

Córas Iompair Éireann

Private and not
for Publication



1984

THARASCÁIL BHLIANTÚIL
ANNUAL REPORT



Córas Iompair Éireann

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1984

TUARASCÁIL BHLIANTÚIL

ANNUAL REPORT

Córas Iompair Éireann

MEMBERS OF THE BOARD

(at 31 December 1984)

Mr. G. T. Paul Conlon *(Chairman)*

A. G. Barry

R. Burrows

C. J. Collins

M. Faherty

J. A. Flynn

J. F. Higgins

J. McLoughlin

J. F. Meagher

J. A. Mealy

M. Purcell

T. A. Tobin

GENERAL MANAGER

J. F. Higgins

ASSISTANT GENERAL MANAGERS

C. Finegan *(Marketing)*

M. Grace *(Finance)*

P. Murphy *(Personnel)*

E. O'Connor *(Operations)*

SECRETARY

P. G. Byrne

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CHAIRMAN'S REVIEW



Mr. G. T. Paul Conlon.

I am pleased to report that for the second year running CIE overall has met the financial targets as laid down by Government. Progress was made on many fronts but 1984 will be remembered as the year of DART. On 23 July 1984, the Company introduced into service the Dublin Area Rapid Transit system, the new electrified commuter railway on the Howth/Bray section of the Dublin Suburban network. This event overshadowed many other notable achievements during the year.

1984 also sees a major change in the manner of presentation of the accounts of the Company. In keeping with the practice adopted by our European counterparts, payments from the State covering infrastructure and social service obligations are now treated as revenue and are included in the trading accounts of the various activities in line with EEC regulations. This change is a recognition by Government that a National Public Transport system, combining rail and road services, is essential in the public interest and that certain infrastructure and social service obligation costs should properly be met by the State. The 1983 figures have been re-stated for comparison purposes.

The deficit for the year before exceptional items was £0.95m compared with £16.113m in the previous year. In 1983 there was a shortfall of some £16m in the £86m State aid received in respect of the revenue deficiency for that year. The Government has now agreed to finance this deficiency and those of former years to the extent of £30m spread over a ten year period.

The outturn for the year can be regarded as satisfactory considering the background of a stagnant economy, rising unemployment, little investment in productive industry and continuing inflation, albeit at a reduced level.

RAILWAYS

The railways continue to be the major drain on the Company's resources. There is no railway in Europe operating at a profit as measured in normal accounting terms. All require substantial State funding. In 1984 the gross deficit, before State grants, on our railway network, including DART, increased by some £15m to £90m. The operation of the Howth/Bray suburban service accounted for £9.6m of the increase.

Major capital expenditure programmes came on stream during the year and gave a much needed boost to the railway system. Perhaps it was appropriate that these developments should have been completed in 1984 — 150 years after the introduction of railways to this country in 1834. 1984 will be recorded as the year in which the rail transport system in Ireland was re-born.

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The new InterCity trains introduced in July 1984, enhanced by the upgrading of the track network and extension of the remote control signalling (CTC) have given us, apart from the increased safety factor, a 90 miles per hour ultra modern system with a capacity to materially reduce journey times. The journey time to Cork has been reduced to 2 hours 35 minutes with a further improvement to 2 hours 20 minutes anticipated. The introduction of the new InterCity trains has combined quality of service with shorter journey times to put the railway on a more competitive basis.

The DART system, introducing a new level of efficiency, cleanliness and quality of service, has been adopted by the public with great enthusiasm. It will be further enhanced with the introduction of the feeder bus services which will enlarge considerably the relevant passenger catchment area. Passenger carryings on the DART system averaged 40,000 per day by the end of 1984. It will require to carry 80,000 daily to cover operating costs. It is anticipated that this figure will be reached by 1988. The completion and introduction of the DART system represented a considerable engineering achievement which rebuilt a 19th century railway to meet the demands of the 21st century. The Board expresses its sincere thanks to all those who contributed to this successful venture.

As reported last year, the Government has agreed to meet the interest bill on the borrowings which were required to finance the DART project. The Railway grant of £88.7m represents 80% of the total grants paid to the Company and puts into perspective the cost of providing an alternative national transport system.

Despite a sluggish economy, total rail freight carryings show a modest increase of 1.9% from 3,319m tonnes to 3,383m tonnes, reflecting a more aggressive marketing policy.

ROAD PASSENGER SERVICES

The improved operating performance of Dublin City Services reported last year continued throughout 1984 and I am able to report a substantial reduction in the deficit, before State grants, to £17.748m, a reduction of 16.5% on the previous year. In 1982 the deficit was £26.643m. Passenger journeys totalling 155.958m were marginally lower than in 1983 — due entirely to the nine weeks strike at Phibsboro depot. The policy of rationalising bus routes to match public demand and to effect cost savings continued throughout the year and is ongoing. In 1984 a further 38 new city single deck buses were introduced into service.



Provincial City Services improved the operational outturn by 10.9% despite a reduction of 4.5% in passenger journeys. Again the process of rationalisation contributed significantly to this improvement.

A major expansion of our cross-channel coach services took place during the year using the ports of Dun Laoghaire and Rosslare. These new services were aggressively marketed under the logo *Supabus*. Some 105,000 passengers availed of the services. Our national Expressway services have achieved a good level of public acceptance but suffer increasingly from the activities of private operators.

There has been much debate regarding the activities of private operators, many of whom operate illegally and who tend to cream off the lucrative week-end trade. It is my view that however efficiently and cheaply some may seem to be able to operate on some routes, it is not possible for any operator to provide scheduled services on the geographical scale as required of CIE, at times suitable to the public, with standards of comfort and safety as required by law and at the same time make an acceptable rate of return on the capital invested at no cost to the State.

OTHER ACTIVITIES

The Road Freight Division, following searching evaluation and rationalisation, has aggressively increased its marketing thrust into more commercial areas and increased its business level by 3%. In doing so, it has, for the first time in six years, achieved a modest profit of £0.041m compared to a deficit of £0.670m in 1983. This was a very creditable performance and means that the sector is operating within the parameters set by Government. Competition in this area is intense and it will require continued aggressive marketing and cost reduction programmes to maintain viability.

A dramatic improvement took place in the operation of Rosslare Harbour with revenue up by 20.4% and expenditure down by 3.9%. Profit for the year increased by 115% to £1.28m. The Board has sanctioned infrastructural development expenditure at the Port in order to modernise passenger and freight handling facilities. We will shortly be submitting proposals to the Minister for Communications for the future operation of the Port. These will take account of local interests and varied port users.

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CIE Tours International continues to prosper. Gross revenue at £11.4m (1983 £9.6m) was a new record and reflects the strategy of developing new business from Europe to Ireland and from North America to Britain and the Continent in addition to our traditional markets from North America and Britain to Ireland. Regrettably the increased profit generated was more than offset by losses sustained on Private Hire which suffered from low priced competition and increased fleet maintenance costs. Plans are being developed to renew the coach fleet with a view to reducing operating costs.

CIE Catering Services deficit amounted to £351,000 after charging once-off rationalisation and redundancy costs of £120,000. In 1983 the deficit was £205,000. CIE Catering is an adjunct to our mainstream business with profitability depending on passenger volume usage. Further steps to rationalise the service and reduce costs are in hand. A number of catering facilities at stations are being leased to outside contractors and this process will continue where appropriate.

The cost of maintaining the Canals increased from £1.23m to £1.34m. The legislation to effect the transfer and ownership to the Office of Public Works is expected to be on the statute books by this year end.

The operation of the Galway/Aran Ferry Service is currently under review. The Board has advised the Minister that this service cannot be operated on a basis that will generate an acceptable return on investment without a continuance of State subvention. Proposals for the future operation of the service have recently been submitted to the Minister for Communications.

INDUSTRIAL RELATIONS

I am pleased to report a perceptible improvement in the area of industrial relations. The number of stoppages of work decreased from 31 in 1983 to 15 in the year under review. With one exception — the Phibsboro stoppage — all were unofficial and six lasted for less than one day. The total permanent staffing of the Company at the end of 1984 was 14,935, a reduction of 439 on the previous year end. The complexity of labour relations can be gauged from the fact that over 2,700 meetings took place throughout the Company during 1984 with Union officials or third parties such as the Labour Court, Rights Commissioners and Employment Tribunals. The number of meetings is a tremendous burden on the staff and is of concern to the Board.



The reduction in work stoppages is a hopeful sign that commonsense is beginning to come more into play in our industrial relations. I exhort all to build on this improvement to create a situation where stoppages are eliminated and the amount of time spent in meetings and correspondence on industrial relations affairs can be substantially reduced.

I must again acknowledge the co-operation of the workforce and Trade Unions in the efforts to achieve an efficient and cost effective operation.

RE-ORGANISATION

In 1984 the Government decided that CIE should be re-structured into a holding company and three operating subsidiaries covering the railway operation, provincial bus services and Dublin City bus services. Two firms of consultants were retained to assist with the design of the new corporate structure.

The Board's overall objective for the revised organisation is as follows:—

“To provide a safe, reliable, efficient, cost effective and customer orientated transportation service of the highest standard possible, in accordance with market demands and conditions and legislative requirements within the financial support limits defined by Government and where appropriate at a competitive return on resources employed.”

The detail design for the new companies has now been completed. They have been designed with the objective of giving as much autonomy as possible to the three operating companies particularly in the planning of services, marketing and industrial relations. Each company will have its own Managing Director and Board of Directors. For cost effectiveness and operational efficiency, a limited number of functions will be retained by the Holding Company. Regretfully, the drafting of the necessary legislation has not kept pace with the reorganisation planning but it is hoped that this situation will be redressed in the coming months.

The revised structures envisage a reduction of about 500 in the existing staffing levels. It has to be emphasised that this total is independent of any reductions that may arise from productivity or cost reduction programmes. It will be necessary to have detailed discussions with the appropriate Trade Unions but the co-operation of all is essential to ensure a smooth changeover from the existing regime to the new structures.

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THE BOARD

Mr. Cornelius Faller and Mr. John Keenan completed their terms of office during the year and have left the Board. I would like to thank them both for giving so generously of their time and for their counsel.

It is with deep regret that I record the untimely death of Mr. Liam O'Brien. Liam was also unselfish in dealing with the affairs of the Company. May he rest in peace. Our condolences are extended to his family.

Mr. Stan Linehan resigned from the Board following his appointment to the Board of B + I in October 1984. Stan had a long association with the Company and is deserving of our thanks for his valued contributions over the years.

I am pleased to welcome Messrs. Aidan Barry, Richard Burrows, Neil Collins, John Meagher and Anthony Mealy to the Board. Their diverse experience and professionalism will, I have no doubt, be of invaluable assistance to me and to the decision making process of the Board. I would like to thank all my Board colleagues for their advice and support and for addressing the affairs of the Company in a businesslike manner.

THE FUTURE

The immediate years ahead will see major changes in the transport policy of this country and in the organisation structure of CIE. The enactment of the Dublin Transport Authority Act, the possible amendments of the 1932 Road Transport Act and the legislation relating to the establishment of three subsidiaries will create a new environment and climate for CIE. This is to be welcomed as both progressive and exciting. We have to accept the challenge of change and operating in a more competitive and questioning environment. I am confident in the future and I invite all concerned — employees, customers, suppliers, civil servants and the politicians — to participate in this change so that we can collectively build a transport structure in this country in which we can all justifiably take pride.

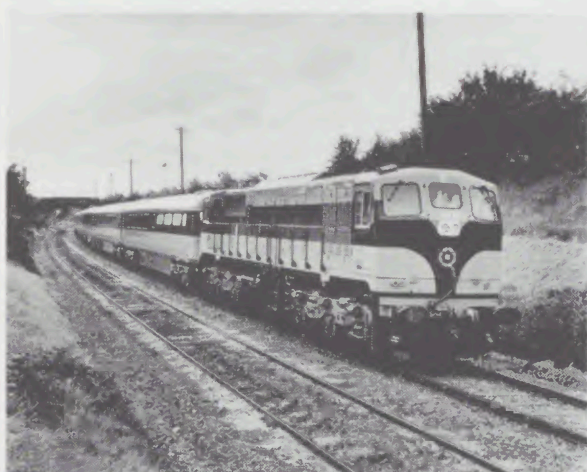
G.T. Paul Conlon,
Chairman.

25 September 1985.



REPORT 1984

To the Minister for Communications



In accordance with Section 34 of the Transport Act 1950, the Board presents its Annual Report and Accounts for the year ended 31 December 1984.

In recognising the social but uneconomic nature of some aspects of the Board's activities and in accordance with EEC Regulations, non-repayable State grants amounting to £112m. are included above the line for the first time in the individual working accounts, as payments for services in respect of subventable activities; the appropriate 1983 figures have been re-stated for comparison purposes.

Details of the outturn for the year as compared to 1983 are as per Table 1.



TABLE 1

Turnover	1984	1983	Variance	%
	£000	£000	£000	
Revenue	306,972	273,266	+ 33,706	+ 12.3
Expenditure	307,922	289,379	+ 18,543	+ 6.4
Deficit (before Exceptional items)	(950)	(16,113)	-15,163	-94.1
	%	%	%	
Deficit x 100 Expenditure	0.3	5.6	- 5.3	—

Revenue (excluding State grants) increased by 9.2% to £215.2m. The increase is attributable to the maintenance of existing levels of business in overall passenger carryings, a 3% rise in the volume of freight traffic and increases in fares and rates introduced on 2 January 1984.

Total State grants receivable amounted to £112m. of which £16.3m. relates to the Howth/Bray suburban service.

Gross expenditure increased by 9.7% to £328.1m.

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Labour costs at £167.1m., representing 50.9% of gross expenditure, increased by £11.2m. (+ 7.2%). This is inclusive of savings of £4.8m. achieved through reductions in staff numbers and overtime payments. Material costs and other services rose by £5.1m. (+ 5.5%), operating depreciation and financial charges rose by £10.1m. (+ 33.9%) and fuel costs were higher by £2.6m. (+ 12.1%).

During the year under review the business environment continued to be unfavourable. Unemployment continued to rise, there was a lack of confidence in business circles generally and finance costs rose to unattractively high levels. The policy adopted over the last few years of aggressively marketing services while rationalising operations and reducing costs has produced improved results, in spite of an uncertain economic climate in which personal disposable incomes continue to fall. The outturn when viewed against this background was very encouraging.

THE RAILWAY

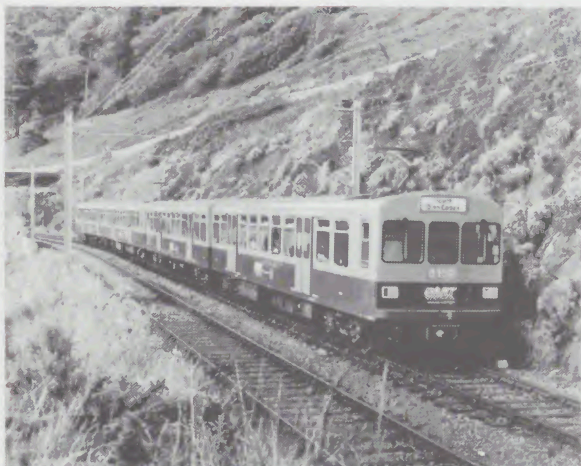
The net deficit on railway operations was reduced by £13.8m as outlined in Table 2.

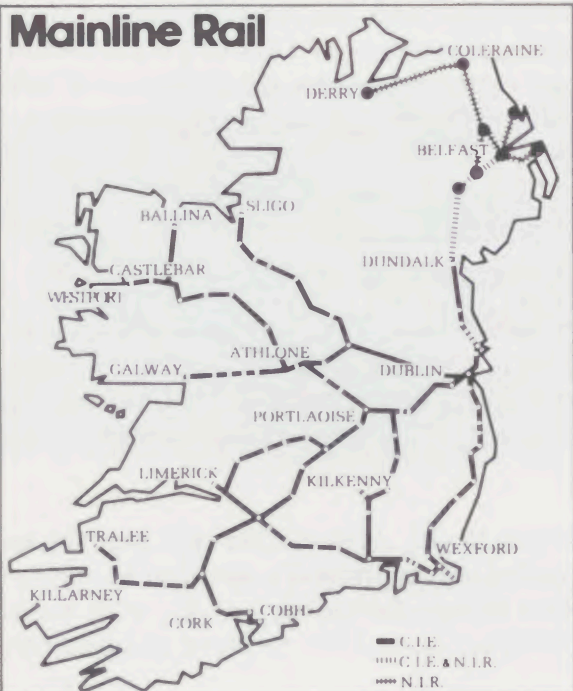
TABLE 2

	Railways (other)		Howth/Bray Suburban	
	1984	1983	1984	1983
	£000	£000	£000	£000
Revenue	114,600	94,100	10,700	8,000
Expenditure	116,400	109,700	10,700	8,000
(Deficit)	(1,800)	(15,600)	—	—

Revenue (excluding State grants) increased by £4.4m. (+ 8.5%) and gross expenditure rose by £19.7m. (+ 15.4%). State grants receivable increased from £59.6m in 1983 to £88.7m. in 1984 inclusive of a special grant of £8.0m. to cover interest charges on the financing of the DART system.

Rail passenger journeys increased by 19.4% from 13.03 million to 15.56 million. This was mainly due to a 39.4% increase in passenger journeys on the Howth/Bray suburban line following the introduction of the DART system. The DART line has been particularly well received by the general public and average weekly journeys have been increasing since its inauguration on





23 July 1984. In 1983, during the pre-DART period, 5.39 million people used the Howth/Bray line; the 1984 figure was 7.5 million. Other rail passenger journeys increased by 5.4% in response to an imaginative and aggressive marketing policy and the introduction of new InterCity coaches on the major routes.

Volume rail freight carryings increased by 1.9% and revenue rose from £17.3m. to £17.9m. (+ 3.5%) reflecting rates increases and a change in the mix of products carried.

TABLE 3

PRODUCT CARRIED	% CHANGE ON 1983
Cement	— 3.8
Mineral Ores	+ 8.3
Ale, Beer, Stout	+ 1.6
Beet and Beet Pulp	—23.7
Fertiliser	— 1.0
Petrol & Oil	—33.3
General Freight	+ 10.5

The lack of work in the building industry resulted in a decline in the volume of cement carried while carryings of mineral ores, particularly barytes, exceeded last year's forwardings by 8.3%.

During the year the electrification of the Howth/Bray line for DART was completed and a new computer based signalling system for DART and mainline trains in the suburban area was commissioned. This represented the successful conclusion of the biggest single engineering project in the history of CIE and indeed in the history of rail transport in Ireland.

Considerable reorganisation and rationalisation of mechanical and technical sections took place. The electric multiple units required for the DART system and new InterCity coaches for mainline trains were completed and put into service.

ROAD PASSENGER SERVICES
DUBLIN CITY SERVICES

The financial performance in 1984 (excluding State grants) of Dublin City Services shows an improvement on last year's results of 16.5% following the 20.2% improvement achieved in 1983.

Revenue and expenditure amounted to £82.2m. (1983 — £78.9m.) inclusive of State grants of £17.7m. (1983 — £21.3m.).

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Customer receipts, reflecting fares increases introduced, were £64.4m. and represented an increase of £6.8m. (+ 11.8%) on the previous year. Gross expenditure rose by £3.3m. (+ 4.2%) to £82.2m. Passenger journeys decreased marginally as compared with 1983; however, when allowance is made for the loss of passengers due to the strike at Phibsboro Depot from 15 June to 18 August 1984, there was a slight increase in the number of passengers carried.

A number of new types of prepaid tickets were introduced: One-Day Off-Peak Family Tickets, Weekly Family Tickets, Weekly Short Hop Commuter Tickets and Weekly Medium and Long Hop Commuter Tickets. These innovations have been very successful.

During the year a further 38 city single decker (KC type) buses were put into service, reflecting the Board's decision to replace the ageing bus fleet. This brings the number of KC type buses in service to 81. Maintenance costs have reduced significantly in real terms.

Further extensions and revisions have been made to the city routes reflecting public demand, changing population distribution and cost effectiveness.

PROVINCIAL CITY SERVICES

These services in Cork, Waterford, Limerick and Galway operated at a deficit of £2.70m. excluding State grants. This was an improvement of 10.9% on the 1983 result, itself a 27% improvement on the 1982 result. Customer receipts improved by £0.94m. (+ 12.8%) to £8.32m. and expenditure rose by £0.61m. (+ 5.9%) to £11.03m.

A fares increase and a continuing process of reorganisation have contributed significantly to the results achieved.

OTHER PROVINCIAL SERVICES

The results in this sector, covering Expressway, Stage Carriage and School Bus services, showed a break-even after including a State grant of £1.05m. Customer receipts increased by £3.52m. (+ 6.8%) to £55.1m. Overall costs, including an increase in maintenance costs of £1.5m. (+ 12.2%), rose by £3.83m. (+ 7.3%) to £56.1m.



Stage carriage services continued to be the subject of rationalisation and where possible integration with other services particularly with the School Transport System. Expressway services have achieved a good level of public acceptance but suffer from the increasing activities of unlicensed bus operations both in week-end and daily services. Expressway passenger journeys however increased by 11% reflecting the highly successful *Supabus* cross-channel operations.

The number of children (primary and post primary and including concessionary fares) travelling within the School Transport Scheme increased by 1.8% to 167,421. During 1984, a pilot scheme to computerise the administration and ticketing systems required following the major changes introduced in January 1983, was set up successfully in the Waterford Area and is being further expanded throughout all areas. The estimated cost of the School Transport Scheme, including all CIE services and contractors' services, during 1984 was £32.2m. of which £2.4m. was recovered from pupils.

OTHER ACTIVITIES

TOURS AND PRIVATE HIRE

The results from these activities show a contrasting result with Tours having a very successful year and Private Hire showing an increased deficit. Overall the deficit increased to £0.195m. from £0.012m. in 1983.

Gross revenue generated through tours activity increased to a record £11.4m. (1983 — £9.6m). Payments to Irish hoteliers and other tourist suppliers amounted to £4.4m.

In 1984 Private Hire suffered from low priced competition and incurred a once-off coach refurbishment cost of £0.2m.

ROAD FREIGHT

Road Freight activities continue to improve and recorded a profit of £0.041m. compared with a deficit of £0.670m. in 1983. Total revenue increased by £0.8m. (+ 4.6%) reflecting an overall increase in traffic carried — including hired hauliers — of 3% to 2.06 million tonnes and increases in freight rate charges.

Significant savings were achieved and expenditure increased by only 0.5% to £17.98m.

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INTERNATIONAL ACTIVITIES This heading covers the operations of Rosslare Harbour and shows a very successful year where profits increased by 115% to £1.28m. Total revenue rose by £0.6m. (+ 20.4%) reflecting a 16% increase in overall traffic through the port. Total expenditure decreased by £0.09m. (—3.9%).

CATERING SERVICES The deficit arising from these activities was £0.35m. This was £0.15m. in excess of the previous year despite an increase in revenue of 13.2% to £3.2m. The deficit however includes a once-off cost of £0.12m. resulting from rationalisation and redundancy.

GALWAY/ARAN FERRY Excluding State grants, which increased to £0.5m. from £0.2m. in 1983, the overall deficit increased by 16.7% to £0.44m. Customer receipts decreased by 5.4% to £0.24m. and expenditure increased by 7.7% to £0.68m.

CANALS In maintaining the Canals on a caretaking basis the Board incurred expenditure of £1.33m. (1983-£1.23m.). This expenditure was made up by State grants of £1.28m. and income from customers of £0.05m.

CAPITAL EXPENDITURE AND FUNDING

The Board's statutory borrowing authority under the Transport Act 1983 is subject to an upper limit of £230m. in the case of borrowing for Capital purposes and £40m. for short-term borrowings.

The State subvention of £112m. during 1984 was £0.9m. less than the deficit incurred. This shortfall plus the non-funded shortfall of previous years since 1975 brought the overall aggregate shortfall in subvention moneys to £37.14m at 31 December 1984.

During 1984 total Capital expenditure of £56m. was incurred. This was within the Government approved targets.

Total Capital commitments at 31 December 1984 amounted to £19.3m. Government approval has been received for Capital Expenditure of £30.7m. in 1985, £34.4m. in 1986 and £40.6m. in 1987.



The continuing need for reinvestment, added to the gap between replacement cost and depreciation provisions and coupled with the shortfall in deficit subvention payments, has resulted in the Board's need to increase borrowings. The consequential result is further financial burden.

PERSONNEL



The total number of full time staff at the end of 1984 was 14,935 compared with 15,374 at the end of 1983, a reduction of 439 (2.9%).

Total salaries and wages paid during the year (including Capital work, pensions and associated costs) totalled £182m. Included in these figures are contributions to the State in respect of PAYE and Social Insurance payments totalling £54.7m.

The total value of the Board's Superannuation Schemes at 31 December 1984 was £119.6m. (1983 — £105.6m.), into which the Board contributed £10.9m. in 1984 compared to £10.8m. in 1983.

During the year the number of stoppages of work decreased from 31 in 1983 to 15 in 1984; only one stoppage in 1984 was official. Stoppages in excess of one day's duration numbered nine, of which only one was official.

As a measure of the complexity of the labour relations situation no fewer than 2,478 (1983 — 2,527) meetings took place in the whole organisation with Trade Unions, and a further 249 (1983 — 256) meetings took place which involved third parties such as the Labour Court, Rights Commissioners and Employment Appeal Tribunal.

During 1984, 4,712 (1983 — 4000) staff members attended 769 training courses in many different disciplines. A total of 465 Apprentices were in training with the Board during the year, of whom 409 were CIE employees, 48 sponsored by AnCO and the balance sponsored by outside firms.

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Summary of Total Receipts and Costs

	1984			1983		
	Total Receipts	Total Costs	Net Profit/(Deficit)	Total Receipts	Total Costs	Net Profit/(Deficit)
	£000	£000	£000	£000	£000	£000
Railway — Other than Bray/Howth Suburban Services	114,601	116,384	(1,783)	94,091	109,734	(15,643)
Railway — Bray/Howth Suburban Services	10,675	10,675	—	8,051	8,051	—
Road Passenger — Dublin City Services	82,155	82,155	—	78,853	78,853	—
Road Passenger — Provincial City Services	11,025	11,025	—	10,413	10,413	—
Road Passenger — Other Services	56,097	56,097	—	52,272	52,272	—
Road Passenger — Tours and Private Hire	5,655	5,850	(195)	4,974	4,986	(12)
Road Freight	18,019	17,978	41	17,224	17,894	(670)
International Activities	3,499	2,222	1,277	2,905	2,312	593
Refreshment Rooms and Restaurant Cars	3,168	3,519	(351)	2,799	3,004	(205)
Canals	1,335	1,335	—	1,227	1,227	—
Vessel	743	682	61	457	633	(176)
Total	306,972	307,922	(950)	273,266	289,379	(16,113)
Salaries, Wages and Associated Costs included above (Excluding Renewals of Railway Lines and Works)		<u>£167,089</u>			<u>£155,882</u>	

- Notes:** (1) Financial Charges are included in Total Costs.
(2) Net Deficit indicated is before exceptional items.
(3) The Government Grant payable under the relevant EEC regulation is allocated to revenue or expenditure as appropriate before arriving at the Net Profits/(Deficits) indicated above — See Notes on Accounts (2).

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Railway Working Account other than Bray/Howth Suburban Services

	Notes	1984		1983 (As Restated)	
		£000	£000	£000	£000
Receipts					
Passenger Train Traffic		34,756		32,283	
Goods Train Traffic		17,947		17,251	
Miscellaneous		1,271		1,093	
Customer Receipts		53,974		50,627	
State Grants: EEC Regulation 1191/69	2	34,438		20,671	
EEC Regulation 1107/70 (Art. 4)	2	26,189		22,793	
Total Receipts			114,601		94,091
Expenditure					
Maintenance of Lines and Works		18,765		17,822	
Maintenance of Rolling Stock		22,161		17,314	
Fuel		9,682		8,345	
Operating and Other Expenses		52,512		53,046	
Provision for Renewal of Lines and Works		10,715		10,071	
Operating Depreciation		5,849		5,618	
Total Expenditure		119,684		112,216	
Deduct:					
State Grants: EEC Regulation 1192/69	2	6,557		4,471	
EEC Regulation 1107/70 (Art. 3.1.b)	2	5,226		4,996	
Net Expenditure			107,901		102,749
Operating Profit/(Deficit)			6,700		(8,658)
Financial Charges			8,483		6,985
Net Deficit carried to Profit & Loss Account			(1,783)		(15,643)



Railway Working Account Bray/Howth Suburban Services

		1984		1983 (As Restated)	
	Note	£000	£000	£000	£000
Receipts					
Passenger Train Traffic		2,705		1,646	
Miscellaneous		108		76	
Customer Receipts		2,813		1,722	
State Grant: EEC Regulation 1191/69	2	7,862		6,329	
Total Receipts			10,675		8,051
Expenditure					
Maintenance of Lines and Works		1,331		765	
Maintenance of Rolling Stock		868		1,538	
Fuel (including Electricity for Traction)		939		462	
Operating and Other Expenses		5,641		4,719	
Provision for Renewal of Lines and Works		285		245	
Operating Depreciation		2,043		376	
Total Expenditure		11,107		8,105	
Deduct:					
State Grant: EEC Regulation 1192/69	2	443		329	
Net Expenditure			10,664		7,776
Operating Profit					
Financial Charges		8,011	11	275	275
Deduct:					
Special State Grant: EEC Regulation 1191/69	2	8,000	11	—	275
Net Result carried to Profit & Loss Account			—		—

Córas Iompair Éireann

Road Passenger Working Account Dublin City Services

	Note	1984		1983 (As Restated)	
		£000	£000	£000	£000
Receipts					
Passenger Services		63,643		56,798	
Miscellaneous		764		796	
Customer Receipts		64,407		57,594	
State Grant: EEC Regulation 1107/70 (Art. 3.2)	2	17,748		21,259	
Total Receipts			82,155		78,853
Expenditure					
Maintenance of Buildings		409		347	
Maintenance of Vehicles and Equipment		16,571		15,926	
Fuel		6,898		6,411	
Road Tax and Licences		261		276	
Operating and Other Expenses		47,808		44,671	
Operating Depreciation		7,013		6,955	
Total Expenditure			78,960		74,586
Operating Profit			3,195		4,267
Financial Charges			3,195		4,267
Net Result carried to Profit & Loss Account			—		—

Road Passenger Working Account Provincial City Services

	Note	1984		1983 (As Restated)	
		£000	£000	£000	£000
Receipts					
Passenger Services		8,315		7,372	
Miscellaneous		3		4	
Customer Receipts		8,318		7,376	
State Grant: EEC Regulation 1107/70 (Art. 3.2)	2	2,707		3,037	
Total Receipts			11,025		10,413
Expenditure					
Maintenance of Buildings		126		131	
Maintenance of Vehicles and Equipment		2,213		2,189	
Fuel		778		725	
Road Tax and Licences		31		32	
Operating and Other Expenses		6,963		6,546	
Operating Depreciation		793		761	
Total Expenditure			10,904		10,384
Operating Profit			121		29
Financial Charges			121		29
Net Result carried to Profit & Loss Account			—		—



Road Passenger Working Account Other Services

	Note	1984		1983 (As Restated)	
		£000	£000	£000	£000
Receipts					
Passenger Services		54,091		50,449	
Miscellaneous		959		1,083	
Customer Receipts		55,050		51,532	
State Grant: EEC Regulation 1107/70 (Art. 3.2)	2	1,047		740	
Total Receipts			56,097		52,272
Expenditure					
Maintenance of Buildings		262		313	
Maintenance of Vehicles		13,942		12,428	
Fuel		3,680		3,443	
Road Tax and Licences		144		138	
Operating and Other Expenses		35,385		33,468	
Operating Depreciation		2,333		2,404	
Total Expenditure			55,746		52,194
Operating Profit			351		78
Financial Charges			351		78
Net Result carried to Profit & Loss Account			—		—

Road Passenger Working Account Tours and Private Hire

	1984		1983	
	£000	£000	£000	£000
Receipts				
Passenger Services		5,655		4,974
Expenditure				
Maintenance of Buildings	15		15	
Maintenance of Vehicles and Equipment	915		570	
Fuel	257		227	
Road Tax and Licences	17		19	
Operating and Other Expenses	4,291		3,881	
Operating Depreciation	367		271	
Total Expenditure		5,862		4,983
Operating Deficit		(207)		(9)
Financial Charges		Cr. 12		3
Net Deficit carried to Profit & Loss Account		(195)		(12)

Córas Iompair Éireann

Road Freight Working Account

	1984		1983	
	£000	£000	£000	£000
Receipts				
Goods Services	17,481		16,774	
Miscellaneous	538		450	
Total Receipts		18,019		17,224
Expenditure				
Maintenance of Buildings	86		90	
Maintenance of Vehicles and Equipment	3,051		2,904	
Fuel	1,845		1,861	
Road Tax and Licences	158		164	
Operating and Other Expenses	12,118		11,876	
Operating Depreciation	396		620	
Total Expenditure		17,654		17,515
Operating Profit/(Deficit)		365		(291)
Financial Charges		324		379
Net Profit/(Deficit) carried to Profit & Loss Account		41		(670)

International Activities Working Account

	1984		1983	
	£000	£000	£000	£000
Receipts				
Harbour Services		3,499		2,905
Expenditure				
Maintenance, Operating and Other Expenses	1,593		1,545	
Operating Depreciation	128		127	
Total Expenditure		1,721		1,672
Operating Profit		1,778		1,233
Financial Charges		501		640
Net Profit carried to Profit & Loss Account		1,277		593



Refreshment Rooms and Restaurant Cars Working Account

	1984		1983	
	£000	£000	£000	£000
Receipts				
Refreshment Rooms and Restaurant Cars		3,168		2,799
Expenditure				
Maintenance of Buildings, Cars and Equipment	107		78	
Provisions, Wines etc.	1,561		1,375	
Other Direct Expenses	1,374		1,236	
Other Expenditure	463		303	
Total Expenditure		3,505		2,992
Operating Deficit		(337)		(193)
Financial Charges		14		12
Net Deficit carried to Profit & Loss Account		(351)		(205)

Canals Working Account

	Note	1984		1983 (As Restated)	
		£000	£000	£000	£000
Receipts					
Rents		43		41	
Miscellaneous		9		11	
Customer Receipts		52		52	
State Grant: EEC Regulation 1107/70 (Art. 4)	2	1,283		1,175	
Total Receipts			1,335		1,227
Expenditure					
Maintenance of Buildings		36		91	
Maintenance of Waterways and Works		860		722	
Operating and Other Expenses		439		414	
Total Expenditure			1,335		1,227
Operating Result			—		—
Financial Charges			—		—
Net Result carried to Profit & Loss Account			—		—

Córas Iompair Éireann

Vessel Working Account

	1984		1983 (As Restated)	
	£000	£000	£000	£000
Receipts				
Passenger Traffic	126		150	
Goods Traffic	113		103	
Miscellaneous	4		4	
Customer Receipts	243		257	
State Grant to cover losses on the operation of the Galway/Aran Ferry Service	500		200	
Total Receipts		743		457
Expenditure				
Maintenance of Vessel & Equipment	113		85	
Fuel	20		24	
Operating and Other Expenses	537		510	
Operating Depreciation	4		4	
Total Expenditure		674		623
Operating Profit/(Deficit)		69		(166)
Financial Charges		8		10
Net Profit/(Deficit) carried to Profit & Loss Account		61		(176)



Profit and Loss Account

For the Year ended 31st December

		1984		1983 (As Restated)	
	Notes	£000	£000	£000	£000
Net Profits/(Deficits) from					
Railway — Other than Bray/Howth Suburban Services		(1,783)		(15,643)	
— Bray/Howth Suburban Services		—		—	
Road Passenger — Dublin City Services		—		—	
— Provincial City Services		—		—	
— Other Services		—		—	
— Tours and Private Hire		(195)		(12)	
Road Freight		41		(670)	
International Activities		1,277		593	
Refreshment Rooms and Restaurant Cars		(351)		(205)	
Canals		—		—	
Vessel		61		(176)	
			(950)		(16,113)
Financial Charges	3	20,996		12,678	
Allocation to Working Accounts		(20,996)	—	(12,678)	—
Net Deficit before Exceptional Items			(950)		(16,113)
Exceptional Items	4		946		(4,509)
Balance Carried Down			(4)		(20,622)
Accumulated Deficits					
Adverse Balance Brought Forward					
As previously reported			53,880		35,853
Prior year adjustment (Note 11)			4,902		2,281
As Restated			58,782		38,134
Deficit for Year Brought Down			4		20,622
(Surplus)/Deficit arising on Disposal of Rolling Stock and Railway Lines previously written off			(57)		26
Adverse Balance Carried Forward			58,729		58,782

M. GRACE, Assistant General Manager (Finance)

Córas Iompair Éireann

Balance Sheet

as at 31st December

		1984		1983 (As Restated)	
	Notes	£000	£000	£000	£000
Fixed Assets	5		266,226		220,025
Investment in Subsidiary Companies	6(a)		7		7
Investments	20		35		51
Current Assets					
Stocks of Stores	7	37,001		33,581	
Debtors	18	26,099		36,189	
Equalisation account for renewal of Railway Lines and Works		44		—	
Bank Deposits		492		8,219	
Balance at Bankers and Cash in Hand		960		349	
		<u>64,596</u>		<u>78,338</u>	
LESS:					
Current Liabilities					
Amount Due to Bankers		3,388		2,405	
Unsecured Bank Loans	13	36,957		36,784	
Creditors and Provisions		61,732		67,892	
		<u>102,077</u>		<u>107,081</u>	
Net Current Liabilities			(37,481)		(28,743))
			228,787		191,340
Financed by:					
Issued Transport Stocks	8		3,514		3,514
Reserves					
Asset Replacement Reserve	9	66,921		57,459	
Capital Reserve	10	17,315		16,288	
Profit and Loss Account		(58,729)		(58,782)	
Non-Repayable State Advances	6(b)	9,853	35,360	6,000	20,965
Sinking Fund for Redemption of Transport Stocks	19	2,195		1,884	
LESS: Investments	20	(2,195)	—	(1,884)	—
Department of Education —					
Funding of School Buses	12		1,091		968
Loan Capital					
Repayable State Advances for Capital Expenditure, under Section 4, Transport Act, 1964, as amended by Section 3, Transport Act, 1974		44,459		44,459	
Unsecured Bank Loans	13	144,363		121,434	
			<u>188,822</u>		<u>165,893</u>
			228,787		191,340

M. GRACE, Assistant General Manager (Finance)



Statement of Source and Application of Funds

For the year ended 31st December

	1984	1983
	£000	(As Restated) £000
Source of Funds		
Net Deficit	(4)	(20,622)
Unrealised Currency Translation (Gain)/Loss	(946)	2,621
Depreciation and Disposal of Fixed Assets	29,297	18,080
Loss on Disposal of Investment in Subsidiary Company	—	1
Unsecured Bank Loans	26,299	70,182
Non-Repayable State Advances	3,853	6,000
Funding of School Buses	416	—
Proceeds from Sale of Investments	16	—
Sinking Fund — Repayment of Bank Loans	830	830
	<u>59,761</u>	<u>77,092</u>
Application of Funds		
Unsecured Bank Loans becoming currently payable	2,300	11,140
Capital Expenditure	55,889	59,697
Acquisition of Investments	—	2
Transfer to Oslanna Iompair Eireann Teo	3,853	6,000
	<u>62,042</u>	<u>76,839</u>
Net Change in Working Capital	(2,281)	253
being:		
Increase/(Decrease) in Stocks of Stores	3,420	(1,854)
Increase in Debtors	96	4,488
Increase in Equalisation Account	44	625
Decrease/(Increase) in Creditors and Provisions	2,307	(17,010)
	<u>5,867</u>	<u>(13,751)</u>
(Increase)/Decrease in net short-term borrowings	(8,148)	14,004
	<u>(2,281)</u>	<u>253</u>

M. GRACE, Assistant General Manager (Finance)

Córas Iompair Éireann

Notes on Accounts

1. Accounting Policies:

(a) Historical Cost Convention:

The accounts are prepared under the historical cost convention as modified by the depreciation of certain classes of fixed assets calculated on replacement cost.

(b) Accounting for Subsidiary Companies:

Consolidated Accounts have not been prepared for the following reasons:

- (i) The share capital held by Coras Iompair Éireann in Oslanna Éireann Teoranta was disposed of on 9th March 1984. Provision was made in the 1983 accounts for losses incurred by Oslanna Iompair Éireann Teoranta up to that date.
- (ii) Aerlod Teoranta, a wholly owned subsidiary, did not trade in 1984.
- (iii) CIE Tours International Incorporated, a wholly owned subsidiary in New York, is treated as a branch of Coras Iompair Éireann for accounting purposes and its results are included in Road Passenger Working Account — Tours and Private Hire.

(c) Fixed Assets, Depreciation and Provision for Renewals:

Fixed Assets are stated at net book amount which represents the historical cost of these assets less accumulated depreciation based on that historical cost.

The bases of calculation of depreciation and provision for renewals are set out below.

Railway Lines and Works:

Railway Lines and Works are not depreciated but their renewal is provided for by an annual provision which is based on 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 of five years ending 31st December, 1988. Each year this estimate is revised on the basis of actual expenditure to date plus estimated expenditure for the balance of the period.

Railway Rolling Stock:

Locomotives and Railcars (other than those completely written off or acquired at no cost) are depreciated on the basis of the original cost of the vehicles in the fleet spread over expected life. Coaching stock and wagons are depreciated on the basis of estimated replacement cost (at the beginning of the year) of rolling stock required to replace the existing fleet spread over expected life. The excess of depreciation based on replacement cost over historical cost depreciation is shown separately in Asset Replacement Reserve.

Road Passenger Vehicles:

Road Passenger Vehicles, with the exception of school buses, are depreciated on the basis of replacement cost (at the beginning of the year) of under-age vehicles in the fleet spread over expected life. The excess of depreciation based on replacement cost over historical cost depreciation is shown separately in Asset Replacement Reserve.

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.

Road Freight Vehicles:

Vessel:

Docks, Harbours and Wharves:

Plant and Machinery:

Catering Services Equipment:

The above classes of assets are depreciated on the basis of original cost spread over expected life.

(d) Stocks of Stores:

Stocks of Stores are valued at average cost less provision for all defective and obsolete stocks.

(e) Department of Education — Funding of School Buses:

The acquisition of school buses is funded by the Department of Education. The buses remain in the fixed assets of Coras Iompair Éireann and are depreciated as described in Note 1 (c) with a corresponding amortisation of the moneys received from the Department of Education.



Notes on Accounts

- (f) **Foreign Currency:** Transactions denominated in foreign currency are translated into Irish pounds at the rate ruling at date of transaction, or at contract rates where the amounts payable or receivable are covered by forward contracts. Realized exchange gains or losses on transactions settled during the year are treated as part of the Profit or Deficit for the year from ordinary activities.
- Unsettled short-term foreign currency borrowings are translated at the rates of exchange ruling at balance sheet date (closing rates) with the resulting gains or losses treated as part of the Profit or Deficit for the year from ordinary activities.
- Long-Term foreign currency borrowings, including that portion payable within 1 year of balance sheet date, are translated at rates of exchange ruling at balance sheet date (closing rates) with the resulting gains or losses treated as an Exceptional Item in the Profit and Loss Account.
- The policy outlined above in relation to Long-Term foreign currency borrowings represents a change from the policy obtaining in previous years when such borrowings were recorded at the rates ruling at date of original draw-down. The effects of this policy change are set out in Note 11.
- (g) **Capitalisation of Interest:** Interest on funds used to finance expenditure on the Dublin Suburban Railway Electrification Scheme was capitalised during the period of construction up to completion date 30th June 1984 as part of the cost of the project.
- (h) **Leasing:** Leased assets and the obligation to pay future rentals are not capitalised in the Balance Sheet. Rentals payable on all leases are charged to Revenue Working Accounts.
- (i) **Receipts:** Receipts shown in the Working Accounts represent the gross amounts attributable to services provided by the Board except in the Tours and Private Hire Working Account which shows net amounts.
- (j) **Non-Repayable State Grants:**
- (i) Non-Repayable State Grants received under EEC Regulation Numbers 1191/69 and 1107/70 (Articles 3.2. and 4) are included in receipts.
 - (ii) Non-Repayable State Grants received under EEC Regulation Numbers 1192/69 and 1107/70 (Article 3.1.(b)) are treated as an offset to expenditure.
 - (iii) The Non-Repayable State Grant received in respect of the Galway/Aran Ferry Service is included with receipts. The above represents a change in policy from previous years when the Non-Repayable State Grants were treated as an offset to Net Deficit and the comparative figures for 1983 have been restated on the new basis.
- (k) **Reporting Currency:** These Accounts are stated in Irish Pounds.
2. **Subvention Structure:** The subvention payable to Coras Iompair Eireann is in accordance with the relevant E.E.C. Regulations governing State aid to transport undertakings; these regulations are as follows:
- (a) **E.E.C. 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 made under this Regulation in respect of losses remaining on rail passenger services after fares increases and any possible economies in operation.
 - (b) **E.E.C. Regulation No. 1192/69** provides for compensation by the State in respect of specified financial burdens borne by railway undertakings. Payments are made under this Regulation to cover the following costs in respect of rail passenger and freight operations —
 - Superannuation and pension costs less savings arising from exemption from payment of certain social welfare insurance contributions in respect of clerical and supervisory staff.
 - 50% of the cost of maintenance and control of level crossings.
 - (c) **E.E.C. Regulation No. 1107/70** specifies certain additional circumstances in which State aids may be paid to transport undertakings. Under this Regulation payments are made in respect of: —
 - 50% of infrastructure costs in respect of rail freight (Article 3.1 (b))
 - Losses on the 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).

Córas Iompair Éireann

Notes on Accounts

The grant payable under EEC Regulation No. 1191/69 and 1192/69 is allocated to the Railway Activity. The grant payable under EEC Regulation 1107/70 is allocated initially to Road Passenger Activities, Rail Freight (50% of infrastructure costs) and to canal maintenance. The residue under Regulation 1107/70 is allocated to the Railway Activity.

A grant is also paid by the State in respect of losses incurred on the Galway/Aran Ferry Services.

Particulars of the total Exchequer Grant of £112,000,000 paid under Sub-Head D. 1 of Vote 41 of Dail Eireann of 1984 are given in the following Table, showing the relevant provisions of E.E.C. Regulations:—

	EEC Regulation Number					£000
	1191/69	1192/69	1107/70 Article 3.1 (b)	1107/70 Article 3.2	1107/70 Article 4	
RAILWAYS	£000	£000	£000	£000	£000	£000
Other than Bray/Howth Suburban Services						
Operation of Passenger Services	34,438					
Normalisation of Accounts (Passenger and Freight)						
— Class III (Pensions)		5,285				
— Class IV (Level Crossings)		1,272				
Infrastructure Grant (Freight)			5,226			
Residual Deficit Grant					26,189	
TOTAL	34,438	6,557	5,226		26,189	
Bray/Howth Services						
Operation of Passenger Services	15,862					
Normalisation of Accounts (Passenger)						
— Class III (Pensions)		385				
— Class IV (Level Crossings)		58				
TOTAL	15,862	443				
TOTAL RAILWAYS	50,300	7,000	5,226		26,189	
ROAD PASSENGER						
Dublin City Services						
— Deficit on Operation of Services				17,748		
Provincial Services						
— Deficit on Operation of City Services				2,707		
— Deficit on Operation of Other Services				1,047		
CANALS						
— Deficit on Maintenance					1,283	
GALWAY/ARAN						
— Grants towards losses on Ferry Services						500
	50,300	7,000	5,226	21,502	27,472	500

NOTE: The grants made under Regulation 1191/69 and 1192/69 were inadequate to the extent of £5,765,000 but this was partially offset by the grants in respect of Regulation No. 1107/70 (Article 4) and for the Galway/Aran Ferry Service being £4,043,000 in excess of the actual result.



Notes on Accounts

3. Financial Charges

The financial charges are allocated to the Working Accounts on a basis related to the net book amounts of the fixed assets employed in the various sections of the Undertaking, adjusted for the depreciation of certain assets calculated on replacement cost, except for certain interest charges which are directly allocated to specific Working Accounts with which they can be identified. Financial charges, excluding those capitalised, for the year ended 31st December, 1984, amounted to £20,996,000 (£12,678,000 for the year ended 31st December, 1983) as follows:—

	1984		1983	
	£000	£000	£000	£000
Interest on Transport Stocks:				
3% Transport Stock, 1975/85		105		105
Sinking Funds:				
3% Transport Stock, 1975/85	50		50	
Redemption Funds Shortfall (See Note 1 below)	100		100	
Unsecured Bank Loan — Provisions for repayment of loan obtained in 1980 (See Note 2 below)	730	880	730	880
Interest on Capital Expenditure for Bray/Howth Suburban Services		8,011		275
Interest on Repayable State Advances for Capital Expenditure		4,687		5,367
Sundry Interest Payable less Receivable		7,254		5,990
Associated Transport Companies:				
Guaranteed Interest to Fishguard and Rosslare Railways and Harbours Co. (in Ireland)		59		61
		20,996		12,678
Allocated to the Working Accounts as follows:				
Railway — Other than Bray/Howth Suburban Services		8,483		6,985
— Bray/Howth Suburban Services		8,011		275
Road Passenger — Dublin City Services		3,195		4,267
— Provincial City Services		121		29
— Other Services		351		78
— Tours and Private Hire		Cr. 12		3
Road Freight		324		379
International Activities		501		640
Refreshment Rooms and Restaurant Cars		14		12
Vessel		8		10
		20,996		12,678

- NOTES:**
1. Provision for recovery of shortfall in Sinking Funds available to redeem Transport Stock, which matured in 1982.
 2. The Unsecured Bank Loan was obtained to finance the shortfall in Sinking Funds available to redeem a Transport Stock which matured in 1980. This loan is repayable in equal annual instalments ending in 1985.

Córas Iompair Éireann

Notes on Accounts

4. Exceptional Items:	1984 £000	1983 £000
Provision for losses of Oslanna Iompair Éireann Teo. (See Note 6).	—	(1,888)
Foreign Currency Translation — profit/(loss) (See Note 11)	946	(2,621)
	946	(4,509)

5. Fixed Assets:

Original Cost	1st Jan. 1984	Additions and Adjustments (Note g)	Disposals	31st Dec. 1984
	£000	£000	£000	£000
Railway Lines and Works	5,229	3,437	—	8,666
Rail Rolling Stock	60,825	47,102	(3,082)	104,845
Road Passenger Vehicles	77,511	16,060	(10,193)	83,378
Road Freight Vehicles	6,605	2	(76)	6,531
Vessel	163	—	—	163
Land and Buildings	28,072	7,854	—	35,926
Plant and Machinery	84,149	(8,404)	(1,014)	74,731
Catering	120	7	—	127
Docks, Harbours and Wharves	5,922	17	—	5,939

Total 1984 268,596 66,075 (14,365) 320,306

Total 1983 210,113 62,246 (3,763) 268,596

Depreciation	1st Jan. 1984	Charge For Year	Disposals	31st Dec. 1984
	£000	£000	£000	£000
Rail Rolling Stock	14,522	2,185	(2,765)	13,942
Road Passenger Vehicles	19,145	4,364	(1,174)	22,335
Road Freight Vehicles	5,674	418	(75)	6,017
Vessel	105	4	—	109
Plant and Machinery	8,857	3,441	(1,014)	11,284
Catering	38	6	—	44
Docks, Harbours & Wharves	230	119	—	349

Total 1984 48,571 10,537 (5,028) 54,080

Total 1983 43,738 8,596 (3,763) 48,571

Net Book Amounts	31st Dec. 1984	31st Dec. 1983
	£000	£000
Railway Lines and Works	8,666	5,229
Rail Rolling Stock	90,903	46,303
Road Passenger Vehicles	61,043	58,366
Road Freight Vehicles	514	931
Vessel	54	58
Land and Buildings	35,926	28,072
Plant and Machinery	63,447	75,292
Catering	83	82
Docks Harbours & Wharves	5,590	5,692

Total 266,226 220,025



Notes on Accounts

- (a) In the case of certain Railway Rolling Stock and Road Passenger vehicles the excess of depreciation based on replacement cost over historical cost depreciation is shown separately in Asset Replacement Reserve (See Note 9).
- (b) The 1984 depreciation charge shown for Road Passenger Vehicles includes £293,000 (1983 — £266,000) depreciation on school buses. The amount is wholly offset by the amortisation of moneys received from the Department of Education (See Note 12).
- (c) The expected lives used for the various types of assets for depreciation purposes are as follows:

	Lives (Years)
Railway Lines and Works	—
Railway Rolling Stock	20 to 50
Road Passenger Vehicles	16
Road Freight Vehicles	6 to 10
Vessel	40
Land and Buildings	—
Plant and Machinery	3 to 25
Docks, Harbours and Wharves	50
Catering Services Equipment	4

- (d) Railway Lines and Works are not depreciated — See Note 1(c).
- (e) No depreciation has been charged on buildings. The amount involved is not material.
- (f) The Bray/Howth Suburban Railway Electrification Scheme was completed during 1984. Included in the original cost of fixed assets at 31st December, 1984, is the total expenditure on this scheme of £113,867,000 (1983 £84,198,000) inclusive of £27,142,000 (1983 £20,477,000) in capitalised interest charges.
- (g) The 'Additions and Adjustments' for 1984 incorporate a re-allocation over the various asset headings of the expenditure (including capitalised interest) incurred on the Bray/Howth Suburban Electrification Scheme which can now be more positively identified with such asset headings on completion of the Scheme.

6. Investment in Subsidiary Companies:	1984 £000	1983 £000
(a) Ostlanna Iompair Eireann Teoranta Share Capital	—	2,490
Less: Provision for loss on Investment	—	2,490
	—	—
Aerlod Teoranta Share Capital	7	7
	<u>7</u>	<u>7</u>

The Subsidiary company in New York — C.I.E. Tours International Incorporated — is 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.

The Share capital held by Coras Iompair Eireann in the subsidiary company, Ostlanna Iompair Eireann, Teoranta, was disposed of on 9th March, 1984 for £1. The loss on disposal was written off to Profit and Loss Account in 1983.

- (b) Provision was made in Coras Iompair Eireann's Accounts in 1983 for losses incurred by Ostlanna Iompair Eireann Teoranta up to date of disposal being 9th March, 1984. This brought the total provision for losses in Ostlanna Iompair Eireann Teoranta at date of disposal to £9,853,000 which amount was included in creditors. Amounts of £6,000,000 and £3,853,000 were provided by the Exchequer as non-repayable non-interest bearing advances for transfer to Ostlanna Iompair Eireann Teoranta in order to assist that company to discharge its liabilities. This transfer of funds has been set off against the total provision of £9,853,000 in Coras Iompair Eireann's Accounts.

7. Stocks of Stores:	1984 £000	1983 £000
Maintenance Materials and Spare Parts	27,405	26,855
Fuel, Lubricants and other Sundry Stocks	9,596	6,726
	<u>37,001</u>	<u>33,581</u>

Córas Iompair Éireann

Notes on Accounts

8. Issued Transport Stocks:	1984	1983
	£000	£000
3% Transport Stock, 1975/85	3,514	3,514

9. Asset Replacement Reserve:	Railway Rolling Stock	Road Passenger Vehicles	Total
	£000	£000	£000
Balance forward from previous year	18,015	39,444	57,459
Charged to Revenue Working Accounts in Year	3,482	5,980	9,462
	21,497	45,424	66,921

Note: The excess of depreciation based on replacement cost over historical cost depreciation is shown separately in Asset Replacement Reserve above and only the depreciation calculated on original cost is deducted from the cost of Fixed Assets (See Note 5).

10. Capital Reserve:	1984	1983
	£000	£000
Balance forward from previous year	16,288	15,343
Sinking Funds no longer required — See Note 19	830	830
Surplus arising on disposal of Land and Buildings and Assets acquired at no cost	197	115
	17,315	16,288

11. Foreign Currency Translation:

As indicated in Accounting Policy Note 1 (f) there has been a change in accounting policy for foreign currency translation, in recognition of SSAP 20. The effect of this change on the 1984 Accounts and on the restatement of the 1983 Accounts is as follows:

Profit and Loss Account:	1984	1983
	£000	£000
(Decrease)/Increase in Exceptional Items	(946)	2,621
Prior Year adjustment	4,902	2,281
Increase in Adverse Balance Carried Forward	3,956	4,902

Balance Sheet

Increase in Unsecured Bank Loans:		
Current Liabilities	457	333
Loan Capital	3,499	4,569
	3,956	4,902

12. Department of Education — Funding of School Buses:

	1984	1983
	£000	£000
Balance forward from previous year	968	1,234
Receivable in year	416	—
	1,384	1,234
Released to Revenue Working Account	293	266
	1,091	968



Notes on Accounts

13. Unsecured Bank Loans:	1984	1983
	£000	£000
These loans are repayable as follows:		
Current Liabilities — Within 1 year	36,957	36,784
	1984	1983
	£000	£000
Loan Capital		
1 Year to 5 Years	37,303	26,712
6 Years to 10 Years	67,195	49,777
Thereafter	39,865	44,945
	144,363	121,434

The following table shows the amount and type of currency in which these loans are to be repaid:

	1984	1983
Current Liabilities		
United States	US \$10,960,000	US \$23,444,000
United Kingdom	Stg £88,000	Stg £80,000
Republic of Ireland	IR £25,783,000	IR £18,020,000
	1984	1983
Loan Capital		
United States	US \$10,410,000	US \$11,371,000
United Kingdom	Stg £16,374,000	Stg £16,462,000
Republic of Ireland	IR £80,722,000	IR £59,106,000
France	FF 15,735,000	FF 15,735,000
West Germany	DM 36,470,000	DM 36,470,000
The Netherlands	Hfl 43,275,000	Hfl 43,275,000
Europe	ECU 11,574,000	ECU 7,420,000

14. Lease Transactions:

At the 31st December 1984 the Board had commitments under finance leases as set out below:

	£000
Payable within 1 year	2,134
Payable years 2 to 5	9,214
Payable thereafter	8,340

These lease amounts include unrealized losses of £3,401,000 on translation at Balance Sheet date of lease commitments denominated in foreign currency. These losses are charged to profit and loss as they are realized on payment of the lease rentals.

15. 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 to £10,864,000 (1983 — £10,814,000).

The Board is legally obliged to ensure that cash is available to the funds of certain Superannuation Schemes if the funds are from time to time insufficient to meet the payments that are due and payable under the schemes. The above figures include an amount of £891,000 in respect of the shortfall in 1984 (1983 — £1,081,000) in the cash resources of the Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme. During the year, the resources of the other funds, for which this obligation exists, were sufficient to meet their immediate cash requirements.

16. Capital Commitments:

Capital Commitments at 31st December, 1984, were approximately £19,256,000 (1983 — £42,076,000).

Córas Iompair Éireann

Notes on Accounts

17. Contingent Liability:

A claim of £2.6m has been lodged against the Board in connection with a former bus building arrangement. It has not been considered necessary to make a provision against this claim as the Board are of the opinion that the claim can be successfully contested.

18. Debtors:

Debtors include £2,738,000 (1983 — £12,924,000) in respect of advance and progress payments on capital projects.

19. Sinking Funds:

	Transport Stocks	Bank Loans	Redemption Funds Shortfall	Total
	£000	£000	£000	£000
Balance forward from previous year	1,884			1,884
Charged to Revenue Working Accounts Note 3	50	730	100	880
Interest on Investments	261			261
	2,195	730	100	3,025
Transferred to Capital Reserve Note 10		730	100	830

20. Investments:

(a) Investments

Quoted at Cost

(Market Value £33,000: 1983 — £48,000)

1984
£000

35

1983
£000

51

(b) Sinking Fund

Quoted at Cost

(Market Value £100,000: 1983 — £136,000)

122

155

Deposit Accounts

2,073

1,729

2,195

1,884

21. Insurance:

The Board holds external insurance to cover: (i) third party liability in excess of £3,000,000 and up to £46,250,000 on any one accident, and (ii) fire damage involving the Board's property in excess of £200,000 in any one incident. Any losses not covered by external insurance are charged to profit and loss and unsettled amounts are included in creditors.



Auditors' Report

As Auditors appointed by Coras Iompair Eireann (The Board) under Section 34(2) of the Transport Act 1950 with the consent of the Minister for Transport, we have audited the Accounts on pages 18 to 36 in accordance with approved auditing standards and have obtained all the information and explanations we considered necessary.

In our opinion, the Board has kept proper Books of Account and the accounts which are in agreement therewith give, under the historical cost convention as modified by the Depreciation of certain fixed Assets on the basis of their Replacement Cost, a true and fair view of the state of affairs at 31st December, 1984 and of the net deficit and source and application of funds for the year ended on that date.

Craig Gardner & Co. Chartered Accountants.
Gardner House,
Wilton Place,
Dublin 2.
30th May, 1985.



Summary of Financial Statistics

YEAR ENDED 31st DECEMBER

	1979	1980	1981	1982	1983	1984
	£ thousands					
Costs	174,521	213,827	246,911	287,806	293,888	306,976
Receipts	116,260	139,255	151,966	178,383	273,266	306,972
Deficit (See Footnote)	58,261	74,572	94,945	109,423	20,622	4
State Grant Received	56,000	70,000	85,000	96,000	86,000	112,000
Interest and Sinking Fund Provisions— paid or chargeable on Loan Capital	3,724	4,178	4,809	5,740	6,352	5,672
Interest on Exchequer Advance, Transport Stock and Sinking Fund Provisions. (included in above)	2,423	2,844	3,443	4,564	5,367	4,687
Net Value of Assets:						
Fixed	78,316	90,851	122,632	166,375	220,025	266,226
Current	(3,732)	(10,869)	(9,585)	(32,057)	(28,685)	(37,439)
Loan Capital (Total) — excluding Interest on Repayable State Advances	46,416	50,146	82,902	105,796	169,407	192,336
Loan Capital from Exchequer — excluding Interest on Repayable State Advances	29,439	33,285	37,459	44,459	44,459	44,459
Reserves	26,246	28,126	28,490	27,288	20,965	35,360
Average Number of Employees	17,422	17,610	17,576	17,344	16,930	16,285
	£	£	£	£	£	£
Auditors' Fees — Audit and Other Services	36,500	47,500	57,000	66,000	72,000	81,000
Board Members' Fees	13,844	28,851	34,870	35,930	37,588	51,675

NOTE: Deficit in 1983 and 1984 is after taking account of grants payable in accordance with E.E.C. Regulations.

Córas Iompair Éireann

Statistics of Working Results

YEAR ENDED 31st DECEMBER

		1979	1980	1981	1982	1983	1984
		£ thousands					
RAILWAY							
Mainline Passenger, Freight and Other Services	Receipts	32,912	39,018	43,764	48,443	92,157	111,523
Bray/Howth Suburban Services	Receipts	} 1,783	1,618	1,616	1,519	8,051	10,675
Other Dublin Suburban Services	Receipts		515	519	566	1,934	3,078
Total	Receipts (Deficit)	34,695 (39,779)	41,151 (49,730)	45,899 (60,218)	50,528 (71,655)	102,142 (15,643)	125,276 (1,783)
ROAD PASSENGER							
Dublin City Services	Receipts (Deficit)	26,946 (12,919)	35,484 (16,559)	36,009 (24,118)	47,634 (26,643)	78,853 —	82,155 —
Provincial City Services	Receipts (Deficit)	} 31,314 (3,785)	4,855 (3,215)	5,415 (4,069)	6,696 (4,162)	10,413 —	11,025 —
Other Provincial Services	Receipts (Deficit)		34,506 (985)	39,171 (2,650)	46,578 (1,409)	52,272 —	56,097 —
Tours and Private Hire	Receipts (Deficit)	3,230 (146)	3,027 (652)	4,225 (62)	4,659 (432)	4,974 (12)	5,655 (195)
Total	Receipts (Deficit)	61,490 (16,850)	77,872 (21,411)	84,820 (30,899)	105,567 (32,646)	146,512 (12)	154,932 (195)
ROAD FREIGHT							
	Receipts Profit/(Deficit)	16,016 (688)	15,386 (1,105)	15,528 (1,474)	16,452 (1,625)	17,224 (670)	18,019 41
REFRESHMENT ROOMS & RESTAURANT CARS							
	Receipts Profit/(Deficit)	2,563 147	2,723 20	3,015 (56)	3,074 (136)	2,799 (205)	3,168 (351)
CANALS AND VESSELS							
	Receipts Profit/(Deficit)	224 (971)	271 (1,260)	344 (1,178)	207 (1,604)	1,684 (176)	2,078 61
INTERNATIONAL ACTIVITIES							
	Receipts Profit	1,272 561	1,852 525	2,360 339	2,555 85	2,905 593	3,499 1,277
TOTAL							
	Receipts (Deficit)	116,260 (57,580)	139,255 (72,961)	151,966 (93,486)	178,383 (107,581)	273,266 (16,113)	306,972 (950)

Notes: (1) The total Net Deficit is before Exceptional Items.

(2) Figures for 1983 and 1984 include grants in accordance with E.E.C. Regulations.



Statistics of Rail Passenger Operations & Receipts

YEAR ENDED 31st DECEMBER

	1979	1980	1981	1982	1983	1984
	thousands					
Passenger Journeys						
Mainline and Other Services	8,109	7,671	7,379	6,677	6,523	6,795
Bray/Howth Suburban Services	} 9,777	7,911	7,018	5,270	5,390	7,512
Other Dublin Suburban Services		1,072	977	866	1,114	1,253
Total	17,886	16,654	15,374	12,813	13,027	15,560
	£ thousands					
Receipts from Passenger Fares (See Note)						
Mainline and Other Services	17,602	20,856	22,158	24,862	26,486	28,641
Bray/Howth Suburban Services	} 1,759	1,561	1,546	1,452	1,646	2,705
Other Dublin Suburban Services		515	519	566	745	1,011
Total	19,361	22,932	24,223	26,880	28,877	32,357
	thousands					
Passenger Kilometres	1,112,521	1,032,267	994,631	887,491	845,716	903,436
Train Kilometres	8,904	8,697	8,528	8,085	7,963	8,273
	pence					
Average Receipts						
Per Passenger Journey	108.25	137.70	157.56	209.79	221.67	207.95
Per Passenger Kilometre	1.74	2.22	2.44	3.03	3.41	3.58

NOTE: Receipts from Passengers only.

Córas Iompair Éireann

Statistics of Rail Freight Operations & Receipts

YEAR ENDED 31st DECEMBER

	1979	1980	1981	1982	1983	1984
Tonnes Carried:						
			thousands			
Ale, Beer, Stout	206	201	197	184	187	190
Beet and Beet Pulp	228	227	185	200	245	187
Cement	820	664	865	769	609	586
Fertiliser	284	373	402	385	306	303
Mineral Ores	1,043	1,015	792	759	785	850
Petrol and Oil	330	298	287	227	102	68
General Freight	791	775	918	1,117	1,085	1,199
Total	3,702	3,553	3,646	3,641	3,319	3,383
Receipts	10,957	12,511	£ thousands			
			15,506	17,475	17,251	17,947
Tonne Kilometres	613,371	624,240	thousands			
			678,469	653,696	582,479	600,911
Train Kilometres	5,171	5,168	5,279	4,574	4,464	4,411
Average Wagon Load	11.99	13.65	tonnes			
			14.16	14.50	14.18	14.84
Average Receipts			pence			
Per Tonne	295.98	352.12	425.29	479.95	519.76	530.51
Per Tonne Kilometre	1.79	2.00	2.29	2.67	2.96	2.99
Per Train Kilometre	211.89	242.09	293.73	382.05	386.45	406.87



Statistics of Road Passenger Operations & Receipts (See Note (1) and (4))

YEAR ENDED 31st DECEMBER

	1979	1980	1981	1982	1983	1984
	thousands					
DUBLIN CITY SCHEDULED SERVICES (See Note (2))						
Passenger Journeys	166,572	175,137	157,997	162,940	158,245	155,958
Vehicle Kilometres	42,204	47,073	44,478	47,380	47,390	45,451
	£ thousands					
Receipts	26,461	34,660	35,010	46,537	56,436	63,319
Average Receipts	pence					
Per Passenger Journey	15.89	19.79	22.16	28.56	35.66	40.60
Per Vehicle Kilometre	62.70	73.63	78.71	98.22	119.09	139.31
	thousands					
OTHER CITY SCHEDULED SERVICES						
Passenger Journeys	27,810	23,693	23,774	22,295	20,724	19,793
Vehicle Kilometres	5,622	5,455	5,483	5,559	5,052	5,057
	£ thousands					
Receipts	3,888	4,846	5,412	6,692	7,372	8,318
Average Receipts	pence					
Per Passenger Journey	13.98	20.45	22.76	30.02	35.57	42.02
Per Vehicle Kilometre	69.16	88.84	98.71	120.38	145.92	164.48
	thousands					
OTHER SCHEDULED SERVICES (See Note (3))						
Passenger Journeys	46,968	46,529	44,173	44,776	41,899	41,731
Vehicle Kilometres	43,721	44,698	43,863	43,773	43,577	43,323
	£ thousands					
Receipts	19,429	24,522	27,280	32,610	36,038	38,649
Average Receipts	pence					
Per Passenger Journey	41.37	52.70	61.76	72.83	86.01	92.61
Per Vehicle Kilometre	44.44	54.86	62.19	74.50	82.70	89.21
	thousands					
TOURS AND PRIVATE HIRE (See Note (2))						
Passenger Journeys	1,988	1,990	2,008	2,018	1,692	1,695
Vehicle Kilometres	3,770	3,316	2,729	2,932	2,521	2,694
	£ thousands					
Receipts	3,325	3,099	4,509	4,995	5,256	5,874

Notes: (1) Excluding School Transport Contractors' Services.

(2) "Tours and Private Hire", includes Dublin City Private Hire.

(3) Other scheduled services includes Provincial, Long Distance and Expressway Services and Drogheda and Dundalk Town Services.

(4) Excludes grants payable under EEC regulations.

Córas Iompair Éireann

Statistics of Road Freight Operations & Receipts (See Note)

YEAR ENDED 31st DECEMBER

	1979	1980	1981	1982	1983	1984
			thousands			
Tonnes Carried:	2,663	2,138	2,050	1,760	1,537	1,611
Vehicle Kilometres	20,508	18,096	16,798	14,561	13,541	12,811
			£ thousands			
Receipts	12,290	13,396	13,716	14,374	14,690	15,298
			pence			
Average Receipts per Tonne	461.51	626.57	669.07	816.70	955.76	949.60

Note: Excluding Contractors Services



Statistics of Rail Assets

Length of Railways Lines	first track kilometres	total track kilometres	Rail Passenger Vehicles	number	seats
Lines owned by Board	1,872	2,854	Passenger Carriages	249	15,861
	—	(6)		(44)	(2,638)
Other Lines	72	121	E. M. Units (See Motive Power)	—	6,512
	—	—		—	6,512
Total	1,944	2,975	Luggage Vans, etc.	87	—
	—	(6)		(11)	—
			Total	336	22,373
				(55)	3,874

Motive Power	number	kilometres (000)	Rail Freight Vehicles	number	tonnage capacity
Diesel Locomotives	159	13,887	Open Wagons	1,308	15,929
	(14)	(484)		(81)	(987)
E. M. Units (See Rail Passenger Vehicles)	74	1,247	Covered Wagons	76	951
	74	1,247		(162)	(1,999)
Total	233	15,134	Flat Trucks	1,138	29,513
	60	763		(1)	(20)
			Specialised Wagons etc.	796	19,616
				14	592
			Total	3,318	66,009
				(230)	(2,414)

Rail Service Vehicles	number	Rail Freight Containers	number	tonnage capacity
Ballast Wagons, Tool Vans, etc.	344	Covered Containers	1,567	19,560
	(13)		(79)	(1,129)
		Lancashire Flats	125	1,562
			(79)	(1,045)
		Other Containers	290	4,290
			(42)	(290)
		Total	1,982	25,412
			(200)	(2,464)

Figures in colour represent changes on figures for year ended 31st December, 1983. Reductions are shown ().

Córas Iompair Éireann

Statistics of Road Assets

Road Passenger Vehicles				Road Freight Vehicles	
	number	seats			number
Dublin City Services	784 (9)	57,346 (666)	Power Units	Lorries	146 (9)
Double Deck Buses				Tractors	195 (17)
Single-Deck Buses	113 (6)	4,083 (718)		Vans, etc.	60 3
Other Services				Total	401 (23)
Double-Deck Buses	119 (3)	8,766 (222)	Trailers	Articulated	371 (35)
Single-Deck Buses	1,311 24	59,104 755		Others	5 (5)
Mini Buses	52 (3)	728 (42)		Total	376 (40)
Touring Coaches	35 —	1,540 —			
Miscellaneous	1 —	— —			
Total	2,415 3	131,567 (893)	Containers	Covered, etc.	117 4
				Flats	48 —
				Total	165 4
Service Vehicles					
Total	401 (19)				

Figures in colour represent changes on figures for year ended 31st December, 1983. Reductions are shown ().

