

# **National Transport Authority**

## **Financial Statements**

*for the 13 month period from  
1 December 2009 (Date of Commencement) to 31 December 2010*

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## **National Transport Authority**

### **Financial Statements**

*for the 13 month period ended 31 December 2010*

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## National Transport Authority

### Statement of Responsibilities

*for the 13 month period ended 31 December 2010*

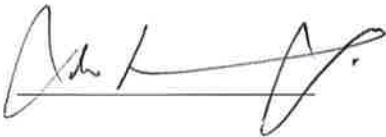
The National Transport Authority commenced on 1 December 2009 following the dissolution of the Dublin Transportation Office with effect from 1 December 2009 under the terms of the Dublin Transport Authority Act 2008. The property rights, liabilities and obligations of the Dublin Transportation Office were transferred to the Dublin Transport Authority under the terms of the Dublin Transport Authority Act 2008. The Public Transport Regulations Act 2009 enacted a change of name of the Dublin Transport Authority to the National Transport Authority.

Under the terms of the Dublin Transport Authority Act 2008 (as amended by the Public Transport Regulations Act 2009), the National Transport Authority is responsible for preparing financial statements for the period 1 December 2009 to 31 December 2010 so as to give a true and fair view of the state of affairs of the National Transport Authority as at 31 December 2010 and its income and expenditure for the period then ended.

In preparing those financial statements, the Authority is required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements based on the going concern basis unless it is inappropriate to presume that the National Transport Authority will continue in operation.

The National Transport Authority is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the National Transport Authority and to enable it to ensure that the financial statements comply with Section 32 of the Dublin Transport Authority Act 2008. The National Transport Authority is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Chairman

Date: 27.10.2011



Director

Date: 27/10/2011

## National Transport Authority

### Chairman's Statement on Internal Financial Control

*for the 13 month period ended 31 December 2010*

As required by the Code of Practice for the Governance of State Bodies, on behalf of the Board of the National Transport Authority, I as Chairman of the National Transport Authority make the following statement having regard to the review carried out by the Comptroller and Auditor General in the course of his audit.

The National Transport Authority commenced on 1 December 2009 following the dissolution of the Dublin Transportation Office with effect from 1 December 2009 under the terms of the Dublin Transport Authority Act 2008. The property rights, liabilities and obligations of the Dublin Transportation Office were transferred to the Dublin Transport Authority under the terms of the Dublin Transport Authority Act 2008. The Public Transport Regulations Act 2009 enacted a change of name of the Dublin Transport Authority to the National Transport Authority.

In the 13 month period up to 31 December 2010, the members of the Board of the National Transport Authority were responsible for ensuring that an effective system of internal financial control was maintained and operated. The system can only provide reasonable and not absolute assurance that assets were safeguarded, transactions authorised and properly recorded, and that material errors or irregularities were either prevented or would be detected in a timely period.

### Key Control Procedures

The Board of the National Transport Authority had taken steps to ensure an appropriate control environment by:

- clearly defining management responsibilities;
- establishing formal procedures for reporting significant control failures; and,
- ensuring appropriate corrective action.

The system of internal financial control was based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation and accountability. In particular it included:

- a comprehensive budgeting system with an annual budget which was reviewed and agreed by the Board;
- regular reviews by the Board of periodic and annual financial reports indicating financial performance;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines;
- formal project management disciplines.

The National Transport Authority appointed an Internal Auditor in August 2010. The National Transport Authority established an Audit Committee in 2010 which operated under agreed terms of reference.

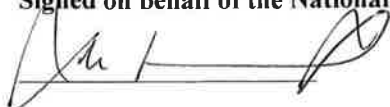
### Post Balance Sheet Events

On 1 January 2011 the Commission for Taxi Regulation was subsumed into the National Transport Authority. Statutory Instrument No. 614 of 2010 appointed 1 January 2011 as the day for the dissolution of the Commission for Taxi Regulation.

### Annual Review of Controls

I confirm that the Board conducted a review of the effectiveness of the system of internal financial controls for the period ended 31 December 2010.

Signed on behalf of the National Transport Authority



Chairman

Date: 27.10.2011



## Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

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#### National Transport Authority

I have audited the financial statements of the National Transport Authority for the period ended 31 December 2010 under the Dublin Transport Authority Act 2008, as amended. The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Generally Accepted Accounting Practice in Ireland.

#### Responsibilities of Members of the Authority

The Authority is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Authority's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Authority's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and

- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

#### Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, give a true and fair view of the state of the Authority's affairs at 31 December 2010 and of its income and expenditure for the period then ended.

In my opinion, proper books of account have been kept by the Authority. The financial statements are in agreement with the books of account.

#### Matters on which I Report by Exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the Statement on Internal Financial Control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

**John Buckley**  
**Comptroller and Auditor General**

31 October 2011

## National Transport Authority

### Statement of Accounting Policies

*for the 13 month period ended 31 December 2010*

#### Period of Accounts - Commencement of National Transport Authority

As described per the Chairman's Statement on page 2, the National Transport Authority commenced on 1 December 2009 following the dissolution of the Dublin Transportation Office as of the same date. The current period figures reported in the accounts for National Transport Authority are for the 13 month period commencing 1 December 2009 and ending 31 December 2010. The Dublin Transportation Office was dissolved with effect from 1 December 2009 under the terms of the Dublin Transport Authority Act 2008. The Public Transport Regulations Act 2009 enacted a change of the name of the Dublin Transport Authority to the National Transport Authority. All employees and all assets and liabilities of the Dublin Transportation Office were transferred to the National Transport Authority under the terms of the Dublin Transport Authority Act 2008 (as amended by the Public Transport Regulations Act 2009).

#### Basis of Accounting

The financial statements have been prepared under the accruals method of accounting, except as indicated below, in accordance with generally accepted principles under the Financial Reporting Standards recommended by the recognised accounting bodies which are adopted as they become available. The Financial Statements are in the form approved by the Minister for Transport, Tourism and Sport with the concurrence of the Minister for Finance.

#### Intangible fixed assets - Integrated Ticketing Scheme

Expenditure on the design and implementation of the Integrated Ticketing Scheme is to be amortised over the period from which the Authority is expected to benefit. Operational start date for the scheme is expected mid-2011.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at their historical cost or valuation, less accumulated depreciation. Depreciation is charged to the Income and Expenditure Account on a straight line basis, at the rates set out below, calculated to write off the assets adjusted for residual value over their expected useful lives:

Traffic model	-	10% Straight line
Computer equipment	-	25% Straight line
Furniture & fittings	-	10% Straight line
TMG equipment	-	25% Straight line

The Traffic model is depreciated at its initial cost together with any additions, over its expected useful life. Additions in the period reflect the salary cost of personnel dedicated to the model development. The Traffic model as developed by the Dublin Transport Initiative was taken over by the Dublin Transportation Office on 9 November 1995 at a replacement valuation of €1,777,633 and was included as an asset in the financial statements.

#### Oireachtas Grants

Oireachtas grants consist of amounts allocated by Department of Transport, Tourism and Sport for administration, TMG (Traffic Management Grants), Public Service Obligation and Capital Investment. Funding provided by the Department for the Integrated Ticketing Scheme under the Capital Investment is calculated on the basis that VAT is reclaimed by the NTA on the related expenditure.

#### Grants for Public Service Obligation and Capital Investment

Expenditure in the year is recognised on the basis of amounts disbursed to grantees.

## **National Transport Authority**

### **Statement of Accounting Policies**

*for the 13 month period ended 31 December 2010*

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#### **Other Income**

Other income and contributions by other bodies are accounted for on an accruals basis.

#### **Pensions - Defined Contribution Scheme**

The pension costs charged in the financial statements represent the contribution payable by the National Transport Authority during the period under its defined contribution pension scheme. No other liability accrues to the National Transport Authority under the scheme.

#### **Pensions - Defined Benefit Scheme**

The National Transport Authority operates an unfunded defined benefit scheme which is funded annually on a pay as you go basis from monies provided by the Department of Transport, Tourism and Sport. The scheme is operated on an administrative basis, as sanctioned by the Minister for Transport Tourism and Sport and the Minister for Finance, pending approval of the scheme by both Ministers.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are refunded to the Department. Pension liabilities are measured on an actuarial basis using the projected unit credit method. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising from changes in Actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur and a corresponding adjustment is recognised in the amount recoverable from the Department of Transport, Tourism and Sport. Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in the future from the Department of Transport, Tourism and Sport.

#### **Capital Account**

The capital account represents the unamortised portion of income applied for capital purposes. Fixed assets, both tangible and intangible, are funded from grant income. This funding is transferred to the capital account, which is amortised in line with depreciation of fixed assets. The net funding transferred to the capital account and related amortisation is recorded in the Income and Expenditure account.

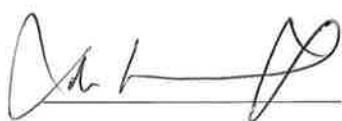
#### **Currency**

The unit of currency in which the financial statements are denominated is the Euro.

**National Transport Authority****Income and Expenditure Account***for the 13 month period ended 31 December 2010*

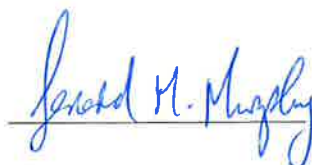
		13 months to 31/12/10 €
	<i>Notes</i>	
<b>Income</b>		
Oireachtas grants		
- Capital investment funding	1	309,935,678
- Public Service Obligation (PSO) funding	1.1	283,402,980
- Administration, TMG & Smarter Travel	1.2	50,154,792
Contributions by other bodies	2	118,995
Net deferred funding for pensions	12.2	316,000
Other income	3	3,127,189
		<u>647,055,634</u>
Transfer (to) Capital Reserve	17.2	(4,956,434)
<b>Total Income</b>		<u>642,099,200</u>
<b>Expenditure</b>		
Public Service Obligation (PSO) expenditure	4	(283,402,980)
Capital investment expenditure	5	(305,055,466)
Traffic management & other projects	7	(45,652,306)
Other grant related expenditure	8	(3,436,708)
Staff costs	9	(2,821,507)
Pension costs	12	(323,829)
Office accommodation costs	10	(466,150)
Other administrative costs	11	(971,959)
<b>Total Expenditure</b>		<u>(642,130,905)</u>
<b>(Deficit) for the period</b>		<u>(31,705)</u>

The Statement of Accounting Policies and Notes 1 to 26 form part of these financial statements.



Chairman

Date: 27.10.2011



Director

Date: 27/10/2011

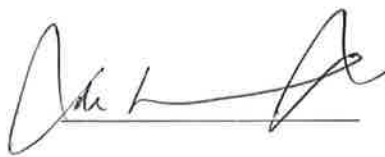


## National Transport Authority

### Statement of Total Recognised Gains and Losses for the 13 month period ended 31 December 2010

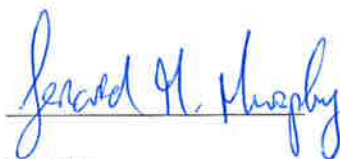
	Notes	13 months to 31/12/10 €
<b>(Deficit) for the period</b>		<b>(31,705)</b>
Experience gains on pension scheme liabilities	12.3	67,000
Changes in assumptions underlying the present value of pension scheme liabilities		(17,000)
Actuarial gain on pension liabilities	12.1	50,000
Adjustment to deferred pension funding		(50,000)
<b>Total recognised (Deficit) for the period</b>		<b>(31,705)</b>

The Statement of Accounting Policies and Notes 1 to 26 form part of these financial statements.



Chairman

Date: 27.10.2011



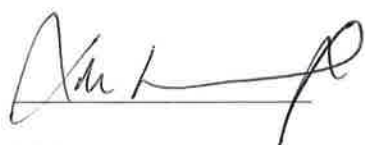
Director

Date: 27/10/2011

**National Transport Authority****Balance Sheet***as at 31 December 2010*

	<i>Notes</i>	<b>31/12/10</b> <b>€</b>
<b>Fixed Assets</b>		
Intangible assets	13	40,592,038
Tangible assets	14	637,469
		<u>41,229,507</u>
<b>Current Assets</b>		
Debtors	15	1,981,149
Cash at bank and in hand		1,213,208
		<u>3,194,357</u>
<b>Creditors: amounts falling due within one year</b>	16	3,177,888
<b>Net Current Assets/(Liabilities)</b>		<u>16,469</u>
<b>Total Assets Less Current Liabilities before pensions</b>		<u>41,245,976</u>
Pension liabilities	12.1	(266,000)
Deferred pension funding	12.2	266,000
<b>Net Assets/(Liabilities)</b>		<u>41,245,976</u>
<b>Financed by</b>		
Capital Reserve	17	41,229,507
Income and Expenditure account	18	16,469
		<u>41,245,976</u>

The Statement of Accounting Policies and Notes 1 to 26 form part of these financial statements.



Chairman

Date: 27.10.2011



Director

Date: 27/10/2011

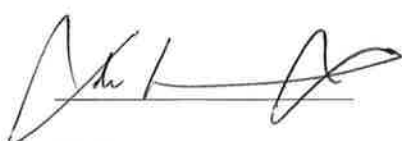
# National Transport Authority

## Cash Flow Statement

for the 13 month period ended 31 December 2010

	Notes	13 months to 31/12/10 €
<b>Reconciliation of operating (deficit)/surplus to net cash inflow from operating activities</b>		
Operating (deficit)		(31,705)
Capital Reserve transfers - tangible fixed assets		76,222
Depreciation of tangible fixed assets		175,393
(Profit)/loss on disposal of tangible fixed assets		15,164
(Increase) /Decrease in debtors		(1,981,149)
Increase/(Decrease) in creditors		3,177,887
		<hr/>
<b>Net cash inflow from operating activities</b>		<b>1,431,812</b>
		<hr/>
<b>Cash Flow Statement</b>		
<b>Net cash inflow from operating activities</b>		<b>1,431,812</b>
<b>Surplus from Dublin Transportation Office at 1 December 2009</b>		<b>48,174</b>
<b>Taxation</b>		<b>-</b>
<b>Capital expenditure to acquire tangible assets</b>	<b>22</b>	<b>(266,778)</b>
		<hr/>
<b>Increase/(Decrease) in cash in the period</b>		<b>1,213,208</b>
		<hr/>
<b>Reconciliation of net cash flow to movement in net debt</b>		
<b>Increase/(Decrease) in cash in the period</b>		<b>1,213,208</b>
		<hr/>
<b>Net funds at 31 December 2010</b>	<b>23</b>	<b>1,213,208</b>
		<hr/>

The Statement of Accounting Policies and Notes 1 to 26 form part of these financial statements.



Chairman

Date: 27.10.2011



Director

Date: 27/10/2011

# **National Transport Authority**

## **Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

### **1. Oireachtas Grants - Capital Investment funding**

**13 months to  
31/12/10  
€**

Iarnrod Eireann (Note 6)	<b>194,515,346</b>
Railway Procurement Agency	<b>109,844,506</b>
Railway Procurement Agency Integrated Ticketing (Note 13)	<b>4,880,212</b>
Other	<b>695,614</b>
	<hr/>
	<b>309,935,678</b>
	<hr/>

### **1.1. Oireachtas Grants - Public Service Obligation (PSO) funding**

**13 months to  
31/12/10  
€**

Iarnrod Eireann	<b>159,497,070</b>
Dublin Bus	<b>77,741,563</b>
Bus Eireann	<b>46,164,347</b>
	<hr/>
	<b>283,402,980</b>
	<hr/>

### **1.2. Oireachtas grants - Administration, TMG and Smarter Travel**

**13 months to  
31/12/10  
€**

Administration grant	<b>3,852,893</b>
Traffic management grants	<b>45,614,978</b>
Smarter Travel income	<b>686,921</b>
	<hr/>
	<b>50,154,792</b>
	<hr/>

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**2. Contributions by other bodies**

	13 months to 31/12/10 €
<i>(contributions towards operating expenses)</i>	
C.I.E	30,344
National Roads Authority	4,760
Railway Procurement Agency	9,520
Dublin City Council	29,746
Dun Laoghaire Rathdown County Council	11,900
South Dublin County Council	11,900
Fingal County Council	11,900
Wicklow County Council	2,975
Kildare County Council	2,975
Meath County Council	2,975
	<hr/>
	118,995
	<hr/>

The above contributions relate to December 2009. These contributions ceased with effect from 31 December 2009.

**3. Other Income**

	13 months to 31/12/10 €
Model income	18,390
Miscellaneous income	719
Interest received	12,293
Green Schools income (Note 24)	1,997,960
EU funding	352,366
Dublin City Council Transport 21 office funding	745,461
	<hr/>
	3,127,189
	<hr/>

# **National Transport Authority**

## **Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

..... continued

### **4. Public Service Obligation (PSO) expenditure**

	13 months to 31/12/10 €
Iarnrod Éireann	159,497,070
Dublin Bus	77,741,563
Bus Éireann	46,164,347
	<hr/>
	283,402,980
	<hr/>

Payments were made by the Authority to Dublin Bus, Bus Éireann and Irish Rail for the provision of socially necessary but financially unviable PSO (Public Service Obligation) services. These services operate under Public Service Contracts between the Authority and the 3 companies and the payments were made by the Authority out of monies provided by the Oireachtas.

Expenditure and the related funding include two amounts paid directly by the Department to CIE group which comprise €7.5 million performance payment in respect of the fourth quarter 2009 and €20.7 million payment in early 2010. The payments were made direct to the CIE group as the necessary systems were not fully active at that time at the newly established National Transport Authority.

# **National Transport Authority**

## **Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

..... continued

### **5. Capital Investment expenditure**

13 months to  
31/12/10  
€

Iarnrod Eireann (Note 6)	194,515,346
Railway Procurement Agency	109,844,506
Other	695,614
	<hr/>
	305,055,466
	<hr/>

Note:

The difference between Capital Investment funding of €309.9m and Capital Investment expenditure of €305.06m relates to the Integrated Ticketing Scheme capital investment expenditure (€4.88m) which has been capitalised (Note 13)

<u>The major capital projects funded were:</u>	€ m
Luas Line B1 Cherrywood	37.05
Luas Line A1 Citywest	27.44
Metro North	14.80
Dunboyne / Navan rail lines	57.30
Other Rolling Stock (GDA)	38.20
Kildare Route Project	33.10
City Centre resignalling	17.50
DART Underground	13.50

### **6. Capital investment - Dunboyne Rail Line**

A payment of €12 million was made to Irish Rail in early December 2010 in relation to a compulsory acquisition of property for the Dunboyne Rail Line and the associated independent arbitration process. The arbitration process was completed in 2011. The final costs of the compulsory acquisition was estimated at €20m. The additional costs will be met by the National Transport Authority.

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

<b>7. Traffic Management &amp; Other Projects</b>	<b>13 months to 31/12/10 €</b>
<i>(grants to designated bodies)</i>	
Dublin City Council	5,396,093
QBN Projects	8,632,463
Dun Laoghaire Rathdown County Council	10,170,442
Fingal County Council	5,705,268
South Dublin County Council	4,018,230
Wicklow County Council	3,202,156
Kildare County Council	954,152
Meath County Council	1,024,094
Cork County Council	107,185
	<hr/>
	39,210,083
	<hr/>
	<b>13 months to 31/12/10 €</b>
<i>(traffic management administration costs)</i>	
NTA Project salaries	58,333
Strategy salary costs	49,071
Dublin City Council - QBN project office costs	2,083,946
Professional fees and consultancy	804,925
Depreciation on TMG equipment	37,186
	<hr/>
	3,033,461
	<hr/>
Dublin Bus - Automatic Vehicle Location System	3,408,762
	<hr/>
<b>Total Traffic Management &amp; Other Project costs</b>	<b>45,652,306</b>
	<hr/>



# **National Transport Authority**

## **Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

..... continued

### **8. Other Grant Expenditure**

	13 months to 31/12/10 €
Smarter Travel expenses	686,921
Green Schools income paid (Note 24)	1,997,958
Dublin City Council Transport 21 office costs	745,461
Other - BAPTS	6,368
	<hr/>
	3,436,708
	<hr/>

### **9. Employees**

	13 months to 31/12/10 €
<i>Employment costs (excluding pension costs - Note 12)</i>	
Wages and salaries	2,670,461
Staff recruitment and training	34,747
Board Members' fees and expenses	116,299
	<hr/>
	2,821,507
	<hr/>
<b>Total persons employed by the NTA during the period:</b>	<b>33</b>
	<hr/>

The National Transport Authority has 21.7 staff available to it from the Department of Transport, Tourism and Sport, the costs of which are borne by the Department.

# National Transport Authority

## Notes to the Financial Statements

for the 13 month period ended 31 December 2010

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### 9.1 Chief Executive Officer Salary

	13 months to 31/12/10 €
Salary for 13 month period	189,143
Performance-related pay schemes	-
	<hr/>
Total	189,143
	<hr/>

The annual salary of the Chief Executive Officer is €179,659. No bonus payments were made to the Chief Executive Officer. In addition, the Chief Executive Officer received a Board fee of €13,020. The Chief Executive Officer is a member of a public service pension scheme whose entitlements do not go beyond the standard entitlements under the scheme.

### 9.2 Board Members' Fees

	13 months to 31/12/10 €
Members' fees	90,437
Chairman's fees	22,320
	<hr/>
	112,757
	<hr/>

The Board Members' fees includes the following fees: Ms. Linda Saunders €13,020, Mr. Gerry Murphy €13,020, Ms. Valerie O'Reilly €9,476, Ms. Berna Grist €13,020, Mr. Frank King €13,020, Ms. Margaret O'Shaughnessy €8,978, Mr. Damien Usher €13,020, Mr. James Deegan €6,883 and Mr. John Fitzgerald €22,320.

### 9.3 Expenses

	13 months to 31/12/10 €
Board Members'	3,467
Chairman	75
	<hr/>
	3,542
	<hr/>

# **National Transport Authority**

## **Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

..... continued

### **10. Office accommodation costs**

13 months to  
31/12/10  
€

Accommodation	454,871
Light and heat	(17,902)
Cleaning	23,366
Repairs and maintenance	5,815
	<hr/>
	466,150
	<hr/>

### **11. Other administrative costs**

13 months to  
31/12/10  
€

Insurance	23,687
Relocation costs	48,976
Printing, postage and stationery	43,348
Telephone and internet	18,018
IT expenditure	132,797
GIS data and mapping	47,105
Depreciation on traffic model	75,946
Depreciation on furniture and fittings	8,228
Depreciation on computer equipment	54,033
Travel and subsistence	16,217
Meeting expenses	7,106
Library and subscriptions	23,897
Project costs - technical	31,123
Professional fees and consultancy	356,315
Advertising and promotion	16,936
Audit fees	38,313
General expenses	12,201
Bank charges	2,549
Loss on disposal of tangible fixed assets	15,164
	<hr/>
	971,959
	<hr/>

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**12. Pension costs**

The National Transport Authority operates an unfunded defined benefit scheme which is funded annually on a pay as you go basis from monies provided by the Department of Transport, Tourism and Sport. The scheme is operated on an administrative basis, as sanctioned by the Minister for Transport Tourism and Sport and the Minister for Finance, pending approval of the scheme by both Ministers. The scheme is based on the Department of Finance model superannuation scheme. The majority of the employees of the Authority are members of this scheme.

Three of the employees are members of a defined contribution scheme, details of which are defined as follows:

National Transport Authority contribution scheme

The National Transport Authority operates a defined contribution scheme for three of its employees. The contributions payable are charged in the financial statements and only represent the liability which the National Transport Authority has for the scheme. No other liability accrues to the Authority.

**Analysis of total pension costs charged to expenditure**

	13 months to 31/12/10 €
<u>Defined benefit pension scheme</u>	
Current service costs	299,000
Interest on pension scheme liabilities	17,000
<u>Defined contribution pension scheme</u>	
Employer contributions	7,829
	<hr/>
	323,829
	<hr/>

**12.1 Movement in net pension liability during the financial period**

	31/12/10 €
Current service costs	299,000
Interest on pension scheme liabilities	17,000
Actuarial (Gain) / Loss	(50,000)
	<hr/>
<b>Net Pension Liability at 31 December 2010</b>	<b>266,000</b>
	<hr/>

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**12.2 Deferred pension funding**

The National Transport Authority recognises amounts owing from the State for the unfunded deferred liability for pensions on the basis of a set of assumptions at Note 12.4 and a number of past events. These events include the statutory basis for the establishment of the pension scheme and the policy and practice currently in place in relation to funding public service pensions, including contributions by employees and the annual estimates process. The Authority has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The net deferred funding for pensions recognised in the Income and Expenditure Account was as follows:

	<b>13 months to 31/12/10 €</b>
Funding recoverable in respect of current year pension costs	<b>316,000</b>
State grant applied to pay pensioners	-
	<hr/> <b>316,000</b> <hr/>

The deferred funding asset for pensions as at 31 December 2010 amounted to €266,000.

**12.3 History of defined benefit obligations**

	<b>31/12/10 €</b>
Defined benefit obligations	<b>266,000</b>
Experience (gains) / losses on scheme liabilities	<b>(67,000)</b>
Percentage of scheme liabilities	<b>(25.2)%</b>

The cumulative actuarial gain recognised in the Statement of Total Recognised Gains and Losses amounts to €50,000.

# National Transport Authority

## Notes to the Financial Statements

for the 13 month period ended 31 December 2010

..... continued

### 12.4 General description of the defined benefit scheme

The schemes are defined benefit final salary pension arrangements with benefits and contributions defined by reference to current "model" public sector scheme regulations. The schemes provide a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouses and childrens pensions. Normal Retirement Age is a member's 65th birthday and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) generally increase in line with general salary inflation.

The valuation used for FRS 17 (Revised) disclosures has been based on a full actuarial valuation (January 2011) by a qualified independent actuary taking into account the requirements of FRS 17 (Revised) in order to assess the scheme liabilities at 31 December 2010.

The principal financial assumptions at the balance sheet date were as follows:

**31/12/10**

Discount rate	<b>5.50% p.a.</b>
Expected return on scheme assets	<b>n/a</b>
Expected future pensionable salary increases	<b>3.50% p.a.</b>
Expected future pension increases	<b>3.50% p.a.</b>

The mortality rate explicitly allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The table below shows the life expectancy for members attaining age 65 in 2010, 2030 and 2050:

<b>Year of attaining age 65</b>	<b>2010</b>	<b>2030</b>	<b>2050</b>
Life expectancy - male	86.6	88.3	90.2
Life expectancy - female	88.3	90.2	92.2

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

13. Intangible fixed assets	Integrated Ticketing Scheme	Total
	€	€
<b>Cost</b>		
<u>Additions:</u>		
Transfer from Railway Procurement Agency on 30 September 2010	35,711,826	35,711,826
 Additions in the period		
1 October 2010 to 31 December 2010	4,880,212	4,880,212
At 31 December 2010	<u>40,592,038</u>	<u>40,592,038</u>
 <b>Net book values</b>		
At 31 December 2010	<u><b>40,592,038</b></u>	<u><b>40,592,038</b></u>

**Note: Integrated Ticketing Scheme**

The Integrated Ticketing Scheme intangible asset is made up of capitalised development costs relating to the design and implementation of a smart card based system that will provide the shared ticketing platform for the different providers of public transport in the Republic of Ireland.

The Railway Procurement Agency has been given responsibility for the design and implementation of the Integrated Ticketing Scheme. The National Transport Authority has been given responsibility for overseeing the implementation and running of the Integrated Ticketing Scheme. The transfer of €35,711,826 as at 30 September 2010 represents the amount of development costs transferred to National Transport Authority by the Railway Procurement Agency in connection with the running of the Integrated Ticketing Scheme.

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**14. Tangible assets**

	<b>Traffic model €</b>	<b>Furniture &amp; fittings €</b>	<b>Computer equipment €</b>	<b>TMG equipment €</b>	<b>Total €</b>
<b>Cost</b>					
<u>Additions:</u>					
From Dublin Transportation Office on 1 December 2009 - Cost	3,695,074	69,687	321,095	137,303	4,223,159
Additions in the period	128,360	10,675	127,743	-	266,778
Disposals	-	(34,865)	(115,233)	-	(150,098)
At 31 December 2010	<u>3,823,434</u>	<u>45,497</u>	<u>333,605</u>	<u>137,303</u>	<u>4,339,839</u>
<b>Depreciation</b>					
From Dublin Transportation Office on 1 December 2009	3,243,349	40,969	287,145	90,448	3,661,911
On disposals	-	(20,508)	(114,426)	-	(134,934)
Charge for the period	75,946	8,228	54,033	37,186	175,393
At 31 December 2010	<u>3,319,295</u>	<u>28,689</u>	<u>226,752</u>	<u>127,634</u>	<u>3,702,370</u>
<b>Net book values</b>					
At 31 December 2010	<u><b>504,139</b></u>	<u><b>16,808</b></u>	<u><b>106,853</b></u>	<u><b>9,669</b></u>	<u><b>637,469</b></u>



**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**15. Debtors**31/12/10  
€***Amounts falling due within one year:***

Invoiced amounts due	5,597
Other debtors	1,809,674
Prepayments and accrued income	165,878
	<hr/>
	1,981,149
	<hr/>

***Other debtors: included in other debtors are balances in respect of the following:***31/12/10  
€

Other debtors	1,032,058
VAT repayable	777,616
	<hr/>
	1,809,674
	<hr/>

Other debtors include grant income due from the Department of Transport, Tourism and Sport for 2010 Integrated Ticketing Scheme costs.

Vat repayable includes amounts due to the National Transport Authority on Integrated Ticketing Scheme costs.

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**16. Creditors: amounts falling due within one year** **31/12/10**  
**€**

Trade creditors	370,517
PSWT payable	848
Employee pension contributions and levies payable to Department of Transport, Tourism and Sport	203,573
Other taxes and social welfare costs	72,738
Other creditors	1,959,416
Accruals and deferred income	570,796
	<hr/>
	<b>3,177,888</b>
	<hr/>

**Other taxes and social welfare costs:**

	<b>31/12/10</b>
	<b>€</b>
P.A.Y.E./P.R.S.I.	72,738
	<hr/>
	<b>72,738</b>
	<hr/>

**Employee pension contributions and levies payable to Department of Transport, Tourism and Sport**

Included in this figure was an amount of €121,145 representing total pension levies deducted in the period. This amount was paid over to the Department of Transport, Tourism and Sport on 14th July 2011.

**Other creditors: included in other creditors are balances in respect of the following:**

	<b>31/12/10</b>
	<b>€</b>
Other creditors	15,383
Deferred income	101,977
Due to the Railway Procurement Agency for 2010 Integrated Ticketing Scheme costs	988,826
Outstanding VAT repayable to be offset against future Integrated Ticketing Scheme capital expenditure	853,230
	<hr/>
	<b>1,959,416</b>
	<hr/>

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**17. Capital Reserve**31/12/10  
€**17.1. Tangible Fixed Assets**

At 1 December 2009

-

**From Dublin Transportation Office:**

Capital Reserve as at 1 December 2009

561,247

**Transfer to Income and Expenditure account:**

Income allocated for capital purposes

116,683

Amortisation in line with depreciation

(40,461)

**At 31 December 2010****637,469****17.2. Intangible Fixed Assets - Integrated Ticketing Scheme**

At 1 December 2009

-

**From Railway Procurement Agency:**

Project cost asset value acquired at 30 September 2010

35,711,826

**Transfer to Income and Expenditure account:**

Income allocated for capital purposes

4,880,212

Amortisation in line with depreciation

-

**At 31 December 2010****40,592,038****Capital Reserve - Balance as at 31 December 2010****41,229,507****Total to Income and Expenditure Account****4,956,434****18. Other Reserves**Income &  
Expenditure  
account  
€

Total

€

Surplus from Dublin Transportation Office on 1 December 2009

48,174

48,174

(Deficit) for the period

(31,705)

(31,705)

**At 31 December 2010****16,469****16,469**

# National Transport Authority

## Notes to the Financial Statements

for the 13 month period ended 31 December 2010

..... continued

### 19. Taxation

National Transport Authority is exempt from Corporation Tax.

### 20. Financial commitments

#### Capital Commitments

There were no capital expenditure commitments at 31 December 2010

#### Finance Leases

There was no recourse to finance leasing at 31 December 2010

#### Rental Obligations

National Transport Authority has commitments arising from the provision of office accommodation by the OPW in Dún Scéine, Harcourt Lane, Dublin 2 at a cost of €500,000 per annum.

#### Capital Grants

National Transport Authority has contractual obligations with Local Authorities and delivery agencies in the GDA to provide them with funding for various projects. At 31st December 2010, an amount of €248.01m is yet to be drawn down on approved projects as follows:

	31/12/10 €
Iarnrod Eireann	144.87m
Railway Procurement Agency	68.4m
Integrated Ticketing Scheme	14.14m
Traffic Management & Other Projects	20.6m
<b>TOTAL</b>	<b>248.01m</b>

### 21. Post Balance Sheet events

On 1 January 2011 the Commission for Taxi Regulation was subsumed into the National Transport Authority. Statutory Instrument No. 614 of 2010 appointed 1 January 2011 as the day for the dissolution of the Commission for Taxi Regulation.

**National Transport Authority****Notes to the Financial Statements***for the 13 month period ended 31 December 2010*

..... continued

**22. Gross Cash Flows**

31/12/10

€

**Capital expenditure**

Payments to acquire tangible assets

**(266,778)****23. Analysis of changes in net funds****Cash  
flows****Closing  
balance**

€

€

Cash at bank and in hand

1,213,208

1,213,208

Net funds

**1,213,208****1,213,208****24. Projects administered on behalf of other bodies**Green Schools

National Transport Authority are co-coordinating the liaison between An Taisce Green Schools Travel Module and the Department of Transport, Tourism and Sport and certification of payments to An Taisce as set out in the Service Level Agreement between the National Transport Authority and the Department of Transport, Tourism and Sport and the conditions of grant between the National Transport Authority and An Taisce.

**25. Committee Members' Interests**

The Board of the National Transport Authority adopted procedures in accordance with guidelines issued under the Code of Practice for the Governance of State Bodies in relation to the disclosure of interests by Committee members and these procedures have been adhered to in the period. There were no transactions in the period in relation to the Committee's activities in which the Committee Members had any beneficial interest.

**National Transport Authority**

**Notes to the Financial Statements**

*for the 13 month period ended 31 December 2010*

..... continued

**26. Approval of financial statements**

The financial statements were approved by the National Transport Authority on 25<sup>th</sup> March 2011.