, against the background of the rates delay (£300,000) and the abnormal once-off payments (£319,000), the total deficit of £740,000 indicates that the function operated reasonably well, especially in view of the unfavourable economic

environment and the increasing competition from private hauliers and "own account" transport. The fall off in activity in the building trade reduced the carryings of cement and there was less haulage work for County Councils.

In connection with the closure of four branch lines and the withdrawal of certain traffics from other stations, alternative road services were provided. Arising from the reorganisation of the railhead and scheduled services referred to above, it was possible to provide the substitute road services at no extra cost.

As already indicated, the Londonderry and Lough Swilly Railway Co. withdrew from the provision of railhead services from Derry to County Donegal and it was necessary for C.I.E. to make arrangements to sustain the required service from its own resources.

It is expected that the successful conclusion of the negotiations on productivity schemes, the availability of improved information data now in course of development plus the measures already taken will enable the road freight function to generate a profit.



OTHER ACTIVITIES

Tours and Private Hire

The deficit for the year for these operations was £58,000 with revenue of £2.009m being insufficient to meet expenditure of £2.067m. This reflected the general economic situation, continuing difficulties in the tourism industry and competition from private operators.

The Holy Year Pilgrimage tours to Rome were highly successful, and extended tour operations showed a profit of £20,000 but the deficit occurred in domestic private hire business.

A factor in the profitable outcome of the extended tour operations was the increased involvement in air charter business from North America. In all 40 flights were operated and it is planned to extend considerably the scope of this business in 1976.

There was no significant improvement in bookings from the United Kingdom while the Australia/New Zealand market, though small, continues to grow.



International Activities

Apart from the tours operations (the result of which are included under "Tours and Private Hire") C.I.E. is also engaged in the following international activities:

- (a) Irish Ferryways.
- (b) Continental Freight Services (including C.I.E.'s participation in the operation of the Irish Continental Line).
- (c) Aerlod Teo.
- (d) Rosslare Harbour.

The combined result for the above four activities was a deficit of £2,300.

(a) Irish Ferryways

The economic difficulties in both the Republic and the U.K. were strongly reflected in the trading performance of the C.I.E. cross channel subsidiary Irish Ferryways. To counteract the

economic difficulty a new service was introduced between New Ross and Avonmouth which together with a rate increase in September and an improving market towards the end of the year, kept losses in Irish Ferryways down to a minimum. The net loss to C.I.E. on Irish Ferryways was £16,800.

(b) Continental Freight Services

(including C.I.E.'s participation in the operation of the Irish Continental Line)

During the year, C.I.E. ceased operating its vehicles on the Continent in exercise of the three EEC multilateral licences which the Board holds, because of an increasing loss which totalled £106,000.

In order to reduce overheads it was arranged that from August 1, C.I.E.'s continental operations would be handled by Irish Ferryways at Tolka Quay in Dublin.

The Irish Continental Line had a most successful year, contributing £44,000 to C.I.E. as its proportion of the overall surplus.

(c) Aerlod

The continuing unsatisfactory return from the operations of Aerlod Teo. was demonstrated in a deficit of £8,200 for 1975.

It was decided to terminate this operation and this decision will be implemented early in 1976.

(d) Rosslare Harbour

There was a continued growth in shipping traffic at Rosslare, with British Rail operating 406 passenger and 564 freight sailings and the Irish Continental Line operating 163 ferry sail-

ings and 11 special charters. The British Rail ferry Avalon with a capacity of 1,200 passengers and 200 cars, replaced the smaller Caledonian Princess on the Fishguard route with the Preseli providing auxiliary shipping services.

Because of the increased level of sailings at Rosslare, there was severe pressure on port facilities. There was a number of delays as a result of the late arrival of the St. Patrick due to bad weather. In many instances the I.C.L. ship occupied the single berth at the scheduled arrival time of the British Rail ferry.

Vessel and Canals

The deficit on the Galway/Aran Boat Service was £87,000. The net cost of maintaining the canals, a non-trading activity, was £382,000.

Hotels and Catering

Hotels and Catering sales during the year amounted to £4,427,000.

The Hotel Group showed a loss of £767,000 after payment of interest amounting to £695,000.

As in the previous year, the major factor in the total deficit in the hotels' operations was the heavy loss arising from the operation of the Russell Court Hotel in Belfast, where a depressed market and large interest payments on borrowings combined to produce a substantial deficit. Efforts to dispose of this hotel are continuing.

Consequent on bomb damage on 25th September, 1972 to the Russell Court Hotel, a compensation payment of £377,000 for trading losses sustained has now been received.



STAFF

In June, 1975, the Chairman met representatives of the trade unions to inform them of C.I.E.'s serious financial position and to discuss with them the steps necessary if the deficit was to be contained. These steps included a continuation of the embargo on recruitment introduced in May, 1975, a suspension of claims over and above the current national wage agreement, the negotiation of productivity agreements and the interchangeability of staff.

In 1975, 64 meetings were held with representatives of the trade unions. Of these 14 were with the Rail Operative Group of unions, 12 with the Shopworker's Group, 11 with the Clerical and Supervisory, 6 with the Road Passenger and 3 with the Road Freight Group. The remainder of the meetings were with individual unions.

Agreement was reached with the Clerical and Supervisory Group on a Widows' and Children's Pension scheme for male clerical staff. In response to a claim by the Transport Committee of I.C.T.U. for a new superannuation scheme for wages grade employees, a draft scheme similar to schemes in operation in a number of public sector bodies has been sent to I.C.T.U. Discussions also took place last year on a disablement scheme for Locomotive, Road Passenger and Road Freight drivers.

There was an exceptionally high level of training courses for staff during the year when 957 courses were held with 7,892 staff attending. The extra number of courses arose because of the need for specialised training of staff prior to the introduction of Central Traffic Control Signalling on the railway. Courses were also provided in conjunction with the introduction of Universal Maintenance Standards in Dublin city and provincial garages. Rules refresher courses for rail staff, driving refresher courses for bus drivers and a series of customer relations courses for clerical staff were also organised.

Following a pilot course in 1974, a series of six pre-retirement courses were run in 1975. These were attended by 74 staff who found the experience helpful and worthwhile.

The salaries and wages bill for the year was £57,534,803. Improvements in rates of pay and conditions of service during the period accounted for £14m. Among the improvements were better sickness benefits for wages grade staff and the 5.4 day week for Dublin busmen.

Accounts

Consolidated Revenue Accounts

Railway Working Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Passenger Train Traffic	11,627,933		7,866,968	
Goods Train Traffic	8,446,964		6,087,411	
Miscellaneous	20,074,897		13,954,379	
	196,043		145,621	
Total Receipts		20,270,940		14,100,000
Expenditure				
Maintenance of Lines and Works	4,922,054		3,033,834	
Maintenance of Rolling Stock	5,982,203		3,693,487	
Fuel	1,566,912		1,319,208	
Operating and Other Expenses	21,436,425		12,435,598	
Provision for Renewal of Lines and Works	2,941,800		1,950,800	
Operating Depreciation	1,563,145		1,032,989	
Total Expenditure		38,412,539		23,465,916
Operating Deficit		(18,141,599)		(9,365,916)
Financial Charges		2,021,265		1,223,809
Net Deficit carried to Profit and Loss Account		(£20,162,864)		(£10,589,725)

Consolidated Revenue Accounts

Road Passenger Working Account
Dublin City Services

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Passenger Services	16,724,354		8,117,797	
Miscellaneous	88,988		26,965	
Total Receipts		16,813,342		8,144,762
Expenditure				
Maintenance of Buildings	167,002		83,166	
Maintenance of Vehicles and Equipment	4,673,722		2,670,234	
Fuel	1,266,345		674,830	
Road Tax and Licences	266,979		196,415	
Operating and Other Expenses	13,738,463		6,347,255	
Operating Depreciation	1,236,643		797,638	
Total Expenditure		21,349,154		10,769,538
Operating Deficit		(4,535,812)		(2,624,776)
Financial Charges		499,230		317,905
Net Deficit carried to Profit and Loss Account		(£5,035,042)		(£2,942,681)

Consolidated Revenue Accounts

Road Passenger Working Account Provincial Services

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Passenger Services	13,243,788		8,372,366	
Miscellaneous	374,031		230,953	
Total Receipts		13,617,819		8,603,319
Expenditure				
Maintenance of Buildings	72,551		53,395	
Maintenance of Vehicles and Equipment	3,919,664		2,293,472	
Fuel	962,850		671,348	
Road Tax and Licences	175,545		134,876	
Operating and Other Expenses	8,490,995		4,923,585	
Operating Depreciation	726,394		533,326	
Total Expenditure		14,347,999		8,610,002
Operating Deficit		(730,180)		(6,683)
Financial Charges		116,627		86,752
Net Deficit carried to Profit and Loss Account		(£846,807)		(£93,435)

Consolidated Revenue Accounts

Road Passenger Working Account Tours and Private Hire

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Passenger Services	1,926,921		1,451,016	
Miscellaneous	81,898		50,361	
Total Receipts		2,008,819		1,501,377
Expenditure				
Maintenance of Buildings	12,113		8,071	
Maintenance of Vehicles and Equipment	303,010		226,120	
Fuel	111,605		85,437	
Road Tax and Licences	21,487		17,059	
Operating and Other Expenses	1,397,754		1,046,594	
Operating Depreciation	210,562		143,767	
Total Expenditure		2,056,531		1,527,048
Operating Deficit		(47,712)		(25,671)
Financial Charges		10,021		17,722
Net Deficit carried to Profit and Loss Account		(£57,733)		(£43,393)

Consolidated Revenue Accounts

Road Freight
Working Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Goods Services	8,982,374		6,180,457	
Miscellaneous	97,430		51,751	
Total Receipts		9,079,804		6,232,208
Expenditure				
Maintenance of Buildings	45,211		37,845	
Maintenance of Vehicles and Equipment	1,497,058		1,019,805	
Fuel	616,024		523,421	
Road Tax and Licences	250,477		188,129	
Operating and Other Expenses	6,458,836		4,060,255	
Operating Depreciation	737,355		456,042	
Total Expenditure		9,604,961		6,285,497
Operating Deficit		(525,157)		(53,289)
Financial Charges		214,914		150,619
Net Deficit carried to Profit and Loss Account		(£740,071)		(£203,908)

Consolidated Revenue Accounts

International Activities
Working Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Harbour Services	519,496		325,948	
Freight Services (Net)	465,439		404,558	
Total Receipts		984,935		730,506
Expenditure				
Maintenance, Operating and Other Expenses	896,180		633,608	
Operating Depreciation	41,319		34,654	
Total Expenditure		937,499		668,262
Operating Profit		47,436		62,244
Financial Charges		61,753		45,617
		(14,317)		16,627
Share of Associated Company's Profit		12,000		—
Provision for share of Associated Company's Loss —No longer required		—		42,000
Net (Deficit)/Profit carried to Profit and Loss Account		(£2,317)		£58,627

Consolidated Revenue Accounts

Hotels, Refreshment Rooms and Restaurant Cars Working Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Hotels, Refreshment Rooms and Restaurant Cars		4,427,214		3,085,230
Expenditure				
Maintenance of Buildings, Cars and Equipment	149,886		117,277	
Provisions, Wines, etc.	1,753,360		1,144,392	
Other Direct Expenses	2,086,894		1,354,269	
Other Expenditure	971,060		622,790	
Total Expenditure		4,961,200		3,238,728
Operating Deficit		(533,986)		(153,498)
Realised Surplus on Sales of Premises	20,312		—	
Consequential Loss Claim (Note 14f)	377,334		—	
		397,646		—
		(136,340)		(153,498)
Financial Charges		635,287		435,913
Net Deficit carried to Profit and Loss Account		(£771,627)		(£589,411)

Consolidated Revenue Accounts

Canals Working Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Rents	31,973		24,286	
Miscellaneous	7,527		5,166	
Total Receipts		39,500		29,452
Expenditure				
Maintenance of Buildings	15,459		9,457	
Maintenance of Waterways and Works	309,245		158,070	
Operating and Other Expenses	96,492		51,912	
Total Expenditure		421,196		219,439
Operating Deficit		(381,696)		(189,987)
Financial Charges		—		—
Net Deficit carried to Profit and Loss Account		(£381,696)		(£189,987)

Vessel Working
Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Receipts				
Passenger Traffic	92,818		79,364	
Goods Traffic	31,685		20,023	
Miscellaneous	1,559		1,442	
Total Receipts		126,062		100,829
Expenditure				
Maintenance of Vessel and Equipment	56,597		26,482	
Fuel	5,546		3,148	
Operating and Other Expenses	140,021		107,050	
Operating Depreciation	4,070		3,050	
Total Expenditure		206,234		139,730
Operating Deficit		(80,172)		(38,901)
Financial Charges		6,400		5,046
Net Deficit carried to Profit and Loss Account		(£86,572)		(£43,947)

Consolidated Profit and Loss Account

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
WORKING ACCOUNTS:				
Net Profits/(Deficits) from				
Railway	(20,162,864)		(10,589,725)	
Road Passenger—Dublin City Services	(5,035,042)		(2,942,681)	
—Provincial Services	(846,807)		(93,435)	
—Tours and Private Hire	(57,733)		(43,393)	
Road Freight	(740,071)		(203,908)	
International Activities	(2,317)		58,627	
Hotels, Refreshment Rooms and Restaurant Cars	(771,627)		(589,411)	
Canals	(381,696)		(189,987)	
Vessel	(86,572)		(43,947)	
		(28,084,729)		(14,637,860)
Financial Charges (Note 3)	3,565,497		2,283,383	
Allocation to Working Accounts	Cr. 3,565,497		Cr. 2,283,383	
Net Deficit		£28,084,729		£14,637,860
Financed as follows:				
Non-repayable State Grants under				
Section 6, Transport Act, 1964	—		2,650,000	
Section 2, Transport (No. 2) Act, 1974	—		11,300,000	
Sub-head D.1 Vote 42, 1975 of Dail Eireann				
(a) Grant in respect of rail passenger services under E.E.C. Regulation 1191/69	10,487,000		—	
(b) Grant for the normalisation of accounts of railways under E.E.C. Regulation 1192/69	1,187,000		—	
(c) Grants in respect of public service obligations not covered by E.E.C. Regulations 1191/69, railway infrastructure costs and residual deficits, as permitted by E.E.C. Regulation 1107/70	14,768,000		—	
(d) Grant to cover losses incurred on the operation of the Galway/Aran Ferry service	58,000		—	
		26,500,000		13,950,000
Surplus arising on Disposal of Rolling Stock and Railway Lines previously written off		31,148		9,111
		26,531,148		13,959,111
Adverse Balance Forward (Note 8)		1,553,581		678,749
		£28,084,729		£14,637,860

Consolidated Balance Sheet at 31st December, 1975

	1975	1974
	£	£
Fixed Assets (Note 4)		
Current Assets		
Stocks of Stores	10,637,243	7,703,991
Debtors and Payments in Advance	7,447,279	6,894,154
Balance at Bankers and Cash in Hand	87,911	75,326
Bank Deposits	3,370,944	4,373,746
Investments (Note 5)	29,753	37,514
	<u>21,573,130</u>	<u>19,084,731</u>
LESS:		
Current Liabilities and Provisions		
Amount due to Bankers	4,842,160	3,895,588
Unsecured Bank Loans	2,850,000	2,568,000
Secured Term Loan (Note 14d)	250,000	125,000
Deferred Payments on Rail and Road Rolling Stock	619,574	1,052,897
Creditors and Accrued Charges	13,171,055	10,311,272
Equalisation Account for Renewal of Lines and Works	491,919	609,997
Taxation	91,084	81,453
	<u>22,315,792</u>	<u>18,644,207</u>
NET CURRENT (LIABILITIES)/ASSETS	<u>(742,662)</u>	<u>440,524</u>
TOTAL NET ASSETS	£42,940,384	£42,452,976
FINANCED BY:		
Issued Transport Stocks (Note 6)	16,884,466	18,514,460
RESERVES		
Capital Reserve (Note 7)	175,462	255,463
Profit and Loss Account (Note 8)	(2,716,988)	(1,163,407)
	<u>(2,541,526)</u>	<u>(907,944)</u>
LESS: Discount and Issue Expenses—		
Transport Stocks (Less Amounts written-off)	2,611	4,700
	<u>(2,544,137)</u>	<u>(912,644)</u>
Sinking Fund for Redemption of Transport Stocks	5,653,912	6,492,752
LESS: Investments		
5,299,128	5,299,128	6,492,752
Amounts subsequently invested by C.I.E.	354,784	—
	<u>5,653,912</u>	<u>—</u>
Dept. of Educ.—Funding of School Buses (Note 1d)	2,088,644	—
LOAN CAPITAL		
Repayable State Advances for Capital Expenditure with Interest thereon, under Section 4, Transport Act, 1964, as amended by Section 3, Transport Act, 1974	17,861,411	17,276,160
Unsecured Loan Stock 1991/96 (Note 14c)	2,500,000	2,500,000
Unsecured Bank Loans (Note 9)	5,200,000	4,000,000
Secured Long Term Loan (Note 14d)	950,000	1,075,000
	<u>26,511,411</u>	<u>24,851,160</u>
	£42,940,384	£42,452,976

1. Accounting Policies

(a) Consolidation of Accounts

The Revenue Accounts and Balance Sheets of the Oslanna Iompair Eireann Teoranta Group and of Aerlod Teoranta—wholly owned subsidiaries of the Board—have been consolidated with those of Coras Iompair Eireann in the foregoing Statement of Accounts.

The Board's subsidiary company in New York—CIE Tours International Incorporated—has been treated as a branch of Coras Iompair Eireann for accounting purposes and its results are included in Road Passenger Working Account—Tours and Private Hire.

(b) Depreciation and Provision for Renewals

The bases of calculation of depreciation and provision for renewals are set out below and are the same as in the previous financial period unless otherwise indicated.

Railway Lines and Works:

The provision for renewal of Railway lines and works is the estimated average annual cost of carrying out the programme of renewals necessary to maintain the running lines at the required standard over the period ending 31st December, 1978 based on the actual expenditure for the twenty-one months ended 31st December, 1975 and estimated expenditure for the next three years. In previous years the provision was similarly based on the expenditure for the five years ended 31st March, 1974.

Railway Rolling Stock:

Locomotives, rail cars and containers (other than those completely written off or acquired at no cost) are depreciated on the basis of original cost of vehicles in the fleet spread over expected life. Coaching stock is depreciated on the basis of replacement cost of under-age vehicles in the fleet at the commencement of the year spread over expected life. Wagons are depreciated on the basis of estimated cost of vehicles required to replace the existing fleet spread over expected life.

Road Passenger Vehicles:

Road Passenger Vehicles, with the exception of school buses, are depreciated on the basis of replacement cost of under-age vehicles in the fleet spread over expected life. School buses in the fleet at 1st April, 1974 are depreciated on the basis of their written down value at that date spread over the remainder of their expected life. New school buses coming into service after 1st April, 1974 are depreciated on the basis of original cost spread over expected life. The 1975 depreciation provision contains £124,629 in respect of the nine months ended 31st December, 1974 when depreciation was suspended pending finalisation of the financing arrangements for these buses (see Note 1 (d)).

Road Freight Vehicles:

Road Freight Vehicles are depreciated on the basis of original cost of under-age vehicles in the fleet spread over expected life. The depreciation provision for year ended 31st December, 1975, includes an additional amount of £55,537 (nine months ended 31st December, 1974, £40,928) being depreciation underprovided on certain Road Freight Vehicles withdrawn from service or due for withdrawal from service before the expiration of their expected useful lives.

Galway/Aran Island Vessel:

The vessel is depreciated on the basis of original cost spread over expected life.

Plant and Machinery:

Plant and Machinery is depreciated on the basis of original cost spread over expected life.

**Hotels, including Catering Services
Equipment:**

Hotel Premises and Other Properties—depreciation is calculated on the straight line basis at a rate of 2% per annum (12½% in respect of premises owned by Great Southern Hotels (N.I.) Ltd.—8% per annum 1974) on the net cost at 31st December, 1974. Subsequent additions and improvements are depreciated on the straight line basis over the unexpired portion of the estimated useful life of the principal asset at the date of such addition or improvement.

Equipment, Furniture, Fittings, and Motor Vehicles—depreciation is calculated on the straight line basis at rates ranging between 10% and 25% per annum. The depreciation rates presently in use are intended to write down the assets to their residual value over the remaining period of their useful lives.

(c) **Stocks of Stores**

Stocks of Stores have been valued at cost and the basis of valuation is the same as that used at the end of the previous financial period. The general basis on which cost is determined is average cost which has been computed after making adequate provision for all defective and obsolete stocks.

(d) **Department of Education—
Funding of School Buses**

As from 1st April, 1974, the acquisition of school buses is being funded by the Department of Education, who also recouped to C.I.E. the written down value of the existing school bus fleet at that date. The buses remain in C.I.E.'s fixed assets and are depreciated as described in Note 1 (b) with a corresponding amortisation of the Department of Education—Funding of School Buses.

**2. New Subvention Structure for C.I.E.
from 1st January, 1975**

In order to comply with the provisions of the EEC Regulations governing State aid to transport undertakings a new subvention structure for C.I.E. was introduced with effect from 1st January, 1975.

Particulars of the relevant EEC Regulations are as follows:—

- (a) **EEC Regulation No. 1191/69** enables payment of compensation by the State to transport undertakings in respect of losses incurred on services operated under public service obligations which are deemed essential to ensure the provision of adequate transport services. Payment is being made to C.I.E. under this Regulation in respect of losses remaining on rail passenger services after fares increases and any possible economies in operation.
- (b) **EEC Regulation No. 1192/69** provides for compensation by the State in respect of specified financial burdens borne by railway undertakings. Payments were made to C.I.E. in 1975 under this Regulation to cover the following costs in respect of rail freight operations:—
- superannuation and pensions costs less savings arising from the Board's exemption from payment of certain social welfare insurance contributions in respect of clerical and supervisory staff.
 - 50% of the costs of maintenance and control of level crossings.
- (c) **EEC Regulation No. 1107/70** specifies certain additional circumstances in which State aids may be paid to transport undertakings. Under this Regulation payments are being made to C.I.E. in respect of:—
- 50% of infrastructure costs in respect of rail freight (Article 3.1. (b)).
 - losses on the Board's road passenger services which cannot be recouped by fares increases or eliminated by economies in operation (Article 3.2.).
 - residual deficits on railway operations and losses on maintenance of canals (Article 4).

As provided for in the June 1975 budget introduced by the Minister for Finance, the Board reduced, with effect from 28th July, 1975, its fares on Dublin City bus services, provincial road passenger services and Dublin and Cork commuter rail services to the levels which obtained before 12th May, 1975. Compensation was paid to the Board to cover the losses of revenue in 1975 arising from this reduction in fares and which amounted to £1,790,000 on Dublin City bus services, £945,000 on provincial road passenger services and £76,000 on Dublin and Cork commuter rail services.

A grant is also paid to C.I.E. by the State in respect of losses incurred on the Galway/Aran ferry service.

Particulars of the total Exchequer grant of £26.5m. paid to C.I.E. under Sub-head D.1. of Vote 42 of Dail Eireann in 1975 are given in the following Table, showing the relevant provisions of EEC Regulations:—

**Notes on Consolidated Accounts
(Continued)**

	EEC Regulation Number					£
	1191/69	1192/69	1107/70 Article 3.1. (b)	1107/70 Article 3.2	1107/70 Article 4.	
RAILWAYS	£	£	£	£	£	£
Operation of Passenger Services	10,338,194					
Reduction in fares on suburban rail services from 28/7/'75	76,000					
Normalisation of Accounts (Rail Freight)						
—Class III (Pensions)		710,918				
—Class IV (Level Crossings)		151,702				
Infrastructure Grant (Rail Freight)			1,579,979			
Excess Payments	72,806	324,380				
Residual deficit Grant					6,826,283	
TOTAL—RAILWAYS	10,487,000	1,187,000	1,579,979		6,826,283	
ROAD PASSENGER						
Dublin City Services						
—Reduction in fares from 28/7/'75				1,790,000		
—Deficit on operation of services				3,245,042		
Provincial Services						
—Reduction in fares from 28/7/'75				945,000		
CANALS						
—Deficit on Maintenance					381,696	
GALWAY/ARAN						
—Grant towards losses on Ferry service						58,000
TOTAL—ALL FUNCTIONS	£10,487,000	£1,187,000	£1,579,979	£5,980,042	£7,207,979	£58,000

Note: The amounts under Regulations Nos. 1191/69 and 1192/69 in respect of "excess payments", i.e. a total of £397,186, represent the extent to which payments received from the State exceeded the deficit on rail passenger services and normalisation costs as established in the final accounts. However the residual deficit grant made to C.I.E. under Article 4 of Regulation 1107/70 was inadequate to the extent of £479,788 and this inadequacy was offset to the extent of £397,186 by the excess payments received under Regulations 1191/69 and 1192/69. After taking account of the payment of £945,000 in respect of road passenger provincial services which more than offset the deficit in respect of these services, the total net deficit on all services subventable under EEC Regulations and on the Galway/Aran ferry service was £26,512,981, compared with the total payment from the State of £26.5 million.

3. Financial Charges

The financial charges of Coras Iompair Eireann have been allocated to the Working Accounts by the Board's Officers on a basis related to the written down values of the fixed assets employed in the various sections of the Undertaking and as agreed by the Board. The financial charges of the Ostlanna Iompair Eireann Teoranta Group have been allocated to Hotels, Refreshment Rooms and Restaurant Cars Working Account and those of Aerlod Teoranta to International Activities Working Account. The consolidated total financial charges for the year ended 31st December, 1975 amounted to £3,565,497 (£2,283,383 for the 9 months ended 31st December, 1974) as follows:—

**Notes on Consolidated Accounts
(Continued)**

	12 Months to 31st December, 1975		9 Months to 31st December, 1974	
	£	£	£	£
Interest on Transport Stocks:				
2½% Transport Stock, 1965/75		37,500		56,250
3% Transport Stock, 1975/85		105,434		79,090
5% Transport Stock, 1972/77		125,000		93,750
4½% Transport Stock, 1972/77		191,250		143,438
5% Transport Stock, 1970/75		75,000		112,500
6% Transport Stock, 1977/82		120,000		90,000
12½% Transport Stock, 1980		273,125		—
		<u>927,309</u>		<u>575,028</u>
Sinking Funds:				
2½% Transport Stock, 1965/75	}	50,000	37,500	
3% Transport Stock, 1975/85				
5% Transport Stock, 1972/77		37,500		28,125
4½% Transport Stock, 1972/77		67,500		50,625
5% Transport Stock, 1970/75		22,500		33,750
6% Transport Stock, 1977/82		30,000		22,500
12½% Transport Stock, 1980		25,000		—
		<u>232,500</u>		<u>172,500</u>
Discount and Issue Expenses—Transport Stocks		3,452		1,567
Miscellaneous Rents		100,858		59,245
Interest on Repayable State Advances for Capital Expenditure		1,437,123		891,158
Sundry Interest Payable less Receivable		815,571		547,344
Associated Transport Companies:				
Guaranteed Interest to Fishguard and Rosslare Railways and Harbours Co. (in Ireland)		48,684		36,541
		£3,565,497		£2,283,383
Allocated to Working Accounts as follows:				
Railway		2,021,265		1,223,809
Road Passenger—Dublin City Services		499,230		317,905
—Provincial Services		116,627		86,752
—Tours and Private Hire		10,021		17,722
Road Freight		214,914		150,619
International Activities		61,753		45,617
Vessel		6,400		5,046
Hotels, Refreshment Rooms and Restaraunt Cars		635,287		435,913
		£3,565,497		£2,283,383

**Notes on Consolidated Accounts
(Continued)**

4. Fixed Assets

	Net Book Amount 1st Jan., 1975	CURRENT YEAR		Net Book Amount 31st Dec., 1975
		Additions	Depreciation	
Railway Rolling Stock	£ 17,566,862	£ 1,496,937	£ 1,481,632	£ 17,582,167
Road Passenger Vehicles				
Dublin City Services	5,986,988	2,760,948	1,226,821	7,521,115
Other Services (Note (a))	3,519,795	1,007,884	1,315,173	3,212,506
Road Freight Vehicles and Equipment	2,994,233	446,944	779,294	2,661,883
Vessel	94,590	—	4,070	90,520
Land and Buildings	4,532,329	535,862	—	5,068,191
Plant and Machinery	2,394,983	814,924	400,640	2,809,267
Hotels and Refreshment Rooms including Catering Services Equipment (Note (b))	4,922,672	155,451	340,726	4,737,397
	£42,012,452	£7,218,950	£5,548,356	£43,683,046

Note: (a) The depreciation figure shown for Road Passenger Vehicles—Other Services includes £318,895 depreciation on school buses. The amount is wholly offset by the amortisation of the Department of Education—Funding of School Buses.

(b) The Russell Court Hotel, the main asset of Great Southern Hotels (N.I.) Limited, has been closed since March 1976 following extensive bomb damage and negotiations are at present in progress to dispose of the hotel in its present state.

5. Investments

	1975	1974
	£	£
Quoted at Cost	28,953	36,714
(Market Value £20,386, 1974 – £25,268)		
Associated Company		
Unquoted at Cost	800	800
	£29,753	£37,514

6. Issued Transport Stocks

	1975	1974
	£	£
2½% Transport Stock, 1965/75	—	3,000,000
3% Transport Stock, 1975/85	3,514,460	3,514,460
5% Transport Stock, 1972/77	2,500,000	2,500,000
4½% Transport Stock, 1972/77	4,500,000	4,500,000
5% Transport Stock, 1970/75	—	3,000,000
6% Transport Stock, 1977/82	2,000,000	2,000,000
12½% Transport Stock, 1980	4,370,006	—
	£16,884,466	£18,514,460

**Notes on Consolidated Accounts
(Continued)**

7. Movement on Capital Reserve

	1975		1974	
	£	£	£	£
Balance forward from last year		255,463		1,166,969
Sinking Fund no longer required		1,629,994		—
		<u>1,885,457</u>		<u>1,166,969</u>
DEDUCT:				
Capital Expenditure on Railway Lines and Works	1,828,014		1,037,202	
Less: Surplus arising on disposal of Land and Buildings and Acquired Assets	<u>118,019</u>		<u>125,696</u>	
		<u>1,709,995</u>		<u>911,506</u>
		£175,462		£255,463

8. Movement on Profit and Loss Account

	1975		1974	
	£	£	£	£
Balance forward from last year	Dr. 1,163,407		Dr. 472,194	
Adverse Balance per Profit and Loss A/c.		<u>1,553,581</u>		<u>678,749</u>
	Dr. 2,716,988		Dr. 1,150,943	
Premium on acquisition of Ostlanna Iompair Eireann Teoranta subsidiary written off		—		12,464
	Dr. £2,716,988		Dr. £1,163,407	

9. Unsecured Bank Loans

These constitute (a) a loan from the European Investment Bank which is to be repaid in instalments between 15th July, 1979, and 15th January, 1994 and (b) a Term Bank Loan which is to be repaid in equal annual instalments between 1977 and 1980.

10. International Activities Working Account

The International Activities Working Account includes the results of Aerlod Teoranta, Irish Ferryways, Continental Freight Services and Rosslare Harbour.

11. Board's Contributions to Superannuation Funds, Pensions, etc.

The Board's contributions to superannuation funds, pensions, etc. which are apportioned over the various sections of the Undertaking, amounted in the current financial year to £2,904,325 (£1,247,713 in the previous nine months)

12. Capital Commitments

The Board's capital commitments at 31st December, 1975 were approximately £12,483,800 (£4,936,000 at 31st December, 1974).

**13. Salaried Officers' and Clerks' (G.S.R.)
Superannuation Fund**

The deficiency on the above Fund as shown by the most recent completed actuarial valuation (31st December, 1972) is £2,722,000, but the solvency of the Fund is guaranteed by the Board to the extent that sufficient moneys shall be available at all times to meet the immediate cash requirements of the Fund. During the year the resources of the Fund were sufficient to meet its cash requirements.

14. Oslanna Iompair Eireann Teoranta Group

(a) The Group's capital commitments at 31st December, 1975 were nil (£30,060 at 31st December, 1974).

(b) No provision for Taxation is required as a result of losses incurred.

(c) The unsecured Loan Stock is repayable in full at anytime between 1991 and 1996 and carries an interest rate of 10.72% per annum. Under the terms of a Deed of Trust, dated 16th August, 1971, Oslanna Iompair Eireann Teoranta is obliged to set aside in the year 1976 and every year thereafter, on or before the 31st August, a sum not less than £50,000 as a Sinking Fund.

(d) The term loan from Lombard and Ulster Merchant Banking Limited (and interest accrued to 31st December, 1975) are secured by a mortgage debenture dated 5th April, 1972 granting a floating charge on the assets of the Subsidiary, Great Southern Hotels (N.I.) Limited, and its uncalled capital and a specific charge on its land and property. The amount of £250,000 shown as Secured Term Loan under Current Liabilities and Provisions consists of £125,000 repayable in September, 1975 (now in arrears) and £125,000 repayable in September, 1976. The amount of £950,000 shown as long term is repayable in varying annual amounts commencing in September, 1977 and ending in September, 1981.

(e) Government Grants are repayable to the extent of £1,168,912 (£1,168,787 at 31st December, 1974) in certain circumstances.

(f) The subsidiary company has lodged a consequential loss of profits claim amounting to £504,112 with the Northern Ireland Office (Criminal Injuries Branch) arising out of bomb damage to the Russell Court Hotel in September 1972. The amount of £377,334 credited in the accounts for the year ended 31st December, 1975, represents the amount of the claim which has been received at the time of preparing these accounts.

Auditors' Report

We have examined the foregoing Consolidated Balance Sheet and Revenue Accounts, with the Notes annexed, and have obtained all the information and explanations which we considered necessary for our Audit.

In our opinion, proper books of Account have been kept by the Board and its subsidiaries and the foregoing Consolidated Balance Sheet and Revenue Accounts, which are in agreement therewith, give with the Notes annexed a true and fair view of the state of affairs of the Board and its subsidiaries at 31st December, 1975, and of the consolidated net deficit for the year ended on that date.

Craig Gardner & Co., Chartered Accountants,
Gardner House, Ballsbridge, Dublin 4.
21st December, 1976.

Summary of Financial Statistics

Coras Iompair Eireann (including wholly owned subsidiary companies OIE Teo., Aerlod Teo., and CIE Tours International Inc.)

	YEAR ENDED 31st MARCH					9 Months ended 31/12/1974	Year ended 31/12/1975
	1970	1971	1972	1973	1974		
	£ thousands						
Receipts	34,232	36,868	43,016	45,906	53,074	42,570	67,380
Deficit	3,234	6,171	6,493	8,476	11,666	14,638	28,085
State Grant Received (Footnote A)	2,650	5,630	6,000	8,300	10,750	13,950	26,500
Interest and Sinking Fund Provisions—paid or chargeable on Loan Capital	1,467	1,641	1,802	1,876	2,062	1,639	2,597
Interest paid or chargeable on Loan Capital from Exchequer (included in above)	470	644	805	879	1,065	891	1,437
Net Value of Assets:							
Fixed (Footnote B)	29,882	32,164	34,378	38,659	40,450	42,012	43,764
Current	(74)	(1,125)	206	(982)	3,003	441	(645)
Loan Capital (Total)	26,705	27,991	31,696	34,897	42,223	43,008	42,980
Loan Capital from Exchequer	8,191	9,477	10,682	12,883	16,009	16,919	17,446
Reserves (Footnote B)	1,923	1,933	2,465	2,324	689	(913)	(2,365)
Number of Employees	20,551	20,922	20,962	20,538	20,097	19,944	18,784
	£	£	£	£	£	£	£
Auditors' Fees	5,275	5,650	6,250	6,683	7,050	8,905	9,700
Board Members' Fees	5,258	5,586	5,602	5,236	6,088	7,187	13,814

A. Additional grants were received as follows:

1971—£642,460 in respect of five-year period ended 31st March, 1969.
 1972—£1,114,000 in respect of two-year period ended 31st March, 1971.
 1973—£582,000 in respect of three-year period ended 31st March, 1972.

B. Fixed Assets and Reserves for 1973 and 1974 have been restated as a result of the change in method of dealing with OIE Teo. Government Grants.

Statistics of Working Results

YEAR ENDED 31st MARCH

		1970	1971	1972	1973	1974	9 Months Ended 31/12/1974	Year Ended 31/12/1975	
		£ thousands							
RAILWAY									
	Mainline Passenger, Freight and Other Services	Receipts	11,698	12,406	14,262	14,645	16,707	13,617	19,632
	Dublin Suburban Services	Receipts	212	262	342	391	418	483	639
	Total	(Deficit)	11,910 (4,212)*	12,668 (5,964)*	14,604 (6,714)*	15,036 (7,646)	17,125 (9,611)	14,100 (10,590)	20,271 (20,163)
ROAD PASSENGER									
	Dublin City Services	Receipts	7,678	8,423	10,068	11,014	12,972	8,145	16,813
		Profit/(Deficit)	61	(285)	185	(360)	(967)	(2,943)	(5,035)
	Provincial Services	Receipts	5,561	6,320	7,583	8,477	10,035	8,603	13,618
		Profit/(Deficit)	633	336	550	319	289	(94)	(847)
	Tours and Private Hire	Receipts	1,427	1,417	1,574	1,434	1,606	1,502	2,009
		Profit/(Deficit)	132	(29)	(187)	(185)	(433)	(43)	(58)
	Total	Profit/(Deficit)	14,666 826	16,160 22	19,225 548	20,925 (226)	24,613 (1,111)	18,250 (3,080)	32,440 (5,940)
ROAD FREIGHT									
		Receipts	5,134	5,538	6,273	6,624	7,400	6,232	9,080
		Profit/(Deficit)	84*	(139)*	(134)*	49	(67)	(204)	(740)
HOTELS, REFRESHMENT ROOMS, &c.									
		Receipts	2,414	2,390	2,791	2,676	3,118	3,085	4,427
		Profit/(Deficit)	193	55	(24)	(379)	(643)	(589)	(772)
CANALS AND VESSELS									
		Receipts	108	112	123	126	128	130	165
		(Deficit)	(125)	(145)	(169)	(197)	(257)	(234)	(468)
INTERNATIONAL ACTIVITIES									
		Receipts	—	—	—	519	690	773	997
		Profit/(Deficit)	—	—	—	(77)	23	59	(2)
TOTAL		Receipts (Deficit)	34,232 (3,234)	36,868 (6,171)	43,016 (6,493)	45,906 (8,476)	53,074 (11,666)	42,570 (14,638)	67,380 (28,085)

*Includes International Activities.

Statistics of Rail Passenger Operations & Receipts

YEAR ENDED 31st MARCH

	1970	1971	1972	1973	1974	9 Months Ended 31/12/1974	Year Ended 31/12/1975
thousands							
Passenger Journeys							
Mainline and Other Services	5,611	5,475	5,610	6,063	6,675	5,286	6,648
Dublin Suburban Services	4,346	4,857	5,391	5,799	6,020	6,090	7,243
Total	9,957	10,332	11,001	11,862	12,695	11,376	13,891
£ thousands							
Receipts from Passenger Fares							
Mainline and Other Services	4,115	4,311	4,954	5,315	6,917	6,108	9,088
Dublin Suburban Services	212	262	343	391	418	483	639
Total (See Note)	4,327	4,573	5,297	5,706	7,335	6,591	9,727
thousands							
Passenger Miles	466,873	468,900	486,385	524,454	543,755	431,493	558,496
Loaded Train Miles	4,579	4,663	4,730	4,960	5,782	3,950	4,677
pence							
Average Receipts							
Pence per Passenger Journey	43.46	44.26	48.15	48.10	57.78	57.94	70.02
Pence per Passenger Mile	0.93	0.98	1.09	1.09	1.35	1.52	1.74

Note: Includes Receipts from Passengers only.

Statistics of Rail Freight Operations & Receipts

YEAR ENDED 31st MARCH

	1970	1971	1972	1973	1974	9 Months Ended 31/12/1974	Year Ended 31/12/1975
thousands							
Tons Carried							
Ale, Beer, Stout	211	228	235	211	223	170	229
Beet and Beet Pulp	287	288	346	327	331	195	271
Cement	775	745	959	1,006	995	693	757
Fertiliser	343	397	362	359	307	190	254
Mineral Ores	362	625	549	630	658	523	640
Petrol and Oil	142	168	221	266	273	204	268
General Freight	1,025	943	1,017	834	885	739	925
Total	3,145	3,394	3,689	3,633	3,672	2,714	3,344
£ thousands							
Receipts	6,178	6,557	7,558	7,685	8,088	6,087	8,447
thousands							
Ton Miles	308,867	333,609	353,464	345,222	347,496	276,345	343,276
Laden Train Miles	3,131	3,269	3,245	3,154	2,946	2,116	2,515
tons							
Average Wagon Load	5.02	5.53	6.03	6.94	7.10	7.34	7.54
pence							
Average Receipts							
Per Ton	196.44	193.19	204.88	211.53	220.26	224.28	252.60
Per Ton Mile	2.00	1.97	2.14	2.23	2.33	2.20	2.46
Per Laden Train Mile	197.32	200.58	232.91	243.66	274.54	287.67	335.87

Statistics of Road Passenger Operations & Receipts

	YEAR ENDED 31st MARCH					9 Months Ended 31/12/1974	Year Ended 31/12/1975
	1970	1971	1972	1973	1974		
DUBLIN CITY SCHEDULED SERVICES							
				thousands			
Passenger Journeys	219,952	208,568	200,288	209,684	219,675	113,552	215,259
Vehicle Miles	32,090	31,581	31,519	31,921	31,867	17,911	31,535
				£ thousands			
Receipts [See Note (2)]	7,591	8,331	9,970	10,904	12,855	8,086	16,653
				pence			
Average Receipts							
Pence per Passenger Journey	3.45	3.99	4.98	5.20	5.85	7.12	7.74
Pence per Vehicle Mile	23.66	26.38	31.63	34.16	40.34	45.15	52.81
OTHER CITY SCHEDULED SERVICES							
				thousands			
Passenger Journeys	39,843	37,025	37,301	38,334	38,279	28,137	38,395
Vehicle Miles	4,571	4,284	4,353	4,678	4,758	3,551	4,662
				£ thousands			
Receipts	1,228	1,315	1,630	1,716	2,034	1,838	2,779
				pence			
Average Receipts							
Pence per Passenger Journey	3.08	3.55	4.37	4.48	5.31	6.53	7.24
Pence per Vehicle Mile	26.87	30.70	37.45	36.68	42.75	51.76	59.61
LONG-DISTANCE SCHEDULED SERVICES							
				thousands			
Passenger Journeys	36,326	38,888	41,410	44,803	46,700	34,393	50,160
Vehicle Miles	21,710	22,859	24,894	26,184	26,245	19,250	27,840
				£ thousands			
Receipts [See Note (1)]	3,957	4,551	5,461	6,199	7,403	6,302	10,050
				pence			
Average Receipts							
Pence per Passenger Journey	10.89	11.70	13.19	13.84	15.85	18.32	20.04
Pence per Vehicle Mile	18.23	19.91	21.94	23.67	28.21	32.74	36.10
TOURS AND PRIVATE HIRE							
				thousands			
Passenger Journeys [See Note (2)]	3,081	3,247	3,206	3,270	3,645	2,684	3,167
Vehicle Miles	3,829	3,968	4,190	3,601	3,528	2,859	3,003
				£ thousands			
Receipts	1,439	1,432	1,588	1,458	1,604	1,483	1,998

Notes: (1) Statistics exclude School Transport Contractors' Services.
(2) "Tours and Private Hire", includes Dublin City Private Hire.

Statistics of Road Freight Operations & Receipts (Incl. International Activities)

YEAR ENDED 31st MARCH

	1970	1971	1972	1973	1974	9 Months Ended 31/12/1974	Year Ended 31/12/1975
	thousands						
Tons Carried	3,813	3,592	3,692	3,786	4,085	2,752	3,109
Mileage (Board's Motors)	17,626	16,500	16,767	17,959	18,076	12,460	14,563
	£ thousands						
Receipts	4,932	5,330	6,054	6,745	7,468	6,413	9,185
	pence						
Average Receipts per Ton	129.35	148.39	163.98	178.16	182.82	233.03	295.43

Statistics of Rail Assets

Mileage of Railway Lines

	first track miles	total track miles
Lines owned by Board	1,176	1,835
	(113)	(7)
Other Lines	71	78
	—	—
Total	1,247	1,913
	(113)	(7)

Motive Power

	number	mileage 000
Diesel Locomotives	221	8,147
	—	1,333
Diesel Rail Cars (See Rail Passenger Vehicles)	39	22
	—	(10)
Total	260	8,169
	—	1,323

Rail Service Vehicles

	number
Ballast Wagons, Tool Vans, etc.	496
	(19)

Rail Passenger Vehicles

	number	seats
Passenger Carriages	374	23,495
	—	(99)
Diesel Railcars	—	2,488
	—	—
Luggage Vans, etc.	196	—
	(12)	—
Total	570	25,983
	(12)	(99)

Rail Freight Vehicles

	number	tonnage capacity
Open Wagons	2,176	26,062
	(247)	(2,900)
Covered Wagons	3,003	36,409
	(330)	(3,792)
Flat Trucks	1,463	28,604
	135	3,232
Brake Vans, etc.	793	12,179
	(207)	(2,245)
Total	7,435	103,254
	(649)	(5,705)

Rail Freight Containers

Covered Containers	870	14,760
	282	4,478
Lancashire Flats	450	6,118
	(57)	(775)
Other Containers	420	5,101
	—	—
Total	1,740	25,979
	225	3,703

Figures in colour represent changes on figures for 9 Months Ended 31st December, 1974.
Reductions are shown ().

Statistics of Road Assets

Road Passenger Vehicles

		number	seating capacity
Dublin City Services	Double-Deck Buses	890 13	66,040 1,512
	Single-Deck Buses	66 1	2,894 43
Other Services	Double-Deck Buses	143 (21)	10,618 (1,230)
	Single-Deck Buses	1,338 (8)	60,377 (360)
	Mini Buses	79 4	1,104 56
	Touring Coaches	83 —	3,652 —
	Miscellaneous	7 —	— —
	Total	2,606 (11)	144,685 21
Service Vehicles			
	Total	407 (10)	

Road Freight Vehicles

		number
Power Units	Lorries	252 (92)
	Tractors	475 7
	Vans, etc.	85 —
	Total	812 (85)
Trailers	Articulated	774 56
	Others	97 (116)
	Total	871 (60)
Containers	Covered	247 (70)
	Flats	156 99
	Total	403 29

Figures in colour represent changes on figures for 9 Months Ended 31st December, 1974.
Reductions are shown ().

