

Bus Éireann - Irish Bus School Transport Scheme

Statement of Account

Year Ended 31 December 2010

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Independent Assurance Report to the Board of Directors of Bus Éireann in connection with the Operation of the Department of Education and Skills School Transport Scheme

We have examined the attached statement of account on pages 3 and 4 which is required to be submitted to the Department of Education and Skills in connection with the operation of the School Transport Scheme.

This report including the opinion is prepared in accordance with our letter of engagement dated 10 March 2011 for and only for the Board of Directors as a body and the Department of Education and Skills for the purpose set out above and for no other purpose. In those circumstances, we do not, in giving our opinion, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which our report including the opinion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our opinion.

Respective responsibilities of the Board of Directors of Bus Éireann and PricewaterhouseCoopers

The Board of Directors of Bus Éireann ("the Company") is responsible for the design, implementation and operation of control procedures that provide adequate control over the operations of the Company. Specifically, the Directors are responsible for ensuring that the Statement of Account prepared by the Company is in accordance with the general arrangements and principles of accounting as set out in the Summary of Accounting Arrangements relating to the Transport Scheme for Primary and Post-Primary School Children dated 1 January 1975.

Our approach

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 "Assurance engagements other than audits or reviews of historical financial information". We performed a reasonable assurance engagement (as defined in ISAE 3000).

The objective of a reasonable assurance engagement is to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a positive conclusion on the Statement of Account.

Conclusion

Based on the results of our procedures, in our opinion the Statement of Account on pages 3 and 4 has been 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 and with the bases and assumptions disclosed therein.



PricewaterhouseCoopers
Dublin
3 May 2011

Rónán Murphy Olwyn Alexander Brian Bergin Damian Byrne Pat Candon John Casey Mary Cleary Siobhán Collier Andrew Craig Thérèse Cregg
Richard Day Fiona de Búrca David Devlin John Dillon Ronan Doyle John Dunne FCCA Kevin Egan Martin Freyne Teresa Harrington Alisa Hayden FCCA
Paul Hennessy Ken Johnson Patricia Johnston Paraic Joyce Andrea Kelly Joanne P. Kelly Chand Kohli John Loughlin Vincent MacMahon Tom McCarthy
Enda McDonagh John McDonnell Ivan McLoughlin Brian Neilan Damian Neylin Andy O'Callaghan Jonathan O'Connell Denis O'Connor Marie O'Connor FCCA
Paul O'Connor Irene O'Keeffe Dave O'Malley Garvan O'Neill Michael O'Neill Joe O'Shea Ken Owens Anthony Reidy Emma Scott Bob Sempie Mike Sullivan
Billy Sweetman Paul Tuite Tony Weldon

Located at Dublin, Cork, Galway, Kilkenny, Limerick, Waterford and Wexford

Chartered Accountants

PricewaterhouseCoopers is authorised by the Institute of Chartered Accountants in Ireland to carry on investment business.

STATEMENT OF ACCOUNT
Year Ended 31 December 2010

	2010 €'000	2009 €'000
I Receipts		
(1) Payments on account by the Department of Education	161,971	157,462
(2) Receipts from fare-paying passengers	11,651	11,628
II Special Services (Expenditure)	173,622	169,090
(1) Driver costs	10,892	11,816
(2) Running costs	18,346	20,213
(3) Road tax	49	57
(4) Insurance and claims	1,374	1,643
(5) Payments to contractors	105,461	106,391
(6) Inspectors' wages	2,747	2,892
(7) Inspectors' cars	230	222
(8) Salaries	3,123	3,390
(9) Prefect award scheme	40	39
	142,262	146,663
(10) Add 13% (for indirect and other direct costs) to a maximum of €18,200,000	18,200	18,715
(11) Depreciation (Bus Éireann vehicles)	2,048	1,936
(12) Interest (Bus Éireann vehicles)	352	337
Total special services	162,862	167,651
III Scheduled Services		
Charge for children carried	2,815	3,346
Total	165,677	170,997
IV Receipts from Fare-Paying Passengers	(11,651)	(11,628)
V Total net amount chargeable to the Department of Education	154,026	159,369
Payments on account by the Department of Education	(161,971)	(157,462)
Amount due from the Department of Education for year	(7,945)	1,907
Amount due from the Department of Education at start of year	1,126	(781)
Balance due from/(to) the Department of Education	(6,819)	1,126

M Nolan - Chief Executive Officer

M. Nolan

A Keane - Manager Finance and Accounting

Andrea Keane

Date

13-4-2011

STATEMENT OF ACCOUNT
Year Ended 31 December 2010

Notes to the Statement of Accounts

Basis of Accounting

The net amount chargeable to the Department of Education amounts to €165,677,415 (2009: €170,996,811) and includes € 18,200,000 (2009: €18,715,000) payable to Bus Éireann. This balance was calculated on 13% of total costs to an agreed maximum of €18,200,000.

The costs are the direct costs in respect of the Schools Transport Scheme. Direct costs for this purpose exclude amounts charged in respect of depreciation and interest on Bus Éireann - Irish Bus vehicles. In arriving at the amount chargeable for scheduled services, the factor for absenteeism has been taken into account at 4.5%.

TRANSPORT OF PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2010

	Number of children at 31.12.10	Cumulative child weeks	Total Amount €	Cost per child week €
Mode of transport				
Special services				
Large bus	26,309	988,542	32,292,872	32.67
Medium bus	12,952	464,124	17,947,234	38.67
Mini-bus	15,513	593,872	48,704,277	82.01
	54,774	2,046,538	98,944,383	48.35
Scheduled services	775	31,024	239,298	7.71
Total amount due			99,183,681	
Less: Receipts from fare-paying passengers			(1,165,110)	
Net cost of operations			98,018,571	
Less: Payments by Department of Education			101,565,934	
Amount due (to) the Department of Education			(3,547,363)	

TRANSPORT OF POST-PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2010

	Number of children at 31.12.10	Cumulative child weeks	Total Amount €	Cost per Child Week €
Mode of transport				
Special services				
Large bus	44,345	1,635,321	44,441,703	27.18
Medium bus	10,633	368,841	11,250,644	30.50
Mini-bus	5,131	188,479	8,225,416	43.64
	60,109	2,192,641	63,917,763	29.15
Scheduled services	4,155	156,915	2,575,971	16.42
Total amount due			66,493,734	
Less: Receipts from fare-paying passengers			(10,485,990)	
Net cost of operations			56,007,744	
Less: Payments by Department of Education			(60,404,807)	
Amount due by the Department of Education			(4,397,063)	