



**BUS ÉIREANN**

Irish Bus

Tuarascáil Bhliantúil agus  
Ráitis Airgeadais 1993

**Annual Report 1993**

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## Directors and Other Information

### DIRECTORS

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**Mr. G.T.P. Conlon**

Chairman

**Mr. N. Kennedy**

Managing Director

**Mr. S. Feely**

**Mr. J. Harrington**

**Mr. A. O'Brien**

**Mr. D. O'Leary**

### SECRETARY AND REGISTERED OFFICE

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**Mr. R. O'Farrell,**

Broadstone,

Dublin 7.

Telephone 01-830 2222

Fax 01-830 9377

Registered Number 119570

### AUDITORS

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**Craig Gardner & Co.,**

Chartered Accountants,

Gardner House,

Wilton Place,

Dublin 2.



## Report of the Directors

For the year ended 31st December, 1993

The Directors submit their report together with the audited financial statements for the year ended 31st December, 1993.

### 1. Principal Activities and Review of Operations

The provision of a national network of bus services, other than city services in the greater Dublin area, and the operation of School Transport Services on behalf of the Department of Education continued to be the principal activities of the company.

During 1993 the company consolidated the trend of building financial stability. The surplus for the year amounted to IR£3.053 million compared to a surplus of IR£3.066 million in the previous year. Sustained growth in passenger journeys, reduction in the cost of third party claims and lower interest rates were primarily responsible for the continuing record of profitability. Volume growth on the Intercity 'Expressway' and cross channel 'Supabus' services amounted to 7% during the year, while the more mature City, Rural and School Services increased passenger support by 1%. Intensive development of the 'Expressway' and 'Supabus' branded range of services and the marketing of them since the company was established in 1987 has been highly successful and is reflected in compound annual growth in passenger support amounting to approximately 16%.

As a result of the strong revenue growth, the ratio of operating costs to revenue has stabilised and fares have not been increased for the second successive year.

School Transport Services continued to be delivered in a safe and cost effective manner. While the number of eligible pupils in the primary school system continued to decline this was more than compensated for by the growth in eligible pupils in the post primary sector and the introduction of the six year cycle and post leaving certificate courses.

Ancillary business activity continued to develop and make a valuable contribution. New products introduced during the year included light goods vehicle testing and a travel centre based foreign exchange facility.

Arising from the policy of continuous fleet renewal a further thirty coaches for the 'Expressway' network and eighty school buses were purchased during the year. Total capital expenditure investment during 1993 amounted to IR£4.8 million.

### 2. Results and Reserves

The financial statements for the year ended 31st December, 1993 are set out in detail on pages 6 to 22 and a summary of the results is as follows:—

	1993 IR£000
Surplus for the year after State Grant	3,388
Transfer to Asset Replacement Reserve	(335)
Decrease in Accumulated Deficit during the Year	<u>3,053</u>



## Report of the Directors

### 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 being finalised.

### 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 Transport, Energy and Communication. The names of persons who were Directors during the year ended 31st December 1993 are set out below.

Mr. G.T.P. Conlon, Chairman	Re-appointed 28th January, 1993
Mr. N. Kennedy, Managing Director	Re-appointed 28th January, 1993
Mr. S. Feely	Re-appointed 1st December, 1993
Mr. J. Harrington	Re-appointed 28th January, 1993
Mr. A. O'Brien	Re-appointed 1st December, 1993
Mr. D. O'Leary	Appointed 28th January, 1993
Mr. J. Daly	Retired 27th January, 1993

### 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  
**20th May, 1994.**



## Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period.

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

- ensure that suitable accounting policies are selected and consistently applied;
- ensure that any judgements or estimates made are reasonable and prudent;
- ensure that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that Bus Éireann – Irish Bus will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 1990. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## Report of the Auditors

### To the shareholders of Bus Éireann - Irish Bus

We have audited the financial statements on pages 6 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

#### **Respective responsibilities of directors and auditors**

As described on page 4, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December, 1993 and of its surplus and cash flow for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 1990.

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

In our opinion the information given in the director's report on pages 2 and 3 is consistent with the financial statements.

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, 1993, 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.

**Craig Gardner & Co.,  
Chartered Accountants and Registered Auditors,  
Dublin.**

**20th May, 1994.**



## 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. Fixed Assets and Depreciation:

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 are as follows:

#### (i) Road Passenger Vehicles

Road passenger vehicles, with the exception of school buses funded by the Department of Education, are depreciated, by equal annual instalments, on the basis of the historical cost of vehicles in the fleet spread over their expected useful lives. In addition, the excess of depreciation based on the replacement cost of the 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 in the fleet at 1st April, 1974 are depreciated, by equal annual instalments, on the basis of their written down value at that date spread over the remainder of their expected useful lives. New school buses which came into service after 1st April, 1974 are depreciated, by equal annual instalments, on the basis of their original cost spread over their expected useful lives.

#### (ii) Plant and Machinery

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

### C. Leased Assets:

#### Operating Leases

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

### D. Stocks:

Stocks of 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.

### E. Department of Education – Funding of School Buses:

School buses funded by the Department of Education are included in fixed assets and are depreciated as described in (B) with a corresponding amortisation of the mbnies received from the Department of Education.





## Principal Accounting Policies

### F. 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 contract.

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.

### G. Non-Repayable State Grant:

The Non-Repayable State Grant under EU 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.

This accounting policy does not comply with SSAP 24 – Accounting for Pension Costs which is effective for the company from 1st January 1993. The opinion of the Directors, supported by the company's auditors Craig Gardner & Co. is that implementation of SSAP 24 in the current year, prior to the completion of the proposed reorganisation of the Group's existing pension arrangements, would be inappropriate because the proposed reorganisation is expected to significantly change the existing pension arrangements and the consequent accounting treatment thereof (Note 19 (B)).



## Profit and Loss Account

	Notes	Year ended 31st December	
		1993 IR£000	1992 IR£000
<b>Revenue</b>			
Customer Receipts		91,564	87,911
Miscellaneous Receipts		327	270
<b>Total Revenue</b>		<b>91,891</b>	<b>88,181</b>
<b>Costs</b>			
Operating Costs	2	(91,121)	(87,480)
Exceptional Operating Costs	4	(306)	(91)
		<b>(91,427)</b>	<b>(87,571)</b>
<b>Surplus before Profit on Sale of Fixed Assets, Interest and State Grant</b>		<b>464</b>	<b>610</b>
Profit on Sale of Fixed Assets		9	–
Surplus before Interest and State Grant		<b>473</b>	<b>610</b>
<b>Interest Payable</b>	3	<b>(1,085)</b>	<b>(1,277)</b>
<b>Deficit for the Year before State Grant</b>		<b>(612)</b>	<b>(667)</b>
<b>State Grant</b>	5	<b>4,000</b>	<b>3,900</b>
<b>Surplus for the Year after State Grant</b>		<b>3,388</b>	<b>3,233</b>
<b>Transfer to Reserve</b>	14	<b>(335)</b>	<b>(167)</b>
<b>Decrease in Accumulated Deficit during the Year</b>		<b>3,053</b>	<b>3,066</b>
<b>Accumulated Deficit at Beginning of Year</b>		<b>(4,988)</b>	<b>(8,054)</b>
<b>Accumulated Deficit at End of the Year</b>		<b>(1,935)</b>	<b>(4,988)</b>

All figures relate to the continuing activities of the Company.

There were no recognised gains or losses other than those included in the profit and loss accounts for the years 1993 and 1992.

G.T.P. Conlon, Chairman  
20th May, 1994.

N. Kennedy, Managing Director



## Balance Sheet

	Notes	As at 31st December	
		1993 IR£000	1992 IR£000
<b>Fixed Assets</b>	6	<b>36,377</b>	36,007
<b>Current Assets</b>			
Stock of Stores	7	3,759	3,799
Debtors	8	10,578	10,732
Cash at Bank and in Hand		17	17
		<b>14,354</b>	14,548
<b>Creditors</b> (Amounts falling due within one year)	9	<b>(11,515)</b>	(16,967)
<b>Net Current Assets</b>		<b>2,839</b>	(2,419)
<b>Total Assets Less Current Liabilities</b>		<b>39,216</b>	33,588
<b>Financed by:</b>			
<b>Creditors</b> (Amounts falling due after more than one year)	10	<b>2,600</b>	2,949
<b>Provision for Liabilities and Charges</b>	12	<b>12,683</b>	10,062
		<b>15,283</b>	13,011
<b>Shareholders' Funds</b>			
Called up Share Capital	13	<b>23,000</b>	23,000
Asset Replacement Reserve	14	<b>2,816</b>	2,481
Profit and Loss Account		<b>(1,935)</b>	(4,988)
	16	<b>23,881</b>	20,493
<b>Department of Education</b>			
Funding of School buses	15	<b>52</b>	84
		<b>39,216</b>	33,588

G.T.P. Conlon, Chairman  
20th May, 1994.

N. Kennedy, Managing Director



## Cash Flow Statement

	Notes	Year ended 31st December	
		1993 IR£000	1992 IR£000
<b>Net Cash Inflow from Operating Activities</b>	17(A)	<b>10,226</b>	12,207
<b>Servicing of Finance</b>			
Interest Paid	3	(1,085)	(1,276)
Interest Element of Finance Lease Rentals	3	–	(1)
<b>Net Cash Outflow from Servicing of Finance</b>		<b>(1,085)</b>	(1,277)
<b>Investing Activities</b>			
Purchase of Fixed Assets		(4,754)	(4,626)
Sale of Fixed Assets		9	–
<b>Net Cash Outflow from Investing Activities</b>		<b>(4,745)</b>	(4,626)
<b>Net Cash Inflow before Financing</b>		<b>4,396</b>	6,304
<b>Financing</b>			
Repayment of Holding Company Loan		(4,389)	(6,000)
Capital Element of Finance Lease Rentals		(24)	(22)
<b>Net Cash Outflow from Financing</b>	17(D)	<b>(4,413)</b>	(6,022)
<b>(Decrease)/Increase in Cash and Cash Equivalents</b>	17(B)	<b>(17)</b>	282

G.T.P. Conlon, Chairman  
20th May, 1994.

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 to 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.

### 2. Operating Costs

	1993 IR£000	1992 IR£000
<b>Staff Costs</b>		
Wages and Salaries	37,138	35,415
Social Welfare Costs	3,328	3,129
Other Pension Costs	2,372	2,381
	<b>42,838</b>	40,925
Own Work Capitalised and Engineering Work for Group Companies	(458)	(913)
<b>Net Staff Costs</b>	<b>42,380</b>	40,012
<b>Materials and Services</b>		
Fuel and Lubricants	4,123	4,159
School Contractors	16,529	16,078
Road Tax and Licences	264	208
Operating Lease Rentals	337	347
Third Party and Employer's Liability Claims	4,457	4,969
Rates	304	310
Auditors' Remuneration	30	35
Materials and Other Services	18,253	17,236
	<b>44,297</b>	43,342
<b>Directors' Remuneration</b>		
<b>Emoluments</b>		
– for services as Directors	4	2
– for other services	88	83
	<b>92</b>	85
<b>Depreciation</b>	<b>4,352</b>	4,041
<b>Total Operating Costs</b>	<b>91,121</b>	87,480



## Notes to the Financial Statements

### 2. Operating Costs (continued)

The average number of persons employed was as follows:-

	Staff Numbers	
	1993	1992
Full-time	1,893	1,842
Part-time School Bus Drivers	675	679
	<b>2,568</b>	<b>2,521</b>

### 3. Interest Payable

	1993	1992
	IR£000	IR£000
On Loan from Holding Company	1,085	1,276
On Finance Lease	-	1
	<b>1,085</b>	<b>1,277</b>

### 4. Exceptional Operating Costs

	1993	1992
	IR£000	IR£000
Voluntary Severance	306	91

### 5. State Grant

The Grant payable to the company via the Holding Company, C oras Iompair  ireann, is in accordance with EU Regulations governing State aid to transport undertakings. EU 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 of IR 4,000,000 was made to Bus  ireann - Irish Bus for the year ended 31st December, 1993 (1992 - IR 3,900,000).



## Notes to the Financial Statements

### 6. Fixed Assets

	Road Passenger Vehicles IR£000	Plant and Machinery IR£000	Total IR£000
<b>Cost</b>			
At 1st January 1993	66,347	2,067	68,414
Additions	4,448	306	4,754
Disposals	(498)	–	(498)
<b>At 31st December 1993</b>	<b>70,297</b>	<b>2,373</b>	<b>72,670</b>
<b>Depreciation</b>			
At 1st January 1993	30,985	1,422	32,407
Charge for Year	4,277	107	4,384
Disposals	(498)	–	(498)
<b>At 31st December 1993</b>	<b>34,764</b>	<b>1,529</b>	<b>36,293</b>
<b>Net Book Amounts</b>			
<b>At 31st December 1993</b>	<b>35,533</b>	<b>844</b>	<b>36,377</b>
At 31st December 1992	35,362	645	36,007

(a) The depreciation charge shown for road passenger vehicles includes IR£32,000 (1992 – IR£36,000) depreciation on school buses. The amount is wholly offset by the amortisation of monies received from the Department of Education (Note 15).

(b) 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	5–10

(c) Road passenger vehicles at a cost of IR£5,315,000 (1992 – IR£5,556,000) were fully depreciated but still in use at the balance sheet date.



## Notes to the Financial Statements

### 7. Stocks

	1993 IR£000	1992 IR£000
Maintenance Materials and Spare Parts	3,381	3,460
Fuel, Lubricants and Other Sundry Stocks	378	339
	<b>3,759</b>	<b>3,799</b>

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)

	1993 IR£000	1992 IR£000
Trade Debtors	4,567	4,782
Amounts owed by Holding and Fellow Subsidiary Companies	5,304	5,298
Other Debtors and Accrued Income	707	652
	<b>10,578</b>	<b>10,732</b>

### 9. Creditors (Amounts falling due within one year)

	1993 IR£000	1992 IR£000
Bank Overdraft	903	886
Trade Creditors	1,596	1,867
Loan from Holding Company (Note 11)	400	4,440
Finance Lease Obligations	-	24
Income Tax deducted under P.A.Y.E.	725	895
Pay Related Social Insurance	615	813
Value Added Tax and Other Taxes	31	36
Other Creditors	711	688
Accruals	4,334	4,758
Third Party and Employer's Liability Claims (Note 12)	2,200	2,560
	<b>11,515</b>	<b>16,967</b>
Creditors for taxation and social welfare included above	<b>1,371</b>	<b>1,744</b>





## Notes to the Financial Statements

### 10. Creditors (Amounts falling due after more than one year)

	1993 IR£000	1992 IR£000
Loan from Holding Company (Note 11)	2,600	2,949

### 11. Loan from Holding Company

	1993 IR£000	1992 IR£000
This loan is repayable as follows:-		
Within one year (Note 9)	400	4,440
Between one and two years	200	405
Between two and five years	1,000	649
After five years	1,400	1,895
	2,600	2,949
	3,000	7,389

This loan represents the net assets less issued share capital assigned to the company on its establishment following the re-organisation of Córas Iompair Éireann in 1987. Each year the amount outstanding less any repayments is aged by reference to the bank loans, held and managed by Córas Iompair Éireann on behalf of the operating subsidiary companies.



## Notes to the Financial Statements

### 12. Provision For Liabilities and Charges

	1993 IR£000	1992 IR£000
<b>Third Party and Employer's Liability Claims</b>		
Balance at 1st January	12,622	10,241
Utilised during the year	(2,085)	(2,481)
Transfer from Profit and Loss Account	4,346	4,862
Balance at 31st December	14,883	12,622
Less transfer to current liabilities (Note 9)	2,200	2,560
	<b>12,683</b>	<b>10,062</b>

Provision is made for the estimated ultimate cost of all third party and employer's liability claims which are not covered by 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 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£4,200,000 in aggregate in a twelve month period (April to March 1995);
- (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 profit and loss and unsettled amounts are included in the provision for liabilities and charges.



## Notes to the Financial Statements

### 13. Share Capital

	1993 IR£000	1992 IR£000
<b>Authorised:</b>		
Ordinary Shares of IR£1 each	32,000	32,000
<b>Allotted and Fully Paid:</b>		
Ordinary Shares of IR£1 each	23,000	23,000

### 14. Asset Replacement Reserve

	1993 IR£000	1992 IR£000
Balance at 1st January	2,481	2,314
Transfer from Profit and Loss Account	335	167
Balance at 31st December	2,816	2,481

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

### 15. Department of Education – Funding of School Buses

	1993 IR£000	1992 IR£000
Balance at 1st January	84	120
Released to Profit and Loss Account	(32)	(36)
Balance at 31st December	52	84

### 16. Reconciliation of Movements In Shareholders' Funds

	1993 IR£000	1992 IR£000
Surplus for the Year after State Grant	3,388	3,233
Opening Shareholders' Funds	20,493	17,260
Closing Shareholders' Funds	23,881	20,493



## Notes to the Financial Statements

### 17. Cash Flow Statement

#### (A) Reconciliation of Surplus to Net Cash Inflow from Operating Activities

	1993 IR£000	1992 IR£000
Surplus before State Grant and Servicing of Finance	473	610
State Grant	4,000	3,900
Surplus for the year before Servicing of Finance	4,473	4,510
Depreciation	4,352	4,041
Profit on Sale of Fixed Assets	(9)	–
Decrease in Stocks	40	223
Decrease in Debtors	154	1,234
Increase in Creditors and Provisions	1,216	2,199
<b>Net Cash Inflow from Operating Activities before Servicing of Finance</b>	<b>10,226</b>	<b>12,207</b>

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

	1993 IR£000	1992 IR£000
Balance at 1st January	(869)	(1,151)
Net Cash (Outflow)/Inflow	(17)	282
Balance at 31st December	(886)	(869)

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

	1993 IR£000	1992 IR£000	Change in 1993 IR£000	Change in 1992 IR£000
Cash at Bank and in Hand	17	17	–	–
Bank Overdraft	(903)	(886)	(17)	282
	<b>(886)</b>	<b>(869)</b>	<b>(17)</b>	<b>282</b>



## Notes to the Financial Statements

### 17. Cash Flow Statement (continued)

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

	Share Capital IR£000	Loans and Finance Lease Obligations IR£000
Balance at 1st January 1993	23,000	7,413
Cash Outflow from Financing	-	(4,413)
Balance at 31st December 1993	23,000	3,000

### 18. Lease Obligations

	1993 IR£000	1992 IR£000
<b>Operating Leases</b>		
Commitments under non-cancellable operating leases payable in the coming year expire as follows:		
Within one year	10	23
Between one and five years	89	128
	99	151



## Notes to the Financial Statements

### 19. Pensions

#### (A) Current Pension Arrangements

The Board operates defined benefit pension schemes for the established employees of itself and of its subsidiary companies including Bus Éireann - Irish Bus. Contributions by the Board, its subsidiaries and the 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 the 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 accruals basis.

The pension costs for the year were IR£2,377,000 (1992 - IR£2,386,000).

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 pension 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 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 1993 was IR£1,385,000 (1992 - IR£1,432,000). 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.

#### (B) Proposed Amendments to Pension Schemes

Proposals are under discussion to amalgamate the present six pension schemes into two schemes - one for salaried staff and one for wage earners. Existing ex gratia pensions, solvency payments in respect of the C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme and benefit amendments will be incorporated in the amalgamated schemes.

Based on actuarial estimates, the effect of applying SSAP 24 to the proposed amalgamated schemes would not have any adverse impact on the financial statements.



## Notes to the Financial Statements

### 20. Capital Commitments

	1993 IR£000	1992 IR£000
Contracted for	4,070	2,469
Authorised by Directors but not contracted for	525	-
	<b>4,595</b>	<b>2,469</b>

### 21. Net Surplus/(Deficit) by Sector

The surplus for the year after the transfer to asset replacement reserve is split between City Services and Other Services as follows:

#### (a) City Services

	1993 IR£000	1992 IR£000
<b>Revenue</b>		
Customer Receipts	11,316	11,177
Miscellaneous Receipts	49	3
<b>Total Revenue</b>	<b>11,365</b>	<b>11,180</b>
<b>Expenditure</b>		
Maintenance of Buildings	198	194
Maintenance of Vehicles and Equipment	2,994	2,879
Fuel	460	505
Road Tax and Licences	29	27
Operating and Other Expenses	8,792	8,517
Operating Depreciation	941	917
<b>Total Expenditure before Interest Payable</b>	<b>13,414</b>	<b>13,039</b>
Operating Deficit before Interest Payable and State Grant	(2,049)	(1,859)
Interest Payable	(202)	(256)
Deficit before State Grant	(2,251)	(2,115)
State Grant	2,141	2,119
<b>(Deficit)/Surplus for the Year after State Grant</b>	<b>(110)</b>	<b>4</b>



## Notes to the Financial Statements

### 21. Net Surplus/(Deficit) by Sector (continued)

#### (b) Other Services

	1993 IR£000	1992 IR£000
<b>Revenue</b>		
Customer Receipts	80,248	76,734
Miscellaneous Receipts	278	267
<b>Total Revenue</b>	<b>80,526</b>	<b>77,001</b>
<b>Expenditure</b>		
Maintenance of Buildings	687	589
Maintenance of Vehicles and Equipment	16,814	16,337
Fuel	3,663	3,654
Road Tax and Licences	235	181
Operating and Other Expenses	53,194	50,647
Operating Depreciation	3,746	3,291
<b>Total Expenditure before Interest Payable</b>	<b>78,339</b>	<b>74,699</b>
Operating Surplus before Interest Payable and State Grant	2,187	2,302
Interest Payable	(883)	(1,021)
Surplus before State Grant	1,304	1,281
State Grant	1,859	1,781
<b>Surplus for the Year after State Grant</b>	<b>3,163</b>	<b>3,062</b>

No tax charge arises on the surpluses for the year because certain revenues of the company are not brought into account for tax purposes.

### 22. Membership of C.I.E. Group

Bus Éireann – Irish Bus is a member of the Córas Iompair Éireann Group of Companies (The Group) and the financial statements reflect the effects of group membership. References in these financial statements to the Board means the Board of Córas Iompair Éireann.

### 23. Approval of Financial Statements

The Directors approved the financial statements on the 20th May, 1994.





## Value Added Statement

	Year ended 31st December			
	1993	1992	1992	1992
	IR£000	IR£000	IR£000	IR£000
<b>Value Added Generated</b>				
Revenue		91,891		88,181
State Grant (Note 5)		4,000		3,900
Own Work Capitalised and Engineering work for Group Companies		458		913
Profit on Sale of Fixed Assets		9		–
Less: Cost of Materials and Services Utilised	(44,297)		(43,342)	
Exceptional Operating Costs	(306)	(44,603)	(91)	(43,433)
		<b>51,755</b>		<b>49,561</b>
<b>Application of Value Added</b>				
Net Compensation of Employees including pension costs		30,542		29,595
Government – Payroll Taxes		12,388		11,415
Providers of Capital (Note 3)		1,085		1,277
Provision for Future Investment – Depreciation (Note 2)		4,352		4,041
Surplus for the Year		3,388		3,233
		<b>51,755</b>		<b>49,561</b>





