

Bus Éireann - Irish Bus School Transport Scheme

Statement of Account

Year Ended 31 December 2012

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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 which is required to be submitted to the Department of Education and Skills in connection with the operation of the School Transport Scheme.

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 responsibility is to express an opinion on the Statement of Account.

This report including the opinion is prepared in accordance with our letter of engagement dated 14 February 2013 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.

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 have 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.

A handwritten signature in cursive script that reads 'Louise Coopers'.

**PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin**

26 April 2013

*PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137
T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, www.pwc.com/ie*

Chartered Accountants

Bus Éireann - Irish Bus School Transport Scheme

STATEMENT OF ACCOUNT
Year Ended 31 December 2012

	2012 €'000	2011 €'000
I Receipts		
(1) Payments on account by the Department of Education	150,472	152,156
(2) Receipts from fare-paying passengers	<u>12,570</u>	<u>11,485</u>
	163,042	163,641
II Special services (expenditure)		
(1) Driver costs	10,724	10,764
(2) Running costs	19,065	18,429
(3) Road tax	49	48
(4) Insurance and claims	1,248	1,358
(5) Payments to contractors	106,096	105,476
(6) Inspectors' wages	2,637	2,650
(7) Inspectors' cars	212	238
(8) Salaries	3,064	3,086
(9) Prefect award scheme	<u>38</u>	<u>36</u>
	143,133	142,085
(10) Add 13% (for indirect and other direct costs) to a maximum of €15,000,000 (2011: €16,700,000).	15,000	16,700
(11) Depreciation (Bus Éireann vehicles)	1,652	1,801
(12) Interest (Bus Éireann vehicles)	<u>254</u>	<u>299</u>
Total special services	160,039	160,885
III Scheduled services		
Charge for children carried	<u>2,008</u>	<u>2,405</u>
Total	162,047	163,290
IV Receipts from fare-paying passengers	<u>(12,570)</u>	<u>(11,486)</u>
V Total net amount chargeable to the Department of Education	149,477	151,804
Payments on account by the Department of Education	(150,472)	(152,155)
Amounts due to the Department of Education at start of year deducted	<u>(351)</u>	<u>-</u>
Amount due to the Department of Education for the year	(1,346)	(351)
Amount due to the Department of Education at start of year deducted	(351)	(6,819)
Payments made to the Department of Education during the year	<u>351</u>	<u>6,819</u>
Balance due to the Department of Education	<u>(1,346)</u>	<u>(351)</u>



M Nolan
Chief Executive Officer



A Keane
Manager Finance and Accounting

Date: 26 April 2013

NOTES TO THE STATEMENT OF ACCOUNT

Basis of accounting

The net amount chargeable to the Department of Education amounts to €162,047,256 (2011: €163,290,016) and includes €15,000,000 (2011: €16,700,000) payable to Bus Éireann. This balance was calculated on 13% of total costs to an agreed maximum of €15,000,000.

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%.

APPENDIX I: TRANSPORT OF PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2012

	Number of children at 31 December 2012	Cumulative child weeks	Total amount €	Cost per child week €
Mode of transport				
Special services				
Large bus	18,185	737,272	30,055,647	40.77
Medium bus	10,826	408,170	16,809,925	41.18
Mini-bus	13,707	521,932	47,964,463	91.91
	42,718	1,667,374	94,830,035	56.87
Scheduled services	249	9,833	170,660	17.36
Total amount due			95,000,695	
Receipts from fare-paying passengers			<u>(1,256,979)</u>	
Net cost of operations			93,743,716	
Gross payments by Department of Education			<u>(90,459,611)</u>	
Amount due by the Department of Education			<u>3,284,105</u>	

**APPENDIX II: TRANSPORT OF POST-PRIMARY SCHOOL CHILDREN
Year Ended 31 December 2012**

	Number of children at 31 December 2012	Cumulative child weeks	Total amount €	Cost per child week €
Mode of transport				
Special services				
Large bus	41,463	1,559,985	44,177,924	28.32
Medium bus	11,568	392,082	12,408,535	31.65
Mini-bus	4,857	171,574	8,623,003	50.26
	57,888	2,123,641	65,209,462	30.71
Scheduled services	2,867	109,486	1,837,100	16.78
Total amount due			67,046,562	
Receipts from fare-paying passengers			<u>(11,312,808)</u>	
Net cost of operations			55,733,754	
Gross payments by Department of Education			<u>(60,363,961)</u>	
Amount due to the Department of Education			<u>(4,630,207)</u>	