



BUS ÁTHA CLIATH

Dublin Bus

Tuarascáil Bhliantúil agus
Ráitis Airgeadais 1993

Annual Report 1993

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Directors and Other Information

DIRECTORS

Mr. G.T.P. Conlon

Chairman

Mr. R. Montgomery

(U.K.), Managing Director

Mr. M. Faherty

Mr. R. Kelleher

Mr. F. Kenny

Mr. J. Maguire

SECRETARY AND REGISTERED OFFICE

Ms. S. Ferguson,

59 Upper O'Connell Street,
Dublin 1.

Telephone 01-872 0000

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Registered Number 119569

AUDITORS

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 company's principal activity is the provision of an omnibus passenger transport service for Dublin City and County and contiguous areas.

For the third successive year the company returned a surplus after State Grant. The surplus in the year was IR£5 million compared with nearly IR£6.7 million in 1992, despite a six week industrial dispute by maintenance craftworkers curtailing services to 75% of normal, and a reduction in State Grant of IR£2.9 million. Improvements in third party claims charges, falling from IR£6.8 million in 1992 to IR£4.6 million in the year, contributed to the surplus. The cumulative deficit is now reduced to IR£15.7 million from an unacceptable high of IR£29.3 million in 1990. The Balance Sheet has strengthened further with net assets now comprising 87% of called up share capital.

The Quality Bus Corridor (QBC) concept was successfully introduced during the year, commencing with a high frequency single deck 'Cityswift' Route 39 on the Blanchardstown corridor augmented by a 'City Imp' high frequency minibus route serving Cabra. A second QBC was introduced in February 1994 on the North Clondalkin corridor and further QBC's are planned in line with the Dublin Transportation Initiative (DTI) study recommendations, as the company's Network Review Project proceeds.

Overall the ratio of revenue to total costs before State Grants reflects continued efforts to operate on commercial terms and at nearly 97%, compares very favourably with bus operators in other European cities.

2. Result and Reserves

The financial statements for the year ended 31st December, 1993 are set out in detail on pages 6 to 20 and a summary of results is as follows:-

	1993 IR£000
Surplus for the year after State Grant	4,984
Transfer to Asset Replacement Reserve	(688)
<hr/>	<hr/>
Decrease in Accumulated Deficit during the Year	4,296

3. Worker Participation at Sub-Board Level

The company, under the Worker Participation (State Enterprises) Act, 1988, is currently developing with the trade unions proposals to put below-board structures in place and this is being progressed into 1994.



Report of the Directors

4. Health and Safety

Bus Átha Cliath – Dublin Bus is committed to complying with the Safety, Health and Welfare at Work Act, 1989, and its Safety Statement adopted by the company in February, 1991 is kept under review on an ongoing basis. Safety Councils set up in previous years continue to involve employees in all aspects of safety and risk management.

5. Equal Opportunities in State Sponsored Bodies

The company continues its active participation in the Equal Opportunities Network for State Sponsored Bodies. The company also encourages further study to equip staff for future promotional opportunities, and its systems and procedures for recruiting, training and developing staff are under constant review.

6. Directors

At 31st December, 1993, the following were the Directors who had been appointed by the Chairman of Córas Iompair Éireann with the consent of the Minister for Transport, Energy and Communications. The names of persons who were Directors at any time during the year ended 31st December, 1993 are set out below. Except where indicated, they served as Directors for the entire year.

Mr. G.T.P. Conlon, Chairman
Mr. R. Montgomery, (U.K.), Managing Director
Mr. J. Browne, Executive Director (Resigned 27th January, 1993)
Mr. M. Faherty
Mr. S. Harrington (Resigned 27th January, 1993)
Mr. R. Kelleher (Appointed 28th January, 1993)
Mr. F. Kenny
Mr. J. Maguire (Appointed 28th January, 1993)

The terms of office of Directors Mr. G.T.P. Conlon, Mr. J. Browne and Mr. S. Harrington expired on 27th January, 1993. Mr. G.T.P. Conlon was reappointed to the board and as Chairman initially for a one year term subsequently extended to 30th June, 1994. Mr. R. Kelleher and Mr. J. Maguire were appointed to the board, with effect from 28th January, 1993. The terms of office of Directors Mr. M. Faherty and Mr. F. Kenny expired on 30th November, 1993 and both were reappointed to the board for a further term of three years effective from 1st December, 1993. The term of office of Managing Director Mr. R. Montgomery expired on 17th February, 1994 and he was reappointed to the board and as Managing Director for a further term of three years effective from 18th February, 1994.

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 **R. Montgomery**, 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 of the company for that year.

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 Átha Cliath - Dublin 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 of fraud and other irregularities.



Report of the Auditors

To the members of Bus Átha Cliath - Dublin Bus

We have audited the financial statements on pages 6 to 20 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 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 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 Report of the Directors 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 in accordance with generally accepted accounting principles 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 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 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.

(ii) Plant and Machinery

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

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 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 the 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:

Stocks of stores 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. European Union Grants:

European Union (EU) Grants which relate to capital expenditure on specific projects are credited to deferred income as they become receivable. They are amortised to the profit and loss account on the same basis as the related assets are depreciated. EU Grants in respect of revenue expenditure are credited to deferred income as they become receivable and released to the relevant expenditure account in the year to which the expenditure relates.

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 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 currency 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 21 (B)).



Profit and Loss Account

	Notes	Year ended 31st December	
		1993 IR£000	1992 IR£000
Revenue			
Customer Receipts		89,548	92,206
Miscellaneous		809	888
Total Revenue		90,357	93,094
Costs			
Operating Costs	2	(89,814)	(92,550)
Exceptional Operating Costs	3	(3,000)	(3,800)
		(92,814)	(96,350)
Deficit before Profit on Disposal of Fixed Assets, Interest and State Grant		(2,457)	(3,256)
Profit/(Loss) on Disposal of Fixed Assets	4	187	(85)
Deficit before Interest and State Grant		(2,270)	(3,341)
Interest Payable	5	(746)	(894)
Deficit for the Year before State Grant		(3,016)	(4,235)
State Grant	6	8,000	10,900
Surplus for the Year after State Grant		4,984	6,665
Transfer to Reserve	19	(688)	(681)
Decrease in Accumulated Deficit during the Year		4,296	5,984
Accumulated Deficit at Beginning of Year		(20,040)	(26,024)
Accumulated Deficit at End of Year		(15,744)	(20,040)

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 account for the years 1993 and 1992.

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

R. Montgomery, Managing Director



Balance Sheet

	Notes	As at 31st December	
		1993 IR£000	1992 IR£000
Fixed Assets	7	55,699	51,205
Current Assets			
Stocks	8	2,989	3,642
Debtors	9	5,752	6,579
Cash at Bank and in Hand		687	216
		9,428	10,437
Creditors (Amounts falling due within one year)	10	(20,494)	(24,181)
Net Current Liabilities		(11,066)	(13,744)
Total Assets Less Current Liabilities		44,633	37,461
Financed by:			
Creditors (Amounts falling due after more than one year)	11	5,536	4,067
Provision For Liabilities and Charges	15	17,034	16,320
Deferred Income	16	300	295
		22,870	20,682
Shareholders' Funds			
Called up Share Capital	18	25,000	25,000
Asset Replacement Reserve	19	12,507	11,819
Profit and Loss Account		(15,744)	(20,040)
	17	21,763	16,779
		44,633	37,461

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

R. Montgomery, Managing Director



Cash Flow Statement

	Notes	Year ended 31st December	
		1993 IR£000	1992 IR£000
Net Cash Inflow from Operating Activities	20A	12,426	9,676
Servicing of Finance			
Interest Paid	5	(824)	(914)
Interest Element of Finance Lease Rentals	5	78	20
Net Cash Outflow from Servicing of Finance		(746)	(894)
Investing Activities			
Purchase of Fixed Assets		(11,144)	(8,854)
Sale of Fixed Assets		5	1
EU Grant	16	5	295
Net Cash Outflow from Investing Activities		(11,134)	(8,558)
Net Cash Inflow before Financing		546	224
Financing			
Capital Element of Finance Lease Rentals	20D	(493)	(439)
Increase/(Decrease) in Cash and Cash Equivalents	20B	53	(215)

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

R. Montgomery, Managing Director



Notes to the Financial Statements

1. Status of Company

Bus Átha Cliath – Dublin 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 Átha Cliath – Dublin Bus commenced trading.

In accordance with Section 7(3) of the Transport (Re-organisation of Córas Iompair Éireann) Act, 1986, Bus Átha Cliath – Dublin 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
Staff Costs		
Wages and Salaries	46,576	46,476
Social Welfare Costs	4,648	4,783
Other Pension Costs	2,777	2,755
Net Staff Costs	54,001	54,014
Materials and Services		
Fuel and Lubricants	4,211	4,429
Materials	7,908	8,549
Road Tax and Licences	283	264
Rent and Rates	249	244
Auditors' Remuneration	21	29
Operating Lease Rentals	95	85
Third Party and Employer's Liability Claims	6,448	8,362
Other Services	10,634	10,761
	29,849	32,723
Directors' Remuneration		
Emoluments		
– for services as Directors	4	5
– for other services	116	157
	120	162
Depreciation	5,844	5,651
Total Operating Costs	89,814	92,550



Notes to the Financial Statements

2. Operating Costs (continued)

	Staff Numbers	
	1993	1992
The average number of persons employed was:–	2,879	2,917

3. Exceptional Operating Costs

	1993 IR£000	1992 IR£000
Staff Compensation –		
Voluntary Severance and other compensation payments including implementation of one person bus operation	3,000	3,800

4. (Profit)/Loss on Disposal of Fixed Assets

	1993 IR£000	1992 IR£000
(Insurance proceeds)/Loss on Scrapping of Buses	(198)	85
Loss on Disposal of Plant and Machinery	11	–
	(187)	85

5. Interest Payable

	1993 IR£000	1992 IR£000
On Loan from Holding Company	824	914
On Finance Leases	(78)	(20)
	746	894

6. State Grant

The Grant payable to the company via the Holding Company, Córas Iompair Éireann, 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 city bus services.

Under this Regulation a State Grant of IR£8,000,000 was made to Bus Átha Cliath – Dublin Bus for the year ended 31st December, 1993 (1992 – IR£10,900,000).



Notes to the Financial Statements

7. Fixed Assets

	Road Passenger Vehicles IR£000	Plant and Machinery IR£000	Total IR£000
Cost			
At 1st January, 1993	95,766	6,679	102,445
Additions	10,188	166	10,354
Disposals	(849)	(43)	(892)
At 31st December, 1993	105,105	6,802	111,907
Depreciation			
At 1st January, 1993	48,666	2,574	51,240
Charge for the year	5,232	612	5,844
Disposals	(849)	(27)	(876)
At 31st December, 1993	53,049	3,159	56,208
Net Book Amounts			
31st December, 1993	52,056	3,643	55,699
31st December, 1992	47,100	4,105	51,205

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

	Lives (Years)
Road Passenger Vehicles	8-16
Plant and Machinery	10

(b) Road passenger vehicles at a cost of IR£5,199,000 (1992 - IR£5,780,000) were fully depreciated but still in use at the balance sheet date.

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

	1993 IR£000	1992 IR£000
Road Passenger Vehicles		
Cost	5,180	5,180
Accumulated Depreciation	(3,913)	(3,589)
Net Book Value at 31st December	1,267	1,591
Depreciation for Year	324	401

(d) Included in additions above are IR£8,834,000 (1992 - IR£5,941,000) in respect of road passenger vehicles, being payments on account, assets in course of construction and assets not yet in service.



Notes to the Financial Statements

8. Stocks

	1993 IR£000	1992 IR£000
Maintenance Materials and Spare Parts	2,428	3,041
Fuel and Lubricants and Other Sundry Stocks	561	601
	2,989	3,642

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.

9. Debtors (Amounts falling due within one year)

	1993 IR£000	1992 IR£000
Trade Debtors	1,835	2,022
Amounts owed by Holding Company and Fellow Subsidiary Companies	2,894	3,619
Other Debtors and accrued income	1,023	938
	5,752	6,579

10. Creditors (Amounts falling due within one year)

	1993 IR£000	1992 IR£000
Bank Overdraft	653	235
Trade Creditors	1,191	1,282
Loan from Holding Company (Note 12)	2,133	3,602
Finance Lease Obligations (Note 13)	–	493
Income Tax deducted under P.A.Y.E.	1,135	1,196
Pay Related Social Insurance	952	1,003
Value Added Tax and other taxes	380	813
Other Creditors	584	1,182
Third Party and Employer's Liability Claims (Note 15)	10,876	10,421
Accruals	2,590	3,954
	20,494	24,181
Creditors for taxation and social welfare included above	2,467	3,012



Notes to the Financial Statements

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

	1993 IR£000	1992 IR£000
Loan from Holding Company (Note 12)	5,536	4,067

12. Loan from Holding Company

	1993 IR£000	1992 IR£000
This loan is repayable as follows:-		
Within one year (Note 10)	2,133	3,602
Between one and two years	228	971
Between two and five years	1,885	789
After five years	3,423	2,307
	5,536	4,067
	7,669	7,669

This loan represents the net assets less issued share capital assigned to the company on its establishment following the reorganisation 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.

13. Finance Leases

	1993 IR£000	1992 IR£000
Net obligations under finance leases fall due as follows:-		
Within one year (Note 10)	-	493

14. Operating Leases

	1993 IR£000	1992 IR£000
Commitments under non-cancellable operating leases payable in the coming year expire as follows:-		
Within one year	9	19
Between one and five years	34	36
	43	55



Notes to the Financial Statements

15. Provision for Liabilities and Charges

	1993 IR£000	1992 IR£000
Third Party and Employer's Liability Claims		
Balance at 1st January	26,741	23,872
Utilised during the year	(5,099)	(5,341)
Transfer from Profit and Loss Account	6,268	8,210
Balance at 31st December	27,910	26,741
Less transfer to current liabilities (Note 10)	10,876	10,421
	17,034	16,320

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 taken for All Other Risks claims subject to United States jurisdiction where the excess is \$100,000;
- (iii) in addition, Bus Átha Cliath – Dublin Bus is covered for road transport third party liabilities in excess of a self insured retention of IR£8,400,000 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 the profit and loss account and unsettled amounts are included in the provision for liabilities and charges.

16. Deferred Income

This account represents a non-repayable EU grant which will be credited to the profit and loss account on the same basis as the related fixed assets are depreciated (Accounting Policy E):-

	1st January 1993 IR£000	Received and Receivable IR£000	Profit and Loss A/c IR£000	31st December 1993 IR£000
European Union Grant	295	5	-	300



Notes to the Financial Statements

17. Reconciliation of Movements in Shareholders' Funds

	1993	1992
	IR£000	IR£000
Surplus for Year after State Grant	4,984	6,665
Opening Shareholders' Funds	16,779	10,114
Closing Shareholders' Funds	21,763	16,779

18. Share Capital

	1993	1992
	IR£000	IR£000
Authorised:		
Ordinary Shares of IR£1 each	30,000	30,000
Allotted and Fully Paid:		
Ordinary Shares of IR£1 each	25,000	25,000

19. Asset Replacement Reserve

	1993	1992
	IR£000	IR£000
Balance at 1st January	11,819	11,138
Transfer from Profit and Loss Account	688	681
Balance at 31st December	12,507	11,819

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



Notes to the Financial Statements

20. Cash Flow Statement

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

	1993 IR£000	1992 IR£000
Deficit before State Grant and Servicing of Finance	(2,270)	(3,341)
State Grant (Note 6)	8,000	10,900
Surplus for year before Servicing of Finance	5,730	7,559
Depreciation (Note 2)	5,844	5,651
(Profit)/Loss on Disposal of Fixed Assets (Note 4)	(187)	85
Decrease in Stocks	653	807
Decrease/(Increase) in Debtors	1,025	(4,127)
(Decrease) in Creditors and Provisions	(639)	(299)
Net Cash Inflow from Operating Activities before Servicing of Finance	12,426	9,676

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

	1993 IR£000	1992 IR£000
Balance at 1st January	(19)	196
Net Cash Inflow/(Outflow)	53	(215)
Balance at 31st December	34	(19)

(C) Summary of the 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	687	216	471	(118)
Bank Overdraft	(653)	(235)	(418)	(97)
	34	(19)	53	(215)

(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	25,000	8,162
Cash Outflows from Financing	–	(493)
Balance at 31st December, 1993	25,000	7,669



Notes to the Financial Statements

21. 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 Átha Cliath – Dublin 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£2,783,000 (1992 – IR£2,764,000).

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

22. Capital Commitments

	1993 IR£000	1992 IR£000
Contracted for	4,033	4,671
Authorised by the Directors but not contracted for	5,754	7,598
	9,787	12,269

23. Membership of Córas Iompair Éireann

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

24. Approval of Financial Statements

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



Value Added Statement

	Year ended 31st December			
	1993	1992		
	IR £000	IR £000	IR £000	IR £000
Value Added Generated				
Revenue		90,357		93,094
State Grant (Note 6)		8,000		10,900
Less: Cost of Materials and Services Utilised	(29,849)		(32,723)	
Exceptional Operating Costs (Note 3)	(3,000)		(3,800)	
Profit/(Loss) on Disposal of Fixed Assets (Note 4)	187	(32,622)	(85)	(36,608)
		65,695		67,386
Application of Value Added				
Net Compensation of Employees including pension costs		35,980		36,954
Government – Payroll Taxes		18,141		17,222
Providers of Capital (Note 5)		746		894
Provision for future investment – Depreciation (Note 2)		5,844		5,651
Surplus for Year		4,984		6,665
		65,695		67,386

