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Directors
at 1st May, 2001

Managing Director
Mr. W. Lilley

Directors
Mrs. T. Honan
Mr. P. Cullen
Mr. G. Duggan

Secretary and Registered Office

Mr. M. Nolan
Broadstone
Dublin 7

Telephone
+353 1 703 3447

Facsimile
+353 1 703 3486

Website
www.buseireann.ie

Registered number

119570

Auditors

PricewaterhouseCoopers
Chartered Accountants and
Registered Auditors
Wilton Place
Dublin 2

**For the year ended
31st December, 2000**

The directors' present their annual report together with the audited financial statements for the year ended 31st December, 2000.

**Principal activities and
business review**

The company's principal activities are the operation of its network of Expressway scheduled inter-urban coach services, the operation of city bus services in Cork, Limerick, Galway and Waterford cities, local stage carriage bus services throughout the country and nationwide school transport services on behalf of the Department of Education and Science.

A summary of the passenger journeys and vehicle kilometres operated by the company on scheduled services is shown below

Year ended 31st December	2000	1999
	'000	'000

Passenger Journeys

Provincial city services	19,156	18,731
Other scheduled services	21,364	19,525
School transport scheme	43,797	45,593
	84,317	83,849

Vehicle Kilometres

Provincial city services	7,197	5,927
Other scheduled services	66,363	60,605
	73,560	66,532

During 2000 the company purchased 208 new vehicles for its road passenger fleet, the largest investment in its history. In the second half of the year substantial service improvements were introduced particularly on commuting routes in the Greater Dublin Area, and on a substantial number of routes in provincial cities.

Passenger numbers (+2%) on provincial city services increased for the first time in many years though services continue to be affected by the worsening traffic congestion and absence of bus priority measures. Passenger numbers on Expressway and Stage Carriage showed a 10% increase, while the numbers on the School Transport Scheme continue to decline in line with the fall in the school-going population.

Results and reserves

The financial statements for the year ended 31st December, 2000 are set out in detail on pages 8 to 19. The results for the year ended 31st December, 2000 show a surplus of IR£4,805,000 (1999-IR£3,073,000).

Year 2000 and the introduction of the euro

The company experienced no disruption or malfunction since the start of the year 2000 from its own computer systems and embedded systems. The lack of disruption is attributed to an analysis of the risks carried out in prior years and consequential modifications to, or replacement of, hardware and software not held to be year 2000 compliant. The total cost is part of the overall costs of computer upgrading over a number of years to enhance the company systems.

There is a committee in place to assess the implications of the euro in the lead up to the introduction of the new currency in 2002. Plans and resources are in place to achieve such euro compliance.

Employee participation

A joint management/trade union committee under an independent chairman was set up to examine the matter of the sub-board participation under the provisions of the Worker Participation (State Enterprises) Act, 1988. This Committee agreed a "Scheme for Enterprise Partnership" and in the year 2000 ballots by the trade unions were finalised and resulted in acceptance of the new scheme.

Health and safety

The company is committed to ensuring the well-being of its employees by maintaining a safe place of work and by complying with relevant employment legislation including the Safety, Health and Welfare at Work Act, 1989.

Equal opportunities

The company is an equal opportunities employer. All applications for employment and promotion are given full and fair consideration with due regard being given to the aptitude and ability of the individual and the requirements of the position being filled.

Directors

The directors of the company are appointed by the chairman of *Córas Iompair Éireann* with the consent of the Minister for Public Enterprise. The directors during the year ended 31st December, 2000 are set out below. They served as directors for the entire year.

Mr. M.P. Mc Donnell Chairman
(Resigned 13th February, 2001)

Mr. W. Lilley, Managing Director
Mr. P. Cullen
Mr. M. Faherty
(Resigned 1st March, 2001)

Mrs. T. Honan
Mr. G. Duggan

None of the directors or the secretary held any interest in any shares or debentures of the company, its holding company or its fellow subsidiaries at any time during the year.

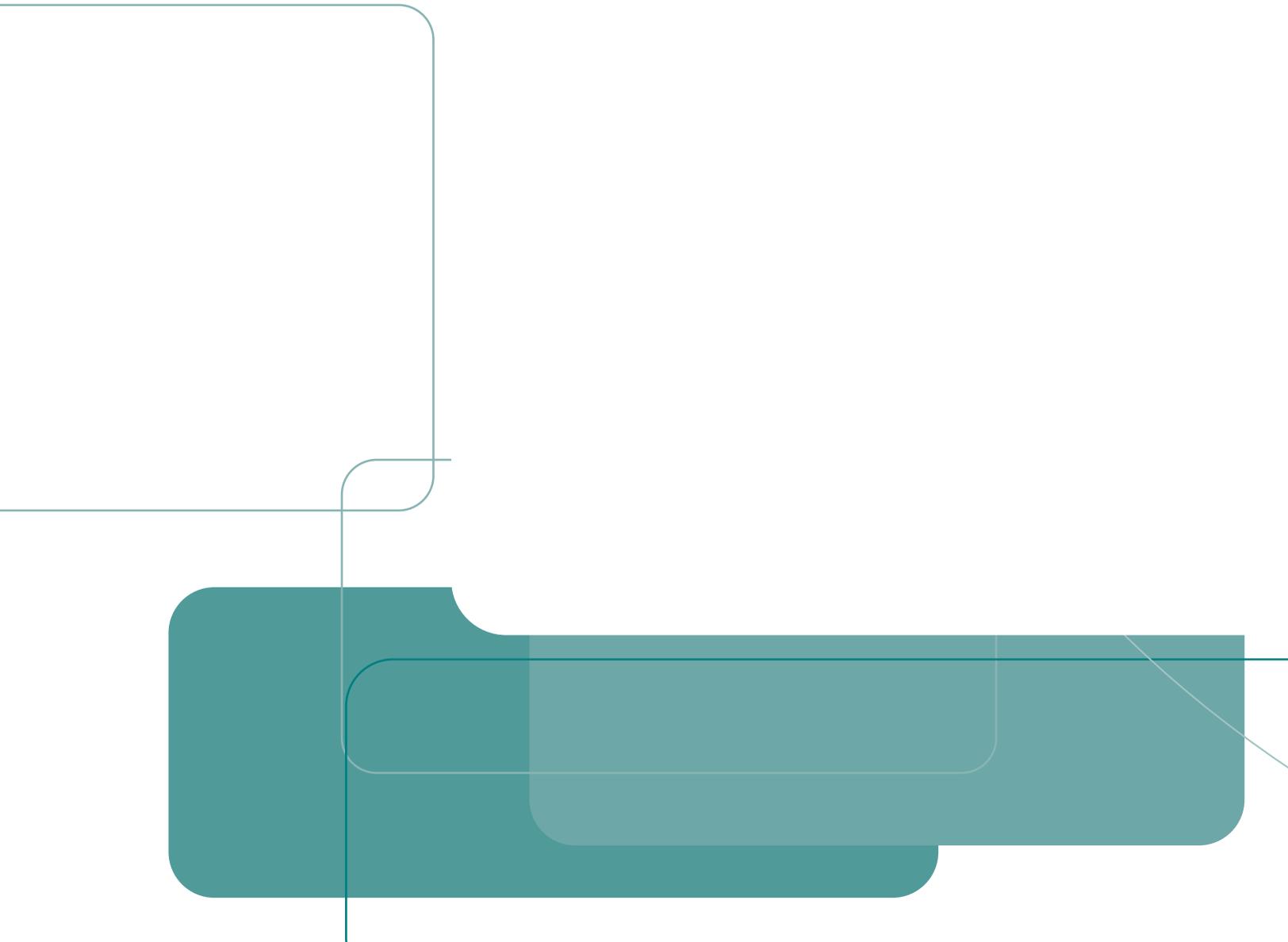
Auditors

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the board

W. Lilley, Managing Director
T. Honan, Director

1st May, 2001



Irish 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 for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 1999. 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.

To the members of Bus Éireann - Irish Bus

We have audited the financial statements on pages 8 to 19.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 5, for preparing the financial statements in accordance with Accounting Standards generally accepted in Ireland. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 1999. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account.
- whether the directors' report is consistent with the financial statements; and
- whether at the balance sheet date there existed a financial situation which may require the company to convene an extraordinary general meeting; such a financial situation may exist if the net assets of the company, as stated in the company balance sheet, are not more than half of its called-up share capital.

We also report to you if in our opinion, information specified by law regarding directors' remunerations and transactions is not disclosed.

Basis of audit 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 as at 31st December, 2000 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 1999.

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 11, 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, 2000 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.

**PricewaterhouseCoopers,
Chartered Accountants and
Registered Auditors,
Dublin.**

1st May, 2001.



(A) Basis of accounting

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 1999. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

The financial statements are prepared under the historical cost convention and are expressed in Irish pounds, denoted by the symbol IR£ (Euro equivalents are disclosed on pages 10 to 12).

(B) Tangible assets and depreciation

Tangible assets are stated at historical cost less accumulated depreciation based on that historical cost.

The bases of calculation of depreciation are as follows:

(i) Road passenger vehicles

The historical costs of road passenger vehicles other than school buses are depreciated over their expected useful lives on a reducing percentage basis which reflects the vehicles' usage throughout their lives. The historical costs of school buses are depreciated in equal annual instalments over their expected useful lives.

(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**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 the lower of average cost and net realisable value. Stocks which are known to be obsolete at the balance sheet date are written off, and provision is made in respect of stocks which may become obsolete in the future.

(E) Grants**(i) State grants**

State grants received during the year in respect of public service obligations are dealt with in the profit and loss account.

(ii) Exchequer grants

Exchequer grants 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.

(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 currencies are translated at the exchange rates ruling at the balance sheet date or at contract rates where applicable.

(G) Pensions

The expected cost of providing pensions to employees is charged to the profit and loss account as incurred over the period of employment of pensionable employees. The cost is calculated, with the benefit of advice from independent actuaries, at what is expected to be a stable percentage of pensionable pay. Variations from regular pension costs, identified by periodic actuarial valuations, are spread over the expected average remaining service lives of the members of the scheme.

The capital cost of supplementary pensions is provided for and charged to the profit and loss account in the year that the related employee severance is recognised and is included in the cost of severance.

Year ended 31st December	<i>Notes</i>	2000 IR€000	1999 IR€000	2000 €000	1999 €000
Revenue		125,764	111,776	159,687	141,926
Costs					
Payroll and related costs	1	(58,897)	(51,923)	(74,784)	(65,929)
Materials and services	2	(67,906)	(55,656)	(86,223)	(70,669)
Depreciation and loss on disposal of tangible assets	3	(7,127)	(6,451)	(9,049)	(8,190)
Total operating costs		(133,930)	(114,030)	(170,056)	(144,788)
Deficit before interest and State grant		(8,166)	(2,254)	(10,369)	(2,862)
Interest receivable		561	359	712	456
Deficit before State grant		(7,605)	(1,895)	(9,657)	(2,406)
State grant		12,410	5,810	15,758	7,377
Surplus for the year after State grant		4,805	3,915	6,101	4,971
Transfer to reserve	11	-	(842)	-	(1,069)
Change in the profit and loss account for the year		4,805	3,073	6,101	3,902
Accumulated deficit at beginning of the year		(3,537)	(6,610)	(4,491)	(8,393)
Accumulated surplus/(deficit) at end of the year		1,268	(3,537)	1,610	(4,491)

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.

On behalf of the board

W. Lilley, Managing Director

T. Honan, Director

As at 31st December	Notes	2000 IR€000	1999 IR€000	2000 €000	1999 €000
Fixed assets					
Tangible assets	4	58,441	37,999	74,205	48,249
Current assets					
Stocks	5	2,774	2,489	3,522	3,160
Debtors	6	13,754	28,672	17,464	36,406
Cash at bank and in hand		47	30	60	38
		16,575	31,191	21,046	39,604
Creditors (amounts falling due within one year)	7	(20,034)	(22,937)	(25,438)	(29,124)
Net current (Liabilities)/assets		(3,459)	8,254	(4,392)	10,480
Total assets less current liabilities		54,982	46,253	69,813	58,729
Financed by:					
Provisions for liabilities and charges	8	20,386	21,315	25,885	27,064
Deferred Income	9	4,853	-	6,162	-
		25,239	21,315	32,047	27,064
Capital and reserves					
Called up share capital	10	23,000	23,000	29,204	29,204
Asset replacement reserve	11	5,475	5,475	6,952	6,952
Profit and loss account		1,268	(3,537)	1,610	(4,491)
Shareholders' funds	12	29,743	24,938	37,766	31,665
		54,982	46,253	69,813	58,729

On behalf of the board

W Lilley, Managing Director

T.Honan, Director

Year ended 31st December	<i>Notes</i>	2000 IR€000	1999 IR€000	2000 €000	1999 €000
Net cash inflow from operating activities	13(A)	6,906	9,865	8,769	12,526
Returns on investment and servicing of finance					
Interest receivable		561	187	712	237
		7,467	10,052	9,481	12,763
Capital expenditure					
Additions to tangible assets	4	(27,848)	(3,642)	(35,359)	(4,624)
Proceeds from disposal of tangible assets		30	89	38	113
Capital grants received		5,102	-	6,478	-
		(22,716)	(3,553)	(28,843)	(4,511)
Acquisition					
Slattery Travel—deferred purchase payments		-	(65)	-	(82)
Cash (outflow)/inflow before use of liquid resources and financing		(15,249)	6,434	(19,362)	8,170
Management of liquid resources					
Movement in amounts owed by holding company	13 (B)	17,729	(8,945)	22,511	(11,358)
Increase/(Decrease) in cash	13(B)	2,480	(2,511)	3,149	(3,188)

Liquid resources comprise amounts owed by the holding company, which represent cash generated not immediately required for operations, and made available to the holding company, repayable on demand.

Reconciliation of net cash flow to movement in net funds

Increase/(decrease) in cash in the year	2,480	(2,511)	3,149	(3,188)
Cash from change in liquid resources	(17,729)	8,945	(22,511)	11,358
Movement in net funds in the year	(15,249)	6,434	(19,362)	8,170
Net funds at 1st January	19,063	12,629	24,205	16,035
Net funds at 31st December	3,814	19,063	4,843	24,205

	2000	1999
	IR€000	IR€000
1 PAYROLL AND RELATED COSTS		
Staff costs		
Wages and salaries	52,657	45,907
Social welfare costs	4,551	3,886
Other pension costs	1,805	2,348
	59,013	52,141
Engineering work for group companies	(236)	(338)
Net staff costs	58,777	51,803
Directors' remuneration		
Emoluments		
- for services as directors	-	-
- for other services	120	120
Total directors' remuneration and emoluments	120	120
Total payroll and related costs	58,897	51,923
	Staff Numbers	
	2000	1999
The average numbers of employees during the year were as follows:		
Full-time	1,964	1,861
Part-time school bus drivers	601	601
Total	2,565	2,462
	2000	1999
	IR€000	IR€000
2 MATERIALS AND SERVICES		
Fuels and lubricants	5,119	3,955
School contractors	26,470	22,612
Road tax and licences	218	257
Operating lease rental of vehicles	4,334	3,283
Third party and employer's liability claims	5,253	4,181
Rates	436	386
Auditors' remuneration	29	29
Other materials and services	26,047	20,953
	67,906	55,656
3 DEPRECIATION AND LOSS/(PROFIT) ON DISPOSAL OF TANGIBLE FIXED ASSETS		
Depreciation of tangible fixed assets (<i>note 4</i>)	7,346	6,483
Loss/(profit) on disposal of tangible fixed assets	30	(32)
Grant amortisation (<i>note 9</i>)	(249)	-
	7,127	6,451

	Road Passenger Vehicles IR€000	Plant and Machinery IR€000	Total IR€000
4 TANGIBLE FIXED ASSETS			
Cost			
At 1st January, 2000	93,819	5,133	98,952
Additions	27,050	798	27,848
Disposals	(2,108)	-	(2,108)
At 31st December, 2000	118,761	5,931	124,692
Depreciation			
At 1st January, 2000	58,385	2,568	60,953
Charge for the year	6,357	989	7,346
Disposals	(2,048)	-	(2,048)
At 31st December 2000	62,694	3,557	66,251
Net book amounts			
At 31st December 2000	56,067	2,374	58,441
At 31st December 1999	35,434	2,565	37,999

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

Lives (Years)

Road passenger vehicles	8–14
Plant and machinery	5–10

(b) Road passenger vehicles at a cost of IR€4,239,230 (1999: IR€3,229,094) were fully depreciated but still in use at the balance sheet date.

(c) Tangible fixed assets at 31st December, 2000 amount to IR€Nil (1999: IR€3,572,156) in respect of tangible fixed assets not yet in service.

	2000 IR€000	1999 IR€000
5. STOCKS		
Maintenance materials and spare parts	2,106	1,934
Fuels, lubricants and sundry stocks	668	555
	2,774	2,489

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.

	2000 IR€000	1999 IR€000
6 DEBTORS		
Trade debtors	6,222	5,107
Amounts owed by holding company (note 13(B))	4,141	21,870
Other debtors and accrued income	3,391	1,695
	13,754	28,672

	2000	1999
	IR€000	IR€000
7 CREDITORS (amounts falling due within one year)		
Bank overdraft	374	2,837
Trade creditors	8,890	2,560
Income tax deducted under PAYE	999	880
Pay-related social insurance	567	482
Value added tax and other taxes	(292)	472
Other creditors	1,203	1,118
Accruals	3,740	4,338
Restructuring provision (<i>note 8</i>)	1,053	6,750
Third party and employer's liability claims (<i>note 8</i>)	3,500	3,500
	20,034	22,937
Creditors for taxation and social welfare included above	1,274	1,834

	Restructuring Provision IR€000	Third Party & Employer's Liability Claims IR€000	Total IR€000
8 PROVISIONS FOR LIABILITIES AND CHARGES			
Balance at 1st January	9,012	22,553	31,565
Utilised during the year	(7,959)	(3,920)	(11,879)
Transfer from profit and loss account	-	5,253	5,253
Balance carried forward	1,053	23,886	24,939
Less amount classified as current liability (<i>note 7</i>)	(1,053)	(3,500)	(4,553)
Balance at 31st December	-	20,386	20,386

(A) Restructuring provision

The directors consider that Bus Éireann has a constructive obligation in respect of the costs of staff restructuring. The restructuring costs derive from the company's business plan, which is in the course of implementation in respect of some categories of staff and is at an advanced stage of negotiation with staff representatives for other categories. The directors expect that the current programme will be completed in the year 2001. The amount of the provision is based on agreements reached and on discussions to date with staff and their representative unions.

8 PROVISIONS FOR LIABILITIES AND CHARGES (continued)

(B) Third party and employer's liability claims

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 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 IRE111,000,000 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 IRE110,050,000 on any one occurrence or series of occurrences arising out of all other risks events, except in the case of actions for all other risks claims subject to United States jurisdiction where the excess is US \$100,000;
- (iii) road transport third party liabilities in excess of a self-insured retention of IRE4,410,000 in aggregate in the twelve month period, April 2000 to March 2001;
- (iv) fire and special perils, including storm damage, to 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 provisions for liabilities and charges.

	2000	1999
	IR€000	IR€000

9 DEFERRED INCOME

This account comprises of non-repayable exchequer grants which will be credited to the profit and loss account on the same basis as the related fixed assets are depreciated (accounting policy E).

Capital grants

Balance at 1st January	-	-
Received and receivable	5,102	-
Transfer to profit and loss account	(249)	-
Balance as 31st December	4,853	-

10 SHARE CAPITAL

Authorised:

Ordinary shares of IRE1 each	32,000	32,000
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Alotted, called up and fully paid:

Ordinary shares of IR £1 each	23,000	23,000
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	2000	1999	
	IR€000	IR€000	
11 ASSET REPLACEMENT RESERVE			
Balance at 1st January	5,475	4,633	
Transfer from profit and loss account	-	842	
Balance at 31st December	<u>5,475</u>	<u>5,475</u>	
12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS			
Surplus for the year	4,805	3,915	
Opening equity shareholders' funds	24,938	21,023	
Closing equity shareholders' funds	<u>29,743</u>	<u>24,938</u>	
13 CASH FLOW STATEMENT			
(A) Reconciliation of operating deficit to net cash inflow from operating activities			
Operating deficit before State grants	(8,166)	(2,254)	
Public service obligation receipts	12,410	5,810	
	<u>4,244</u>	3,556	
Depreciation and profit on disposal of tangible fixed assets	7,376	6,451	
Capital grants amortised	(249)	-	
Restructuring payments made	(7,959)	(1,562)	
(Increase)/decrease in stocks	(285)	232	
(Increase)/decrease in debtors	(2,811)	116	
(Increase)/decrease in creditors	5,257	(234)	
Increase in provisions for liabilities and charges	1,333	1,306	
Net cash inflow from operating activities	<u>6,906</u>	<u>9,865</u>	
(B) Analysis of change in net funds			
	At 1st Jan 2000 IR€000	Cash Flows IR€000	At 31st Dec 2000 IR€000
Cash at bank and in hand	30	17	47
Bank overdraft	(2,837)	2,463	(374)
		<u>2,480</u>	
Debt due within one year			
Amounts owed by holding company	21,870	(17,729)	4,141
	<u>19,063</u>	<u>(15,249)</u>	<u>3,814</u>
		2000	1999
		IR€000	IR€000
14 OPERATING LEASE OBLIGATIONS			
Commitments under non-cancellable operating leases payable in the coming year expire as follows:			
Within one year		509	478
Between one and five years		1,945	2,371
		<u>2,454</u>	<u>2,849</u>

15 PENSIONS

The majority of the company's employees participate in defined benefit pension schemes based on final pensionable pay. Contributions by the company and the employees are invested in trustee-administered funds.

Amalgamation of the CIÉ group's six pension schemes into two schemes has been completed. Statutory Instrument No. 115 of 1996 confirmed the CIÉ Pension Scheme for Regular Wages Staff (Amendment) Scheme, 1996 and Statutory Instrument no: 323 of 2000 confirmed The CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000.

Contributions to the schemes are charged to the profit and loss account so as to spread the cost of pensions as incurred over employees' working lives with the group as a stable percentage of expected future pay. Contributions to the amalgamated schemes are determined by independent actuaries on the basis of annual reviews using the projected unit method.

The market value of the group pension schemes' assets at 31st December, 2000 was IR£1,063,368,000.

An actuarial review of the amalgamated schemes was carried out as at 31st December, 1999. The market value of the assets of the group schemes at that date was IR£1,067,371,000 and this exceeded 100% of the benefits which had accrued to members based on service to and pensionable pay at the review date. After allowing for future pay and pension increases the level of funding was 94%. The principal assumption in this review was that investment returns would exceed the rate of increase in pensionable remuneration and of pensions in payment by 2.5% per annum. Actuarial reports are available to scheme members but are not available for public inspection.

The pensions cost for the year was IR£1,805,000 (1999-IR£2,348,000).

	2000	1999
	IR£000	IR£000
16 CAPITAL COMMITMENTS		
Contracted for	5,993	7,076
Authorised by the directors, but not contracted for	2,700	1,180
	8,693	8,256

17 CONTINGENT LIABILITIES

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 materially in excess of provisions made in the financial statements.

	City services		Other services	
	2000 IR€000	1999 IR€000	2000 IR€000	1999 IR€000
18 NET (DEFICIT)/SURPLUS BY ACTIVITY				
The (deficit)/surplus for the year after the transfer to asset replacement reserve is split between city services and other services as follows:				
Revenue	12,453	11,675	113,311	100,101
Expenditure				
Maintenance of buildings	216	128	913	533
Maintenance of vehicles and equipment	3,053	2,886	17,388	17,683
Fuel	614	478	4,505	3,478
Road tax and licences	11	9	207	248
Operating and other expenses	12,804	10,505	87,122	71,599
Operating depreciation	1,865	1,725	5,232	5,600
Total expenditure before interest	18,563	15,731	115,367	99,141
Operating/(deficit) /surplus before interest	(6,110)	(4,056)	(2,056)	960
Interest receivable	70	45	491	314
(Deficit)/surplus before State grants	(6,040)	(4,011)	(1,565)	1,274

No taxation charge arises on the results for the year because certain revenues of the company are not brought into account for taxation purposes.

19 RELATED PARTIES

Entities controlled by the Irish Government are related parties of the company by virtue of the Irish Government's control of the holding company, Córas Iompair Éireann.

In the ordinary course of business the company purchases goods and services from entities controlled by the Irish Government, the principal of these being the ESB, An Post and Bord Gáis. The directors are of the opinion that the quantum of these purchases is not material in relation to the company's business.

The financial statements of Córas Iompair Éireann provide the information required by Financial Reporting Standard No. 8 concerning transactions between that company, its subsidiaries and the Irish Government.

20 MEMBERSHIP OF CÓRAS IOMPAIR ÉIREANN GROUP

Bus Éireann-Irish Bus is a wholly owned subsidiary of Córas Iompair Éireann (the group) and the financial statements reflect the effects of group membership.

21 APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statements on 1st May, 2001.