



BUS ÉIREANN - IRISH BUS · TUARASCÁIL AGUS RÁITEAS AIRGEADAIS

DO'N TRÉIMHSE 20ú Eanáir go 31ú Nollag 1987.

REPORT &  
FINANCIAL STATEMENT

PERIOD - 20th JANUARY TO 31st DECEMBER, 1987.



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# DIRECTORS AND OTHER INFORMATION

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## DIRECTORS

MR. G.T.P. CONLON, CHAIRMAN

MR. N. KENNEDY, MANAGING DIRECTOR

MR. J. DALY

MR. J. McLOUGHLIN

MR. S. O'CONNOR

MR. T. TOBIN



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## SECRETARY AND REGISTERED OFFICE

MR. P. HALPENNY

Broadstone, Dublin 7. Tel: (01) 302222 Telex: 33779 Fax: 309377

## AUDITORS

Craig Gardner & Co., Chartered Accountants, Gardner House, Wilton Place, Dublin 2.

# REPORT OF THE DIRECTORS

FOR THE PERIOD 2nd FEBRUARY, 1987 TO 31st DECEMBER, 1987

The Directors submit their first report, together with the audited financial statements for the period from the date of incorporation, 20th January, 1987, to 31st December, 1987.

## FORMATION

The Company was incorporated on 20th January, 1987, and commenced trading on 2nd February, 1987. It is a wholly-owned subsidiary of Córas Iompair Éireann.

## PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

The Company's principal activity is the provision of a national network of bus services, other than city buses in the Greater Dublin area. The Company also operates School Transport services throughout the country on behalf of the Department of Education.

Trading conditions throughout the Period were extremely difficult due to continuing economic recession, unemployment and emigration. Revenue has also been affected by the growth of private operators and during this Period it was further affected by the three-week O.P.O. strike. The ongoing price war on Ireland-U.K. air routes has had a serious impact on Supabus cross-channel revenue. To counteract these problems, there has been a sharp focus on expenditure and cost reduction programmes are being undertaken throughout the Company with very significant results.

## RESULT AND RESERVES

The result for the Period is as follows:-

	IR£000
Deficit for the Period	4,077
Transfer to Asset Replacement Reserve	<u>1,533</u>
<b>Accumulated deficit at end of the Period</b>	<b><u><u>5,610</u></u></b>



#### EVENTS SINCE THE YEAR END

Early in 1988, the Government advised the Company that in relation to the School Transport Scheme, it would be introducing pilot devolution projects in Counties Laois, Clare, Cavan and Sligo with effect from 1st September, 1988. This would mean that the administration of school transport in the four counties concerned would transfer from Bus Éireann to the relevant Transport Liaison Officers. The decision to establish the four pilot schemes is presently under review.

#### DIRECTORS

On the incorporation of the Company, the following Directors were appointed by the Chairman of Córas Iompair Éireann with the consent of the Minister for Communications:-

Mr. G.T.P. Conlon CHAIRMAN  
Mr. N. Kennedy MANAGING DIRECTOR  
Mr. J. Daly  
Mr. J. McLoughlin  
Mr. S. O'Connor  
Mr. T. Tobin

#### AUDITORS

Craig Gardner & Co., Chartered Accountants, were appointed Auditors during the period and have expressed their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

G.T.P CONLON – CHAIRMAN

N. KENNEDY – MANAGING DIRECTOR

28th June, 1988.

## REPORT OF THE AUDITORS

To the Members of Bus Éireann – Irish Bus.

We have audited the financial statements on pages 6 to 23 in accordance with approved auditing standards and have obtained all the information and explanations we considered necessary.

In our opinion, the Company has kept proper books of account and these statements, which are in agreement therewith, give a true and fair view of the state of affairs at 31st December, 1987, and of the deficit and source and application of funds for the period from 20th January, 1987, to 31st December, 1987, and give the information required by the Companies Acts, 1963 to 1986.

In our opinion, the information given in the report of the directors on pages 3 and 4 is consistent with the financial statements.

The Companies (Amendment) Act, 1983, requires the convening of an extraordinary general meeting where the net assets are half or less than half of the amount of the called up share capital. In our opinion, the balance sheet shows that such a financial situation did not exist at 31st December, 1987, and, accordingly, the convening of an extraordinary general meeting is not required.



CRAIG GARDNER & CO.,  
Chartered Accountants.

Gardner House,  
Wilton Place, Dublin 2.  
28th June 1988.

## PRINCIPAL ACCOUNTING POLICIES

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### 1. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention. The financial statements are expressed in Irish Pounds, denoted by the symbol IR£.

### 2. TURNOVER

Turnover comprises the gross value of services provided, except in the case of Private Hire, where the net value is included, and state grants receivable in accordance with E.C. Regulations.

### 3. TANGIBLE ASSETS AND DEPRECIATION

Tangible 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 are as follows:

#### (i) Road Passenger Vehicles:

Road Passenger Vehicles, with the exception of school buses, are depreciated on the basis of historical cost (at the beginning of the period) of under-age vehicles in the fleet spread over expected useful life. In addition, the excess of depreciation based on replacement cost (at the beginning of the period) over historical cost depreciation is shown separately as a transfer to Reserves from the Profit and Loss Account.

School buses which were in the Córás Iompair Éireann 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 useful life. New school buses which came into service after 1st April, 1974, are depreciated on the basis of original cost spread over expected useful life.

#### (ii) Plant and Machinery:

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





#### 4. STOCKS OF STORES

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

Provision is made for the write-off of all stocks which have not moved for over four years, with the exception of stocks associated with recently acquired assets.

#### 5. 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 Bus Éireann-Irish Bus and are depreciated as described in the “Tangible Assets and Depreciation” Policy with a corresponding amortisation of the money received from the Department of Education.

#### 6. FOREIGN CURRENCY

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

Realised exchange gains or losses, on transactions settled during the period, are treated as part of the Profit or Deficit for the period.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date.

#### 7. LEASED ASSETS

Leased Assets and the obligation to pay future rentals are not capitalised in the Balance Sheet. Rentals payable on all leases are charged to the Profit and Loss Account as they accrue.

#### 8. NON-REPAYABLE STATE GRANTS

Non-repayable State Grants under E.C. Regulation Number 1107/70 (Article 3.2), are included in turnover.



## PROFIT AND LOSS ACCOUNT

PERIOD 20th JANUARY, 1987, TO 31st DECEMBER, 1987

	NOTES	IR£000
<b>Turnover</b>		
CUSTOMER RECEIPTS		65,412
MISCELLANEOUS RECEIPTS		145
STATE GRANTS	2	<u>2,770</u>
<b>Total Turnover</b>		<b>68,327</b>
OPERATING COSTS	3	<u>66,640</u>
<b>Profit before Interest and Exceptional Items</b>		<b>1,687</b>
INTEREST PAYABLE	4	<u>(2,063)</u>
<b>Deficit before Exceptional Items</b>		<b>(376)</b>
EXCEPTIONAL ITEMS	5	<u>(3,701)</u>
<b>Deficit for the Period</b>		<b>(4077)</b>
Transfers to Reserves	13	<u>(1,533)</u>
<b>Accumulated Deficit at end of the Period</b>		<b><u>(5,610)</u></b>



G.T.P. CONLON - CHAIRMAN  
N. KENNEDY - MANAGING DIRECTOR

28th June, 1988

# BALANCE SHEET

AS AT 31st DECEMBER, 1987

	NOTES	IR£000
<b>Fixed Assets</b>		
TANGIBLE ASSETS	6	<u>36,909</u>
<b>Current Assets</b>		
STOCKS OF STORES	7	5,794
DEBTORS	8	6,338
CASH AT BANK AND IN HAND		<u>61</u>
		<u>12,193</u>
<b>Creditors</b> (AMOUNTS FALLING DUE WITHIN ONE YEAR)	9	<u>12,072</u>
<b>Net Current Assets</b>		<u>121</u>
<b>Total Assets Less Current Liabilities</b>		<u>37,030</u>
<b>Financed by:</b>		
<b>Creditors</b> (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)	10	11,988
<b>Provisions for Liabilities and Charges</b>	11	<u>5,699</u>
		<u>17,687</u>
<b>Capital and Reserves</b>		
CALLED UP SHARE CAPITAL	12	23,000
ASSET REPLACEMENT RESERVE	13	1,533
PROFIT AND LOSS ACCOUNT		<u>(5,610)</u>
		<u>18,923</u>
<b>Department of Education</b>		
FUNDING OF SCHOOL BUSES	14	<u>420</u>
		<u>37,030</u>

G.T.P. CONLON - CHAIRMAN

N. KENNEDY - MANAGING DIRECTOR

28th June, 1988



# STATEMENT OF SOURCE AND APPLICATION OF FUNDS

PERIOD 20th JANUARY, 1987 TO 31st DECEMBER, 1987

Source	IR£000
ISSUE OF SHARE CAPITAL	23,000*
LOAN FROM CÓRAS IOMPAIR ÉIREANN	17,036*
DISPOSAL OF FIXED ASSETS	48
	<u>40,084</u>
Application	
NET DEFICIT FOR PERIOD (INCLUDING STATE GRANTS OF IR£2.77m)	4,077
ADJUSTMENT FOR ITEMS NOT INVOLVING THE MOVEMENT OF FUNDS:	
DEPRECIATION	<u>(2,783)</u>
FUNDS ABSORBED BY OPERATIONS	1,294
CAPITAL EXPENDITURE	45
NET ASSETS TRANSFERRED FROM CÓRAS IOMPAIR ÉIREANN	40,036*
REPAYMENT OF LOAN FROM CÓRAS IOMPAIR ÉIREANN	<u>5,048</u>
	<u>46,423</u>
<b>Net (Decrease) in Working Capital</b>	<u><u>(6,339)</u></u>
BEING:	
INCREASE IN STOCKS OF STORES	794
INCREASE IN DEBTORS	2,097
(INCREASE) IN CREDITORS AND PROVISIONS	<u>(7,778)</u>
	<u>(4,887)</u>
(INCREASE) IN NET SHORT-TERM BORROWINGS	<u>(1,452)</u>
	<u><u>(6,339)</u></u>

\*These amounts arose on transfer of the business from Córas Iompair Éireann  
- See Note 1.

G.T.P. CONLON - CHAIRMAN  
N. KENNEDY - MANAGING DIRECTOR

28th June, 1988



# NOTES

## TO THE FINANCIAL STATEMENTS

### 1. FORMATION OF THE COMPANY

Bus Éireann – Irish Bus was incorporated on 20th January, 1987, under the provisions of the Companies Acts, 1963-1986 and in accordance with Section 6 of the Transport (Re-organisation of Córas Iompair Éireann) Act, 1986, as a wholly owned subsidiary of Córas Iompair Éireann, a statutory body formed under the provisions of the Transport Act, 1950. Net Assets as follows were transferred to the Company from Córas Iompair Éireann on 2nd February, 1987, on which date Bus Éireann – Irish Bus commenced trading:

	IR£000
TANGIBLE FIXED ASSETS	39,858
STOCKS	5,000
DEBTORS	4,241
CREDITORS AND PROVISIONS	(8,480)
SCHOOL BUS FUNDING	(583)
	<u>40,036</u>
<b>Represented by:</b>	
SHARE CAPITAL	23,000
LOAN FROM CÓRAS IOMPAIR ÉIREANN	<u>17,036</u>
	<u>40,036</u>

As these are the first financial statements of the Company, no comparatives are presented.



2. STATE GRANTS

State Grants payable to the Company via the Holding Company, Córas Iompair Éireann, are in accordance with E.C. Regulations governing State aid to transport undertakings. EC Regulation 1107/70 is availed of to make a grant in respect of losses on road passenger services.

Under this Regulation, State Grants of IR£2,770,000 were made to Bus Éireann-Irish Bus for the period from 2nd February, 1987, to 31st December, 1987, as follows:

	IR£000
STATE GRANT ON OPERATION OF CITY SERVICES	2,226
STATE GRANT ON OPERATION OF OTHER SERVICES	<u>544</u>
	<u>2,770</u>



3. OPERATING COSTS	IR£000
<b>Staff Costs</b>	
WAGES AND SALARIES	28,415
SOCIAL WELFARE COSTS	2,371
OTHER PENSION COSTS	2,062
	<u>32,848</u>
OWN WORK CAPITALISED AND ENGINEERING WORK FOR GROUP COMPANIES	(1,555)
<b>Net Staff Costs</b>	<u>31,293</u>
<b>Materials and Services</b>	
FUEL AND LUBRICANTS	3,146
SCHOOL CONTRACTORS' CHARGES	13,782
ROAD TAX AND LICENCES	170
OPERATING LEASE CHARGES	868
RATES	203
AUDITORS REMUNERATION	30
MATERIALS AND OTHER SERVICES	14,313
	<u>32,512</u>
<b>Directors' Remuneration</b>	
EMOLUMENTS:	
– FOR SERVICES AS DIRECTORS	1
– FOR OTHER SERVICES	51
	<u>52</u>
<b>Depreciation</b>	<u>2,783</u>
<b>Total Operating Costs</b>	<u><u>66,640</u></u>



The average number of persons employed during the period was as follows:

FULL-TIME	2,100
PART-TIME SCHOOL BUS DRIVERS	<u>800</u>
	<u>2,900</u>
4. INTEREST PAYABLE	IR£000
ON LOAN FROM HOLDING COMPANY	<u>2,063</u>
5. EXCEPTIONAL ITEMS	IR£000
STAFF COMPENSATION – VOLUNTARY SEVERANCE PAID AND PROVIDED INCLUDING IMPLEMENTATION OF ONE PERSON BUS OPERATION	1,701
PROVISION FOR EXCEPTIONAL INSURANCE CLAIM DURING PERIOD	<u>2,000</u>
	<u>3,701</u>





6. TANGIBLE ASSETS

	ROAD PASSENGER VEHICLES	PLANT & MACHINERY	TOTAL
Cost	IR£000	IR£000	IR£000
TRANSFERRED FROM HOLDING COMPANY AT 2ND FEBRUARY, 1987	52,469	1,810	54,279
ADDITIONS	3	42	45
DISPOSALS	(391)	(69)	(460)
AT 31ST DECEMBER, 1987	<u>52,081</u>	<u>1,783</u>	<u>53,864</u>
<b>Accumulated Depreciation</b>			
TRANSFERRED FROM HOLDING COMPANY AT 2ND FEBRUARY, 1987	13,520	901	14,421
CHARGE FOR PERIOD	2,781	165	2,946
DISPOSALS	(343)	(69)	(412)
AT 31ST DECEMBER, 1987	<u>15,958</u>	<u>997</u>	<u>16,955</u>
<b>Net Book Amounts</b>			
AT 31ST DECEMBER, 1987	<u>36,123</u>	<u>786</u>	<u>36,909</u>

- (a) The depreciation charge shown for Road Passenger Vehicles includes IR£163,000 depreciation on school buses. The amount is wholly offset by the amortisation of moneys received from the Department of Education (See Note 14).
- (b) The expected useful lives used for the various types of assets for depreciation purposes are as follows:-

Road Passenger Vehicles	16 Years
Plant and Machinery	10 Years



7. STOCKS OF STORES

	IR£000
MAINTENANCE MATERIALS AND SPARE PARTS	4,818
FUEL, LUBRICANTS AND OTHER SUNDRY STOCKS	<u>976</u>
	<u>5,794</u>

These amounts include parts and components necessarily held to meet long term operational requirements.

The replacement value of stocks of stores is not materially different from their book value.

8. DEBTORS

	IR£000
TRADE DEBTORS	3,871
AMOUNTS OWED BY HOLDING AND FELLOW SUBSIDIARY COMPANIES	1,477
OTHER DEBTORS AND ACCRUED INCOME	<u>990</u>
	<u>6,338</u>



All amounts included above fall due within one year.

9. CREDITORS

(AMOUNTS FALLING DUE WITHIN ONE YEAR)

	IR£000
BANK OVERDRAFTS	1,513
TRADE CREDITORS	1,236
AMOUNTS OWED TO FELLOW SUBSIDIARY COMPANY	70
LOAN FROM HOLDING COMPANY	1,100
INCOME TAX DEDUCTED UNDER P.A.Y.E.	725
PAY RELATED SOCIAL INSURANCE	472
VALUE ADDED TAX	31
OTHER CREDITORS	570
ACCRUALS AND DEFERRED INCOME	6,355
	<u>12,072</u>
CREDITORS FOR TAXATION AND SOCIAL WELFARE INCLUDED ABOVE	<u>1,228</u>

10. CREDITORS

(AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)

	IR£000
Loans repayable to Holding Company as follows:-	
BETWEEN ONE AND TWO YEARS	814
BETWEEN TWO AND FIVE YEARS	4,581
IN FIVE YEARS OR MORE	6,593
	<u>11,988</u>



11. PROVISIONS FOR LIABILITIES AND CHARGES

	IR£000
INSURANCE CLAIMS:	
TRANSFERRED FROM HOLDING COMPANY AT 2ND FEBRUARY, 1987	3,305
UTILISED DURING THE PERIOD	(1,490)
TRANSFER FROM PROFIT AND LOSS ACCOUNT	<u>3,884</u>
AT 31ST DECEMBER, 1987	<u><u>5,699</u></u>

Córas Iompair Éireann holds, on behalf of the Company, external insurance to cover:

- (i) third party liability in excess of IR£3,000,000 and up to IR£33,000,000 on any one accident;
- (ii) third party liability in excess of IR£500,000 and up to IR£30,500,000 on any one premises accident;
- (iii) fire damage, involving the Board's property, in excess of IR£200,000 in any one accident.

Any losses not covered by external insurance are charged to profit and loss and unsettled amounts are included in Provisions for Liabilities and Charges.

12. SHARE CAPITAL

<b>Authorised:</b>	IR£000
ORDINARY SHARES OF IR£1 EACH	<u>32,000</u>
<b>Allotted and Fully Paid:</b>	
ORDINARY SHARES OF IR£1 EACH	<u><u>23,000</u></u>

The above shares were issued in exchange for net assets transferred from Córas Iompair Éireann on 2nd February, 1987.

### 13. ASSET REPLACEMENT RESERVE

	IR£000
TRANSFER FROM PROFIT AND LOSS ACCOUNT	<u>1,533</u>

This Reserve represents the excess of depreciation based on replacement cost over that based on historical cost.

### 14. DEPARTMENT OF EDUCATION – FUNDING OF SCHOOL BUSES

	IR£000
BALANCE TRANSFERRED FROM HOLDING COMPANY	583
RECEIVABLE IN YEAR	—
RELEASED TO PROFIT & LOSS ACCOUNT	<u>(163)</u>
BALANCE CARRIED FORWARD	<u>420</u>



15. LEASE TRANSACTIONS

(a) The Company had commitments under finance leases as set out below:-

	IR£000
PAYABLE WITHIN ONE YEAR	36
PAYABLE BETWEEN TWO AND FIVE YEARS	161
PAYABLE THEREAFTER	<u>68</u>
	<u><u>265</u></u>

These lease amounts include unrealised gains of IR£42,000 on translation at Balance Sheet date of lease commitments denominated in foreign currencies. The gains are released to profit and loss as they are realised on payment of the lease rentals.

(b) The Company had commitments under operating leases as set out below:-

	IR£000
PAYABLE WITHIN ONE YEAR	562
PAYABLE BETWEEN TWO AND FIVE YEARS	<u>1,308</u>
	<u><u>1,870</u></u>

The lease amounts include unrealised losses of IR£6,000 on translation at Balance Sheet date of lease commitments denominated in foreign currencies. The losses are charged to profit and loss as they are incurred on payment of the lease rentals.



## 16. PENSIONS

The Board of Córas Iompair Éireann operates defined benefit pension schemes for the established employees of itself and its Subsidiary Companies, including Bus Éireann. Contributions by the Holding Company, its subsidiaries and their employees are invested in separately administered pension funds. In the case of the Regular Wages Pension Schemes and the C.I.E. Superannuation Scheme 1951, annual contributions are based on the advice of a professionally qualified actuary obtained from time to time as appropriate. The annual contributions to the Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme and the C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R. and I.R.C.H.) Superannuation Scheme 1977 (both schemes are closed) are based on unchanged rates of contribution. The contributions are charged to the Profit and Loss Account on an accrual basis.

The latest actuarial reports show:

- in respect of the Regular Wages Pension Schemes, a small surplus at 31st December, 1986, on the basis of the assumptions contained in the report, over the amount required to meet expected future liabilities.
- in respect of the CIE Superannuation Scheme 1951, a small surplus at 31st December, 1986, on the basis of the assumptions contained in the report, over the amount required to meet expected future liabilities.
- in respect of C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R. and I.R.C.H.) Superannuation Scheme, 1977, a deficiency of IR£4,225,000 at 31st December, 1984, on the basis of the assumptions contained in the report.

No actuarial report was prepared in respect of the Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme.

The actuarial reports in respect of Clerical, Executive and Supervisory Staff Schemes are available for inspection by the Committees established for each of these Schemes. The Committees include members' representatives.

Córas Iompair Éireann is legally obliged to ensure that cash is available to 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 shortfall in the period relating to Bus Éireann was IR£71,000 in the cash resources of the Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme. During the period, the resources of the other funds, for which this obligation exists, were sufficient to meet the immediate cash requirements.



17. CAPITAL COMMITMENTS

	IR£000
CONTRACTED FOR	2,225
AUTHORISED BY THE DIRECTORS BUT NOT CONTRACTED FOR	<u>—</u>
	<u>2,225</u>

18. NET DEFICIT BY SECTOR

The net deficit for the period after the Transfer to Reserves is split between City Services and Other Services as follows:

(a) City Services

	IR£000
<b>Turnover</b>	
CUSTOMER RECEIPTS	8,014
STATE GRANT	2,226
<b>Total Turnover</b>	<u>10,240</u>
<b>Expenditure</b>	
MAINTENANCE OF BUILDINGS	108
MAINTENANCE OF VEHICLES AND EQUIPMENT	2,182
FUEL	368
ROAD TAX AND LICENCES	30
OPERATING AND OTHER EXPENSES	7,389
OPERATING DEPRECIATION*	1,000
	<u>11,077</u>
OPERATING DEFICIT	(837)
FINANCIAL CHARGES	536
<b>Net Deficit</b>	<u>(1,373)</u>





(b) **Other Services**

	IR£000
<b>Turnover</b>	
CUSTOMER RECEIPTS	57,398
MISCELLANEOUS RECEIPTS	145
	<u>57,543</u>
STATE GRANTS	544
<b>Total Turnover</b>	<u>58,087</u>
<b>Expenditure</b>	
MAINTENANCE OF BUILDINGS	505
MAINTENANCE OF VEHICLES AND EQUIPMENT	13,860
FUEL	2,780
ROAD TAX AND LICENCES	140
OPERATING AND OTHER EXPENSES	40,236
OPERATING DEPRECIATION*	3,276
	<u>60,797</u>
OPERATING DEFICIT	(2,710)
FINANCIAL CHARGES	1,527
<b>Net Deficit</b>	<u>(4,237)</u>



\*Operating Depreciation includes the amount transferred to the Asset Replacement Reserve but excludes depreciation on Engineering Plant and Machinery, which is included under Maintenance of Vehicles and Equipment.

19. **APPROVAL OF FINANCIAL STATEMENTS**

The Directors approved the financial statements on 28th June, 1988.

## VALUE ADDED STATEMENT

PERIOD 20th JANUARY, 1987, TO 31st DECEMBER, 1987

		IR£000
<b>Value Added Generated</b>		
TURNOVER (INCLUDING STATE GRANTS OF IR£2.77m)		68,327
ADD: OWN WORK CAPITALISED AND ENGINEERING WORK FOR GROUP COMPANIES		<u>1,555</u>
		69,882
LESS: COST OF MATERIALS AND SERVICES UTILISED	(32,512)	
EXCEPTIONAL ITEMS	<u>(3,701)</u>	<u>(36,213)</u>
		<u><u>33,669</u></u>
<b>Application of Value Added</b>		
NET COMPENSATION OF EMPLOYEES WITH PENSION COSTS		22,944
TO GOVERNMENT		
- PAYROLL TAXES		9,956
TO PROVIDERS OF CAPITAL- HOLDING COMPANY		2,063
PROVISION FOR FUTURE INVESTMENT- DEPRECIATION		2,783
DEFICIT FOR PERIOD		<u>(4,077)</u>
		<u><u>33,669</u></u>





