





## Contents

- 2** Directors and Other Information
- 3** Report of the Directors
- 5** Report of the Auditors
- 6** Principal Accounting Policies
- 8** Profit and Loss Account
- 9** Balance Sheet
- 10** Cash Flow Statement
- 11** Notes to the Financial Statements
- 22** Value Added Statement

## Directors and Other Information

### **DIRECTORS**

Mr. G.T.P. Conlon, Chairman

Mr. N. Kennedy, Managing Director

Mr. J. Daly

Mr. S. Feely

Mr. J. Harrington

Mr. A. O'Brien

### **SECRETARY AND REGISTERED OFFICE**

Mr. R. O'Farrell,

Broadstone,

Dublin 7.

Telephone (01) 302222

Telex: 33779

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### **AUDITORS**

Craig Gardner & Co.,

Chartered Accountants,

Gardner House,

Wilton Place,

Dublin 2.

## Report of the Directors

For the year ended 31st December, 1991

The Directors submit their report together with the audited financial statements for the year ended 31st December, 1991.

### 1. PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

During the year the company continued to provide a national network of Expressway coach services, local bus services, provincial city services and to operate School Transport Services on behalf of the Department of Education throughout the country.

Considerable progress was achieved during the year in further improving services to our customers. There is within the company a co-ordinated focus on customer care and among the achievements in 1991 were the opening of a new Travel Centre in the vibrant tourist town of Killarney and the refurbishment of the main coach terminal at Busaras, Dublin. A £3.5M investment in 1991 brings the total investment in new coaches to £11.9M over the last four years. This is a measure of the company's sustained commitment to service enhancement and expansion of its business. The competitive fares strategy and the widening of our range of services are also integral elements in the determination to give value and choice to the customer. The market response, in a difficult operating climate, has been most encouraging with revenue from services increasing by 11% during the year. Growth of Expressway services was especially

significant with passenger journeys increasing by 21% on 1990 levels.

Success in expanding the commercial Expressway business with resultant increased profits has enabled greater cross-subsidisation of the social services in city and rural areas which require subsidy. Reduction in the State Grant (£4.6M) can only be achieved through increased cross-subsidisation from commercial services and minimisation of all costs. This requires an ongoing policy of closely monitoring all costs to ensure competitiveness with the elimination of any costs not essential to the operation of the business.

Following the previously reported funding difficulties, it is satisfying to report that the Department of Education accepts that there remains an outstanding deficit on the school transport scheme of £4.5M as at 31st December, 1991. In addition, the Department has advised the company that further monies will be made available to meet the cost of school transport services during 1992. In absolute terms the net cost of the scheme has increased by only 1.3% since 1987 while at the same time consistent reductions have been achieved in real terms. Consultants who examined the management and supervision of the scheme concluded that the school transport services are provided at or near minimum cost.

## Report of the Directors

### 2. RESULT AND RESERVES

The financial statements for the year-ended 31st December, 1991 are set out in detail on pages 6 to 21. A summary of the results is as follows:-

	1991
	IR£000
Surplus for the year after State Grant	2,385
Transfer to	
Asset Replacement Reserve	(180)
Decrease in Accumulated Deficit	
for the year	<u>2,205</u>

### 3. WORKER PARTICIPATION AT SUB-BOARD LEVEL

The company is among the State enterprises covered by the sub-board participation provisions of the Worker Participation (State Enterprises) Act, 1988. Proposals designed to give effect to the provisions of the Act emanating from a joint management-trade union working party are under consideration.

### 4. HEALTH AND SAFETY

It is the policy of the company to ensure the health and welfare of employees by maintaining safe places and systems of work. This policy is based on the requirements of employment legislation including the Safety, Health and Welfare at Work Act 1989.

### 5. EQUAL OPPORTUNITIES IN STATE SPONSORED BODIES

The company is an equal opportunities employer. The C.I.E. Group's policy and procedures in relation to recruitment,

training and promotion have been adopted and are pursued by the company.

### 6. DIRECTORS

The Directors of the company are appointed by the Chairman of Córas Iompair Éireann with the consent of the Minister for Tourism, Transport and Communications. The names of persons who were Directors at any time during the year ended 31st December, 1991, are set out below. Except where indicated, they served as Directors for the entire year.

Mr. G. T. P. Conlon (Chairman)  
Mr. N. Kennedy (Managing Director)  
Mr. J. Daly  
Mr. S. Feely  
Mr. J. Harrington  
Mr. T. Tobin (Resigned on 6th April, 1991)  
Mr. A. O'Brien (Appointed on 31st July, 1991)

### 7. AUDITORS

Craig Gardner & Co., Chartered Accountants, 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.

22nd July, 1992.



## Report of the Auditors

To the members of Bus Éireann - Irish Bus.

We have audited the financial statements on pages 6 to 21 in accordance with Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st December, 1991, and of the surplus and cash flow for the year ended on that date and have been properly prepared in accordance with the provisions of the Companies Acts, 1963 to 1990.

The net assets of the company, as stated in the balance sheet on page 9, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31st December, 1991, a financial situation which, under Section 40(1) of the Companies (Amendment) Act 1983, would require the convening of an extraordinary general meeting of the company.

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

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

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

**22nd July, 1992.**

## Principal Accounting Policies

### A. BASIS OF ACCOUNTING:

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

### B. 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 funded by the Department of Education, are depreciated over their expected useful lives on the basis of their historical cost. In addition, the excess of depreciation based on the replacement cost of vehicles (at the beginning of the year) over the historical cost depreciation is shown separately as a transfer to reserve from the profit and loss account.

School buses which were funded by the Department of Education are also depreciated on the basis of the historical cost of under-age vehicles in the fleet spread over their expected useful life.

#### (ii) Plant and Machinery

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

### C. LEASED ASSETS:

#### (i) Finance Leases

Assets held under finance leases are accounted for in accordance with SSAP21 (Accounting for Leases and Hire Purchase Contracts). The capital cost of such assets is included in tangible fixed assets and depreciated over the shorter of the lease term or the estimated useful life of the asset. The capital element of the outstanding lease obligations is included with creditors. Financial charges are charged to profit and loss account over the primary period of the lease.

#### (ii) Operating Leases

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

### D. 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.



## Principal Accounting Policies

### **E. FOREIGN CURRENCY:**

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

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

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

### **F. DEPARTMENT OF EDUCATION - FUNDING OF SCHOOL BUSES:**

Prior to 1986 the acquisition of school buses was funded by the Department of Education. These buses, insofar as they are still in use, 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 monies received from the Department of Education.

### **G. NON-REPAYABLE STATE GRANT:**

The Non-Repayable State Grant under EC Regulation No.1107/70 (Article 3.2) is included in the profit and loss account.

### **H. PENSIONS:**

Pension schemes are funded by the Board, its subsidiaries and employees over the members' period of service by way of contributions to separately administered pension funds. The Group's annual contributions are set by independent actuaries. The company's contributions are charged to the profit and loss account in the period to which they relate. Ex gratia pensions are met out of the company's own resources and are taken into account in the year in which they arise.

## Profit and Loss Account

	Notes	Year ended 31st December	
		1991 IR£000	1990 IR£000
<b>Revenue</b>			
Customer Receipts		83,979	77,335
Miscellaneous Receipts		207	255
<b>Total Revenue</b>		<b>84,186</b>	<b>77,590</b>
<b>Costs</b>			
Operating Costs	2	(84,179)	(80,244)
Interest Payable	3	(1,557)	(1,702)
		<b>(85,736)</b>	<b>(81,946)</b>
<b>Deficit Before Exceptional Items and State Grant</b>		<b>(1,550)</b>	<b>(4,356)</b>
<b>Exceptional Items</b>	4	<b>(707)</b>	<b>(701)</b>
<b>Deficit for the year before State Grant</b>		<b>(2,257)</b>	<b>(5,057)</b>
<b>State Grant</b>	5	<b>4,642</b>	<b>4,820</b>
<b>Surplus/(Deficit) for the year after State Grant</b>		<b>2,385</b>	<b>(237)</b>
<b>Transfer to Asset Replacement Reserve</b>	14	<b>(180)</b>	<b>(118)</b>
<b>Decrease/(Increase) in Deficit during the Year</b>	20	<b>2,205</b>	<b>(355)</b>
<b>Accumulated Deficit at Beginning of the Year</b>		<b>(10,259)</b>	<b>(9,904)</b>
<b>Accumulated Deficit at End of the Year</b>		<b>(8,054)</b>	<b>(10,259)</b>

G.T.P. Conlon,  
Chairman.  
22nd July, 1992.

N. Kennedy,  
Managing Director.

## Balance Sheet

		As at 31st December	
	Notes	1991	1990
		IR£000	IR£000
<b>Fixed Assets</b>			
Tangible Assets	6	<u>35,458</u>	<u>35,639</u>
<b>Current Assets</b>			
Stocks of Stores	7	4,022	4,086
Debtors	8	11,966	5,947
Cash at Bank and in Hand		17	65
		<u>16,005</u>	<u>10,098</u>
<b>Creditors</b> (Amounts falling due within one year)	9	<u>17,582</u>	<u>14,509</u>
<b>Net Current Liabilities</b>		<u>(1,577)</u>	<u>(4,411)</u>
<b>Total Assets Less Current Liabilities</b>		<u>33,881</u>	<u>31,228</u>
<b>Financed By:</b>			
<b>Creditors</b> (Amounts falling due after more than one year)	10	9,160	10,481
<b>Provisions for Liabilities and Charges</b>	12	7,341	5,719
		<u>16,501</u>	<u>16,200</u>
<b>Capital and Reserves</b>			
Called up Share Capital	13	23,000	23,000
Asset Replacement Reserve	14	2,314	2,134
Profit and Loss Account		(8,054)	(10,259)
		<u>17,260</u>	<u>14,875</u>
<b>Department of Education</b>			
Funding of School Buses	15	120	153
		<u>33,881</u>	<u>31,228</u>

G.T.P. Conlon,  
Chairman.  
22nd July, 1992.

N. Kennedy,  
Managing Director.

## Cash Flow Statement

	Year ended 31st December	
	1991	1990
	IR£000	IR£000
<b>Net Cash Inflow from Operating Activities (Note 17)</b>	<b>5,218</b>	<b>6,312</b>
<b>Servicing of Finance</b>		
Interest Paid	(1,577)	(1,686)
Interest Element of Finance Leases	20	(16)
Net Cash Outflow from Servicing of Finance	(1,557)	(1,702)
<b>Investing Activities</b>		
Purchase of Tangible Fixed Assets	(3,845)	(3,857)
Sale of Tangible Fixed Assets	-	34
Net Cash Outflow from Investing Activities	(3,845)	(3,823)
<b>Net Cash (Outflow)/Inflow before Financing</b>	<b>(184)</b>	<b>787</b>
<b>Financing</b>		
Capital Element of Finance Lease Payments (Note 17 (D))	(130)	(45)
<b>(Decrease)/Increase in Cash and Cash Equivalents (Note 17 (B) and 17 (C))</b>	<b>(314)</b>	<b>742</b>

G.T.P. Conlon,  
Chairman.  
22nd July, 1992.

N. Kennedy,  
Managing Director.

## Notes to the Financial Statements

### 1. STATUS OF 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 were transferred to the company from Córas Iompair Éireann on 2nd February, 1987 on which date Bus Éireann - Irish Bus commenced trading.

In accordance with Section 7(3) of the Transport (Re-organisation of Córas Iompair Éireann) Act 1986, Bus Éireann - Irish Bus is exempt from the requirement of the Companies Act 1963 to include the word "Limited" in its title.

<b>2. OPERATING COSTS</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
<b>Staff Costs</b>		
Wages and Salaries	<b>34,320</b>	32,736
Social Welfare Costs	<b>2,953</b>	2,951
Other Pension Costs	<b>2,303</b>	2,424
	<b>39,576</b>	38,111
Own Work Capitalised and Engineering Work for Group Companies	<b>(1,082)</b>	(1,211)
<b>Net Staff Costs</b>	<b>38,494</b>	36,900
<b>Materials and Services</b>		
Third Party and Employer's Liabilities (excluding Exceptional Items)	<b>4,027</b>	4,262
Fuel and Lubricants	<b>4,560</b>	4,082
School Contractors Charges	<b>15,708</b>	15,262
Road Tax and Licenses	<b>206</b>	188
Operating Lease Rentals	<b>434</b>	909
Rates	<b>348</b>	280
Auditors Remuneration	<b>33</b>	32
Materials and Other Services	<b>16,295</b>	14,777
	<b>41,611</b>	39,792
<b>Directors Remuneration</b>		
<b>Emoluments</b>		
- for services as Directors	<b>1</b>	1
- for other services	<b>79</b>	74
	<b>80</b>	75
<b>Depreciation</b>	<b>3,994</b>	3,477
<b>Total Operating Costs</b>	<b>84,179</b>	80,244



## Notes to the Financial Statements

### 2. OPERATING COSTS (continued)

#### Numbers Employed

The average number of persons employed was as follows:-

	Staff Numbers	
	1991	1990
Full-time	1,873	1,851
Part-time School Bus Drivers	686	689
	<u>2,559</u>	<u>2,540</u>

### 3. INTEREST PAYABLE

	1991	1990
	IR£000	IR£000
On loan from Holding Company	1,577	1,686
On Finance Leases	(20)	16
	<u>1,557</u>	<u>1,702</u>

### 4. EXCEPTIONAL ITEMS

	1991	1990
	IR£000	IR£000
Voluntary Severance	707	537
Provision for Exceptional Insurance Claim	-	164
	<u>707</u>	<u>701</u>

### 5. STATE GRANT

The State Grant payable to the company via the Holding Company, Córas Iompair Éireann, is in accordance with EC Regulations governing State aid to transport undertakings. EC Regulation No. 1107/70 is availed of to make a grant in respect of deficits on road passenger services.

Under this Regulation, a State Grant was made to Bus Éireann - Irish Bus as follows:-

	1991	1990
	IR£000	IR£000
State Grant on Operation of City Services	2,514	2,110
State Grant on Operation of Other Services	2,128	2,710
	<u>4,642</u>	<u>4,820</u>

## Notes to the Financial Statements

### 6. TANGIBLE ASSETS

	Road Passenger Vehicles IR£000	Plant and Machinery IR£000	Total IR£000
<b>Cost</b>			
At 1st January, 1991	58,851	1,817	60,668
Additions	3,686	159	3,845
Disposals	(432)	(1)	(433)
<b>At 31st December, 1991</b>	<b>62,105</b>	<b>1,975</b>	<b>64,080</b>
<b>Accumulated Depreciation</b>			
At 1st January, 1991	23,841	1,188	25,029
Charge for Year	3,912	114	4,026
Disposals	(432)	(1)	(433)
<b>At 31st December, 1991</b>	<b>27,321</b>	<b>1,301</b>	<b>28,622</b>
<b>Net Book Amounts</b>			
<b>At 31st December 1991</b>	<b>34,784</b>	<b>674</b>	<b>35,458</b>
At 31st December 1990	35,010	629	35,639

(a) The depreciation charge shown for road passenger vehicles includes IR£33,000 (1990 – IR£33,000) depreciation on school buses. The amount is wholly offset by the amortisation of monies received from the Department of Education (See Note 15).

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

	Lives (Years)
Road Passenger Vehicles	5 - 16
Plant and Machinery	10

(c) Road passenger vehicles at a cost of IR£5,713,000 (1990 – IR£5,661,000) were fully depreciated but still in use at the balance sheet date.

## Notes to the Financial Statements

### 6. TANGIBLE ASSETS (continued)

(d) Included in tangible assets are amounts as stated below in respect of road passenger vehicles which are held under finance leases, but which remain in the legal ownership of the lessors:-

	1991 IR£000	1990 IR£000
<b>Road Passenger Vehicles</b>		
Cost	1,960	1,788
Accumulated Depreciation	557	409
Net Book Value at 31st December	<u>1,403</u>	<u>1,379</u>
Depreciation for Year	<u>148</u>	<u>100</u>

### 7. STOCKS OF STORES

	1991 IR£000	1990 IR£000
Maintenance Materials and Spare Parts	3,461	3,274
Fuel, Lubricants and Other Sundry Stocks	561	812
	<u>4,022</u>	<u>4,086</u>

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

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

### 8. DEBTORS (Amounts falling due within one year.)

	1991 IR£000	1990 IR£000
Trade Debtors	5,120	4,396
Amounts owed by Holding and Fellow Subsidiary Companies	6,257	639
Other Debtors and Accrued Income	589	912
	<u>11,966</u>	<u>5,947</u>

## Notes to the Financial Statements

<b>9. CREDITORS</b> (Amounts falling due within one year)	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
Bank Overdrafts	<b>1,168</b>	902
Trade Creditors	<b>1,778</b>	1,640
Amounts owed to Holding and Fellow Subsidiary Companies	-	43
Loan from Holding Company (Note 11)	<b>4,254</b>	2,955
Finance Lease Obligations (Note 16)	<b>22</b>	130
Income Tax deducted under P.A.Y.E.	<b>627</b>	551
Pay Related Social Insurance	<b>546</b>	469
Other Creditors	<b>675</b>	563
Accruals and Deferred Income	<b>5,612</b>	4,010
Third Party and Employer's Liabilities (Note 12)	<b>2,900</b>	3,246
	<b>17,582</b>	14,509
Creditors for taxation and social welfare included above	<b>1,173</b>	1,020
<b>10. CREDITORS</b> (Amounts falling due after more than one year)	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
Loan repayable to Holding Company (Note 11)	<b>9,135</b>	10,434
Finance Lease Obligations (Note 16)	<b>25</b>	47
	<b>9,160</b>	10,481
<b>11. LOAN FROM HOLDING COMPANY</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
This loan is repayable as follows:		
Within one year (Note 9)	<b>4,254</b>	2,955
Between one and two years	<b>612</b>	3,848
Between two and five years	<b>1,489</b>	2,583
After five years	<b>7,034</b>	4,003
	<b>9,135</b>	10,434
	<b>13,389</b>	13,389



## Notes to the Financial Statements

<b>12. PROVISIONS FOR LIABILITIES AND CHARGES</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
<b>Third Party and Employer's Liabilities</b>		
Balance at 1st January	<b>8,965</b>	8,847
Utilised during the Year	<b>(2,630)</b>	(4,203)
Transfer from Profit and Loss Account	<b>3,906</b>	4,321
Balance at 31st December	<b>10,241</b>	8,965
Less transfer to Current Liabilities (Note 9)	<b>2,900</b>	3,246
	<b>7,341</b>	5,719

Provision is made for the estimated ultimate cost of all third party and employer's liability claims which are not covered by the Board's external insurance policies. In arriving at the amount of the total provision required for the third party liability claims, the company has had regard to the results of an independent actuarial review.

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

(i) third party liability in excess of IR£1,000,000 and up to IR£61,000,000 on any one occurrence or series of occurrences arising out of any one road transport event, except in the case of actions taken for road claims subject to United States jurisdiction, where the excess is \$3,000,000.

(ii) third party liability in excess of IR£50,000 and up to IR£60,050,000 on any one occurrence or series of occurrences arising out of All Other Risks events, except in the case of actions for All Other Risks claims subject to United States jurisdiction where the excess is \$100,000.

(iii) in addition Bus Éireann - Irish Bus is covered for road transport third party liabilities in excess of a self-insured retention of IR£3,000,000 in aggregate in a twelve month period.

(iv) fire and special perils, including storm damage, to the Board's property, in excess of IR£200,000 on any one loss.

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

<b>13. SHARE CAPITAL</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
<b>Authorised:</b>		
Ordinary Shares of IR£1 each	<b>32,000</b>	32,000
<b>Allotted and Fully Paid:</b>		
Ordinary Shares of IR£1 each	<b>23,000</b>	23,000



## Notes to the Financial Statements

<b>14. ASSET REPLACEMENT RESERVE</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
Balance at 1st January	<b>2,134</b>	2,016
Transfer from Profit and Loss Account	<b>180</b>	118
Balance at 31st December	<b>2,314</b>	2,134

The reserve represents the excess of depreciation based on the replacement cost of vehicles over that based on historical cost. (Accounting Policy B)

<b>15. DEPARTMENT OF EDUCATION - FUNDING OF SCHOOL BUSES</b>	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
Balance at 1st January	<b>153</b>	186
Released to Profit and Loss Account	<b>(33)</b>	(33)
Balance at 31st December	<b>120</b>	153

<b>16. LEASE OBLIGATIONS</b>	<b>1991</b>	1990
<b>A. Finance Leases</b>	<b>IR£000</b>	IR£000
Net obligations under finance leases fall due as follows:-		
Within one year	<b>22</b>	130
Between one and five years	<b>25</b>	47
	<b>47</b>	177

### **B. Operating Leases**

During the year ended 31st December, 1991 the company paid IR£434,000 (1990 – IR£909,000) on operating lease rentals.

At 31st December, 1991 the company had annual commitments of IR£44,000 (1990 – IR£248,000) under operating leases which expire as set out below:-

	<b>1991</b>	1990
	<b>IR£000</b>	IR£000
Within one year	<b>14</b>	183
Within two to five years	<b>30</b>	65
	<b>44</b>	248

## Notes to the Financial Statements

### 17. CASH FLOW STATEMENT

#### (A) Reconciliation of Surplus/(Deficit) to Net Cash Flow from Operating Activities.

	1991	1990
	IR£000	IR£000
Surplus/(Deficit) before Exceptional Items, State Grants and Servicing of Finance	7	(2,654)
Exceptional Items	(707)	(701)
Deficit before State Grants and Servicing of Finance	(700)	(3,355)
State Grant	4,642	4,820
Surplus for year before Servicing of Finance	3,942	1,465
Depreciation Charge	3,993	3,477
Decrease in Stocks	64	1,026
(Increase)/Decrease in Debtors	(6,019)	747
Increase/(Decrease) in Creditors and Provisions	3,238	(403)
<b>Net Cash Inflow from Operating Activities before Servicing of Finance.</b>	<b>5,218</b>	<b>6,312</b>

#### (B) Analysis of Changes in Cash and Cash Equivalents during the Year

	1991	1990
	IR£000	IR£000
Balance at 1st January	(837)	(1,579)
Net Cash (Outflow)/Inflow	(314)	742
Balance at 31st December	(1,151)	(837)

#### (C) Analysis of Balances of Cash and Cash Equivalents as shown in the Balance Sheet

	1991	1990	Change in 1991	Change in 1990
	IR£000	IR£000	IR£000	IR£000
Cash at Bank and in Hand	17	65	(48)	4
Bank Overdraft	(1,168)	(902)	(266)	738
	(1,151)	(837)	(314)	742

#### (D) Analysis of Changes in Financing during the Year 1991

	Share Capital	Loans and Finance Lease Obligations
	IR£000	IR£000
Balance at 1st January, 1991	23,000	13,565
Cash Outflow from Financing	-	130
Balance at 31st December, 1991	23,000	13,435

## Notes to the Financial Statements

### 18. 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 - Irish Bus. Contributions by the Board, the companies 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 an independent 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 pension cost for the year was IR£2,303,000 (1990 – IR£2,424,000).

Actuarial valuations of the pension schemes have been prepared up to the following dates:-

- C.I.E. Superannuation Scheme, 1951	31st December, 1990
- C.I.E. Superannuation Scheme for Regular Wages Staff	31st December, 1990
- G.N.R. Superannuation Scheme for Regular Wages Staff	31st December, 1990
- C.I.E. Spouses' and Children's Superannuation Scheme	31st December, 1989
- C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R., and I.R.C.H.) Superannuation Scheme, 1977	31st December, 1989
- C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme	31st December, 1990

The actuarial valuation of the pensions schemes show on a combined basis that the assets of the schemes represent 125% of the liabilities which had accrued up to the above dates on an ongoing basis.

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.

The Board of Córas Iompair Éireann is legally obliged to ensure that cash is available to the C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R., and I.R.C.H.) Superannuation Scheme, 1977 and the C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme if their funds are insufficient to meet the pension obligations due and payable under these schemes. The shortfall in the cash resources of the C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme in 1991 was IR£1,472,000 (1990 – IR£1,558,000). There was no shortfall in the C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R., and I.R.C.H.) Superannuation Scheme, 1977.

Ex gratia pensions are met out of the company's own resources and are taken into account in the year in which they arise.

## Notes to the Financial Statements

### 19. CAPITAL COMMITMENTS

	1991	1990
	IR£000	IR£000
Contracted for	<u>2,427</u>	<u>2,875</u>

### 20. NET SURPLUS/(DEFICIT) BY SECTOR

The net surplus/(deficit) for the year after the transfer to reserves is split between City Services and Other Services as follows:

#### (a) City Services

	1991	1990
	IR£000	IR£000
<b>Revenue</b>		
Customer Receipts	10,890	9,885
Miscellaneous Receipts	<u>3</u>	<u>3</u>
Total Revenue	<u>10,893</u>	<u>9,888</u>
<b>Expenditure</b>		
Maintenance of Buildings	175	177
Maintenance of Vehicles and Equipment	2,734	2,563
Fuel	610	528
Road Tax and Licenses	28	29
Operating and Other Expenses	8,285	7,989
Operating Depreciation*	<u>1,059</u>	<u>870</u>
<b>Total Expenditure excluding Financial Charges</b>	<u>12,891</u>	<u>12,156</u>
Operating Deficit before Financial Charges and State Grant	<u>(1,998)</u>	<u>(2,268)</u>
Financial Charges	<u>(344)</u>	<u>(397)</u>
Deficit before State Grant	<u>(2,342)</u>	<u>(2,665)</u>
State Grant	<u>2,514</u>	<u>2,110</u>
<b>Surplus/(Deficit) for the year after State Grant</b>	<u>172</u>	<u>(555)</u>



## Notes to the Financial Statements

### 20. NET SURPLUS/(DEFICIT) BY SECTOR (continued)

#### (b) Other Services

	1991	1990
	IR£000	IR£000
<b>Revenue</b>		
Customer Receipts	73,089	67,450
Miscellaneous Receipts	204	252
<b>Total Revenue</b>	<b>73,293</b>	<b>67,702</b>
<b>Expenditure</b>		
Maintenance of Buildings	673	559
Maintenance of Vehicles and Equipment	16,027	15,130
Fuel	3,950	3,554
Road Tax and Licenses	178	159
Operating and Other Expenses	48,295	46,840
Operating Depreciation*	3,052	2,665
<b>Total Expenditure excluding Financial Charges</b>	<b>72,175</b>	<b>68,907</b>
Operating Surplus/(Deficit) before Financial Charges and State Grant	1,118	(1,205)
Financial Charges	(1,213)	(1,305)
Deficit before State Grant	(95)	(2,510)
State Grant	2,128	2,710
<b>Surplus for the year after State Grant</b>	<b>2,033</b>	<b>200</b>

\*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.

### 21. MEMBERSHIP OF CÓRAS IOMPAIR ÉIREANN GROUP

Bus Éireann is a member of the Córas Iompair Éireann Group of Companies and the financial statements reflect the effect of group membership.

### 22. APPROVAL OF FINANCIAL STATEMENTS

The Directors approved the financial statements on 22nd July, 1992.



## Value Added Statement

	Year ended 31st December			
		1991		1990
	IR£000	IR£000	IR£000	IR£000
<b>Value Added Generated</b>				
Revenue		84,186		77,590
State Grant (Note 5)		4,642		4,820
Add: Own Work Capitalised and Engineering work for Group Companies		1,082		1,211
Less: Cost of Materials and Services Utilised	(41,611)		(39,792)	
Exceptional Items (Note 4)	(707)	(42,318)	(701)	(40,493)
		<u>47,592</u>		<u>43,128</u>
<b>Application of Value Added</b>				
Net Compensation of Employees including pension costs		28,588		27,151
Government - Payroll Taxes		11,068		11,035
Providers of Capital (Note 3)		1,557		1,702
Provision for Future Investment - Depreciation (Note 2)		3,994		3,477
Surplus/(Deficit) for the Year		2,385		(237)
		<u>47,592</u>		<u>43,128</u>







