

Bus Átha Cliath
Annual Report and
Financial Statements 2023



Sustainable Transport for All



Contents

| | |
|---|----|
| Our Purpose | 2 |
| Chairperson's Statement | 4 |
| Chief Executive's Review | 7 |
| A Culture of Safety | 9 |
| Our Environment | 11 |
| Delivering High Quality Bus Services for the People of Dublin | 14 |
| Our Direct Award Contract | 16 |
| Our Community | 17 |
| Our Performance | 18 |
| Our People | 20 |
| Senior Leadership Team Biographies | 23 |
| Directors' Biographies | 27 |
| Directors and Other Information | 30 |
| Directors' Report | 31 |
| Statement of Internal Control | 45 |
| Directors' Responsibility Statement | 48 |
| Independent Auditor's Report | 49 |
| Profit and Loss Account | 52 |
| Statement of Total Comprehensive Income | 53 |
| Balance Sheet | 54 |
| Statement of Changes in Equity | 55 |
| Cashflow Statement | 56 |
| Notes to the Financial Statements | 57 |

Our Purpose

What We Do

Bus Átha Cliath is the largest public transport provider in Ireland. Over the last five years we have delivered over 549 million customer journeys across Dublin's bus network. We have a fleet of over 1,000 buses which follow 116 routes, including ten 24-hour routes and thirteen Nitelinks. We employed an average 3,940 people in 2023, 2,920 of which were bus drivers. Our employees represent 85 different countries. As Ireland's largest public transport provider, our purpose is to deliver high quality public transport services which meet the needs of customers, support the economic growth of our city, and also meet our social and environmental aspirations which are representative of a progressive European capital city.

Evolving for Tomorrow

In 2023, our new strategy 'Evolving for Tomorrow' was launched. Strategy 2024-2027 is designed to accelerate our journey of transformation. It sets out our purpose and ambition for the future as well as the key priorities for the period 2024-2027, so our business continues to serve and exceed the needs of customers now and into the future. It has been developed to ensure that our direction is clear and the actions and decisions we take will enable us to deliver our ambition and realise our purpose.

Our Strategic Direction

Our purpose is to deliver a quality bus service that connects people and places, making our city a better place to work, live, and enjoy. Every day, Bus Átha Cliath delivers a safe, clean, reliable, transport service that continues to build trust with our customers.

As the transport mode of choice, we contribute to the achievement of the city's climate goals while supporting its social and economic growth. An efficient, cost-effective organisation, Bus Átha Cliath provides a sustainable and growing service and continues to develop as a thriving business. Our culture attracts and supports people who are committed to making a difference.

Our Values

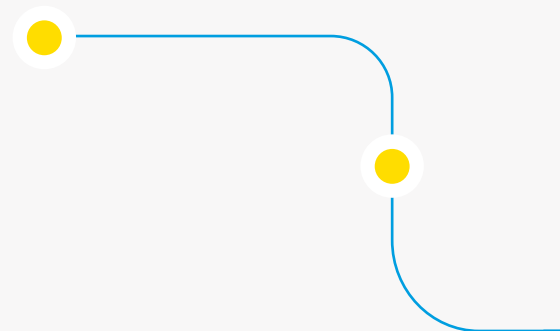
Our values help to inform how we act and the decisions that we make. They are the core of who we are and we use them as a guide to steer the direction we take.

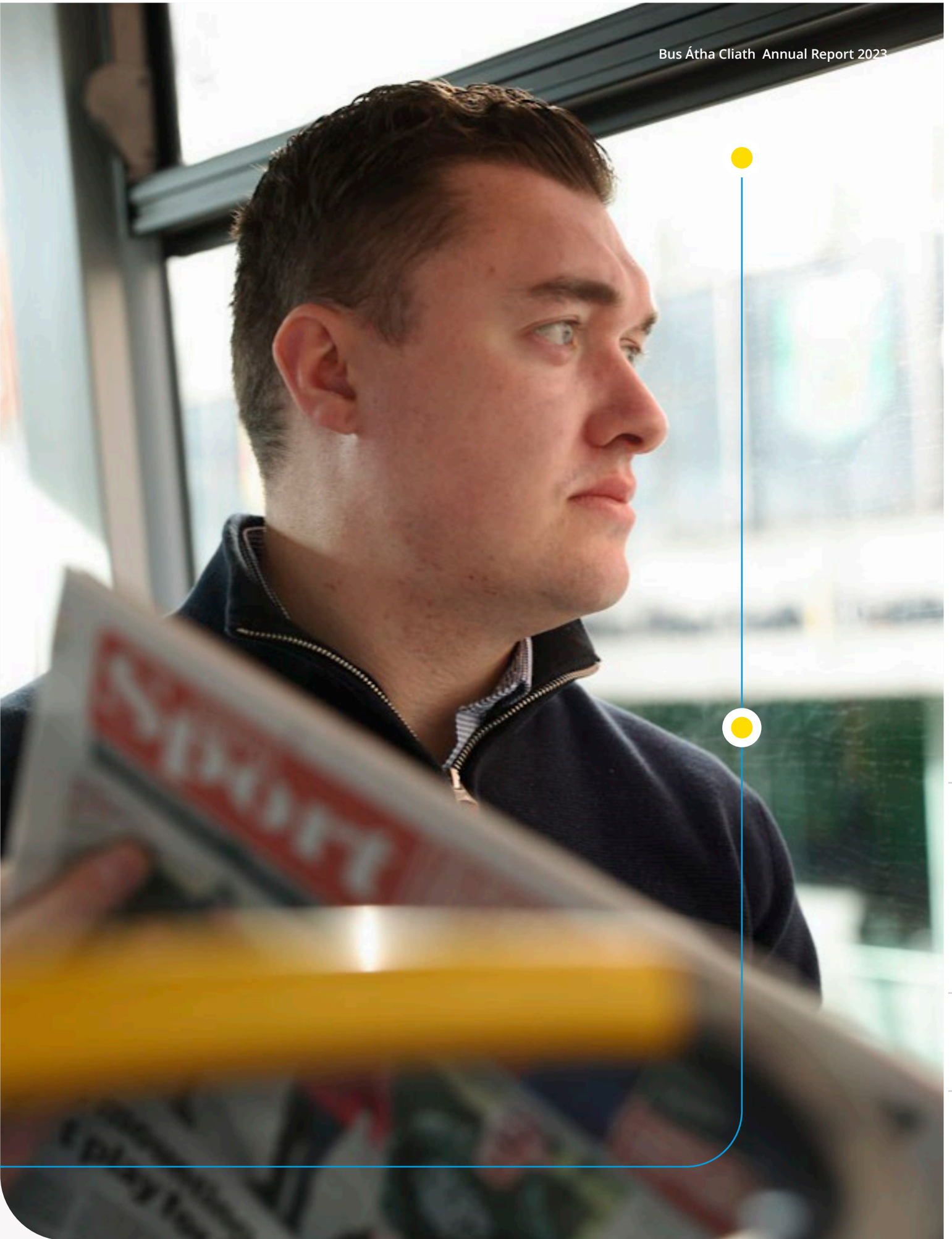
We're driven; we show up every day, always pushing ourselves to be better and do better. We aim high, innovating to stay ahead and deliver a sustainable and excellent service that moves our people and our city forward.

We're committed; we care for each other and for our customers who rely on us to get where they need to go, on-time, every time. We are passionate about providing an inclusive, trustworthy service, and representing the people and communities we serve.

We're responsible; we prioritise the safety and wellbeing of all individuals, both inside and outside our organisation. We take personal responsibility and value feedback – continuously improving by listening to and learning from those around us.

We're in it together; at Bus Átha Cliath, every effort is valued and every contribution matters. We trust each other and work together with respect and integrity to get the job done. Our culture supports and lifts people to be and do their very best.





Chairperson's Statement

As we look forward to the future, we recognise the gains made this year, but also the need for them to be reinforced if we are to achieve sustained growth in the years to come...

Staying true to who we are, as we evolve for tomorrow

I am pleased to present the Annual Report of Bus Átha Cliath, for the year ended 31 December 2023, and to report on a year of continued progress. As Chairperson, I am proud to lead the board of Ireland's largest public transport provider.

2023 has been a year of steady improvement for Bus Átha Cliath, with the delivery of over 146 million customer journeys, representing a 20% increase when compared to the figures for 2022. This, coupled with the 20% reduction in public transport fares, has led to an increase in demand for our services.

The growth in customer demand underscores the essential role we play in the facilitation of public transport. Despite facing operational challenges, namely traffic congestion, capacity constraints, and service performance, we remained committed to delivering a safe, reliable, and efficient journey for our customers across the city and the Greater Dublin Area (GDA).

Traffic congestion continued to pose a substantial operational challenge in 2023, negatively impacting on our service reliability. As the second most congested city in the world, it is imperative that we push forward in our efforts to establish a less car-dominated Dublin City. The pandemic offered us a glimpse into what is possible for our city. With fewer cars on the road, bus services benefited from an increase in efficiency, punctuality, frequency, and reliability. We must carefully envision what we want our city to look like in the future, a city of gridlock impeding mobility or a city where sustainable

public transport is prioritised resulting in cleaner air quality and reduced noise pollution for our citizens.

This year, we assisted the National Transport Authority (NTA), with the implementation of the latest phase of the BusConnects Network Redesign programme, Phase 5, leading to the incorporation of an additional three routes to our service offering. Bus Átha Cliath strongly supports the full implementation of this €3 billion investment into the public transport system and the promise of high-quality infrastructure to support our bus services.

Our customers

This past year highlighted once again that Bus Átha Cliath is a well-positioned and resilient business with a clear vision and purpose. Our customers are at the heart of this purpose and everything we do, and I would like to thank you all for choosing to travel with us over the past year. In 2023, we delivered the highest figure of customer journeys recorded in recent times. As Chairperson, it is incredibly encouraging to witness the growing number of new customers utilising our services.

It is quite remarkable to think that, despite all that has hit us in recent years – the Global Financial Crisis, COVID-19, and the war in Ukraine – we now have more people travelling on Bus Átha Cliath than ever before. This success does not happen by accident.

I know how hard everyone in the organisation has worked to make Bus Átha Cliath the public transport operator of choice for customers and partners.



Our electrical fleet is the changing face of Bus Átha Cliath

Climate change is the defining issue of our time. The board is not naive; we know companies like Bus Átha Cliath alone cannot stop climate change. But the transport sector represents the second-largest source of greenhouse gases emissions in Ireland, so inaction is not an option. If we are to succeed in rising to this challenge head on, and I believe we will, it will require new approaches, new ways of doing things, and an openness to change.

At the heart of this change is the transition towards a zero-emission fleet. November saw the first of these electric buses take to the streets of Dublin and by the end of 2023, we had 22 electric buses in full service. The electrification of Bus Átha Cliath's fleet is likely one of the most significant programmes the company has undertaken in its history. It is a complex project, not without its difficulties, but it is the right thing to do for the future of the company and city. Future generations will not look back and say why did you move so fast. They will ask us why, given what we know, we didn't do more sooner.

A thank you to our key partners and stakeholders

I want to thank board members for their support and expertise during the past year. The board and I approach our work with a strong commitment to realise the tremendous potential of the business and

understand the significant role that we play in the overall exciting public transport strategy.

I would like to take this opportunity to acknowledge the CIÉ Group, with special thanks to Chairperson, Fiona Ross, board members, leadership team members, and employees for their continued support in 2023.

On behalf of the board, I would like to recognise the continued positive partnership with the NTA, as we work towards the shared objectives of increasing public transport usage and enhancing public transport services. I would also like to note the support of the Minister for Transport, Eamon Ryan TD, and the officials of his department during 2023.

Our people are our strongest asset

The board and I would like to take this opportunity to express our sincere appreciation and extend a thanks to our Chief Executive Officer, Billy Hann. It has been a pleasure working alongside you this past year and we are grateful for your professionalism and unwavering commitment to delivering service excellence for our customers. I look forward to working together and continuing in our efforts in making Bus Átha Cliath a more enhanced and sustainable public transport provider.

During my first year as Chairperson, I have had the pleasure of meeting and engaging with colleagues across all locations. The 'secret sauce' for public facing companies like Bus Átha Cliath is talent and resilience. The board and I would like to put on record our

appreciation for the support, dedication, and passion employees have displayed. Your work and dedication are what drives our performance, and your passion, expertise, determination, and resilience is recognised here. Thank you all.

Bus Átha Cliath is a people-led semi-state public transport provider, dedicated to delivering high quality bus services to the people of Dublin. As we look back on 2023 and reflect on the good work done, it remains unequivocally true that our people are our most valued asset. The company's formula has been to invest in talent and to welcome new talent to the Bus Átha Cliath team; our 2023 Gender Pay Gap Report showed that we had a pay gap of 4.1% in favour of women, highlighting the significant progress made within a traditionally male-dominated industry. We have increased the number of female bus drivers by 93% since 2019 and remain committed to enhancing these figures in 2024. Further to this, we achieved the Investors in Diversity Silver Award in 2023, marking a significant step in our journey towards further elevating equality, diversity, and inclusion in Bus Átha Cliath.

This year a notable milestone was achieved through the success of one of our most extensive and highly effective recruitment campaigns; we hired our 3,000 bus driver. It was the largest recruitment drive in the history of our organisation, but a necessary step in addressing the surge in customer demand and key to meeting the increase in demand for bus services.

The board and I acknowledge the work achieved this year but recognise we must redouble our efforts as we move into a new year. Whilst we are close to achieving our current targets, future phases of the BusConnects Network Redesign programme will require the recruitment of additional bus drivers and craftworkers. This year, our recruitment efforts were particularly focused on addressing the extreme shortage

of mechanics and craftworkers. This is an industry-wide challenge impacting all transport operators. We will exhaust all efforts in tackling this issue, given the potential impact it could have on our organisation and the efficient delivery of bus services for our customers.

Looking forward

As we look forward to the future, we recognise the gains made this year, but also the need for them to be reinforced if we are to achieve sustained growth in the years to come. The board of Bus Átha Cliath recognises the significant progress made in improving and expanding our services throughout 2023 as we move forward in our journey to transform the public transport system and pave the way for a greener and cleaner future for generations to come.

Bus Átha Cliath will continue our ongoing efforts aimed at achieving our strategic objectives, including the roll out of our electric bus fleet, the implementation of further phases of the BusConnects Network Redesign programme and the enhancement of service performance – operational excellence will always remain the central driving force guiding every decision and action we take – for the benefit of our customers. Driven by the ethos “Staying true to who we are, as we evolve for tomorrow”, Bus Átha Cliath recognises the need to evolve whilst keeping customers' needs at the forefront of everything we do.



Gary Owens
Chairperson

Chief Executive's Review

For over 37 years, proudly serving the people and communities of the GDA, our people at Bus Átha Cliath remain our greatest asset...



This past year, Dublin was a city on the move

I am delighted to present the Annual Report for 2023. This past year, Dublin was a city on the move, and Bus Átha Cliath played a critical role. As I reflect on my first full calendar year as Chief Executive, I am pleased to have the opportunity to share the journey of the progress we have achieved and the vision we continue to pursue for the road ahead.

As a customer-centric organisation, we are driven by the belief that every journey matters, holding ourselves to the highest standards. Our commitment to providing safe, reliable, and efficient bus services remains unwavering, as we strive to meet the evolving needs of the communities we proudly serve.

We have established a forward-looking vision with our 'Evolving for Tomorrow' corporate strategy, and each day we are guided by our purpose to deliver a quality bus service that connects people and places, making our city a better place to live, work, and enjoy.

2023 – Record Passenger Numbers

In a year marked by sustained growth in demand for public transport, Bus Átha Cliath delivered over 146 million customer journeys, our highest in over a decade. This remarkable achievement underscores our standing as Ireland's largest public transport provider.

We recognise and value the trust our customers place in us on every journey, relying on our services to reach where they need to go on time, all the time. As Dublin earned the unwelcome title of the second most congested city in the world, we faced challenges at times in delivering a reliable and punctual service. The congestion and variability of traffic posed unprecedented obstacles. However, we responded with a range of measures and advocated for ambitious plans for Dublin to become a city with fewer private cars and more road space for on-road public transport.

Dublin's future demands ambition – a transition from a city of brake lights to one of buses, bikes, and boulevards. As leaders in the city continue to envision and plan for a more sustainable, connected, and people-centric urban landscape, we stand ready to play our part, ensuring that every journey with Bus Átha Cliath contributes to a more liveable Dublin for all.

Sustainability

In 2023, Bus Átha Cliath embarked on an exciting new journey by commissioning electric vehicle charging capacity at our Summerhill Depot and introducing the first 22 electric buses into full service on routes across the city. This milestone represents not just a change in the fleet, but a change in the way Dublin moves. We acknowledge that climate change demands actions, and aligned with our sustainability strategy, Bus Átha Cliath is proud to be driving change in the capital, leading the way with innovative projects like electrification.

These chargers and electric buses signal the first phase in a ground-breaking and ambitious project to electrify our depots and the city's bus fleet.

We recognise our responsibility to act. While we strive toward the ambitious long-term goal of achieving zero tailpipe emissions, we are also implementing a number of biodiversity initiatives including beehives and rainwater-harvesting systems at several of our depots. We believe in making our communities more sustainable and empowering our customers to positively contribute to the environment. With every journey taken aboard Bus Átha Cliath, we are collectively creating a cleaner, greener, quieter future for Dublin.

Safety

Ensuring the safety of both residents and visitors in our city must always be a priority, but the need for collective action has never been more evident than in November when the 'Dublin Riots' unfolded. These sad and shocking scenes of civil unrest forced us to suspend our services, a decision never taken lightly. However, our foremost priority has always been and will always be to protect the safety of our employees and customers.

As Bus Átha Cliath has welcomed more customers, our commitment to ensuring every journey feels safe and welcoming remains at the forefront of our operations. In view of recent events, we redoubled our efforts to enhance safety measures and strengthen partnerships with An Garda Síochána and all stakeholders, supporting a number of initiatives to tackle anti-social behaviour and to uphold this commitment.

We are dedicated to creating a safe and welcoming environment for all our employees and those who travel with us, continuing to support all efforts to foster a city where everyone can work and live safely in a more pleasant way.

Our People

For over 37 years, proudly serving the people and communities of the GDA, our people at Bus Átha Cliath remain our greatest asset. Our team, now 3,940 people strong and representing 85 countries, plays a crucial role in keeping our city in motion.

As our network has expanded with new phases of BusConnects, our team has grown in parallel. In 2023, we celebrated a significant milestone by welcoming our 3,000 driver behind the wheel. This achievement not only highlights our growth but also serves as a testament to the excellent culture within our organisation.

As we continue to grow our diverse and inclusive workforce, we are proud of our negative pay gap in favour of women but are aware that women remain underrepresented in our operational and technical grades. We are committed to focusing on greater female representation across the organisation in 2024.

We are immensely proud of our thriving workforce, and I want to extend my thanks to every member of our team. Their hard work and dedication keep our services on the road 24 hours a day, 364 days of the year, driving us towards a positive future. Together, thanks to the contributions of every one of you, we are shaping the journey of our city.

Looking Forward

As Dublin experienced growth and change, Bus Átha Cliath stood at the forefront, navigating the shifting landscape with resilience. We are evolving for tomorrow, steered by a clear direction, and I am confident our journey is filled with promise. Challenges may arise, but I trust in our team's ability to overcome and seize the opportunities ahead as we have always done, building upon the foundation of success that has long defined Bus Átha Cliath.

Looking forward, I envision a future where Bus Átha Cliath becomes more than just the mode of transport of choice. I hope we can be a catalyst for progress across the GDA, meeting the demands of our rapidly evolving city while maintaining our commitment to providing quality bus services to the people and communities we proudly serve for many more decades to come.



Billy Hann
Chief Executive



A Culture of Safety

Bus Átha Cliath is fully committed to delivering a safe, clean, reliable, connected transport service whilst continuing to build trust with our customers. This means complying with the provisions of the Safety, Health and Welfare at Work Act, 2005 and all other national and EU Regulations. The Bus Átha Cliath Safety Management System (SMS) is certified to the latest International Organisation of Standards (ISO) 45001 standard and underpins safety management within the company.

As part of the company's compliance management programme, we undergo rigorous audits to ensure our system delivers the best safety for employees and customers alike. An external National Standards Authority of Ireland (NSAI) audit was conducted in April 2023 to ensure all requirements outlined in the SMS were in place and working effectively. With the reopening of wider society post COVID-19, attention has been focused on safety management brought on by increased traffic congestion and increased customer demand. Safety training remains at the forefront of all work practices within Bus Átha Cliath. New driver training has continued in the company's Road Safety Authority (RSA) certified training centre and a particular focus in 2023 has been on employee training for both operation and maintenance of the new electric fleet.

Health and Safety culture in Bus Átha Cliath

Bus Átha Cliath has long maintained safety as a core value, and this has been instilled in employees at all levels and departments within the company. For further information regarding the action taken in 2023 to enhance safety culture, please refer to the section within this report dedicated to Our People and more specifically Employee Wellness.

Data driven decision making within safety processes in Bus Átha Cliath

Initiated in 2022 as a safety initiative, Data-Driven Decision-Making (DDDM) is the process of utilising data to inform decision-making processes and validate a course of action before committing to it. Ongoing efforts are being made to better utilise existing data and explore new sources of data to aid our decision-making process. These efforts continued into 2023 to help inform decision making and planning around safety and security measures to address any adverse trends or emerging issues.

New technology – fleet, infrastructure, and customer experience

With the move towards a fully-electric bus fleet, Bus Átha Cliath reviewed changes around safety brought about by this transition from both a fleet and infrastructure perspective.

This included:

- Safe engineering and maintenance practices to maintain the zero-emission fleet;
- Safe interaction with new infrastructure required for the fleet;
- Safe operation and training of drivers to operate the fleet; and
- Awareness of new technologies for customers to enhance their experience of the transition.

Implementation of the Bus Átha Cliath health and wellbeing strategy

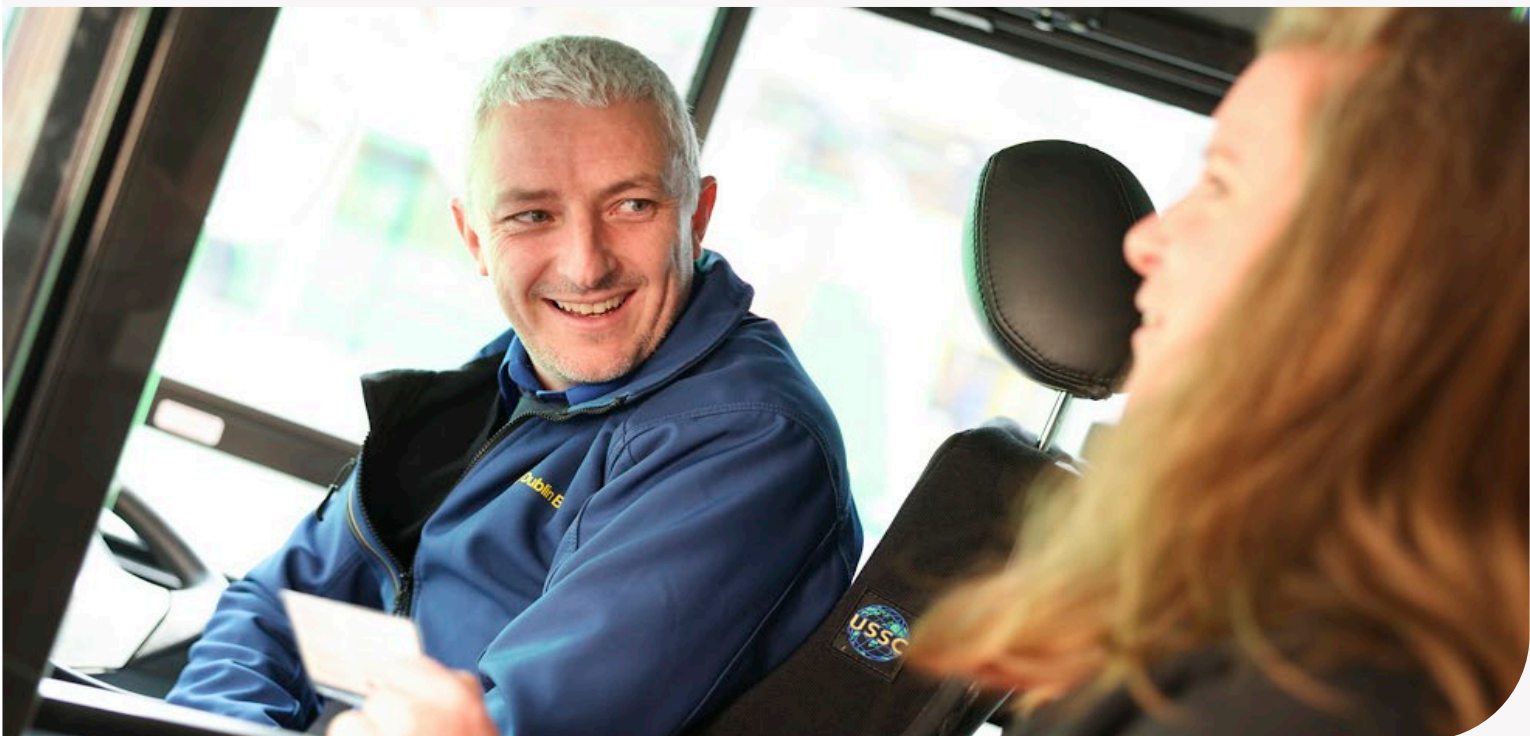
In 2023, we positioned employees at the centre of our health and wellbeing strategy. The rollout of this strategy offers clear direction for workplace policies and initiatives, leading to the establishment of a safe and healthy workplace environment under the following pillars:

- Safety first
- Psychosocial needs
- Physical, social, and emotional wellbeing
- Personal growth
- Leadership

To realise these, an external team of qualified nurses was engaged to provide health screenings for all Bus Átha Cliath sites looking at Body Mass Index (BMI), cholesterol, and blood pressure. Information gathered from this, was shared collectively with employees and a further programme was rolled out, “Your Health Matters”. This provided us an opportunity to remind/ introduce employees to five key wellbeing topics:

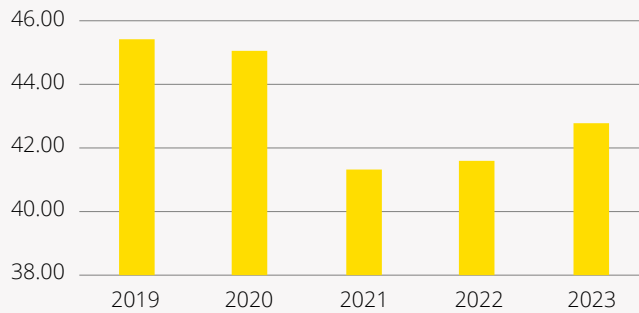
- Sleep
- Nutrition
- Exercise
- Time management
- Mental health

Further initiatives are being developed from this to carry over into 2024.



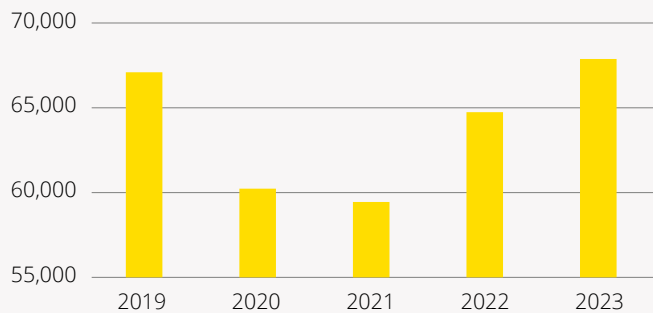
Our Environment

Our Footprint



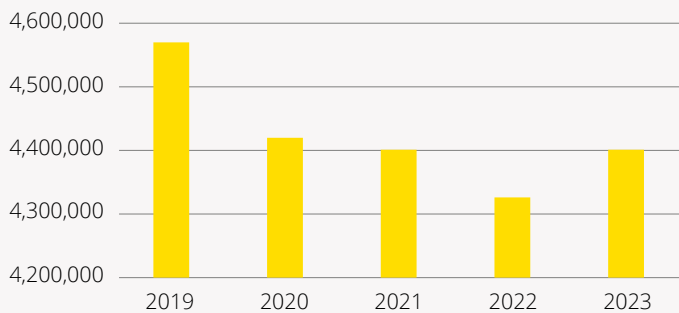
Full Fleet L/100KM

| | |
|------|-------|
| 2019 | 45.41 |
| 2020 | 45.05 |
| 2021 | 41.32 |
| 2022 | 41.60 |
| 2023 | 42.81 |



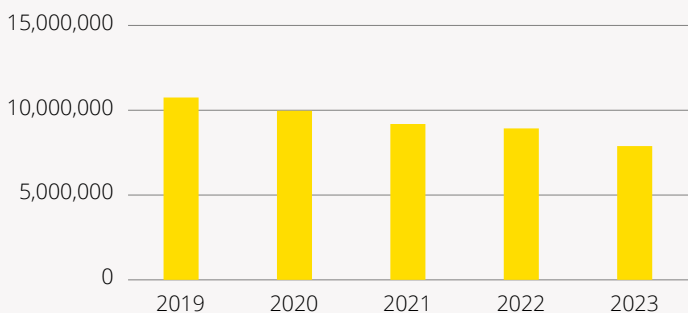
Emissions from Fleet Only CO₂ Emissions (Tonnes)

| | |
|------|--------|
| 2019 | 67,077 |
| 2020 | 60,138 |
| 2021 | 59,446 |
| 2022 | 64,727 |
| 2023 | 67,876 |



Facilities Only Electricity (KWh)

| | |
|------|-----------|
| 2019 | 4,571,434 |
| 2020 | 4,420,875 |
| 2021 | 4,400,513 |
| 2022 | 4,324,228 |
| 2023 | 4,402,177 |



Facilities Only Gas (KWh)

| | |
|------|------------|
| 2019 | 10,785,221 |
| 2020 | 10,019,336 |
| 2021 | 9,162,729 |
| 2022 | 9,036,314 |
| 2023 | 7,848,184 |

Bus Átha Cliath is a key contributor in the journey toward a more sustainable Ireland through the facilitation of a modal shift for our customers and by ensuring sustainability is embedded across all our operations.

Our Sustainability Strategy and ISO-certified energy and environmental management systems underpin our commitment to improving our impact across our network, depots, and supporting offices. They also ensure we measure and report our progress in a transparent and meaningful way. To further improve our overall footprint, Bus Átha Cliath is currently developing specific work programmes aligned with the new company strategy, 'Evolving for Tomorrow'.

Further to this, Bus Átha Cliath is currently working toward our climate action targets of a 50% improvement in energy efficiency in buildings by 2030 and reaching net zero by 2050. Studies have been completed on our building stock around deep retrofitting these buildings and planning for the future.

Some of the measures include additional insulation, improved glazing, and upgrade of heating systems with Building Management System, and district heating systems, where possible. Onsite renewables and a decreased dependence of fossil fuels will also be a key enabler of this transition.

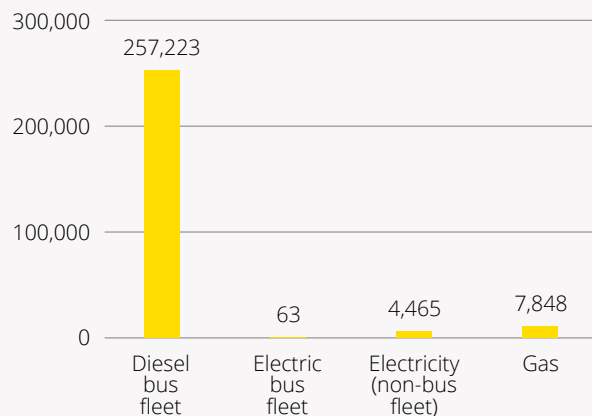
Another key focus during 2023 has been on broader elements noted within the sustainability strategy like biodiversity. Biodiversity plays an integral part in the processes supporting all life on earth, including humans. There are a multitude of ways that we depend on biodiversity, and it is imperative that we work together to conserve it. At Bus Átha Cliath we are keen to help biodiversity and have implemented a number of award-winning projects to help protect our local ecosystems.

Progress in 2023 includes:

- 182,000 cars off the road each day;
- Delivery of infrastructure at two depots to support the new battery electric fleet;
- Feasibility studies complete to assess current building stock to meet 50% improved efficiency by 2030, funded through the CIÉ sustainability fund;

- LED surveys completed on current building stock to assess fully retrofitting and replacing old light fittings with more efficient lighting, also funded through the CIÉ sustainability fund;
- Bus Átha Cliath received an award for Best Energy Achievement in Transport from the National Business Energy Achievement Awards;
- Working with other CIÉ operating companies and CIÉ Holding Company in preparation for reporting on the CSRD framework;
- 74% recycling rate achieved for non-hazardous waste;
- Continued rollout of biodiversity and wellbeing areas in depots, supported by the CIÉ sustainability fund;
- Sustainability training rolled out to engineering and operations teams to equip them with the knowledge of how sustainability impacts day-to-day operations within the company; and
- Biodiversity award winners at the Business and Finance ESG awards 2023.

We consumed 269,609 MWh of energy in 2023 comprised of the following:



In line with targets set out under the Climate Action Plan, Bus Átha Cliath has committed to reducing our greenhouse gas emissions by 50% by 2030 and achieving net-zero by 2050. The EU's Clean Vehicle Directive sets out targets on public-sector heavy-duty fleets, meaning we are working to achieve a 45% low or zero-emissions fleet by 2026 and 65% by 2030. The NTA aims to have the urban bus fleet 100% electrified by 2035 to help meet these targets.





To meet these targets and build on our progress, our plans for 2024 include:

- Continued delivery of battery electric vehicles in 2024 to further electrify the bus fleet;
- Continuing to align priorities and projects to access the CIÉ Sustainability Fund;
- Delivery of charging infrastructure for fully electric buses at further locations;
- Expansion of rainwater harvesting system to other depots;
- Progression of energy and environmental awareness campaigns;
- Implementation of our nine core UN Sustainable Development Goals (SDG);
- Continued rollout of sustainability training to employees in order to drive awareness of core sustainability areas;
- Expansion of biodiversity/wellbeing areas to other locations;
- Continuing to engage with both employees and contractors through training and initiatives in order to reduce waste and increase recycling rates on site;
- Introduction of a circular economy fund that will facilitate the implementation of more sustainable waste management practices;
- Carry out LED retrofit of older light fittings;
- Depot selected to be used as a pilot for building retrofit and improved energy efficiency to meet 2030 targets;
- Implement a company-wide Environmental Social Governance strategy; and
- Enhanced sustainable procurement policy to align with SDG's and Green Public Procurement (GPP) guidelines.



Delivering High Quality Bus Services for the People of Dublin

2023 marked another period of significant operational achievements and challenges. Bus Átha Cliath experienced significant growth with customer journeys rising to over 146 million, representing a 20% increase compared to the previous year. This strong operating performance can only be delivered because of the clarity of Bus Átha Cliath's purpose and the quality of our people.

Bus Átha Cliath is operating in a changing and dynamic operating environment, characterised by opportunities and challenges which have a direct impact on the company's performance. The key principles underpinning the company's performance are:

- Steady and sustainable improvements in the service we offer our customers
- Prudent financial management of the taxpayers' investment

With over 146 million customer journeys in 2023, Bus Átha Cliath is and will continue to be the largest mode of public transport in the years ahead. This increase in customer journeys emphasises the importance of continued investment in infrastructure, fleet and services to accommodate the growing demand. Addressing capacity constraints, enhancing service reliability, and improving accessibility will be critical for sustaining the positive trajectory in customer growth and ensuring a satisfactory customer experience this year.

Last year saw significant developments and challenges for Bus Átha Cliath, particularly concerning congestion and service expansion. Congestion remains a major obstacle for all bus operators in the GDA, posing operational challenges and impacting service reliability. Congestion is a city-wide problem. Roads in the city centre are not designed for large volumes of vehicular traffic. There are many users competing for the limited road space available, including private transport,

public transport, cyclists, taxis, delivery vehicles, and pedestrians. As economic growth continues, congestion levels will further increase unless significant mitigating measures – as set out in the DCC/NTA City Centre Transport Plan – are put in place.

At the beginning of 2023, Bus Átha Cliath had a deficit of 155 drivers, prompting a need for a revised recruitment strategy. Throughout the year 2023, Bus Átha Cliath responded with a strong and sustained recruitment campaign, which addressed the staffing demands by hiring and training 453 drivers.

On Sunday, 8 October 2023, Route 99 was launched, marking a significant milestone in improving access to the Phoenix Park and its attractions via public transport. Operating every 30 minutes, seven days a week, Route 99 extends the reach of Dublin’s public transport network, facilitating seamless connectivity between Parkgate Street and the Phoenix Park Visitor Centre, with stops at Dublin Zoo and Áras an Uachtaráin.

Phase 5 of the BusConnects Network Redesign programme was introduced in Q4 of 2023, featuring the implementation of a new Southern Orbital, Radial, and Local routes, including S2, 74, and L25.

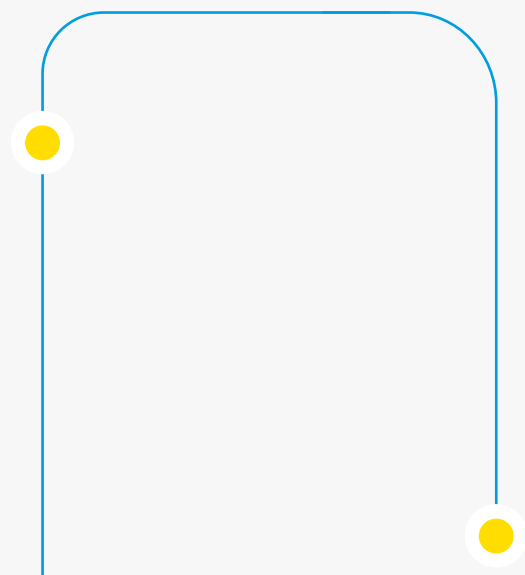
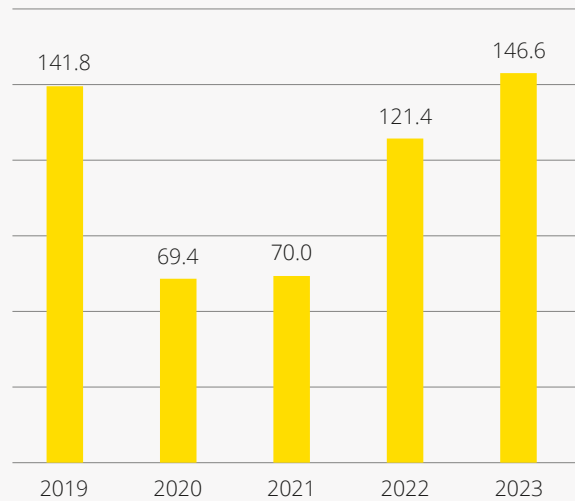
Bus Átha Cliath is operating route S2 (Poolbeg to Heuston Station via Ranelagh and Harold’s Cross) which is an additional and new route providing interchange opportunities with both Luas lines, the DART and mainline rail and serves major attractions such as the Aviva Stadium and the RDS, along with St. James’s Hospital. The phase also includes routes 74 and L25 (both serving Dundrum).

To date, Bus Átha Cliath has been the main beneficiary of substantial growth in bus transport under the BusConnects Network Redesign programme. Five hundred additional bus drivers now operate 4.5 million additional kilometres annually in a fleet which has grown by 150 buses. The successful delivery of BusConnects is vital to the future of Bus Átha Cliath and is also critical to the achieving the company’s goal of being the State’s delivery partner of choice. It is vital that BusConnects is fully implemented during the coming years.

November saw Bus Átha Cliath achieve a significant milestone by installing cutting-edge charging infrastructure in Summerhill Depot to support the roll out of the first ever fully electric buses in Dublin.

The state-of-the-art chargers, capable of charging 56 battery electric buses, are now fully operational. Furthermore, the completion of charging infrastructure at Phibsboro Depot, planned for 2024, underscores our commitment to the integration of electric vehicles into the fleet and contributing to reduced carbon emissions. They will support at least 136 electric buses, contributing to a cleaner, quieter, and more sustainable urban environment. This shift towards electric buses aligns with the government’s commitment to emission reduction and the attainment of climate targets outlined in the Climate Action Plan 2021 and the National Sustainable Mobility Policy Action Plan 2022-2025.

Customer journeys 2019 to 2023 – millions



Our Direct Award Contract

Bus Átha Cliath operates a Direct Award Contract (DAC) awarded by the NTA, which is the primary source of income for the company. The contract comprises the operation of routes across the GDA and runs for five years until 30 November 2024.

Under the contract to date, Bus Átha Cliath has successfully delivered five phases of the NTA's BusConnects Network Redesign programme, despite the challenges posed by COVID-19 during the early part of the contract. The introduction of BusConnects has delivered greater connectivity through revised ticketing arrangements, more trips operating during the traditional off-peak times, and the introduction of 24-hour services for the city.

In addition, Bus Átha Cliath introduced fully electric buses during 2023, with a major programme of infrastructure works taking place to support the introduction in two of our depots, with an ongoing programme of works across seven of our depots, supporting the overall programme of electrification in conjunction with the NTA.

The contract measures performance across several key areas and Bus Átha Cliath performs very well. Like many other public transport operators, Bus Átha Cliath saw punctuality and reliability fall below contractual targets on a number of our routes. This was driven in part by difficulties in recruiting drivers in late 2022 and early 2023 and by increased levels of congestion and variability in traffic conditions, making trip planning/scheduling especially difficult. Significant recruitment campaigns by Bus Átha Cliath saw driver shortages eliminated during 2023 with ongoing recruitment and retention a key focus into the future.

Penalty and performance management continue to be a key priority for Bus Átha Cliath as we move into the final year of the contract in 2024.

In October 2023, the NTA published its intention to award a further Direct Award Contract to Bus Átha Cliath for the period 2024-2029 comprising the same network size as was in place in mid-2023. This was confirmed by the NTA in December following public consultation. The decision by the NTA to enter into a new Direct Award Contract is a welcome development and positions Bus Átha Cliath as the lead public transport provider across the GDA for the next five years.



Our Community

Community initiatives

As the country's largest sustainable public transport provider, Bus Átha Cliath plays an integral part in the communities that we serve. Since the company's formation in 1987, we have been committed to positively contributing to our communities through the various programmes under our Community Spirit Initiative. This initiative is currently in a period of transformation as we evolve for tomorrow. We are in the process of developing a new Social Affairs strategy which will provide a clear vision that reflects our current values and vision for the future and will enable us to develop initiatives that will make a tangible, long lasting and positive impact within our communities.

Together we are in a different league – Partnership with Bohemian FC

We commenced a three-year partnership with Bohemian FC in 2023 which sees Bus Átha Cliath as the exclusive Diversity and Inclusion partner for the club. We are the main shirt partner of Bohemian FC Women's Premier Division team and for the girls 19s and 17s teams, and the main shirt partner for the amputee team. This builds on a longer-term partnership that began in 2020 to support the club to grow and expand its positive impact on the city of Dublin.

Bus Átha Cliath and Bohemian FC released the joint 'Together We Are In A Different League' manifesto which commits to increasing diversity and inclusivity within Irish football. The partnership aims to tear down the barriers in football by elevating the women's game and ensuring its amputee team, LGBTQ+ supporters' group, Disability Supporters Association, and community partnerships get the support and visibility they deserve.

Pride

As part of our continued support of the LGBTQ+ community and employees, and to celebrate the 40th anniversary of the Dublin Pride Parade, Bus Átha Cliath partnered with Outhouse LGBTQ+ Centre to create the 'Searching for Pride' campaign for Pride 2023.

The objective of the campaign was to highlight that there are no wrong questions and that the answers to every and any question can be found in the community and through Outhouse.

Outhouse is dedicated to supporting the people, spaces, and issues important to the LGBTQ+ communities. Outhouse is a community centre and will always be a safe space for every sort of question, offering support groups, events, signposting, a library, cafe, and more. It is a proud hub for the LGBTQ+ community, not just during Pride, but all year round.

The Bus Átha Cliath X Outhouse 'Searching for Pride' campaign featured on social channels and on buses throughout the city for Pride season.

Accessibility

Bus Átha Cliath works to provide a secure and sustainable form of transport mobilising and connecting people and communities across Dublin, enabling people to fulfil their lives. Bus Átha Cliath has a commitment to improving the journey experience for our customers with disabilities and mobility impairments. Our fleet is 100% fully accessible with one wheelchair space on all buses and both a wheelchair and buggy space on 88% of our buses. All our buses have audio and visual stop information available on board.

The Travel Assistance Scheme operated fully in 2023 and is of particular importance as part of the delivery of the BusConnects Network Redesign programme to assist customers to learn new routes and changes to existing routes.

The scheme provided 2,142 assists in 2023, 821 to people with sensory problems, 956 to people with learning difficulties, and 365 to people with mobility problems. We also gave 43 presentations on safe travel to disability organisations and older persons groups and brought a bus out to disability units and schools to allow their clients to learn how to use the bus and feel comfortable doing so in familiar surroundings.

Our Performance

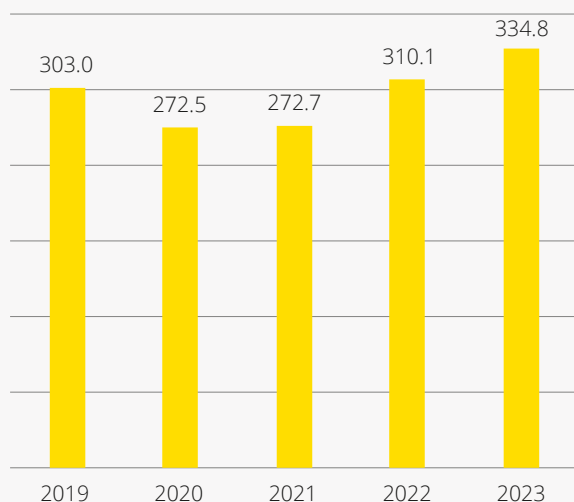
The company reported a surplus of €2.1 million, after exceptional items. This includes a profit of €1.1m on the Public Service Obligation (PSO) Direct Award Contract (DAC) services and other PSO services. Commercial services generated a profit of €1.0 million in the year.

Overall, the company incurred a positive Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of €1.9 million compared to a negative EBITDA of (€0.2) million in 2022.

Total operating costs have increased from €310.3 million in 2022 to €333.0 million in 2023, a net increase of €22.7 million. Most of these additional costs are associated with the increase in services for customers as part of the implementation of the BusConnects Network Redesign programme. Bus Átha Cliath continues to work closely with the NTA to deliver an enhanced network of services under the BusConnects framework and to further improve the quality of our service offering to customers.

The welcome expansion of public transport services gives rise to increased expenditure, particularly in drivers' costs, fuel, and maintenance costs. Expenditure also reflects savings achieved from other service amendments. However, Bus Átha Cliath has mitigated the total increase in expenditure through a series of cost efficiency measures delivered by the company across several areas in 2023. The company remains committed to enhancing our value for money proposition and to delivering cost efficiencies across all expenditure categories.

Total revenue – € millions



PSO operating result and financial position

Bus Átha Cliath has continued to operate PSO services in line with the DAC during 2023. The company operates under a gross cost contract and was fully funded under the PSO contract.

The company earned a reasonable profit on PSO services; however, this was reduced by performance related deductions under the DAC. The contract performance penalties reflect the challenges faced by the company in the areas of service performance and reliability during the year.

The performance deductions reflect the variability of traffic conditions throughout 2023 which impacts on the company's ability to meet its overall performance targets. Improving operational performance remains a key focus area for the company as we enter 2024.

PSO profitability was also impacted in 2023 by provisions required to cover the cost of vehicles damaged during the civil disturbances in November 2023. The company continues to engage with key stakeholders in relation to this issue.

Customer journeys increased significantly during the year with numbers exceeding pre COVID-19 levels by the end of 2023. Overall journeys increased to 146.6 million in 2023 and reflect the enhanced network of services provided under the contract as part of the BusConnects Network Redesign programme.

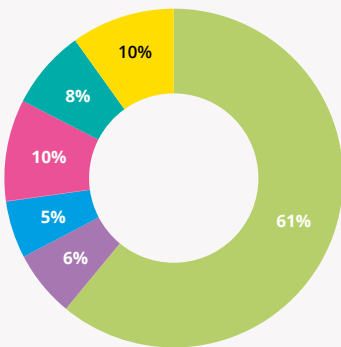
It is recognised by all stakeholders that a reasonable surplus on the PSO contract is critical if the company is to continue its progress towards financial stability. This allows the company to generate funding for essential investment and provide greater security around the provision of transport services.

The board remains mindful of the need to ensure that the company remains in a stable financial position in order to meet the public transport needs of the city.

The cost of operating PSO services increased from €303.9 million in 2022 to €323.3 million in 2023, an increase of €19.4 million. These costs reflect the expansion of services under the BusConnects Network Redesign programme, and increased fuel costs.



2023 Costs



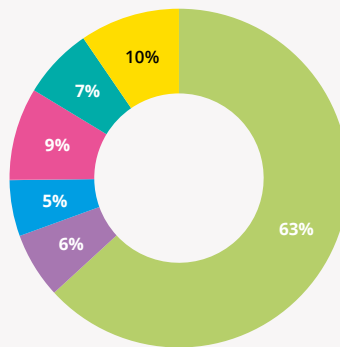
- Wages & Salaries
- Social Insurance Costs
- Other Retirement Benefit Costs
- Fuel & Lubricants
- Materials
- Other Costs

The NTA has continued to engage with the company to ensure the provision of capital funding to facilitate continued investments in PSO fleet and other customer enhancements as part of the joint NTA and Bus Átha Cliath commitment to improved PSO services.

Commercial operating result and financial position

Following the successful reintroduction of DoDublin tours post COVID-19, and the development of associated digital sales channels activities in 2021, the company is pleased to report the DoDublin hop on hop off tours

2022 Costs



- Wages & Salaries
- Social Insurance Costs
- Other Retirement Benefit Costs
- Fuel & Lubricants
- Materials
- Other Costs

business finished 2023 strongly. A full return to peak summer services delivered passenger numbers and revenue in line with projections. The company continued to manage expenditure in this competitive market and delivered a reasonable surplus for the commercial business in the post COVID-19 environment.

A number of options to further strengthen the commercial business element are planned for 2024. These include the continued expansion of the 'DubTours' digital sales channel as well as the exploration of other commercial opportunities in the areas of tourism, leisure, and mobility.

Our People

A good employer

Our goal is to become an employer of choice by supporting the health and wellbeing of all our diverse and talented employees and empowering them to reach their full potential in an environment of inclusion, non-discrimination, respect, and dignity. Our focus is to nurture and continuously improve our workplace culture. Our work in this area was recognised in 2023 with the company being listed as one of Ireland's best employers by the Sunday Independent and Statista.

Looking to the future, internal communication and direct employee engagement will remain a priority focus for Bus Átha Cliath. May 2023 saw Bus Átha Cliath host its first ever virtual Townhall talk via its employee network, Yammer where our CEO, Billy Hann outlined his plans for the company and discussed why 'Every Journey Matters'. Such was its success that a second in-person audience event took place in December, which was broadcast live on Yammer's successor, Viva Engage. The Chief Executive and members of the Bus Átha Cliath Senior Leadership Team answered questions submitted by audience members, those watching on Viva Engage or those who had submitted questions prior to the event. We plan to hold similar events in 2024 as Bus Átha Cliath recognises the importance and success of direct internal communication in ensuring employee engagement across the company and informing and disseminating organisational culture and values, business progress, positive company initiatives, and overall operations.

We have a range of resources in place as part of our employee development plans. We provide a mentoring programme and Education Support Scheme for employees. Our bus drivers are trained to the highest standard, in our world class training centre in Phibsboro Depot. In 2023, 26 new apprentices started their first-year training and 19 will graduate in 2024. We also offer an Earn-as-you-Learn scheme to encourage young people to apply to become Heavy Vehicle Mechanics with the company. These applications are open to anyone aged 16 or over who fulfil certain educational criteria.

Bus Átha Cliath is one of the country's leading employers with an average of 3,940 employees in 2023. We reflect contemporary Dublin and society with a diverse and inclusive workforce made up of multiple ethnicities, religions, ages, and abilities. Our Diversity and Inclusion Policy reflects Bus Átha Cliath's continuing commitment to equality, diversity, and non-discrimination for employees, customers, and the wider community.

Our workforce represents 85 different countries and is reflective of the diversity of the communities we serve. We strive to develop policies that are inclusive, such as our award-winning Gender Transition Policy, and provide diversity and inclusion training for employees.

Our 2023 Gender Pay Gap Report showed that we had a gender pay gap of 4.1% in favour of women increasing from 2.4% in favour of women in 2022. We have increased the number of female bus drivers by 93% since 2019 and we are committed to increasing this further in 2024. Our female executives increased by 22% in 2023. We will also continue to focus on increasing the number of females in engineering with a special focus on greater gender balance in our apprentice Heavy Vehicle Mechanic programme. Gender equality is a huge part of the ethos of Bus Átha Cliath, and our commitment to increasing the numbers of females in the company, particularly in the largely underrepresented areas of bus driving and engineering. We will continue to work to attract females into these areas in the future, as well as to encourage female employees to progress through the company. This will continue to be a focus of our 2024 action plan.

In 2023, we achieved the Investors in Diversity Silver Award following on from the Bronze Award we achieved in 2021.

Employee wellness

As an organisation, Bus Átha Cliath is aware of, now more than ever, the importance of supporting the health and wellbeing of our employees. We understand that health and wellbeing should be incorporated across every component of the business, from policy, organisation, planning and implementation, to evaluation and action for improvement. Bus Átha Cliath recognises the importance of valuing each of our employees. This includes their mental health, physical health, nutrition health, safety, and overall wellbeing in the workplace and at home.

DBWellbeing, our interactive wellbeing website, provides our employees with support, education, and information on a wide range of topics to help their overall health and wellbeing. It is facilitated by an external team of qualified and experienced professionals within the health and wellbeing industry, including mental health, physical health, and nutrition. For World Mental Health month in October, a Wellbeing bus visited all depots. This included

health screenings and an opportunity for Bus Átha Cliath Wellbeing Champions to interact and introduce themselves to new colleagues.

2023 saw the launch of our Health and Wellbeing Strategy which provides direction for workplace policies and initiatives which will enable employees to increase control over and improve their health and work in a safe and healthy environment. The strategy has identified a collection of actions and opportunities that will support health and wellbeing to be embedded into Bus Átha Cliath's culture. This strategy will be delivered over a three-year period from 2023 to 2025.

Plans for 2024 include introducing a financial wellness programme for employees and their families and a nutritional and wellbeing programme. We will join forces and launch a new Employee Assistance Programme. This is an independent counselling service, designed to help employees resolve personal and work-related difficulties which may affect wellbeing and performance at work.





Senior Leadership Team Biographies



Billy Hann

Billy Hann was appointed Chief Executive Officer of Bus Átha Cliath in December 2022. Dublin born and raised, he began his career at the Irish Aviation Authority in 1994, holding several management roles, including Director of ATM Operations and Strategy. Billy was responsible for leading a highly professional multi-disciplined team in delivering a safe, secure, and sustainable, world-leading air traffic control service in both national and international airspace.

A seasoned leader in the transportation sector for more than three decades, he holds a primary degree in Electronic Engineering, an MSc in Operations Management from Dublin City University, and an MSc in Executive Leadership from Ulster University. Billy has also successfully completed a Programme for Leadership Development at Harvard Business School.



Andrea Keane

Andrea Keane is Chief Financial Officer and Company Secretary of Bus Átha Cliath. She joined the company in September 2016. Andrea previously worked as Chief Financial Officer and Company Secretary for Bus Éireann.

In her current position she is responsible for all financial matters within the company and, as Company Secretary, is responsible for advising the board, through the Chairperson, on governance issues. Andrea is a member of the Chartered Institute of Management Accountants and was listed on the Business and Finance top 100 CFOs operating in the Irish market in 2021. She previously worked in Iarnród Éireann as Manager of Management Accounts and has also worked in the private sector in a number of Financial and Management Accounting roles.



Phil Donohue

Phil Donohue was appointed Head of Human Resources and Development in 2010. Prior to this appointment his role was Employee Relations Manager. In his current position he is responsible for leading and managing the Human Resources function and for creating, implementing, and nurturing the overall HR strategy which is central to ensuring the continued success of Bus Átha Cliath.

Phil joined Bus Átha Cliath in 1984 and has worked in a variety of operational roles including Divisional Manager in area west, area northwest and area south.



Sorin Costica

Sorin Costica was appointed Head of Operations in August 2020. He is responsible for leading, managing and developing the Operations function and creating and implementing overall strategy for road passenger operations. He joined Bus Átha Cliath in 2001 and has worked in a variety of operational roles including Depot Administrator in Ringsend Depot and Area Operations Manager in Central Control, Broadstone.

Sorin holds a Transport Management Diploma from Dublin Institute of Technology and an Information Technology Diploma from Dublin City University.



Ray Cooke

Ray Cooke joined Bus Átha Cliath as Acting Chief Engineer in September 2022 and was subsequently appointed to the role in December 2022. He is responsible for leading, managing and developing the Engineering function for Bus Átha Cliath, as well as creating, implementing, and managing the overall engineering strategy.

Ray is a senior operations professional with diverse experience across multiple industries. Prior to joining Bus Átha Cliath, Ray was the Director of Supply Chain Transitions and Footprint at the automotive technology company Aptiv, where he led the transformation of supply chain management. Ray was also the Supply Chain Director for Honeywell and a Programme Manager for Shell.

Ray holds a Master of Business Administration (MBA) from Manchester University, as well as a Master in Mechanical Engineering (M.Eng.Sc) and a Bachelor of Engineering (BE) from University College Dublin (UCD).



Ciarán Rogan

Ciarán Rogan joined Bus Átha Cliath in 2017 as Head of Commercial and Business Development. In his current position as Chief Customer Officer he is responsible for quality and customer experience, commercial performance and business development, marketing, communications and public affairs, regulatory affairs, customer information and digital activity.

Ciarán has extensive experience in public transport with Translink in Northern Ireland and through the International Association of Public Transport. He has also worked in the higher education, tourism, agri-food, and consultancy sectors.

Ciarán is a graduate of University College Dublin and holds postgraduate qualifications from Université Catholique de Louvain and Ulster University.



Clíodhna Ní Fhátharta

Clíodhna Ní Fhátharta was appointed Head of Strategic Communications and Engagement of Bus Átha Cliath in 2022.

Previously, the Media and Communications Manager, Clíodhna joined the company in December 2006 after serving six years as Media and PR Executive at Iarnród Éireann. A proven communicator and strategist with over two decades of experience in the public transport sector, Clíodhna leads the function responsible for providing strategic communications support through corporate and consumer activity, helping to deliver a stronger corporate reputation and deeper stakeholder engagement.

Clíodhna is a member of the Public Relations Institute of Ireland and holds an honours degree in English and Irish from the University of Galway. She also has a diploma in Public Relations from the Fitzwilliam Institute and a diploma in Management from the University of Limerick.



Mary Ryan

Mary Ryan joined Bus Átha Cliath in 2004 and has over 19 years' experience developing customer centric strategies and plans in the areas of marketing, digital and brand communications, and business development. Mary is a member of The Marketing Institute and has delivered award winning marketing campaigns and digital innovations centred around our brand mantra 'Every Journey Matters'.

More recently, Mary has moved into senior Project Management roles most notably as business continuity lead during COVID-19. In June 2022, Mary was appointed to lead a significant programme of change for Bus Átha Cliath in strategy and culture transformation to position Bus Átha Cliath well for the future.

Mary holds a degree in Business Studies (Marketing Management) and Professional Diploma in Advertising from Technological University Dublin and a MSc in Business (Leadership and Management Practice) from UCD Michael Smurfit Graduate Business School.



John Ryan

John Ryan is Head of Strategic Projects – Mobilisation and Activations. In his current role, John heads up the mobilisation and coordination of strategic projects that are currently active. These include the electrification of garages in preparation for electric buses, BusConnects Network Redesign Programme, next generation AVL, ticketing systems and garage redevelopments.

John has held positions in various departments in Bus Átha Cliath including Engineering, Risk Management, Human Resources, Garage Management and Regulatory Affairs.

John holds a degree in Mechanical Engineering from Trinity College Dublin and a Master in Business Administration from the UCD Smurfit School.



Colin Ward

Colin Ward is Head of Environment Health and Safety and designated Chief Risk Officer for Bus Átha Cliath. In his current position, he is responsible for the development and ongoing implementation of the Safety, Environmental and Energy Management and Corporate Risk, ensuring Safety and Sustainability are embedded and at the forefront of all decision-making processes.

He joined Bus Átha Cliath as a project engineer in January 2016, working in the area of environmental and energy management, developing a number of key sustainability projects for Bus Átha Cliath. Prior to this Colin worked in a number of engineering companies with clients like Google, Intel and EirGrid, focusing on renewable energy developments and safe delivery of construction projects.

Colin holds a master's degree in Energy Management as well as a Bachelors degree in Mechanical Engineering from Dublin Institute of Technology along with other professional qualifications in safety management and is a member of Engineers Ireland.



Ceara McGovern

Ceara was appointed to the new post of Head of Project Management Office in April 2023. In this role, she is responsible for the full establishment of an Enterprise Project Management Office to provide governance and oversight across the project portfolio. This includes the expansion of services through the BusConnects Network Redesign programme, introduction of new Electric Fleet and migration to new technology to support real-time information and next generation ticketing.

Ceara started her career in project management at Reuters, London. As Global Head of Programme Management, she was responsible for the team delivering a number of complex global technology projects required to bring new trading products to the global interbank market. In 2013, Ceara returned to Ireland and took up a role in consulting. Her focus has been on delivering business transformation programmes for a number of clients across multiple sectors.

Directors' Biographies



Gary Owens

Gary Owens was appointed to the Board of CIÉ and as Chairperson of Bus Átha Cliath in May 2022. He has wide experience in financial services at board and senior Executive level and was Chief Executive Officer of both Hibernian Insurance and IFG Ireland. He also served as an Independent Director for both AIG Ireland and AIG International where he was a member of the Audit Committee and Chairperson of their Investment Committee. Gary is a Director in Leaseplan Insurances where he has chaired both the Audit and Risk Committees and is currently Chairperson of Diona DAC and ICare Capital Partners. He has fulfilled a number of roles in sport serving as Interim Chief Executive Officer for both the Football Association of Ireland and Athletics Ireland and also served as the Chief Executive Officer for Down Syndrome Ireland. Gary is a Chartered Insurer and a member of the Chartered Insurance Institute.



Lynda Carroll

Lynda Carroll was appointed to the board in April 2019. Lynda has over 30 years' experience in financial services at board and senior executive level in the private and public sector. She has been Managing Director of De Lage Landen Ireland and Vice President of Global Structured Finance Europe, Lead Central Bank of Ireland prudential supervisor of one of Ireland's pillar banks and Head of Capital Allocation and Risk Based Pricing at Allied Irish Banks plc. She holds a Master of Arts degree from University College Dublin and is a Chartered Accountant and Chartered Tax Advisor. She also holds a Chartered Accountants Ireland Diploma in International Financial Reporting Standards and the UCD Michael Smurfit Graduate Business School Professional Diploma in Corporate Governance. She is a member of the Board of Governors and Guardians of the National Gallery of Ireland, and of the following boards: Diversified Notes plc, UniCredit Bank Ireland plc, National Bank of Canada Global Finance Limited, The Ark, Children's Cultural Centre Company, and European Movement Ireland. Lynda now works as an Independent Non-Executive Director in the financial services, state, and voluntary sector. Lynda was reappointed to the board for a further five-year term in April 2022.



Stephen Hannan

Stephen Hannan was appointed to the board in December 2017 following his election to the CIÉ Board under the Worker Participation (State Enterprises) Acts 1977 to 2001. He works as a bus driver in Ringsend depot. He is a member of SIPTU and has held a wide variety of positions within the trade union for almost 30 years. Stephen is President of the Bus Drivers Committee, Vice-Chairperson of the Transport Sector Committee, a member of the Divisional Committee and a depot representative.



Elaine Howley

Elaine Howley was appointed to the board in August 2018. Elaine has many years of experience advocating for the rights and full participation of people with disabilities. She has a particular interest in public transport and access to services, information, and public places. She has led services for people who live with disability for over 25 years. Elaine was the first Liaison Officer for students with disabilities and was a founding member of the Association for Higher Education Access and Disability. She was Director of Advocacy and Policy in National Council for the Blind Ireland (NCBI) and CEO of NCBI Services. Elaine is the coordinator of the European Blind Union's Low Vision Network. Elaine's advocacy work has included international campaigns such as the campaign for ratification of the Marrakesh Treaty and the UN Convention on the Rights of Persons with Disabilities. Elaine holds a master's degree in Social Work and Higher Diploma in Systemic Family Therapy. Elaine is a member of the Institute of Directors with Professional Diplomas in Company Direction, Human Rights and Equality. Elaine was reappointed to the board for a further five-year term in August 2021. Elaine currently works for Sage Advocacy as Regional Advocate in Dublin South-East and Wicklow.



Cyril Maybury

Cyril was appointed to the board in May 2022. He had served on the company's Audit, Finance and Risk Committee since February 2019. He is a Chartered Accountant and holds a Diploma in Corporate Governance. Cyril has over 40 years' experience of audit and financial advisory services to all sizes of companies. He was, at various stages of his career as a partner in the firm of EY, from 1970 to 2009, an audit partner, technical and training partner, in charge of the Dublin and Limerick audit practices, risk management partner, and leader of the Litigation and Fraud advisory services practice. He chaired a number of technical, Financial Reporting, Company and Business Law and Practising Standards Committees of the Institute of Chartered Accountants in Ireland. He has chaired a number of Companies and pension trustee boards and also Audit and Risk committees. In the past, he validated costings in the bus transportation industry. He is currently a member of the Audit committee of the Houses of the Oireachtas. He is Chairperson of the Audit Committee of the Electoral Commission. He is a member of appeal panels in the resolution of tracker mortgage disputes of two banks. He is Chairperson of Payac Services clg, the developer of the system of current accounts and debit cards used by Credit Unions.



Dermot Healy

Dermot Healy was appointed to the board in December 2021. He is employed as a bus driver with Bus Éireann based at Roxboro Depot in Limerick. He joined CIÉ in 1983 as a junior dining car attendant before moving to the Road Passenger Section the following year taking up such roles as Office Assistant and Bus Conductor prior to his current position as a driver since 1991. He has been active in his union, the NBRU, since 1997 when he was first elected to his local branch committee. He served as both Vice-Chairperson and Chairperson of the Limerick Branch prior to being elected to the National Executive Council in 1999. He is a member of the NBRU National Negotiating Team. He has extensive experience in Industrial Relations issues including several WRC negotiations and Labour Court hearings.



Keith Wallace

Keith Wallace was appointed to the board on 5 April 2019. Keith has a wide range of experience in the public transport field and a passion for good corporate governance. He is the Director of his own consultancy business and has previously held senior executive positions in Caledonian Sleeper, Govia Thameslink Railway and Scott Wilson. He has also served in a non-executive capacity on a number of boards. Keith is currently a non-executive Director of Scottish Autism, Non-Executive Chairperson of Crossrail International and Vice President and Non-Executive Director of the Scottish Rugby Union. Keith holds a Degree in Civil Engineering from Heriot-Watt University Edinburgh and is a Chartered Engineer and a Chartered Director. Keith was reappointed to the board for a further three-year term in April 2022.



Rachel Widdis

Dr Rachel Widdis was appointed to the board in April 2019. Rachel is Director EMEA at Article One, a specialised consultancy in business and human rights, responsible innovation, and sustainability. She is an adjunct Assistant Professor teaching Business and Human Rights in the Law School in Trinity College. Rachel previously held positions in Structured Finance in ABN-AMRO Luxembourg, EMEA Business Development in Paris and as a Financial Analyst in Citigroup in London. She holds Master's degrees in Business and in Law. Her PhD (2021) concerns the responsibilities of business to respect human rights and development of ESG litigation. Rachel's expert area includes new regulation requiring companies to conduct human rights and environmental due diligence. She has worked on a number of voluntary boards and committees in education, culture, and sport. Rachel was reappointed to the board for a further four-year term in April 2022.



Emer Murray

Emer Murray was appointed to the board in June 2023 bringing with her 30 years' experience in financial services technology and FinTech in both the private and public sectors, along with international board experience. In her more recent executive roles, Emer was Head of Systems for NAMA and Vice President Global Project Management at Fenergo. Emer now works as an Independent Non-Executive Director in the financial services, FinTech and state boards. She holds a Bachelor of Science in Applied Mathematics and a Master in Project Management, both from the University of Limerick. She is a member of the Board of Eurobank Cyprus, and also chair of the software company Yubix Limited.

Directors and Other Information

Directors at 29 May 2024

Mr G. Owens

Ms L. Carroll

Mr S. Hannan

Mr D. Healy

Ms E. Howley

Mr C. Maybury

Ms E. Murray (*appointed 19 June 2023*)

Mr K. Wallace

Dr R. Widdis

Chief Executive

Mr B. Hann

Company Secretary

Ms A. Keane

Registered Office

Bus Átha Cliath, 59 Upper O'Connell Street, Dublin 1

Telephone: +353 1 872 0000

Website: www.dublinbus.ie

Registered Number

119569

Company limited by shares and registered as a Designated Activity company under the Companies Act 2014

Independent Auditors

Mazars, Chartered Accountants and Statutory Audit Firm

Harcourt Centre, Block 3

Harcourt Road

Dublin 2

Directors' Report

The directors present their annual report in accordance with their obligations under the Irish Companies Act 2014, the Transport Act 1950 and the Transport (Re-organisation of Córas Iompair Éireann) Act 1986 for the year ended 31 December 2023.

Directors' Compliance Statement

For the purposes of Section 225 of the Companies Act 2014 (the "Act"), we, the directors:

1. Acknowledge that we are responsible for securing the company's compliance with its relevant obligations as defined in Section 225 (1) of the Act (the "relevant obligations"); and
2. Confirm that each of the following has been done:
 - (i) a compliance statement (as defined in Section 225 (3) (a) of the Act) setting out the company's policies (that in our opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations has been drawn-up;
 - (ii) appropriate arrangements or structures, that are, in our opinion, designed to secure material compliance with the company's relevant obligations, have been put in place; and
 - (iii) during the financial year to which this report relates, a review of the arrangements or structures referred to in paragraph (ii) above has been conducted.

A detailed process was undertaken by both Bus Átha Cliath and other CIÉ Group companies to comply in full with the requirements of the Companies Act 2014 in relation to Directors' Compliance Statements. In order to provide assurance, a review was carried out. This review was commissioned by the CIÉ Group for all CIÉ Group operating companies and carried out by the CIÉ Group Internal Audit Department. A comprehensive report was issued to and reviewed in detail by the Bus Átha Cliath Audit, Finance and Risk Committee. The report confirmed that Bus Átha Cliath was in full compliance with the requirements relating to Directors' Compliance Statements.

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records in accordance with Section 281 to 285 of Companies Act 2014 are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at Bus Átha Cliath, 59 Upper O'Connell Street, Dublin 1.

Share capital

Details of the company share capital are set out in note 18. There were no movements in share capital during the year. The company has no subsidiaries and no investments in other companies, and this is consistent with the prior year.

Shareholders' meetings

An annual general meeting of the company is held once every calendar year at such time (not being more than fifteen months after the holding of the last preceding annual general meeting) and place as may be prescribed by the directors. The directors may either whenever they think fit or on requisition of Córas Iompair Éireann convene an extraordinary general meeting of the company.

Going concern

Bus Átha Cliath passenger numbers increased significantly in 2023 as customers continued to return to public transport in large numbers. This also reflects the significant investment in enhanced services as part of the BusConnects Network Redesign programme. In total, the company carried over 146 million passengers in 2023, an increase of 20% over 2022 levels. This positive development is a strong endorsement of public transport services.

The board acknowledges National Transport Authority (NTA) funding received during 2023 for the operation of the Direct Award Contract (DAC). This has enabled the above-mentioned expansion of essential public transport services. The board also notes the positive engagement with the Department of Transport and the NTA in developing and implementing these enhanced service plans.

The directors have also considered the current geopolitical uncertainties and their impact on certain business risks for the company. While risks such as energy security and supply chain disturbances have eased, the potential for future volatility remains a concern and cyber security concerns are also heightened in the current environment. Indications are that monetary policies globally have been successful in addressing inflation and market expectations are for rate reductions in 2024 which will have a positive impact on spending ability for businesses and consumers.

The company managed these risks throughout 2023 within the funding parameters of the DAC.

The directors have considered the appropriateness of the application of the going concern basis to the preparation of the financial statements and are satisfied that it is appropriate for the 2023 financial statements to be prepared on this basis.

Key factors considered in arriving at this decision include.

- the trading position of PSO Services;
- the trading position of Commercial Services; and
- the liquidity position of the company and CIÉ Group.

The going concern basis assumes that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

PSO Services

The company was awarded a DAC on a net cost contract basis at the end of 2019, which transitioned to a gross cost contract from 1 January 2021. The company continues to operate under a gross cost contract for the remainder of the current DAC. Under a gross cost contract responsibility for recognising PSO fare box and other passenger revenue transferred to the NTA.

The company continues to operate PSO services in line with the DAC during 2023. The company was fully funded in 2023 under the contract. The NTA has confirmed its intention to continue to provide PSO funding in line with the DAC in 2024. In 2023, the NTA advised that the company will receive a new five-year DAC of similar size and scale. This contract will operate from 1 December 2024 to 30 November 2029.

The directors considered the quantum of funding likely to be required for 2024 and 2025. Consideration of the assumption that appropriate levels of PSO funding could be provided in 2024 and 2025 was an essential element in the directors' assessment of the financial position of the company.

The directors are satisfied that:

- it remains the intention of the NTA to fund the company to operate PSO Services in line with the DAC;
- detailed scenario planning has allowed reasonable assessments of the level of funding likely to be required be provided;
- the 2024 Exchequer Budget provides for the operation of the current PSO Contract in 2024; and
- the NTA will receive sufficient funding from the Exchequer to fund the DAC in 2025.

Commercial Services

Commercial Services continued to operate in 2023, at reduced levels, as the company emerges from the downsizing required during COVID-19. The company also continues to assess future commercial opportunities. Commercial Services earned a surplus in 2023 of €1 million.

The board has approved the continuation of a small team to develop future opportunities for Commercial Services in 2024 and beyond, as the operating environment improves. Having considered detailed scenarios and projections, the directors are satisfied that the company has sufficient resources to fund Commercial Services in 2024 and 2025.

CIÉ Group Liquidity

CIÉ Group operates a pooled treasury system and Bus Átha Cliath relies on the Group's banking facilities to enable it to manage its operations in accordance with its approved business plan. The company had an intercompany debtor balance with CIÉ Group of €159 million at 31 December 2023.

The Group currently holds a cash balance of €253 million as at 31 December 2023. The Group has a committed banking facility agreement in place until January 2025. Under this facility agreement the Group's borrowing as at 31 December 2023 is €8 million. This loan amortises over a four-year period. The undrawn amount available to the Group under the Group's committed revolving credit facility is €80 million.

The directors expect that the Group will continue to meet its obligations under the agreement for the period of at least 12 months from the date of approval of these financial statements. The ongoing support of CIÉ Group for Bus Átha Cliath is evidenced in the Letter of Support from CIÉ to Bus Átha Cliath dated 22 May 2024.

Further details are set out in note 2 to the financial statements.

Principal activities and financial review

The principal activity of the company is the provision of a comprehensive bus service for the city of Dublin and its hinterland. Córas Iompair Éireann (CIÉ), a statutory body wholly owned by the Government of Ireland and reporting to the Minister for Transport holds 100% of the issued share capital of the company.

Total revenue was €334.8 million in 2023 compared to €310.1 million in the previous year. The company continued to operate PSO services in line with its Direct Award Contract (DAC) during 2023. The company generated a profit of €2.1 million in 2023 (€0.4 million in 2022).

The company earned a reasonable profit on PSO services and benefited from a share of cost efficiency measures delivered during 2023. However, the company also incurred penalty deductions which reduced the total profit earned on PSO services. The contract performance penalties reflect the challenges faced by the company in the areas of service delivery and service performance during the year.

The company experienced challenges in driver recruitment in the first half of 2023, but successfully recruited 453 drivers during 2023 to improve service delivery for customers. This is the highest level of new drivers introduced in any one year.

Traffic conditions remained unpredictable throughout 2023 and this has impacted on the company's overall punctuality levels and general performance. The company continues to work with all stakeholders to address this challenge.

It is recognised by all stakeholders that a reasonable surplus on the PSO contract is critical if the company is to continue its progress towards financial stability which in turn will generate funding for essential investment and provide greater security around provision of transport services. The board is mindful of its obligations to ensure the company remains in a financially stable position in order to meet the transport needs of the community. The company also remains committed to enhancing our value for money proposition and to delivering further cost efficiencies across all expenditure categories.

The company also continued to deliver key transport-related projects, in conjunction with the NTA, during 2023. The board recognises the importance of these key projects and the role they play in delivering an enhanced and sustainable public transport system.

The directors would like to acknowledge the support of the NTA, who continued to engage with the company to ensure that capital investments in PSO fleet and customer enhancements are continuing as part of the joint NTA and Bus Átha Cliath commitment to improve PSO services. The company is reliant upon funding from the NTA for the provision of socially desirable but economically unviable public transport services.

Commercial Services performed well in a challenging operating environment. The DoDublin brand activities and service offering were further expanded in 2023. The business delivered an encouraging rise in customer journeys and has reported improved results compared to 2022. The directors, in conjunction with management, continues to review all options to support the continued growth of commercial activities on a financially sustainable basis. A number of initiatives are planned for 2024 to further strengthen the commercial side of the business.

The company's net assets increased from €45.0 million in 2022 to €47.0 million in 2023, an increase of over 4%. The company's liquidity remains in a positive position with a current asset to current liability ratio of 2.96 times.

The directors review the periodic management accounts, financial accounts, financial and non-financial KPIs, budgets and forecasts at the scheduled Bus Átha Cliath board meetings.

Dividends

There were no dividends paid or declared in 2023 or 2022.

Principal risks and risk management

The company is committed to managing risk in a systematic and disciplined manner. The key risks facing the company are identified through a company-wide risk management process.

Risk Management Framework and a Risk Management Information System allows for the real time reporting of risks which are evaluated and reviewed on a monthly basis by management and on a quarterly basis by the board. An objectives driven risk prioritisation system was in place throughout the year which focuses the board on the identified risks.

CIÉ enters into fuel and currency forward purchasing arrangements on behalf Bus Átha Cliath where it deems there is value and reduced risk to the group. CIÉ is the counter party in respect of these transactions. Liquidity is carefully managed on a CIÉ Group basis by a dedicated professional team which coordinates day-to-day cash and treasury management together with annual and multi-annual planning and the securing of sufficient corporate bank funding to allow the CIÉ Group to continue to operate.

Capital investment

Investment in improving services continued with the assistance of the NTA. During 2023 the company rolled out infrastructure at two locations to support the new fully electric bus fleet and introduced 22 fully electric buses into service to replace older diesel vehicles and to increase capacity to meet the requirements of the BusConnects Network Redesign programme. Other significant expenditure included fleet refurbishment programmes to maintain quality and reliability for the benefit of the customer.

Consultancy expenditure

The 2016 Code of Practice for the Governance of State Bodies requires disclosure in the Annual Report of details of expenditure on external consultants/advisors in the financial year. The company adopted the following definition of consultancy expenditure:

“Consultancy is where a person, organisation or group is engaged to provide intellectual or knowledge-based services (e.g., expert analysis and advice) through delivering reports, studies, assessments, recommendations, proposals, etc. that contribute to decision-making or policy-making in a contracting authority. The engagement should be for a limited time period to carry out a specific finite task or set of tasks involving expert skills or capabilities that would not normally be expected to reside within the contracting authority. The information sought by this disclosure is to reflect the level of consultancy expenditure incurred by the State body in the financial year. It is not intended to include expenditure on processes which have been outsourced under ‘business as usual’.”

In line with the 2016 Code of Practice for the Governance of State Bodies, consultancy costs incurred in 2023 by the company included in materials and services (note 6) are set out in the table below:

| Category | 2023 €000 |
|--------------------------------|--------------|
| Industrial relations | 18 |
| Legal | 9 |
| Organisational strategy | 793 |
| Public relations and marketing | 88 |
| Regulatory and safety | 47 |
| Tax and financial advisory | 68 |
| Gross consultancy costs | 1,023 |

The board

The company is controlled through its board of directors. The board met six times during 2023 (eight times in 2022) and has a schedule of matters reserved for its approval.

Directors

The directors of the company are appointed by the Minister for Transport. The names of persons who were directors during the year ended 31 December 2023 or who have since been appointed are set out below. Except where indicated they served as directors for the entire period up to the date of the approval of these financial statements.

Mr G. Owens

Ms L. Carroll

Mr S. Hannan

Mr D. Healy

Ms E. Howley

Mr C. Maybury

Ms E. Murray *(appointed 19 June 2023)*

Mr K. Wallace

Dr R. Widdis

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.

There were no contracts or arrangements entered into during the year in which a director was materially interested in relation to the company's business.

Audit, Finance and Investment Committee (formerly Audit, Finance and Risk Committee)

At 29 May 2024, the Audit, Finance and Investment Committee comprises the following non-executive members of the board: Ms L. Carroll (Chairperson), Mr C. Maybury and Mr K. Wallace. Mr K. Kelly is an external member of the committee.

In October 2023, the board approved the establishment of the Risk Committee and the reconstitution of the Audit, Finance and Risk Committee (AFRC) as the Audit, Finance and Investment Committee (AFIC). The board approved the Terms of Reference of the Risk Committee and AFIC at its meeting in February 2024. The committee operated in line with the AFRC's Terms of Reference throughout 2023.

While all directors have a duty to act in the interests of the company, this committee has a particular role, acting independently from the executive, to ensure that the interests of the shareholders are properly protected in relation to the financial reporting oversight, internal control, internal and external audit, risk management and corporate governance.

During the year ended 31 December 2023, the committee monitored the budgetary process, and kept under review the effectiveness of the company's internal controls and risk management systems. In particular, the committee:

- engaged with the Risk Manager on a regular basis regarding the major risks and uncertainties impacting on the company, including the risks presented by cyber risk, and monitored the Risk Management System and the changing risk landscape;
- engaged with the Chief Executive Officer, Business Systems Manager, and Information Security Officer on a regular basis regarding information security, with a significant focus on cyber risk and business continuity planning;

- engaged with the External Auditor to ask such questions as to satisfy itself as to their independence;
- monitored the company's operation of the DAC December 2019 to December 2024 and engaged with senior management on all financial, operational, and commercial aspects of this contract through presentations from and discussions with the company, its legal advisors, and other external experts;
- reviewed cost efficiency proposals submitted to the NTA by the company under the DAC provisions;
- monitored the company's implementation of significant public transport projects from an audit, financial and risk perspective, including the Depot Electrification Project and the rollout of the National Transport Authority's BusConnects Network Redesign programme;
- engaged with the CFO and the External Auditor to assure itself as to the accounting judgements applied to the financial statements, including the appropriateness of applying the going concern principle;
- held a private discussion, without management, with the External Auditors to ensure that there were no issues of concern and to receive matters arising from their audit;
- communicated clearly to the External Auditors that they may request a meeting with the committee at any time if they consider that one is necessary to discuss a specific item or items;
- engaged with the Internal Auditor to assess the committee's reliance on her team's work output and conclusions, and held a private discussion, without management, with the Internal Auditor to ensure that there were no issues of concern and to receive matters arising from their audits;
- met with the Chief Procurement Officer to satisfy itself as to the rigour of the policies and procedures for procurement and contract management;
- conducted regular reviews of the 2023 operating results and satisfied itself with regard to the reasonableness of the 2024 budget;
- engaged with management in relation to the ongoing promotion and strengthening of the company's Code of Ethics, including review of the company's Anti-Corruption Policy;
- monitored implementation of recommendations arising from Internal Audit reports;
- engaged with the CFO, at least twice yearly, to receive a statement of assurance that no matters relating to fraud have come to her attention which have not, in the ordinary course of reporting to the AFRC, been drawn to the committee's attention;
- dedicated significant time and attention to the requirements of the Companies Act, 2014 and the Companies (Statutory Audits) Act 2018 and in particular provided oversight for the board in relation to the Directors' Compliance Assurance Process;
- monitored the application of the company's Protected Disclosure Policy where complaints were received;
- conducted an internal review of our performance under the 2016 Code of Practice for the Governance of State Bodies;
- engaged with the external consultant conducting an independent review of the audit and risk committees across CIÉ Group, reviewed the external consultant's report on the matter, agreed actions to be taken by the committee to address the recommendations applicable to this committee and reviewed implementation of actions regularly;
- engaged with management in relation to the company's insurance requirements and annual renewals of significant policies;
- played an active role in steering the company through the challenges associated with the global economic uncertainty arising from war and geopolitical tensions in Eastern Europe and the Middle East, including monitoring business risks and reviewing management's assessment of the financial and non-financial impact of the associated business risks;

- engaged with the CFO and the External Auditors on the application of critical accounting estimates and assumptions, including the valuation of the provisions for third party/employer liability claims;
- monitored and reviewed the company's compliance with the requirements of the General Data Protection Regulations (GDPR);
- engaged with the CFO to receive updates on the company's compliance with the tax acts and the company's communications with the Revenue Commissioners;
- reviewed the ISAE 3402 report prepared by the NTA's Auditors and ISAE 3000 report produced by our own auditors;
- monitored and reviewed the company's ongoing assessment of the impact of Brexit; and
- monitored and reviewed the company's compliance with the requirements of the 2016 Code of Practice for the Governance of State Bodies.

The Terms of Reference of the AFRC/AFIC have been approved by the board and are reviewed on an annual basis and amended as appropriate. The Chairperson of the committee met with the Chairperson of the company to discuss matters arising from the conduct of the committees' business. The committee met six times in 2023 (six times in 2022). The AFRC/AFIC performs the role of the Audit Committee required to be established under Section 167 of the Companies Act 2014.

There were no material non-audit services provided by the auditors during the year under review. Therefore, the AFRC/AFIC, having considered all relationships between the company and the external audit firm, does not consider that those relationships impair the auditor's judgement or independence.

Board Risk Committee

At 29 May 2024, the Board Risk Committee comprises the following non-executive members of the board: Ms E. Murray (Chairperson), Ms L. Carroll and Dr R. Widdis. Mr D. Johnson is an external member of the Risk Committee. Ms E. Murray was appointed to the committee and as Chairperson of the committee on 25 October 2023. Ms L. Carroll and Dr R. Widdis were appointed to the committee on 29 November 2023. Mr D. Johnson was appointed to the committee on 27 March 2024.

In October 2023 the board approved the establishment of the Risk Committee and subsequently approved the Terms of Reference of the Risk Committee at its meeting in February 2024.

The role of the Risk Committee is to assess and report to the board the major risks and uncertainties impacting on the company and to continuously review this situation.

Board Safety Committee

At 29 May 2024, the Board Safety Committee (BSC) comprises the following members of the board: Mr K. Wallace (Chairperson), Mr S. Hannan, Mr D. Healy and Ms E. Howley.

Ensuring the safety of employees and customers is the company's core value. The company embraces this value by providing a transport service where people feel safe and where the experiences of customers and employees are built on a continuous commitment to safe practices. In this context, the BSC is central to ensuring that safety remains at the core of the business, and that key safety objectives and priorities are effectively managed and delivered.

The Terms of Reference of the BSC are as follows:

- preparation and annual update of Safety Plans by management;
- annual report from management on Safety Management Systems review;

- liaison and co-operation by management as appropriate with the relevant statutory safety authorities including the Department of Transport, the Road Safety Authority, and the Health and Safety Authority;
- review key safety performance indicators as prepared and reported on by management; and
- any other environmental, health and safety matters as referred to the committee by the board or management.

The committee is authorised, by the board, to investigate any activity within its terms of reference, to obtain the resources it needs to do so and to gain full access to information. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the committee. The committee is authorised by the board to obtain outside professional advice and, if necessary, to invite external consultants with relevant experience to attend meetings.

The committee's Terms of Reference were approved by the board and are reviewed on an annual basis and amended as appropriate. The committee met on a total of four times during 2023 (four times in 2022) in accordance with the planned schedule for BSC meetings. Some of the key items reviewed during the year included the following:

- longer working policy;
- antisocial behaviour management and impacts;
- accident trends and mitigation;
- accident investigation reports and recommendations;
- legislative changes affecting the company;
- emerging technologies like micro mobility;
- accessibility issues and initiatives;
- emergency exercises and planning; and
- adoption of key safety initiatives for 2023, to include the following:
 - enhancing Health and Safety culture;
 - data driven decision making within safety processes;
 - new technology – Fleet, infrastructure, and customer experience; and
 - implementation of the company's health and wellbeing strategy.

Board Remuneration and Succession Committee

At 29 May 2024, the Remuneration and Succession Committee comprises the following non-executive members of the board; Mr C. Maybury (Chairperson), Ms L. Carroll, Mr G. Owens and Ms E. Howley. Dr R. Widdis resigned from the committee on 29 November 2023. Mr C. Maybury was appointed to the committee and as Chairperson of the committee on 29 November 2023.

Recognising the position of Bus Átha Cliath as determined by Section 14(1) of the Transport Act, 1986 the functions of the committee are:

- to ensure implementation of government policy in relation to the remuneration of the Chief Executive Officer (CEO) and managers who report directly to him, and ensure that the arrangements put in place by the Department of Finance, Department of Public Expenditure, NDP Delivery and Reform and the Department of Transport for determining and approving the remuneration of the CEO, are implemented and adhered to;
- to ensure that any government guidelines and Bus Átha Cliath/CIÉ Group policies regarding the remuneration of senior managers are adhered to;

- to approve the remuneration package and the appointment/re-appointment of the CEO and all senior managers who report directly to the CEO;
- to determine performance criteria against which the performance of the CEO will be measured, which are consistent with the corporate plan approved by the board;
- in line with government policy, to approve any performance-related policy in respect of the CEO and managers who report directly to him. The CEO's review shall be undertaken by the Chairperson of the board;
- to approve and regularly update succession plans covering the CEO and to also consider any proposals from the CEO regarding skills, succession planning or headcount issues;
- where special arrangements are proposed in relation to specific appointments, to approve such arrangements and to ensure the approval of such arrangements by the Department of Finance, the Department of Public Expenditure, NDP Delivery and Reform and the Department of Transport;
- to review and approve the section of the Chairperson's annual letter to be sent to the Minister for Transport relating to the affirmation that the government guidelines in relation to the payment of fees to the directors of the board are being complied with (which is required to be delivered pursuant to the 2016 Code of Practice for the Governance of State Bodies);
- to review and approve the sections of the Annual Report and Financial Statements to be published by the company which relate to details of fees to be paid to each board director, the expenses paid to the directors and the salary of the CEO;
- to ensure adequate plans are in place to take account of an unforeseen absence of the CEO;
- to perform any other functions appropriate to a Remuneration and Succession Committee or assigned to it by the board from time to time; and
- to ensure that a Board Succession Plan is in place within the organisation and to review and approve any amendments to the plan as required. This includes bringing constructive oversight to the company's policy in relation to Directors' Continuous Professional Development.

The Remuneration and Succession Committee was formally established by a decision of the board in 2014. The committee's Terms of Reference were subsequently approved by the board and are reviewed on an annual basis and amended as appropriate. In line with its agreed work programme the committee met on two occasions during 2023 (four times in 2022).

The committee has a strong focus on board succession planning in order to ensure the board continues to have the requisite skills and experience to both discharge its statutory responsibilities and fully address the key strategic issues facing the company.

Similarly, the committee placed particular focus on Senior Management Succession Planning and Talent Development Management within the organisation. The committee received two formal presentations in relation to talent management from the Head of HR and Development in 2023 and this work is also continuing in 2024. The committee approved the Chief Executive's plans for a review of the structure of the Senior Leadership Team, in order to align the structure with the company's strategy. This review was completed in early 2024 and the new Executive Team structure was approved by the committee in 2024.

The committee also considered the company's staff recruitment and retention plans throughout 2023 and received several updates on this matter from the Chief Executive and the Head of HR and Development.

The committee continued its support for, and development of, a range of measures to support diversity and inclusion in all sections of the company.

Board Strategy and Sustainability Review Group

At 29 May 2024, the Board Strategy and Sustainability Review Group (BSSRG) comprises the following non-executive members of the board; Mr G. Owens (Chairperson), Mr K. Wallace, Ms L. Carroll, Mr C. Maybury, Ms E. Howley, Dr R. Widdis and Ms E. Murray. Ms Murray was appointed to the BSSRG on 30 August 2023.

The mandate from the board for the BSSRG is to:

- review the medium and long-term strategy of the company including consideration of outputs and recommendations from any strategic planning initiatives of the CIÉ Group relevant to Bus Átha Cliath;
- ensure the company is an integral part of the solution in helping to create a more sustainable Ireland through the adoption of Sustainability Governance, Sustainability Reporting and Sustainable Finance processes in an efficient manner;
- ensure that business objectives reflect approved strategy; and
- review the main strategic assumptions which guide the rolling five-year Business Plans.

During the year ended 31 December 2023, the BSSRG undertook a detailed review of the company's strategic plans as well as conducting a review of the key strategic issues facing the company in the coming years including the company Strategy, KPI performance, the roll out of the BusConnects Network Redesign programme, the Electrification Programme, emerging sustainability requirements, commercial opportunities, the next Direct Award Contract, Property Strategy and other key strategic projects. The BSSRG continues to monitor strategic key performance indicators.

The Terms of Reference of the BSSRG have been approved by the board and amended as appropriate. The committee met four times in 2023 (five in 2022).

Attendance at board and committee meetings

Listed below is the attendance of board directors at board and committee meetings during 2023.

| Director | Board | Audit, Finance and Risk Committee | Safety Committee | Remuneration and Succession Committee | Board Strategy and Sustainability Review Group |
|--------------------------|-------|-----------------------------------|------------------|---------------------------------------|--|
| Gary Owens (Chairperson) | 6/6 | | | 2/2 | 4/4 |
| Lynda Carroll | 4/6 | 5/6 | | 2/2 | 2/4 |
| Stephen Hannan | 6/6 | | 4/4 | | |
| Dermot Healy | 6/6 | | 4/4 | | |
| Elaine Howley | 5/6 | | 3/4 | 2/2 | 3/4 |
| Cyril Maybury | 6/6 | 6/6 | | | 3/4 |
| Emer Murray | 3/3 | | | | 1/1 |
| Keith Wallace | 6/6 | 6/6 | 4/4 | | 4/4 |
| Rachel Widdis | 5/6 | | | 2/2 | 3/4 |

Employee development

Bus Átha Cliath is committed to ensuring that the necessary skills and knowledge are identified and developed so that all employees have the opportunity to develop and make a positive contribution. A competency framework is used to identify the behaviours, skills and abilities essential to the successful performance of the various roles of employees in delivering a quality service to the required standard.

The Training Centre provides a number of training programmes to ensure that bus drivers are given the highest standard of training to enable them to deliver a safe, efficient, and reliable bus service to customers. All bus drivers participate in one day's training each year to qualify them for the Certificate of Professional Competence (CPC) in accordance with EU Directive 2003/59/EC and Road Safety Authority approval.

In addition to CPC, a driving skills competence development programme is delivered to all drivers. This programme uses a video training system (Vigil Vanguard) to facilitate reflective learning and behavioural change. The Training Centre also provides induction programmes for new bus drivers.

Health and safety

Bus Átha Cliath is fully committed to complying with the provisions of the Safety, Health, and Welfare at Work Act, 2005, and all other national and EU Regulations. The company's Safety Management System (SMS) is certified to the latest ISO 45001 standard.

As part of the company's compliance management programme, an external National Standards Authority of Ireland (NSAI) audit was conducted to ensure all requirements outlined in the SMS were in place and working effectively. With the ever-changing operating environment, particular attention has been focused on safety management brought on by increased traffic congestion, increased customer numbers and new drivers.

Diversity and inclusion

Bus Átha Cliath has a Diversity and Inclusion Policy which is kept under regular review. The company strategy is designed to ensure an efficient and fulfilling work environment for employees, to meet the changing needs of customers and underpin the quality of their experience of the company's services, and to deepen the company's connection to the diversity of the communities served.

The company has a track record that it is proud of. The company has developed recruitment and promotion systems based on equality, diversity, and non-discrimination. The company is developing supports for LGBTQ+ employees. The number of women at executive level throughout the organisation has increased.

The company has ensured access for people with disabilities to services, including a travel assistance scheme for older people and people with disabilities who require additional assistance in accessing the company's services.

The company takes pride in its management culture which is open, listening and responsive to employees and customers. The company employs an Equality and Diversity Officer and offers equality and diversity training for employees and collaborates with other public sector organisations in pursuit of good practice. The company is one of the founding Irish signatories of the Irish Diversity Charter. These achievements have been recognised internationally as best practice by the European Commission. The company has achieved the Investors in Diversity Silver Award.

Diversity and inclusion – the board

Bus Átha Cliath fully co-operates with the Department of Transport in ensuring that the board remains fully reflective of the community it serves and believes that a diverse and balanced board contributes significantly to the strength of the board's overall ability to carry out its challenging remit. There are nine director positions on the Bus Átha Cliath board, seven director positions are selected under the Public Appointments Service application process and appointed to the board by the Minister for Transport. The remaining two positions are filled under the provisions of the Worker Director Act.

As at 29 May 2024, there are nine directors on the board of Bus Átha Cliath. The board currently has 56% male and 44% female members.

The Government target is for the board to have a minimum of 40% representation of each gender in the membership of State Boards.

The following measures are planned to advance and support gender balance on the board:

- the Minister for Transport will continue to be advised upon vacancies of any potential implication for gender balance arising from the vacancies to be filled; and
- the Bus Átha Cliath Diversity and Inclusion Policy will continue to be regularly reviewed and updated in line with best practice in this area.

Diversity and inclusion – employees and customers

Bus Átha Cliath is committed to promoting equality, accommodating diversity, and ensuring non-discrimination for both its employees and customers. The company also promotes these values in the different sectors it does business with, and in the various communities that it serves. The company seeks to fulfil and go beyond its obligations under the Employment Equality Acts as an employer.

2016 Code of Practice for the Governance of State Bodies

Details of the policies and procedures implemented by the company following publication of the 2016 Code of Practice for the Governance of State Bodies are provided in the CIÉ Annual Report. The code provides minimum standards and the board endeavours to ensure compliance with best practice in Corporate Governance in the conduct of its business. The requirements of the 2016 Code of Practice for the Governance of State Bodies and subsequent annexes have been fully reflected in the 2023 financial statements and the Statement of Internal Control is set out below.

Public Spending Code

Bus Átha Cliath acknowledges its responsibility for ensuring compliance, in all material respects, with the provisions of the Public Spending Code. All Irish public bodies are obliged to treat public funds with care, and to ensure that the best possible value for money is obtained whenever public money is being spent or invested. The board endeavours to ensure compliance with best practice in Corporate Governance in the conduct of its business.

Payment practices

Bus Átha Cliath acknowledges its responsibility for ensuring compliance, in all material respects, with the provisions of the EC (Late Payment in Commercial Transactions) Amendment Regulation 2013. The company payment policy is to comply with the requirements of the Regulation.

Post balance sheet events

In May 2024 agreement was reached with the Revenue Commissioners regarding the available accumulated trading losses carried forward. These losses had arisen due to the treatment of subvention income as being not liable to taxation. The losses forward reduced from €1,543.8 million to €606.2 million effective from 1 January 2023.

The company does not recognise a deferred tax asset in relation to losses forward as the future recovery against taxable profits is uncertain. Therefore, this has not resulted in an adjusting item to the financial statements. The financial impact of this agreement has been included in the taxation disclosure in note 10 of the financial statements.

There have been no other significant post balance sheet events which require adjustment to the financial statements.

Auditors

The auditors, Mazars, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Disclosure of information to auditors

So far as each of the directors in office at the date of approval of the financial statements is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of Internal Control

Scope of responsibility

Bus Átha Cliath acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the 2016 Code of Practice for the Governance of State Bodies (the Code).

Purpose of the system of internal control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure, NDP Delivery and Reform has been in place in Bus Átha Cliath for the year ended 31 December 2023 and up to the date of approval of the financial statements.

Capacity to handle risk

Bus Átha Cliath has an Audit, Finance and Risk Committee (AFRC). The Charter and Terms of Reference of the AFRC provides for a number of directors to be appointed to the committee, one of whom is the Chairperson. The AFRC met six times in 2023.

Bus Átha Cliath, as part of the ClÉ Group, has also established an internal audit function which is appropriately resourced and conducts a programme of work agreed with the AFRC.

Bus Átha Cliath, as part of the ClÉ Group, has developed a Risk Management Framework (the Framework) which delegates responsibility for risk management to the company's Chief Risk Officer, and a reporting structure has been established. The board has responsibility for and approves the Risk Management Framework, tailored to address the specific strategic objectives, and to manage the specific risk exposures efficiently and effectively, within the context of the Policy.

The Framework is designed to ensure that appropriate procedures are in place within Bus Átha Cliath to identify, assess and manage the key risks facing all areas of the business. The key risks are those that can damage its reputation, operational and/or financial capability or cause hazards or prevent it from achieving its objectives in a risk averse manner.

Risk and control framework

Risk assurance is provided by way of the three lines of defence. The key differentiating factor between these three lines of defence is their levels of independence.

The three lines of defence governance model distinguishes between risk ownership, supervision and oversight as follows:

- Risk Ownership i.e., functions owning and managing risks as part of their day-to-day activities (first line of defence);
- Risk Supervision i.e., functions overseeing risks and providing robust challenge to the management teams (second line of defence); and
- Risk Oversight i.e., functions providing independent assurance (third line of defence).

Risk Ownership is aligned with business ownership. As the heads of the departments are responsible for achieving business objectives, they are ultimately responsible, as Risk Owners, for identifying and managing risks associated within their areas of responsibility. They exercise this responsibility by ensuring that risk identification is fully incorporated into the day-to-day activities of those working within their departments.

Newly identified risks are assigned to a Risk Owner, that is, Head of the Department. This individual may delegate the management of the risk to an Action Owner who will be responsible for the further analysis, evaluation, and treatment of the risk in question.

Bus Átha Cliath has implemented a risk management system via an auditable risk software system, OpRiskControl, which has been designed to ensure that Risk Owners and other department resources adopt a consistent, robust approach at every stage of the risk management process, from risk identification through to escalation. In accordance with ISO 31000 Risk Management, it is policy that risks be defined at a level that can be managed, that is, they are sufficiently articulated so that the possible extent and likelihood of the event can be appraised, and mitigating actions put in place.

Risks are evaluated by the responsible Risk Owner using risk criteria tables which have been developed so that risks which are outside of risk appetite, are assigned the appropriate risk rating, and are escalated to the appropriate level of oversight.

Ongoing monitoring and review

All newly identified risks and principal risks and decisions and details of any emerging risks are subject to peer review by the executive team.

Periodic reports will incorporate the following as standard:

- principal risks;
- changes to principal and non-principal risk ratings;
- newly identified risks;
- emerging risks;
- updates from the Bus Átha Cliath IT risk register;
- overview of risk universe; and
- risks in breach of risk appetite and mitigating actions.

A report of all risks, status against risk appetite and performance against KPIs is thereafter escalated to the AFRC/AFIC/Risk Committee, quarterly, with supporting risk detail reports.

In addition to the above, all top group principal risks and risks outside of risk appetite are escalated for assessment by the CIÉ Executive Board on a group-wide basis. A report of top group principal risks, status against risk appetite and performance against KPIs with supporting risk detail reports is escalated to each sitting of the AFRC/AFIC/Risk committees and to the CIÉ Board on a quarterly basis.

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the board, where relevant, in a timely way. Bus Átha Cliath confirms that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies;
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned; and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

Bus Átha Cliath confirms it has procedures in place to ensure compliance with current procurement rules and guidelines.

A compliance review of procurement activity in Bus Átha Cliath for 2023 has identified non-compliances, on an overall spend of €75.1 million excluding VAT, totalling €59,000 excluding VAT (0.08%). The root cause of the non-compliant expenditure has been identified with a remedial action plan implemented.

Review of effectiveness

The 2016 Code of Practice for the Governance of State Bodies published by the Department of Public Expenditure, NDP Delivery and Reform requires an external review of effectiveness of risk management framework of each State Body be completed "on a periodic basis". External consultant, Mazars, completed its review of the company Risk Management Framework in 2021 to ensure the framework appropriately reflects the requirements of the Code. The company was found to be compliant with the Code. A subsequent external review will be conducted in 2024.

Furthermore, Bus Átha Cliath confirms that it has procedures to monitor the effectiveness of its risk management and control procedures. The company's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the AFRC/AFIC which oversees their work, and the senior management within Bus Átha Cliath responsible for the development and maintenance of the internal control framework.

Bus Átha Cliath confirms that the board conducted an annual review of the effectiveness of the internal controls for 2023.

Internal control issues

No weaknesses in internal control were identified in relation to 2023 that require disclosure in the financial statements.

Directors' Responsibility Statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

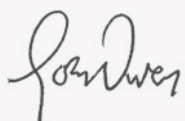
- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

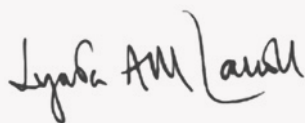
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for ensuring the company's compliance with the 2016 Code of Practice for the Governance of State Bodies.

Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

On behalf of the board



Mr G. Owens
Chairperson



Ms L. Carroll
Director

Date: 29 May 2024

Independent Auditor's Report

To the members of Bus Átha Cliath

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bus Átha Cliath ('the Company'), which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cashflow Statement, and notes to the Company financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council (FRS 102).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2023, and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Under the Code of Practice for the Governance of State Bodies (August 2016) (the "Code of Practice"), we are required to report to you if the statement regarding the system of internal control required under the Code of Practice as included in the Corporate Governance Statement in the Directors' Report does not reflect the companies compliance with paragraph 1.9(iv) of the Code of Practice or if it is not consistent with the information of which we are aware from our audit work on the financial statements.

We have nothing to report in this respect.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 46, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

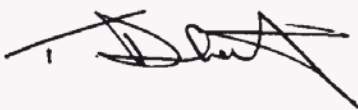
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tommy Doherty
for and on behalf of Mazars

Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Date: 6 June 2024

Profit and Loss Account

For the Financial Year Ended 31 December 2023

| | <i>Notes</i> | 2023 €'000 | 2022 €'000 |
|--|--------------|-----------------------------|-----------------------------|
| Revenues | | | |
| Operating revenue | | 9,306 | 5,383 |
| Public Service Obligation payment | | 325,251 | 303,263 |
| Revenue grants | | 267 | 1,474 |
| Total revenue | 4 | 334,824 | 310,120 |
| Costs | | | |
| Payroll and related costs | 5 | (241,503) | (231,712) |
| Materials and services costs | 6 | (91,456) | (78,621) |
| Total direct costs | | (332,959) | (310,333) |
| EBITDA before exceptional costs | | 1,865 | (213) |
| Exceptional operating costs | 7 | (1,115) | (118) |
| Depreciation and amortisation (net) | 8 | (98) | (46) |
| Loss on disposal of tangible assets | 12 | (8) | - |
| Surplus/(deficit) before interest and tax | | 644 | (377) |
| Interest receivable and similar income | 9 | 2,058 | - |
| Interest payable and similar charges | 9 | (367) | (234) |
| Surplus/(deficit) before tax | | 2,335 | (611) |
| Tax on surplus/(deficit) for the year | 10 | (255) | 1,039 |
| Surplus for the year | | 2,080 | 428 |

Statement of Total Comprehensive Income

For the Financial Year Ended 31 December 2023

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Surplus for the year | 2,080 | 428 |
| Total comprehensive income for the year | 2,080 | 428 |


All results derive from continuing activities.

Balance Sheet

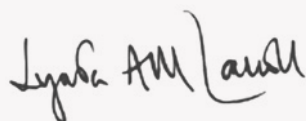
As at 31 December 2023

| | Notes | 2023 €'000 | 2022 €'000 |
|--|-------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | 11 | 1,104 | 974 |
| Tangible assets | 12 | 52,827 | 54,016 |
| | | 53,931 | 54,990 |
| Current assets | | | |
| Stocks | 13 | 5,694 | 4,455 |
| Debtors | 14 | 160,363 | 167,367 |
| Cash at bank and in hand | | 290 | 316 |
| | | 166,347 | 172,138 |
| Creditors (amounts falling due within one year) | 15 | (56,148) | (66,813) |
| Net current assets | | 110,199 | 105,325 |
| Total assets less current liabilities | | 164,130 | 160,315 |
| Provision for liabilities | 16 | (77,830) | (74,968) |
| Deferred income | 17 | (39,253) | (40,380) |
| Net assets | | 47,047 | 44,967 |
| Capital and reserves | | | |
| Called up share capital | 18 | 69,836 | 69,836 |
| Profit and loss account | | (22,789) | (24,869) |
| Equity | | 47,047 | 44,967 |

On behalf of the board



Mr G. Owens
Chairperson



Ms L. Carroll
Director

Date: 29 May 2024

Statement of Changes in Equity

For the Financial Year Ended 31 December 2023

| | Called up share capital €'000 | Profit and loss account €'000 | Total €'000 |
|---|--|--|-----------------------------|
| Balance at 1 January 2022 | 69,836 | (25,297) | 44,539 |
| Total comprehensive income for the year | – | 428 | 428 |
| Balance at 31 December 2022 | 69,836 | (24,869) | 44,967 |
| Balance at 1 January 2023 | 69,836 | (24,869) | 44,967 |
| Total comprehensive income for the year | – | 2,080 | 2,080 |
| Balance at 31 December 2023 | 69,836 | (22,789) | 47,047 |

Cashflow Statement

For the Financial Year Ended 31 December 2023

| | <i>Notes</i> | 2023 €'000 | 2022 €'000 |
|--|--------------|-----------------------------|-----------------------------|
| Net cash (utilised)/generated from operating activities | 19 | (9,855) | 1,937 |
| Cash flow from investing activities | | | |
| Purchase of intangible fixed assets | 11 | (827) | (660) |
| Purchase of tangible fixed assets | 12 | (15,106) | (4,821) |
| Capital grants received | 17 | 16,605 | 4,789 |
| Decrease/(increase) in receivable balance with parent company | 14 | 7,466 | (872) |
| Tax paid | | - | (1) |
| Interest received | 9 | 2,058 | - |
| Interest paid | 9 | (367) | (234) |
| Net cash provided from/(used in) investing activities | | 9,829 | (1,799) |
| Cash flow from financing activities | | | |
| | | - | - |
| Net cash used in financing activities | | - | - |
| Net (decrease)/increase in cash and cash equivalents | | (26) | 138 |
| Cash and cash equivalents at beginning of year | | 316 | 178 |
| Cash and cash equivalents at end of year | | 290 | 316 |

Notes to the Financial Statements

1 Significant Accounting Policies

Statement of compliance

The financial statements of Bus Átha Cliath have been prepared on a going concern basis in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2014.

Activities and ownership

Córas Iompair Éireann (CIÉ), of which Bus Átha Cliath is a wholly owned subsidiary, is Ireland's national statutory authority providing land public transport within Ireland. CIÉ is wholly owned by the Government of Ireland and reports to the Minister for Transport.

Bus Átha Cliath is Dublin's leading provider of public transport.

Bus Átha Cliath, the company, is a Commercial State company and is part of the CIÉ Group of companies. The company was re-registered as a Designated Activity company effective from 1 February 2016, under the Companies Act 2014. The company is registered in Dublin. The company registration number is 119569 and the registered office is located at 59 Upper O'Connell Street, Dublin 1.

The financial statements of the company relate solely to the activities of Bus Átha Cliath.

Summary of significant accounting policies

The significant accounting policies used in the preparation of these financial statements are set out on the following pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

As permitted by the Companies Act 2014, the directors have adapted the prescribed format of the profit and loss account in a manner appropriate to the nature of the company's business. EBITDA is company earnings before adjustment for interest and taxation charged, depreciation of fixed assets and amortisation of capital grants received.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimating uncertainty at the reporting date. It also requires directors to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are set out at (u) below, "Critical accounting estimates and assumptions".

FRS 102 allows a qualifying entity certain disclosure exemptions. Bus Átha Cliath has not taken advantage of any available exemption for qualifying entities for the year ended 31 December 2023.

(b) Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The confirmation is made after having reviewed future trading performance, capital expenditure plans and liquidity availability. The directors also considered risks and uncertainties in the business along with available public information.

Therefore, these entity financial statements have been prepared on a going concern basis. Further information is set out in note 2.

(c) Foreign currency

(i) Functional and presentation currency

The functional currency and presentational currency of the company is the Euro, denominated by the symbol “€” and unless otherwise stated, the financial statements have been presented in thousands (€'000).

(ii) Transactions and balances

Transactions denominated in a foreign currency are translated into the functional currency using the spot exchange rates at the date of the transactions.

At the end of each financial year, foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within ‘interest receivable and similar income’ or ‘interest payable and similar charges’ as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within ‘materials and services costs’.

(d) Turnover

Turnover comprises the gross value of services provided. Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered. Bus Átha Cliath recognises turnover in the period in which the service is provided.

Bus Átha Cliath recognises revenue through its different revenue streams as follows:

On-bus cash

On-bus cash revenue is recognised at point of sale which is the day the service is provided.

Online sales

Revenue generated from online sales is recognised in the period to which it relates. The revenue receipts are received in advance.

Other revenue

Other revenue is recognised in line with the delivery of service. The revenue receipts are received in arrears.

Gross Cost Contract

From 1 January 2021, Bus Átha Cliath records revenue generated under the Direct Award Contract with the NTA on a gross cost basis. The company is paid based on the quantum of the services provided. All fare box and other passenger revenue received from the public transport passenger is remitted to the NTA and is no longer recognised in the profit and loss account of Bus Átha Cliath. Bus Átha Cliath submits an invoice on a periodic basis for the provision of services under the Direct Award Contract which is paid to the company one period in arrears. Further details on the accounting policy for PSO payments under the Direct Award Contract are set out in policy (e) Grant income – European Union and public service obligations and other Exchequer grants.

(e) Grant income – European Union and public service obligations and other Exchequer grants

Bus Átha Cliath recognise government grants in line with the accruals model under FRS 102.

Grants for capital expenditure

Grants for capital expenditure 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.

Public Service Obligation (PSO) payments

PSO payments received and receivable under the Direct Award Contract with the NTA during the year are recognised in the profit and loss account in the period they become receivable.

Revenue grants and subsidies

Grants in respect of expenditure are recognised in the profit and loss at the same time as the related expenditure and for which the grant is intended to compensate is incurred.

(f) Materials and services costs

Materials and services costs, otherwise referred to as operating costs, constitute all costs associated with the day-to-day running of the operations of Bus Átha Cliath, excluding depreciation, amortisation and payroll costs which are disclosed separately in the profit and loss account, and set out in more detail in note 6 of the financial statements.

(g) Interest receivable/interest payable

Interest income or expense is recognised using the effective interest method.

(h) Exceptional costs/income

The Bus Átha Cliath profit and loss account separately identifies results before specific items. Specific items are those that in our judgement need to be disclosed separately by virtue of their size, nature, or incidence. Bus Átha Cliath believes that this presentation provides additional analysis as it highlights exceptional items. Such items include significant business restructuring costs.

In this regard the determination of 'significant' as included in our definition, both qualitative and quantitative judgement is used by the company in assessing the particular items, which by virtue of their scale and nature, are disclosed in the profit and loss account and related notes as exceptional items.

(i) Taxation

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

(ii) Deferred tax

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

(j) Related parties

Bus Átha Cliath is a subsidiary of ClÉ Group. Bus Átha Cliath discloses transactions with related parties which are not wholly owned within the group. It does not disclose transactions with members of the same group that are wholly owned.

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

(k) Intangible fixed assets

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight-line basis. Software is not considered to have a residual value. Where factors, such as technological advancement or changes in market prices, indicate that the software's useful life has changed, the useful life is amended prospectively to reflect the new circumstances. Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

(l) Tangible fixed assets

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use and applicable decommissioning costs.

(i) The bases of calculation of depreciation are as follows:

Road passenger vehicles

Road passenger vehicles are depreciated on the basis of the historical cost of vehicles in the fleet, spread over their expected useful lives, on a reducing percentage basis which reflects the vehicles' usage throughout their lives. The expected useful life of assets in this category is between 3 and 12 years.

Bus stops and shelters

Bus stops and shelters are depreciated, by equal annual instalments, on the basis of historical cost spread over their expected useful lives. The expected useful life of assets in this category is between 3 and 15 years.

Plant and machinery

Plant and machinery are depreciated, by equal annual instalments, on the basis of historical cost spread over their expected useful lives. The expected useful life of assets in this category is between 3 and 10 years.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(ii) Subsequent additions

Subsequent costs, including in respect of replaced components, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs and maintenance costs are expensed as incurred.

(iii) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss account.

(m) Impairment of non-financial assets

At the end of each financial year non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

The recoverable amount of the asset (or asset's cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or asset's cash-generating unit) and from its ultimate disposal. In measuring value-in-use, pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or asset's cash-generating unit) is less than the carrying amount of the asset (or asset's cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

If an impairment loss reverses (i.e. the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account.

(n) Leased assets

Operating leases do not transfer substantially the risk and rewards of ownership to the lessee. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the period of the lease. Operating leases include road passenger vehicles received under a bus leasing agreement with the National Transport Authority.

(o) Stocks

Stocks consist of maintenance materials, spare parts and fuel and other sundry stock items. Stocks of materials and spare parts are valued at the lower of weighted average cost and net realisable value. Cost comprises the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

At the end of each financial year, stocks are assessed for impairment and provision is made for stocks considered to be impaired.

(p) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(q) Financial instruments

The company has chosen to adopt the provisions of Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

The company has a number of basic financial assets which include trade and other debtors, amounts owed from group companies and cash and cash equivalents, and which are recorded in current assets as due in less than one year. Basic financial assets are initially recognised at transaction price (including transaction costs) unless the arrangement constitutes a financing transaction.

Where the arrangement constitutes a financing transaction, the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents, and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year, financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in the profit and loss account. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases, and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in the profit and loss account.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Similarly, the company has a number of basic financial liabilities, including trade and other creditors, bank loans and overdrafts and loans from group companies, which are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans and overdrafts, loans from fellow group companies and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

(r) Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when Bus Átha Cliath has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Restructuring provisions are recognised when Bus Átha Cliath has a legal or constructive obligation at the end of the financial year to carry out the restructuring. Bus Átha Cliath has a constructive obligation to carry out a restructuring when there is a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected.

Provision is made for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to the company.

Other provisions consist of provisions related to the operation of bus services, pay related provisions, environmental provisions, legal claims, and pension related provisions.

Provisions are not made for future operating losses.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that Bus Átha Cliath will be required to transfer economic benefits in settlement of the obligation, or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(s) Employee benefits

The company provides a number of employee benefits to staff depending on their grade, seniority and statutory obligations. Benefits include the payment of salary or wages and the payment of premia for additional work undertaken. In addition, employer contributions in respect of pension are made for eligible staff to the respective pension schemes.

Post-employment benefits

The CIÉ Group operates two defined benefit plans (the CIÉ Pension Scheme for Regular Wages Staff and the CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000 defined benefit plan) for employees of the CIÉ group.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a post-employment benefit other than a defined contribution plan.

These schemes have been accounted for in the CIÉ Group financial statements. The defined benefit pension scheme assets are measured at fair value.

Defined benefit pension schemes liabilities are measured on an actuarial basis using the projected unit credit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet of CIÉ as a liability.

All of the subsidiaries, as well as CIÉ itself, participate in the CIÉ Pension Scheme for Regular Wages Staff and the CIÉ Superannuation Scheme 1951 (Amendment) Scheme 2000 defined benefit plan. The scheme rules do not specify how any surplus or deficit should be allocated among participating employers and there is no contractual agreement or stated policy for allocating the net defined benefit cost to the individual group entities. Accordingly, the net defined benefit costs for the schemes, as a whole, are recognised in the separate financial statements of CIÉ, as in the absence of a formal contractual arrangement the directors believe that this is the entity that is legally responsible for the schemes. The other participating entities, including Bus Átha Cliath recognise a cost equal to their contribution for the period.

In July 2022, amended Statutory Instruments for the Regular Wages Scheme were approved by the Minister for Transport, bringing into effect changes agreed at a Workplace Relations Commission and approved by staff intended to secure the funding position for the scheme.

Further details of these schemes are set out in note 20.

(t) Equity

Bus Átha Cliath equity shares are wholly owned by CIÉ. Ordinary called up share capital and revenue reserves are classified as equity. Share capital is set out in note 18 of the financial statements.

(u) Critical accounting estimates and assumptions

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The areas involving a higher degree of judgement and complexity and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of intangible and tangible assets

The annual amortisation charge for intangible assets and the depreciation charge for tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and the physical condition of the assets. The useful economic lives for each class of intangible and tangible assets are set out at (k) and (l) above. The carrying amount of intangible and tangible assets are set out in notes 11 and 12.

(ii) Defined benefit pension scheme

The CIÉ Group, of which the company is a member has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including assumptions in respect of life expectancy, salary increases and the discount rate on corporate bonds. Further details are set out in note 20.

(u) Critical accounting estimates and assumptions – continued

(iii) Third party and employer liability claims provision and related recoveries

Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to the company.

The company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

Further details are set out in note 16 to the financial statements.

(iv) Road passenger vehicles received under the bus leasing agreement with the NTA

Road passenger vehicles received under the bus leasing agreement with the NTA are recognised in line with (n) Leased assets above.

Changes to the rights and obligations of the company and the NTA, as prescribed in the Direct Award Contract December 2019 – November 2024, took effect in 2020 and, as a result, the company had determined that road passenger vehicles recognised in line with (l) Tangible fixed assets in financial years 2017 to 2019 were derecognised in 2020 and are now recognised in line with (n) Leased assets.

Since 2021, an annual rental charge, as prescribed in the NTA bus leasing agreement, has been recognised for road passenger vehicles received under this agreement.

2 Going concern

The 2023 financial statements have been prepared on a going concern basis. This assumes that the company will have adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

The directors have given very careful consideration to the going concern basis of preparation at this time and are satisfied that it is appropriate for the 2023 financial statements to be prepared on this basis.

The key factors considered in arriving at this determination include:

Financial position as at 31 December 2023

At 31 December 2023 the company had net assets of €47.0 million (2022: €45.0 million) and net current assets of €110.2 million (2022: €105.3 million).

Net current assets include a non-cash liability of €15.8 million (2022: €15.0 million) relating to deferred income in respect of capital grants. Capital grants do not involve a cash commitment and are amortised in line with the depreciation of the asset. Therefore, excluding this non-cash item the company has net current assets of €126.0 million (2022: €120.3 million).

Net assets of the company include a non-cash liability of €55.1 million (2022: €55.4 million) relating to deferred income in respect of capital grants. Therefore, excluding this item the company has net assets of €102.1 million (2022: €100.4 million).

Global Economic Uncertainties

Geopolitical uncertainty remains a risk at a global economic level and this impacts certain business risks for the company. While risks such as energy security and supply chain disturbances have eased, the potential for future volatility remains a concern and cyber security concerns are also heightened in the current environment. Indications are that monetary policies globally have been successful in addressing inflation and market expectations are for rate reductions in 2024 which will have a positive impact on spending ability for businesses and consumers.

PSO DAC

The company was awarded a Direct Award Contract (DAC) on a net cost contract basis at the end of 2019, which transitioned to a gross cost contract from 1 January 2021. The company continues to operate under a gross cost contract for the remainder of the current DAC. Under a gross cost contract responsibility for recognising PSO fare box and other passenger revenue transfers to the NTA.

The company continued to operate PSO services in line with the DAC during 2023. The company was fully funded in 2023 under the contract and responsibility for PSO fare box and other passenger revenue remains with the NTA. The NTA has confirmed its intention to continue to provide PSO funding in line with the DAC in 2024.

In 2023, the NTA advised that the company will receive a new five-year DAC of similar size and scale. This contract will operate from 1 December 2024 to 30 November 2029.

The directors considered the quantum of funding likely to be required for 2024 and 2025. Consideration of the assumption that appropriate levels of PSO funding could be provided in 2024 and 2025 was an essential element in the directors' assessment of the financial position of the company.

The directors are satisfied that:

- it remains the intention of the NTA to fund PSO Services in line with the DAC
- detailed scenario planning has allowed reasonable assessments of the level of funding likely to be required be provided
- the 2024 Exchequer Budget included adequate provision to fund the PSO Contract in 2024
- the NTA will receive sufficient funding from the Exchequer to fund the DAC in 2024 and 2025
- the NTA will receive sufficient funding from the Exchequer to fund the capital commitments undertaken by the company in respect of its NTA capital project portfolio for 2024 and 2025

The directors considered all relevant information in forming a view as to the reasonableness of their conclusions in relation to the provision of such funding and detailed documentation was provided to the directors to assist them in their deliberations. This included consideration of management engagement with key stakeholders, detailed modelling and scenario planning, Exchequer Budget 2024, as well as all relevant publicly available information.

Commercial activities

Commercial Services continued to operate in 2023, at reduced levels, as the company emerges from the downsizing required during COVID-19. The company also continues to assess future commercial opportunities. Commercial Services earned a surplus in 2023 of €1.0 million.

The board has approved the continuation of a small team to develop future opportunities for Commercial Services in 2024 and beyond, as the operating environment improves. Having considered detailed scenarios and projections, the directors are satisfied that the company has sufficient resources to fund Commercial Services in 2024 and 2025.

On-going management actions

Management continue to take a number of actions, including:

- continuous engagement with the NTA on appropriate funding in support of the continued operation of the DAC
- close monitoring of all economic trends and the impact of global economic uncertainties including conflict zones, on the company's business activities
- close monitoring of all issues impacting on Commercial Services
- close monitoring by management of the daily, weekly and monthly cash position across the company
- close monitoring of the Group's treasury policy and facilities
- continued implementation and rigorous monitoring of cost saving initiatives
- detailed assessments of all Capital Expenditure proposals and their impact on liquidity
- continuous review of risks and opportunities affecting the company's operations

CIÉ Group

CIÉ Group (the Group) operates a pooled treasury system and the company relies on the Group's banking facilities to enable it to manage its operations in accordance with its approved business plan. The ongoing support of CIÉ Group is evidenced in the Letter of Support from CIÉ to the company dated 22 May 2024.

The letter states: "It remains CIÉ policy that the company is at all times in a position to meet its liabilities. CIÉ shall continue to exercise its shareholder rights and statutory obligations with a view to ensuring that the company manages its operations, in accordance with its approved business plans, and in a manner which will enable it to meet all its obligations in a timely manner. CIÉ will provide the financial support necessary to permit the company to continue operating and liquidating its liabilities in the normal course of business for at least a period of twelve months after the date of signing the financial statements. In the event of default by any CIÉ subsidiary undertaking who owe amounts to the company, the Parent will compensate for losses incurred."

The CIÉ Board approved a consolidated group budget for 2024 in December 2023. Based on the continued operation of the direct award contracts on the agreed basis, the consolidated group budget for 2024 shows that the Group has sufficient resources to continue in operation for at least 12-months from the date of approval of these financial statements.

Conclusion

The directors of Bus Átha Cliath, having regard to the factors outlined above, have a reasonable expectation that the company will have adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements and consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

3 Net surplus/(deficit) by activity

| | Social Activities – Direct Award Contract | | Other Social Activities | | Commercial Activities | |
|---|---|----------------|----------------------------|---------------|--------------------------|---------------|
| | 2023 €'000 | 2022 €'000 | 2023 €'000 | 2022 €'000 | 2023 €'000 | 2022 €'000 |
| Operating revenue | – | – | 59 | – | 9,247 | 5,383 |
| Public Service Obligation payment | 325,251 | 303,263 | – | – | – | – |
| Revenue grants | 226 | 219 | – | 744 | 41 | 511 |
| Total revenue | 325,477 | 303,482 | 59 | 744 | 9,288 | 5,894 |
| Costs before exceptional credits and (charges) | (323,195) | (303,114) | (154) | (784) | (8,280) | (5,676) |
| Operating surplus/(deficit) before exceptional credits and (charges) | 2,282 | 368 | (95) | (40) | 1,008 | 218 |
| Exceptional operating credits and (charges) | (1,098) | 157 | – | (275) | (17) | – |
| Net surplus/(deficit) | 1,184 | 525 | (95) | (315) | 991 | 218 |

Social Activities – Direct Award Contract relates to activities carried out under the DAC with the NTA. Bus Átha Cliath recognised a total of €325.3 million in operating subvention, after performance deductions, from the NTA relating to 2023.

From 1 January 2021, Bus Átha Cliath records revenue generated under the DAC on a gross cost basis. Bus Átha Cliath is paid based on the quantum of the services provided. All fare box and other passenger revenue received from the public transport passenger is remitted to the NTA and is no longer recognised in the profit and loss account of Bus Átha Cliath.

Other Social Activities relate to activities carried out in support of the DAC which are not funded by the NTA under the DAC.

Commercial Activities relate to other activities. These include commercial activities operated under the DoDublin brand and services provided to the NTA in relation to the BusConnects Network Redesign programme.

4 Revenue

(a) Total revenue

This comprises operating revenue, net of recoverable VAT, receipts under the DAC and revenue grants. The company is a transport service provider and provides services throughout Dublin and is regulated by the NTA. Fare box and passenger revenues generated under the DAC from passenger services are no longer recognised by the company following the transition to a gross cost basis from 1 January 2021. All fare box and other passenger revenue collected from public transport passengers under the DAC is remitted to the NTA and is no longer recognised in the profit and loss account of Bus Átha Cliath.

(b) Public Service Obligation (PSO)

The PSO payment payable to Bus Átha Cliath – through its holding company, CIÉ, amounted to €325.3 million for the year ended 31 December 2023 (2022: €303.3 million).

(c) Revenue grants

Revenue grants are brought to profit and loss account in full in the relevant year received/receivable. Further details on the granting agencies, programmes and sponsoring authorities are set out in note 17 (a), in accordance with Department of Public Expenditure, NDP Delivery and Reform's Circular Reference 13/2014.

5 Payroll and related costs

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Staff costs comprise: | | |
| Wages and salaries | 202,745 | 195,577 |
| Social insurance costs | 21,018 | 19,442 |
| Other retirement benefit costs (note 20) | 18,105 | 16,558 |
| Gross staff costs | 241,868 | 231,577 |
| Less: capitalised payroll | (520) | – |
| Total staff costs (excluding directors' remuneration) | 241,348 | 231,577 |
| Directors' remuneration | | |
| <i>Emoluments</i> | | |
| - for services as directors | 91 | 72 |
| - for other services | 61 | 60 |
| | 152 | 132 |
| Contributions paid to defined benefit scheme | 3 | 3 |
| Total directors' remuneration and emoluments | 155 | 135 |
| Total payroll and related costs | 241,503 | 231,712 |

Retirement benefits are accruing to 1 director during the year (2022: 1 director) under a defined benefit pension scheme.

No costs were incurred in respect of loss of office for any directors during 2023 or 2022 or after the balance sheet date.

| | Number of Employees | |
|---|----------------------------|--------------|
| | 2023 | 2022 |
| The average number of employees during the year were: | | |
| Wages grade | 3,409 | 3,278 |
| Executive/clerical | 425 | 423 |
| Temporary/contract | 106 | 70 |
| Total | 3,940 | 3,771 |

Key management compensation

Key management includes the directors and members of senior management. Wages and salaries costs include the following remuneration payable to the Chief Executive Officer.

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Chief Executive Officer compensation | | |
| Basic salary | 200 | 200 |
| Benefit-in-kind | 3 | - |
| Social insurance costs | 8 | 6 |
| Post-retirement benefit costs | 50 | 46 |
| Total | 261 | 252 |

The Chief Executive's salary is in line with the Department of Public Expenditure, NDP Delivery and Reform's guidelines for Chief Executives. The Chief Executive also availed of the use of a company car (2022: company car) on which a taxable benefit-in-kind arose and is disclosed in Chief Executive Officer compensation above.

The compensation paid or payable to key management for employee services (including the Chief Executive Officer) is shown below:

| | 2023 €'000 | 2022 €'000 |
|------------------------------------|-----------------------------|-----------------------------|
| Key management compensation | | |
| Salary | 1,750 | 1,277 |
| Taxable benefit-in-kind | 3 | - |
| Social insurance costs | 117 | 82 |
| Post-retirement benefit costs | 451 | 337 |
| Total | 2,321 | 1,696 |

During 2023 a review of the Senior Leadership Team structure was undertaken in order to align the structure with the company strategy approved by the Board during 2023. A revised Executive Team was announced in February 2024 and is now in the process of being implemented. The disclosure above contains the full payments to members of the Senior Leadership Team in place during 2023.

The directors of the company were paid directors' fees for services as directors during 2023 as follows:

| | |
|---------------|---------|
| Mr G. Owens | €21,600 |
| Ms L. Carroll | €12,600 |
| Ms E. Howley | €12,600 |
| Mr C. Maybury | €12,600 |
| Ms E. Murray | €6,783 |
| Mr K. Wallace | €12,600 |
| Dr R. Widdis | €12,600 |

Mr S. Hannan and Mr D. Healy did not receive any directors' fees from the company.

All payments comply in full with government guidelines for directors' fees.

The expenses paid for directors in 2023 amounted to €966 (2022: €683).

5 (a) Payroll and related costs: additional disclosure requirements under the 2016 Code of Practice for the Governance of State Bodies:

| Included in wages and salaries: | 2023 €'000 | 2022 €'000 |
|--|-----------------------|-----------------------|
| Salary | 127,439 | 116,129 |
| Overtime | 17,685 | 15,556 |
| Allowances | 57,621 | 63,892 |
| Total | 202,745 | 195,577 |

Number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €25,000 from €50,000 upwards.

| | Number of Employees | |
|----------------------|----------------------------|-------------|
| | 2023 | 2022 |
| €50,000 to €75,000 | 1,889 | 1,521 |
| €75,001 to €100,000 | 192 | 178 |
| €100,001 to €125,000 | 36 | 27 |
| €125,001 to €150,000 | 10 | 6 |
| €150,001 to €175,000 | 2 | 2 |
| €175,001 to €200,000 | 1 | – |
| €200,001 to €225,000 | 2 | 1 |

5 (b) Payroll and related costs: additional disclosure requirements under the Department of Public Expenditure, NDP Delivery and Reform's Circular Reference 13/2014

Number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards.

| | Number of Employees | |
|----------------------|----------------------------|-------------|
| | 2023 | 2022 |
| €60,000 to €70,000 | 489 | 427 |
| €70,001 to €80,000 | 178 | 158 |
| €80,001 to €90,000 | 87 | 82 |
| €90,001 to €100,000 | 39 | 30 |
| €100,001 to €110,000 | 22 | 13 |
| €110,001 to €120,000 | 11 | 11 |
| €120,001 to €130,000 | 4 | 5 |
| €130,001 to €140,000 | 7 | 2 |
| €140,001 to €150,000 | 2 | 2 |
| €150,001 to €160,000 | 2 | 2 |
| €180,001 to €190,000 | 1 | – |
| €200,001 to €210,000 | 2 | 1 |

6 Materials and services costs

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Fuel and lubricants | 32,146 | 27,313 |
| Materials | 25,184 | 21,010 |
| Road tax and licences | 963 | 1,053 |
| Rent and rates | 982 | 803 |
| Foreign exchange losses | 31 | 18 |
| Charge for movement in provision for impairment of stocks | 54 | 251 |
| (Credit) for movement in provision for impairment of debtors | – | (26) |
| Operating lease rentals | 574 | 457 |
| Third party and employer's liability claims | 4,367 | 1,265 |
| Other services | 27,155 | 26,477 |
| Total | 91,456 | 78,621 |

6 (a) Materials and services costs: additional disclosure requirements under the 2016 Code of Practice for the Governance of State Bodies:

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Travel and subsistence | | |
| National travel and subsistence | 1 | 1 |
| International travel and subsistence | 46 | 17 |
| Hospitality | 73 | 47 |
| Total Travel and subsistence | 120 | 65 |
| Legal costs and settlements | | |
| General legal fees | 245 | 275 |
| Third party and employer's liability claims legal fees (note 16) | 1,264 | 1,600 |
| Third party and employer's liability claims compensation (note 16) | 2,542 | 2,282 |
| Total legal costs and settlements | 4,051 | 4,157 |

7 Exceptional operating costs

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Restructuring and other employee matters | 1,115 | 118 |
| Total | 1,115 | 118 |

7 (a) Termination/severance: additional disclosure requirements under the 2016 Code of Practice for the Governance of State Bodies:

Termination or severance payments made in the reporting period amounted to nil (2022: nil).

8 Depreciation and amortisation of tangible and intangible assets

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Amortisation of intangible fixed assets (note 11) | 697 | 693 |
| Depreciation of tangible fixed assets (note 12) | 16,287 | 16,405 |
| Amortisation of capital grants (note 17) | (16,886) | (17,052) |
| | 98 | 46 |

9 Interest

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Interest receivable and similar income | | |
| On balances with holding company | 2,058 | - |
| | 2,058 | - |
| Interest payable and similar charges | | |
| On balances with holding company | (361) | (225) |
| Other interest payments | (6) | (9) |
| | (367) | (234) |

10 Taxation

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Tax expense included in profit or loss | | |
| Current tax: | | |
| Irish corporation tax on surplus for the financial year | 255 | – |
| Adjustments in respect of prior financial years | – | (1,039) |
| Current tax expense for the financial year | – | – |
| Deferred tax: | | |
| Origination and reversal of timing differences | – | – |
| Deferred tax expense for the financial year | – | – |
| Tax on profit on ordinary activities | 255 | (1,039) |

Factors affecting tax charge for the year

Tax assessed for the financial year differs than that determined by applying the standard rate of corporation tax in the Republic of Ireland for the financial year ended 31 December 2023 of 12.5% (2022: 12.5%) to the surplus for the year. The differences are explained below:

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Surplus/(deficit) on ordinary activities before tax | 2,335 | (611) |
| Surplus/(deficit) on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2022: 12.5%) | 292 | (76) |
| <i>Effects of:</i> | | |
| Depreciation in excess of capital allowances for year | 1,809 | 1,760 |
| Non-taxable income | (2,111) | (2,132) |
| Non-deductible expenditure | 8 | 6 |
| Surrender of loss relief to group company | – | 442 |
| Income charged to tax at higher rate | 257 | – |
| Total tax charge for the year | 255 | – |
| Reversal of prior year tax provision | – | (1,039) |
| Tax on surplus/(deficit) for the year | 255 | (1,039) |

A potential deferred tax asset of €76 million (2022: €193 million) has not been recognised, as the future recovery against taxable profits is uncertain.

In May 2024 agreement was reached with the Revenue Commissioners regarding the available accumulated trading losses carried forward. These losses had arisen due to the treatment of subvention income as being not liable to taxation. The losses forward are reduced from €1,543.8 million to €606.2 million effective from 1 January 2023 and the potential deferred tax asset associated with these losses is reduced to €76 million from €193 million.

Bus Átha Cliath is in compliance with the requirements of Department of Public Expenditure, NDP Delivery and Reform's Circular Reference 44/2006: Tax Clearance Procedures Grants, Subsidies and Similar Payments.

11 Intangible fixed assets

| | Software €'000 | Total €'000 |
|------------------------------|-------------------|-----------------|
| Cost | | |
| At 1 January 2023 | 14,839 | 14,839 |
| Additions | 827 | 827 |
| Disposals | (383) | (383) |
| At 31 December 2023 | 15,283 | 15,283 |
| Amortisation | | |
| At 1 January 2023 | (13,865) | (13,865) |
| Charge for the year (note 8) | (697) | (697) |
| Disposals | 383 | 383 |
| At 31 December 2023 | (14,179) | (14,179) |
| Net book amounts | | |
| At 31 December 2023 | 1,104 | 1,104 |
| At 31 December 2022 | 974 | 974 |

The expected useful lives of the intangible assets for amortisation purpose are as follows:

| | |
|----------|-----------|
| Software | 3-5 years |
|----------|-----------|

12 Tangible fixed assets

| | Road passenger vehicles €'000 | Bus stops and shelters €'000 | Plant and machinery €'000 | Total €'000 |
|------------------------------|--|---------------------------------------|------------------------------------|------------------|
| Cost | | | | |
| At 1 January 2023 | 274,065 | 32,907 | 45,271 | 352,243 |
| Additions | 2,791 | – | 12,315 | 15,106 |
| Disposals | (334) | – | (1,279) | (1,613) |
| At 31 December 2023 | 276,522 | 32,907 | 56,307 | 365,736 |
| Amortisation | | | | |
| At 1 January 2023 | (229,674) | (28,075) | (40,478) | (298,227) |
| Charge for the year (note 8) | (12,485) | (1,200) | (2,602) | (16,287) |
| Disposals | 326 | – | 1,279 | 1,605 |
| At 31 December 2023 | (241,833) | (29,275) | (41,801) | (312,909) |
| Net book amounts | | | | |
| At 31 December 2023 | 34,689 | 3,632 | 14,506 | 52,827 |
| At 31 December 2022 | 44,391 | 4,832 | 4,793 | 54,016 |

- (i) Road passenger vehicles at a cost of €111 million (2022: €121 million) were fully depreciated but still in use at the balance sheet date.
- (ii) There are no additions in respect of road passenger vehicles, being assets in the course of construction and assets not yet in service (2022: Nil).
- (iii) The company does not own the land and buildings in use; this is owned by the CIÉ Holding Company and is included in the financial statements of CIÉ.
- (iv) Assets with a cost of €1.6 million were disposed of during the year in compliance with CIÉ Group policies and procedures for disposals of assets and a loss on disposal of €8,488 was recorded.

13 Stocks

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Maintenance materials and spare parts | 4,038 | 2,951 |
| Fuel, lubricants, and other sundry stocks | 1,656 | 1,504 |
| | 5,694 | 4,455 |

The stock above is stated net of a stock obsolescence provision of €1,036,000 (2022: €981,000).

There is no significant difference between the replacement cost of stock and their carrying amounts.

14 Debtors

| | 2023 €'000 | 2022 €'000 |
|----------------------------------|-----------------------------|-----------------------------|
| Trade debtors | 601 | 595 |
| Amounts owed by holding company | 158,569 | 166,035 |
| Prepayments | 737 | 286 |
| Other debtors and accrued income | 456 | 451 |
| | 160,363 | 167,367 |

Amounts owed by the holding company are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The debtors above are stated net of provision for bad debts of €13,000 (2022: €17,000).

15 Creditors (amounts falling due within one year)

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Trade creditors | 4,184 | 4,372 |
| Corporation tax | 255 | – |
| Income tax/levy deducted under PAYE | 3,968 | 4,911 |
| Pay related social insurance | 3,345 | 3,434 |
| Value added tax | 370 | 242 |
| Withholding tax | 57 | 98 |
| Other creditors | 15,231 | 26,133 |
| Deferred revenue | 157 | 109 |
| Deferred income (note 17) | 15,830 | 14,984 |
| Accruals | 12,751 | 12,530 |
| | 56,148 | 66,813 |
| Creditors for taxation and social insurance included above | 7,995 | 8,685 |

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the creditors' usual and customary credit terms.

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Deferred revenue relates to revenue from short-term tickets.

16 Provision for liabilities

| | Environment matters | Legal and related matters | Restructuring and other employee matters | Third party and employer's liability claims | Total |
|--|----------------------------|----------------------------------|---|--|---------------|
| | €'000 | €'000 | €'000 | €'000 | €'000 |
| As at 1 January 2022 | 721 | 300 | 3,659 | 70,870 | 75,550 |
| (Credit)/charge to profit and loss account | (393) | 90 | 2,525 | 1,265 | 3,487 |
| Utilised during year | (52) | – | (135) | (3,882) | (4,069) |
| As at 31 December 2022 | 276 | 390 | 6,049 | 68,253 | 74,968 |
| As at 1 January 2023 | 276 | 390 | 6,049 | 68,253 | 74,968 |
| (Credit)/charge to profit and loss account | (6) | 162 | 2,884 | 4,367 | 7,407 |
| Utilised during year | – | (72) | (667) | (3,806) | (4,545) |
| As at 31 December 2023 | 270 | 480 | 8,266 | 68,814 | 77,830 |

Environment matters

The land and buildings occupied by Bus Átha Cliath are of varying age. The environmental provision relates to building works that are currently required to be performed to meet the company's obligations under Environment and Health and Safety legislation.

Legal and related matters

The provision relates to employee legal and other contractual disputes that are currently on-going. The provision represents the estimated cost of settling these matters. Further information is not provided in relation to these on-going disputes as this could prejudice the company's position.

Restructuring and other employee matters

The restructuring provision relates to changes in business processes and payments for staff who are impacted by such changes. The matters relate to non-routine payroll expenditure. The provision is expected to be utilised during year ended 31 December 2024.

Other employee matters relate to post-retirement benefit costs provided for at 31 December 2023 of €4.2 million (2022: €2.9 million).

Third party and employer's liability claims

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. Provision is made at the year-end for the estimated cost of claims incurred but not settled at the balance sheet date, including the cost of claims incurred but not yet reported (IBNR) to the company.

CIÉ as a self-regulated body operates a self-insurance model whereby the operating companies bear the financial risk associated with the cost of claims, subject to certain "one-off" incidents and annual caps in the case of third-party claims. The estimated cost of claims includes expenses to be incurred in settling claims. The company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

In calculating the estimated cost of unpaid claims, the company uses a variety of estimation techniques, including statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may cause distortion in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims including, for example, changes in company processes which might accelerate or slow down the development and/or recording of paid or incurred claims, changes in the legal environment, the effect of inflation, changes in mix of claims and the impact of large losses.

In estimating the cost of claims notified but outstanding, the company has regard to the accident circumstances as established by investigations, any information available from legal or other experts and information on court precedents on liabilities with similar characteristics in previous periods. Large claims, or excess claims, are those that have an estimated cost in excess of €250,000 and are treated separately within the actuarial modelling.

The estimation of IBNR claims is subject to a greater degree of uncertainty than the estimated liability for claims already notified to the company, because of the lack of any information about the claim event except in those cases where investigators have been called to the scenes of accidents. Claim types which have a longer development tail and where the IBNR proportion of the total reserve is, therefore, high will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty in estimating these reserves.

Provisions for claims are calculated gross of any reinsurance recoveries. Reinsurance recoveries are recognised where such recoveries can be reasonably estimated. Reinsurance recoveries in respect of estimated IBNR claims are assumed to be consistent with the historical pattern of such recoveries, adjusted to reflect changes in the nature and extent of the company's reinsurance programme over time.

An assessment is also made of the recoverability of reinsurance having regard to notification from the company's brokers of any re-insurers in run off.

17 Deferred income

This represents EU/Exchequer and other grants which will be credited to the profit and loss account on the same basis as the related fixed assets are depreciated:

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Capital grants | | |
| Balance at 1 January | 55,364 | 67,627 |
| Received and receivable (note 17 (a)) | 16,605 | 4,789 |
| Repaid | - | - |
| Amortisation of capital grants (note 8) | (16,886) | (17,052) |
| Asset disposals | - | - |
| Balance at 31 December | 55,083 | 55,364 |
| Apportioned: | | |
| Amounts falling due within one year (note 15) | 15,830 | 14,984 |
| Amounts falling due after more than one year | 39,253 | 40,380 |
| | 55,083 | 55,364 |

17 (a) Disclosure in accordance with Department of Public Expenditure, NDP Delivery and Reform's Circular Reference 13/2014

All grants from Exchequer funds received are used for the purposes for which approval has been sought and obtained from the funding source. Bus Átha Cliath undertakes to protect the State's investment and will not use said investment as security for any other activity without prior consultation with the Department of Transport, and sanction of Department of Public Expenditure, NDP Delivery and Reform.

| | 2023 €'000 | 2022 €'000 |
|--|-----------------------------|-----------------------------|
| Capital grants from Exchequer funds | | |
| Public Transport Capital Investment Programmes – NTA | 16,531 | 4,703 |
| Direct Award Contract – NTA | 22 | 55 |
| Capital grants received/receivable from Exchequer funds | 16,553 | 4,758 |
| Capital grants from sources other than Exchequer funds | 52 | 31 |
| Total capital grants received/receivable | 16,605 | 4,789 |

Capital grants are amortised over the useful lives of the assets. The sponsoring government department for NTA capital grant funding is the Department of Transport. Grants provided by the NTA are restricted to PSO activities. In addition, capital grants received and receivable in 2023 includes amounts received and receivable of €52,000 (2022: €31,000) from sources other than Exchequer funds.

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Revenue grants from Exchequer funds | | |
| Travel Assistance Scheme – NTA | 215 | 184 |
| Apprenticeship Incentivisation Scheme – Solas | 11 | 35 |
| Strategic Tourism Transport Business Continuity Scheme – Fáilte Ireland | 2 | 350 |
| BusConnects Network Redesign – NTA | – | 711 |
| Fleet Refurbishment Programme – NTA | – | 33 |
| Digital that Delivers – Fáilte Ireland | – | 49 |
| Industry Market Access Programme – Tourism Ireland | – | 10 |
| Revenue grants received/receivable from Exchequer funds | 228 | 1,372 |
| Revenue grants from sources other than Exchequer funds | 39 | 102 |
| Total revenue grants received/receivable (note 3 and note 4 (c)) | 267 | 1,474 |

Revenue grants are brought to profit and loss account in full in the relevant year received/receivable. The relevant agency and programme are set out above.

The sponsoring government department for the Travel Assistance Scheme, the BusConnects Network Redesign programme and the Fleet Refurbishment programme is the Department of Transport, and these grants are restricted to PSO activities.

The sponsoring government department for the Strategic Tourism Transport Business Continuity Scheme, the Digital that Delivers and the Industry Market Access Programme is the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media and these grants are unrestricted. The sponsoring government department for the Apprenticeship Incentivisation Scheme is the Department of Further and Higher Education, Research, Innovation and Science and these grants are unrestricted.

In addition to the revenue grants set out above, other revenue grants received and receivable from sources other than Exchequer funds of €39,000 (2022: €102,000) are recognised in 2023 in relation to sustainability projects.

18 Share capital

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Authorised: | | |
| 100,000,000 Ordinary shares of €1.27 each | 126,974 | 126,974 |
| Allotted, called up and presented as equity: | | |
| 55,000,000 Ordinary shares of €1.27 each | 69,836 | 69,836 |

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

19 Cash flow statement

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Reconciliation of operating cash flows | | |
| Deficit before interest and tax | 644 | (377) |
| Depreciation of tangible fixed assets | 16,287 | 16,405 |
| Amortisation of intangible fixed assets | 697 | 693 |
| Amortisation of capital grants | (16,886) | (17,052) |
| Loss on disposal of tangible fixed assets | 8 | - |
| Increase in stocks | (1,239) | (700) |
| (Increase)/decrease in debtors | (462) | 276 |
| (Decrease)/increase in creditors and provisions | (8,904) | 2,692 |
| Net cash (utilised in)/generated from operating activities | (9,855) | 1,937 |

20 Pensions

The CIÉ Group operates two defined benefit plans, the CIÉ Pension Scheme for Regular Wages Staff and CIÉ Superannuation Scheme 1951 Amendment Scheme 2000 defined benefit plan, for employees of the CIÉ Group. The employees of Bus Átha Cliath are members of CIÉ Group pension schemes. The contributions are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit method.

The rules of the schemes do not specify how any surplus or deficit should be allocated among participating employers and there is no contractual agreement or stated policy for allocating the net defined benefit cost to the individual group entities. Accordingly, the net defined benefit cost for the schemes as a whole is recognised in the separate financial statements of CIÉ, as in the absence of a formal contractual arrangement the directors believe that this is the entity that is legally responsible for the schemes. The other participating entities, including Bus Átha Cliath, recognise a cost equal to their contribution for the period.

The valuations of the schemes under FRS 102 as at 31 December 2023 showed a deficit of €371 million, (2022: deficit €396 million). The disclosures required under FRS 102 in respect of the group's defined benefit plans, in which the company participates, are set out in the financial statements of CIÉ for the year ended 31 December 2023 which are publicly available from CIÉ, Heuston Station, Dublin 8, Ireland.

The company's pension cost for the year under the defined benefit schemes was €18.1 million (2022: €16.6 million) and these costs are included as post-retirement benefits in note 5. The company's cost comprises of contributions payable for the year.

21 Capital commitments

| | 2023 €'000 | 2022 €'000 |
|-----------------|-----------------------------|-----------------------------|
| Contracted for: | 9,386 | 17,224 |

Capital commitments represent capital expenditure projects that have been approved by board whereby work has commenced on these projects but are not fully completed at the end of the period. €8.4 million of capital commitments include capital projects funded by the NTA.

22 Operating leases

| | 2023 €'000 | 2022 €'000 |
|---|-----------------------------|-----------------------------|
| Future minimum lease payments under non-cancellable operating leases payable at the end of the year were: | | |
| Within one year | 248 | 213 |
| Between one and five years | 429 | 285 |
| | 677 | 498 |

Operating leases include (i) non-bus vehicles under operating leases and (ii) the operating lease charge payable to the NTA relating to a bus leasing agreement which commenced in 2017.

23 Guarantees and contingent liabilities

The CIÉ Group has borrowings of €8 million (2022: €12 million) at the balance sheet date.

The company, from time to time, is party to various legal proceedings relating to commercial matters which are being handled and defended in the ordinary course of business. The status of pending or threatened proceedings is reviewed with CIÉ Group's legal counsel on a regular basis. 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.

Bus Átha Cliath's capital expenditure in respect of pre-2017 PSO fleet is funded through capital grants from the NTA. This funding is provided in line with the provisions of the DAC, effective from 1 December 2019. Certain contingent liabilities arise under these agreements.

The DAC also has established provisions to avoid overcompensation for public transport services under PSO contracts. The directors believe that the risk of the NTA exercising their rights under the related agreements is remote.

24 Related party transactions

In the ordinary course of business, the company purchases goods and services from entities controlled by the Irish Government, the principal of these being An Post, the National Transport Authority, and the Dublin Airport Authority. The NTA is a significant related party whereby Bus Átha Cliath have entered into a 5-year contract for 100% of the public service trading activity of the company through a DAC for passenger transport in the Greater Dublin Area. The contract is from 1 December 2019 to 30 November 2024. The directors are of the opinion that the quantum of these purchases outside of the DAC is not material in relation to the company's business.

The company is exempt from the disclosure requirements of paragraph 33.9 of FRS 102 in relation to transactions with those entities that is a related party because the same State has control, joint control, or significant influence over both the reporting entity and the other entities.

25 Membership of CIÉ Group

Bus Átha Cliath is a wholly owned subsidiary of CIÉ, and the financial statements reflect the effects of Group membership.

Some group wide functions such as Treasury, Legal, Property and Pensions are carried out by the holding company on a shared services basis for which the company and other subsidiary companies are charged on an agreed apportionment basis. Copies of the CIÉ consolidated financial statements can be obtained from the company Secretary at Heuston Station, Dublin 8, Ireland.

26 Post balance sheet events

In May 2024 agreement was reached with the Revenue Commissioners regarding the available accumulated trading losses carried forward. These losses had arisen due to the treatment of subvention income as being not liable to taxation. The losses forward reduced from €1,543.8 million to €606.2 million effective from 1 January 2023. The company do not recognise a deferred tax asset in relation to losses forward as the future recovery against taxable profits is uncertain. Therefore, this has not resulted in an adjusting item to the financial statements. The financial impact of this agreement has been included in the taxation disclosure in note 10 of the financial statements.

The board of directors are not aware of any other significant events since the end of the financial year which require adjustment to or disclosure in the financial statements.

27 Approval of financial statements

The directors approved the financial statements on 29 May 2024.



Bus Átha Cliath
59 Upper O'Connell Street
Dublin 1

www.dublinbus.ie

