



Bus Átha Cliath
Dublin Bus

Annual Report
and Financial Statements
1994

Tuarascáil Bhliantúil
agus Ráitis Airgeadais
don Bhliain go 31u Nollaig
1994



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Directors and Other Information

Directors

Mr. D. O'Leary, Chairman

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

Facsimile (01) 873 1195

Registered Number 119569

Auditors

Craig Gardner & Co.,

Chartered Accountants and Registered Auditors,

Gardner House,

Wilton Place,

Dublin 2.



Report of the Directors

For the year ended 31st December, 1994

The directors submit their report together with the audited financial statements for the year ended 31st December, 1994.

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 fourth successive year the company returned a surplus after State Grant for uneconomic but socially desirable services. The surplus for the year was IRE2.99 million (1993 - IRE4.984 million) after State Grant of IRE5 million (1993 - IRE8 million). As a result the cumulative deficit reduced to IRE13.343 million compared with IRE15.744 million a year ago.

Arising primarily from passenger growth and following recovery from industrial action in the summer of 1993, revenues grew by 6.4% and operating costs before interest and third party liability claims increased by 5.6%, reflecting continuing efforts to manage costs in a period of significant change.

Following the successful introduction during 1993 of the first "Cityswift" quality bus corridor, two further Cityswift routes were introduced in 1994. In addition, further City Imp minibus services were also introduced. As a result, mileage was increased significantly, up 11% on 1993. Passenger response has been very encouraging, with evidence of sustained growth in passenger numbers continuing into 1995. The company has made significant progress towards implementing network improvements consistent with the recommendations of the Dublin Transportation Initiative Report.

The process of change was also reflected in a review of garage management which was undertaken in the year. The result will represent a radical new approach to the provision of customer services when implementation takes place in 1995.

The policy of fleet replacement continued during the year. A total of twenty double decks, twenty nine single decks and sixteen minibuses were purchased, with the bulk of the bus bodies sourced from bodybuilders in Belfast and Donegal.

The financial statements continue to be prepared on a going concern basis as the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future.

2. *Results and Reserves*

The financial statements for the year ended 31st December, 1994 are set out in detail on pages 6 to 20 and a summary of the results is as follows:-

	<i>1994</i>
	<i>IRE000</i>
Surplus for the year after State Grant	2,990
Transfer to Reserve	(589)
Decrease in Accumulated Deficit during the Year	2,401



Report of the Directors

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 in place structures below board level and this is being progressed into 1995.

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*

The directors of the company are 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 during the year ended 31st December, 1994 are as set out below. Except where indicated, they served as directors for the entire year.

Mr. G.T.P. Conlon, Chairman	Retired 30th June, 1994
Mr. D. O'Leary, Chairman	Appointed 1st July, 1994
Mr. R. Montgomery, (U.K.), Managing Director	Ceased as a director on 17th October, 1994 pursuant to Article 45 (B) of the Articles of Association of the company
Mr. M. Faherty	
Mr. R. Kelleher	
Mr. F. Kenny	
Mr. J. Maguire	

7. *Auditors*

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

On behalf of the board

D. O'Leary, Chairman
J. Maguire, Director

28th March, 1995.



Statement of the 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:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 1990 and the European Communities (Companies: Group Accounts) Regulations, 1992. 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 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 estimate 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 mis-statement, 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, 1994 and of its surplus and cash flows for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 1990 and the European Communities (Companies: Group Accounts) Regulations, 1992.

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, 1994, 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.**

13th April, 1995.



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 IRE.

B. Tangible Assets, Depreciation and Asset Replacement Reserve:

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 and asset replacement reserve 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 are 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 SSAP 21 (Accounting for Leases and Hire Purchase Contracts). The capital cost of such assets is included in tangible 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. Finance 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 materials and spare parts 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 more than 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 a 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 or at contract rates where applicable.

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 year 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 re-organisation of the Group's existing pension arrangements, would be inappropriate because the proposed re-organisation 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	
		1994 IR£000	1993 IR£000
Revenue			
Customer Receipts		95,233	89,548
Miscellaneous		887	809
Total Revenue		96,120	90,357
Costs			
Operating Costs	2	(96,298)	(89,814)
Exceptional Operating Costs	3	(1,034)	(3,000)
Total Operating Costs		(97,332)	(92,814)
Deficit before (Loss)/Profit on Disposal of Tangible Assets, Interest and State Grant			
		(1,212)	(2,457)
(Loss)/Profit on Disposal of Tangible Assets	4	(106)	187
Deficit before Interest and State Grant		(1,318)	(2,270)
Interest Payable	5	(692)	(746)
Deficit for the Year before State Grant		(2,010)	(3,016)
State Grant	6	5,000	8,000
Surplus for the Year after State Grant		2,990	4,984
Transfer to Reserve	18	(589)	(688)
Decrease in Accumulated Deficit during the Year		2,401	4,296
Accumulated Deficit at Beginning of the Year		(15,744)	(20,040)
Accumulated Deficit at End of the Year		(13,343)	(15,744)

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 1994 and 1993.

On behalf of the board

D. O'Leary, Chairman

J. Maguire, Director

28th March, 1995.



Balance Sheet

	Notes	As at 31st December	
		1994 IR£000	1993 IR£000
Fixed Assets			
Tangible Assets	7	58,436	55,699
Current Assets			
Stocks	8	2,633	2,989
Debtors	9	7,921	5,752
Cash at Bank and in Hand		752	687
		11,306	9,428
Creditors (Amounts falling due within one year)	10	(19,614)	(20,494)
Net Current Liabilities		(8,308)	(11,066)
Total Assets Less Current Liabilities		50,128	44,633
Financed by:			
Creditors (Amounts falling due after more than one year)	11	7,038	5,536
Provision For Liabilities and Charges	15	18,062	17,034
Deferred Income	16	275	300
		25,375	22,870
Capital and Reserves			
Called up Equity Share Capital	17	25,000	25,000
Asset Replacement Reserve	18	13,096	12,507
Profit and Loss Account		(13,343)	(15,744)
Equity Shareholders' Funds	19	24,753	21,763
		50,128	44,633

On behalf of the board

D. O'Leary, Chairman

J. Maguire, Director

28th March, 1995.



Cash Flow Statement

	Notes	<i>Year ended 31st December</i>	
		<i>1994</i>	<i>1993</i>
		<i>IR€000</i>	<i>IR€000</i>
Net Cash Inflow from Operating Activities	20A	9,943	12,426
Servicing of Finance			
Interest Paid	5	(628)	(824)
Interest Element of Finance Lease Rentals	5	(64)	78
Net Cash Outflow from Servicing of Finance		(692)	(746)
Investing Activities			
Purchase of Tangible Assets	7	(9,661)	(11,144)
Sale of Tangible Assets		340	5
EU Capital Grant		67	5
Net Cash Outflow from Investing Activities		(9,254)	(11,134)
Net Cash (Outflow)/Inflow before Financing		(3)	546
Financing			
Repayment of Holding Company Loan		(6,940)	-
New Finance Lease		7,525	-
Capital Element of Finance Lease Rentals		(535)	(493)
Net Cash Inflow/(Outflow) from Financing		50	(493)
Increase in Cash and Cash Equivalents	20B	47	53



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

	1994 IRE000	1993 IRE000
Staff Costs		
Wages and Salaries	50,621	46,576
Social Welfare Costs	5,018	4,648
Other Pension Costs	2,945	2,777
Net Staff Costs	58,584	54,001
Materials and Services		
Fuel and Lubricants	4,401	4,211
Materials	9,759	9,888
Road Tax and Licences	344	283
Rent and Rates	261	249
Auditors' Remuneration	25	21
Operating Lease Rentals	105	95
Third Party and Employer's Liability Claims	7,386	6,448
Other Services	8,659	8,654
	30,940	29,849
Directors' Remuneration		
Emoluments		
- for services as Directors	3	4
- for other services	95	116
	98	120
Depreciation	6,676	5,844
Total Operating Costs	96,298	89,814



Notes to the Financial Statements

2. Operating Costs (continued)

	<i>Staff Numbers</i>	
	1994	1993
The average number of persons employed was:-	2,917	2,879

3. Exceptional Operating Costs

	1994 <i>IR€000</i>	1993 <i>IR€000</i>
Staff Compensation - Voluntary Severance and other compensation payments including implementation of one person bus operation	1,034	3,000

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

	1994 <i>IR€000</i>	1993 <i>IR€000</i>
(Loss)/Profit on Disposal of Buses	(106)	198
(Loss) on Disposal of Plant and Machinery	-	(11)
	(106)	187

5. Interest Payable

	1994 <i>IR€000</i>	1993 <i>IR€000</i>
On Loan from Holding Company	628	824
On Finance Leases	64	(78)
	692	746

6. 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 city bus services.

Under this Regulation a State Grant of IR 5,000,000 was made to Bus  atha Cliath - Dublin Bus for the year ended 31st December, 1994 (1993 - IR 8,000,000).



Notes to the Financial Statements

7. Tangible Assets

	<i>Road Passenger Vehicles IRE000</i>	<i>Plant and Machinery IRE000</i>	<i>Total IRE000</i>
Cost			
At 1st January, 1994	105,105	6,802	111,907
Additions	9,234	427	9,661
Disposals	(3,663)	(128)	(3,791)
At 31st December, 1994	110,676	7,101	117,777
Depreciation			
At 1st January, 1994	53,049	3,159	56,208
Charge for the year	6,063	613	6,676
Disposals	(3,415)	(128)	(3,543)
At 31st December, 1994	55,697	3,644	59,341
Net Book Amounts			
At 31st December, 1994	54,979	3,457	58,436
At 31st December, 1993	52,056	3,643	55,699

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

	<i>Lives (Years)</i>
Road Passenger Vehicles	8-16
Plant and Machinery	10

(b) Road passenger vehicles at a cost of IRE2,682,000 (1993 - IRE5,199,000) were fully depreciated but still in use at the balance sheet date.

(c) 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:-

	<i>1994 IRE000</i>	<i>1993 IRE000</i>
Road Passenger Vehicles		
Cost	7,942	5,180
Accumulated Depreciation	(455)	(3,913)
Net Book Amounts at 31st December	7,487	1,267
Depreciation for the Year	113	324

(d) Included in additions above are IRE4,581,000 (1993 - IRE8,834,000) in respect of road passenger vehicles, being payments on account, assets in the course of construction and assets not yet in service.



Notes to the Financial Statements

8. Stocks

	1994 IRE000	1993 IRE000
Maintenance Materials and Spare Parts	2,046	2,428
Fuel, Lubricants and Other Sundry Stocks	587	561
	2,633	2,989

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)

	1994 IRE000	1993 IRE000
Trade Debtors	2,403	1,835
Amounts owed by Holding and Fellow Subsidiary Companies	4,913	2,894
Other Debtors and accrued income	605	1,023
	7,921	5,752

10. Creditors (Amounts falling due within one year)

	1994 IRE000	1993 IRE000
Bank Overdraft	671	653
Trade Creditors	1,178	1,191
Loan from Holding Company (Note 12)	169	2,133
Finance Lease Obligations (Note 13)	512	-
Income Tax deducted under P.A.Y.E.	1,171	1,135
Pay Related Social Insurance	982	952
Value Added Tax and other taxes	345	380
Other Creditors	586	584
Accruals	2,467	2,590
Third Party and Employer's Liability Claims (Note 15)	11,533	10,876
	19,614	20,494
Creditors for taxation and social welfare included above	2,498	2,467



Notes to the Financial Statements

11. Creditors (<i>Amounts falling due after more than one year</i>)	<i>1994</i> <i>IR£000</i>	<i>1993</i> <i>IR£000</i>
Loan from Holding Company (Note 12)	560	5,536
Finance Lease Obligations (Note 13)	6,478	-
	7,038	5,536
<hr/>		
12. Loan from Holding Company	<i>1994</i> <i>IR£000</i>	<i>1993</i> <i>IR£000</i>
This loan is repayable as follows:-		
Within one year (Note 10)	169	2,133
Between one and two years	186	228
Between two and five years	374	5,308
	560	5,536
	729	7,669
<hr/>		
<p>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.</p>		
<hr/>		
13. Finance Leases	<i>1994</i> <i>IR£000</i>	<i>1993</i> <i>IR£000</i>
Net obligations under finance leases fall due as follows:-		
Within one year (Note 10)	512	-
Between one and five years	2,510	-
After five years	3,968	-
	6,478	-
	6,990	-
<hr/>		
14. Operating Leases	<i>1994</i> <i>IR£000</i>	<i>1993</i> <i>IR£000</i>
Commitments under non-cancellable operating leases payable in the coming year expire as follows:-		
Within one year	12	9
Between one and five years	62	34
	74	43
<hr/>		



Notes to the Financial Statements

15. Provision for Liabilities and Charges

	1994 IRE000	1993 IRE000
Third Party and Employer's Liability Claims		
Balance at 1st January	27,910	26,741
Utilised during the year	(5,528)	(5,099)
Transfer from Profit and Loss Account	7,213	6,268
Balance carried forward	29,595	27,910
Less: Transfer to current liabilities (Note 10)	11,533	10,876
Balance at 31st December	18,062	17,034

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 cover:-

- (i) third party liability in excess of IRE1,000,000 and up to IRE81,000,000 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 US\$3,000,000;
- (ii) third party liability in excess of IRE50,000 and up to IRE80,050,000 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 US\$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 IRE8,820,000 in aggregate in a twelve month period, April 1995 to March 1996; and
- (iv) fire and special perils, including storm damage, to the Board's property in excess of IRE200,000 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 EU Grants which are accounted for in accordance with Accounting Policy E.

	1st January 1994 IRE000	Received and Receivable IRE000	Profit and Loss A/c IRE000	31st December 1994 IRE000
European Union Capital Grants	300	(25)	-	275
European Union Revenue Grants	-	35	35	-
	300	10	35	275



Notes to the Financial Statements

17. Equity Share Capital

	<i>1994</i> <i>IR€000</i>	1993 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

18. Asset Replacement Reserve

	<i>1994</i> <i>IR€000</i>	1993 IR€000
Balance at 1st January	12,507	11,819
Transfer from Profit and Loss Account	589	688
Balance at 31st December	13,096	12,507

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

19. Reconciliation of Movements in Equity Shareholders' Funds

	<i>1994</i> <i>IR€000</i>	1993 IR€000
Surplus for the Year after State Grant	2,990	4,984
Opening Equity Shareholders' Funds	21,763	16,779
Closing Equity Shareholders' Funds	24,753	21,763



Notes to the Financial Statements

20. Cash Flow Statement

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

	1994 IRE000	1993 IRE000
Deficit before State Grant and Servicing of Finance	(1,318)	(2,270)
State Grant (Note 6)	5,000	8,000
Surplus for the Year before Servicing of Finance	3,682	5,730
Depreciation (Note 2)	6,676	5,844
Loss/(Profit) on Disposal of Tangible Assets (Note 4)	106	(187)
Decrease in Stocks	356	653
(Increase)/Decrease in Debtors	(2,367)	1,025
Increase/(Decrease) in Creditors and Provisions	1,490	(639)
Net Cash Inflow from Operating Activities before Servicing of Finance	9,943	12,426

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

	1994 IRE000	1993 IRE000
Balance at 1st January	34	(19)
Net Cash Inflow	47	53
Balance at 31st December	81	34

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

	1994 IRE000	1993 IRE000	Change in 1994 IRE000	Change in 1993 IRE000
Cash at Bank and in Hand	752	687	65	471
Bank Overdraft	(671)	(653)	(18)	(418)
	81	34	47	53

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

	Share Capital IRE000	Loans and Finance Lease Obligations IRE000
Balance at 1st January, 1994	25,000	7,669
Cash Inflow from Financing	—	50
Balance at 31st December, 1994	25,000	7,719



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, 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, 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 pensions cost for the year was IR£2,952,000 (1993 - IR£2,783,000).

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

- | | |
|--|---------------------|
| • C.I. E. Superannuation Scheme, 1951 | 31st December, 1993 |
| • C.I.E. Pension Scheme for Regular Wages Staff | 31st December, 1993 |
| • G.N.R. Co. (Ireland) Pension Fund for Wages Staff | 31st December, 1993 |
| • C.I.E. Spouses' and Children's Superannuation Scheme | 31st December, 1993 |
| • C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R. and I.R.C.H.)
Superannuation Scheme, 1977 | 31st December, 1993 |
| • C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme | 31st December, 1993 |

The actuarial valuations of the pension schemes show on a combined basis that the assets of the schemes represent 164% of the liabilities which had accrued up to the above date 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. There were shortfalls in the cash resources of the C.I.E. Salaried Officers' and Clerks' (G.S.R.) Superannuation Scheme in 1994 of IR£1,310,000 (1993- IR£1,385,000) and the C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R. and I.R.C.H.) Superannuation Scheme, 1977 in 1994 of IR£389,000 (1993 - IR£Nil).

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

21. Pensions (continued)

(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 the C.I.E. Salaried Officers' and Clerks' (G.N.R., C.D.R. and I.R.C.H) Superannuation Scheme, 1977 and benefit amendments will be incorporated in the amalgamated schemes. In relation to the proposed scheme for regular wages grade employees, the employees and the Minister have accepted the proposed new arrangements, and the necessary Statutory Instrument is in the process of being drafted. In the case of the proposed scheme for salaried employees, the matter is still subject to discussion and negotiation with representatives of the members of the affected schemes, and then with the Minister.

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

22. Capital Commitments

	1994 IR£000	1993 IR£000
Contracted for	2,374	4,033
Authorised by the Directors but not contracted for	9,792	5,754
	12,166	9,787

23. Contingent Liabilities

(A) Pending Litigation

The company, from time to time, is party to various legal proceedings. It is the opinion of the directors that losses, if any, arising in connection with these matters will not be material.

(B) Finance Leases

Under the terms of the finance leases there are contingent liabilities whereby material taxation changes affecting the lessor's taxation liability on lease income will be offset by appropriate adjustments to lease rentals.

24. Membership of C oras Iompair  ireann Group

Bus  atha Cliath - Dublin Bus is a member of the C oras Iompair  ireann 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 C oras Iompair  ireann.

25. Approval of Financial Statements

The directors approved the financial statements on 28th March, 1995.



Value Added Statement

	Year ended 31st December			
	1994			1993
	IR£000	IR£000	IR£000	IR£000
Value Added Generated				
Revenue		96,120		90,357
State Grant (Note 6)		5,000		8,000
(Loss)/Profit on Disposal of Tangible Assets (Note 4)		(106)		187
Less: Cost of Materials and Services Utilised	(30,940)		(29,849)	
Exceptional Operating Costs (Note 3)	(1,034)	(31,974)	(3,000)	(32,849)
		69,040		65,695
Application of Value Added				
Net Compensation of Employees including pension costs		39,850		35,980
Government- Payroll Taxes		18,832		18,141
Providers of Capital (Note 5)		692		746
Provision for future investment - Depreciation (Note 2)		6,676		5,844
Surplus for the Year		2,990		4,984
		69,040		65,695

