

Bus Éireann - Irish Bus School Transport Scheme

Statement of Account

Year Ended 31 December 2014

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF BUS ÉIREANN IN CONNECTION WITH THE BUS ÉIREANN – IRISH BUS SCHOOL TRANSPORT SCHEME STATEMENT OF ACCOUNT

Report on the Bus Éireann - Irish Bus School Transport Scheme Statement of Account

We have audited the accompanying financial information of Bus Éireann for the year ended 31 December 2014 and a summary of significant accounting policies and other explanatory information on the Bus Éireann - Irish Bus School Transport Scheme Statement of Account (together the "School Bus Statement of Account"). The School Bus Statement of Account has been prepared by management of Bus Éireann in accordance the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975.

Management's responsibility for the School Bus Statement of Account

Management is responsible for the preparation of the School Bus Statement of Account in accordance with the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975 and for such internal control as management determines is necessary to enable the preparation of a School Bus Statement of Account that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the School Bus Statement of Account based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the School Bus Statement of Account is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the School Bus Statement of Account. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the School Bus Statement of Account, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of a School Bus Statement of Account in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the School Bus Statement of Account.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information of Bus Éireann Schools Transport Scheme for the year ended 31 December 2014 is prepared, in all material respects, in accordance with the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975.



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF BUS ÉIREANN IN CONNECTION WITH THE BUS ÉIREANN – IRISH BUS SCHOOL TRANSPORT SCHEME STATEMENT OF ACCOUNT - continued

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the School Bus Statement of Account, which describes the basis of accounting. The School Bus Statement of Account is prepared in accordance with the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children for Bus Éireann. As a result, the School Bus Statement of Account may not be suitable for another purpose. Our report is intended solely for Bus Éireann and should not be distributed to or used by parties other than Bus Éireann, save where expressly agreed by our prior consent in writing.

The School Bus Statement of Account does not comprise a full set of financial statements prepared in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

PricewaterhouseCoopers

**PricewaterhouseCoopers
Chartered Accountants
Dublin**

1 April 2015

STATEMENT OF ACCOUNT
Year Ended 31 December 2014

	2014 €'000	2013 €'000
I Receipts		
(1) Payments on account by the Department of Education	150,083	150,652
(2) Receipts from fare-paying passengers	<u>13,057</u>	<u>12,772</u>
	163,140	163,424
II Special services (expenditure)		
(1) Driver costs	9,698	9,974
(2) Running costs	17,872	18,533
(3) Road tax	40	47
(4) Insurance and claims	662	857
(5) Payments to contractors	111,886	109,172
(6) Inspectors' wages	2,536	2,580
(7) Inspectors' cars	203	207
(8) Salaries	2,900	2,826
(9) Prefect award scheme	<u>34</u>	<u>36</u>
	145,831	144,232
(10) Add 13% (for indirect and other direct costs) to a maximum of €15,000,000 (2013: €15,000,000).	15,000	15,000
(11) Depreciation (Bus Éireann vehicles)	972	1,353
(12) Interest (Bus Éireann vehicles)	<u>137</u>	<u>195</u>
Total special services	161,940	160,780
III Scheduled services		
Charge for children carried	<u>1,584</u>	<u>1,817</u>
Total	163,524	162,597
IV Receipts from fare-paying passengers	<u>(13,057)</u>	<u>(12,772)</u>
V Total net amount chargeable to the Department of Education	150,467	149,825
Payments on account by the Department of Education	(150,083)	(150,652)
Amounts due to the Department of Education at start of year deducted	<u>(2,173)</u>	<u>(1,346)</u>
Amount due to the Department of Education for the year	(1,789)	(2,173)
Amount due to the Department of Education at start of year deducted	(2,173)	(1,346)
Payments made to the Department of Education during the year	<u>2,173</u>	<u>1,346</u>
Balance due to the Department of Education	<u>(1,789)</u>	<u>(2,173)</u>



M Nolan
 Chief Executive Officer



A Keane
 Manager Finance and Accounting

Date:

1 April 2015

NOTES TO THE STATEMENT OF ACCOUNT

1 Basis of accounting

The School Bus Statement of Account is prepared in accordance with the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975.

2 Receipts and costs

Receipts are accounted for on a cash basis and costs on an accruals basis in accordance with the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975.

Receipts comprise amounts received from the Department of Education and Skills in respect of the Transport Scheme for Primary and Post-Primary School Children

Costs comprise direct and indirect costs incurred by Bus Éireann based. Indirect costs are based on the allocation methodology agreed with the Department of Education and Skills for the operation of the Transport Scheme for Primary and Post-Primary School Children.

3 Net amounts chargeable to the Department of Education and Skills

The net amount chargeable to the Department of Education and Skills amounts to €150,466,975 (2013: €149,824,582) and includes €15,000,000 (2013: €15,000,000) payable to Bus Éireann in respect of other direct and indirect costs. This amount is calculated based on 13% of the direct and indirect costs incurred, excluding depreciation and interest, in providing the service up to a maximum of €15,000,000. In arriving at the amount chargeable for scheduled services, the factor for absenteeism has been taken into account at 4.5%.

Bus Éireann - Irish Bus School Transport Scheme

APPENDIX I: TRANSPORT OF PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2014

	Number of children at 31 December 2014	Cumulative child weeks	Total amount €	Cost per child week €
Mode of transport				
Special services				
Large bus	15,306	625,129	22,176,917	35.48
Medium bus	9,057	372,132	17,115,999	45.99
Mini-bus	13,700	521,325	52,355,280	100.43
	38,063	1,518,586	91,648,196	60.35
Scheduled services	88	9,092	79,195	8.71
Total amount due			91,727,391	
Receipts from fare-paying passengers			(2,287,488)	
Net cost of operations			89,439,903	
Gross payments by Department of Education			(92,145,240)	
Amount due by the Department of Education			(2,705,337)	

APPENDIX II: TRANSPORT OF POST-PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2014

	Number of children at 31 December 2014	Cumulative child weeks	Total amount €	Cost per child week €
Mode of transport				
Special services				
Large bus	36,406	1,397,600	48,133,213	34.44
Medium bus	10,723	403,582	13,002,580	32.22
Mini-bus	4,070	152,873	9,155,815	59.89
	51,199	1,954,055	70,291,608	35.97
Scheduled services	1,646	75,136	1,504,711	20.03
Total amount due			71,796,319	
Receipts from fare-paying passengers			(10,769,247)	
Net cost of operations			61,027,072	
Gross payments by Department of Education			(60,110,252)	
Amount due to the Department of Education			<u>916,820</u>	