COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 813 final

Brussels, 8 January 1982

THIRD COMMISSION REPORT TO THE COUNCIL
ON THE TRANSPOSED ANNUAL ACCOUNTS OF
THE RAILWAY UNDERTAKINGS

1979

COM(81) 813 final

SYNOPTIC REPORT ON ACCOUNTS

INTRODUCTION

- 1. Article 5 of Regulation (EEC) No 2830/77 provides that Railway undertakings shall within 12 months of the end of the accounting year in question transmit to the Commission their transposed annual accounts. Six months after their receipt "the Commission shall submit a synopsis of / the transposed accounts / to the Council".
- 2. The Commission's services prepared a working document for discussion within the Advisory Committee established to assist the Commission in the implementation of this Regulation.

The Committee is charged to give its opinion in any questions relating to the problems and solution connected with improving the comparability of the transposed annual accounts of railway undertakings and making progress towards greater harmonization of their accounting systems.

A meeting was held on October 6, 1981.

The synoptic report on the 1979 Transposed Accounts takes account of the Committee's opinions.

- 3. The report is in 2 parts:
 - reproduction of the Transposed Accounts + Notes
 - commentary on progress to comparability and future development thereof.

PART I

Pages 3 - 82 contain the accounts and explanatory notes of railway undertakings transposed in accordance with the provisions of Regulation 2830/77.

SOCIETE NATIONALE DES CHEMINS DE FER BELGES (SNCB)
NATIONALE MAATSCHAPPIJ DER BELGISCHE SPOORWEGEN (NMBS)

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ASSETS	1 9	6 2	1978	LIABILITIES	1 9	7.9	1978
LONG-TERM ASSETS		69 240		Capital and reserves			
			135 72	On Capital	11 000		11 000
10 Land and fixed installations	39 303		100 90	, , , , , , , , , , , , , , , , , , ,	1 910	12 910	1 787
1) Transport stock and equipment	15 507		2	CO Containing to investment costs		33 757	28 731
12 Other stock and equipment	1 299		2 195			4 476	1 051
13 Fixed accete under construction	12 869		9 178	03 Provisions			
		,		04 Funds for staff		855	8
Other fixed assets		14 199		05 Long-term financial debts		42 000	
14 Shareholdings in other undertakings	323		322	- debentures	33 892		31 237
15 Long-term loans	8		\$9	- State Loans	3 595		3.775
ost of floating loans and loan redemption					4 513		7 695
premiums	567 24		13 611				
Miscellaneous fixed assets	C+ C1					707 00	83.051
Sub-total		83 439	76 941	Sub-total		=======================================	3 :: : : :
CURRENT ASSETS							
Stocks							
20 - 21 (In store or being manufactured)		2 695	296 9				
Realizable assets		12 257				·	
30 Debtors	11 467		9 786				
41 Loans repayable within one year	1		•				· · · · · · · · · · · · · · · · · · ·
42 Bills receivable	•		1	Current Liabilities			
Securities	2%		713	31 Creditors	16 706		12 215
Bank balances and cash				40 Financial debts of less than one-year term	1 489		2 715
43-46-47-48 Cheques in hand, postal cheque accounts,		1 409	1 071	44 Bills payable	777		2 312
Dank decounts, tash in mond		21 361	18 537	Sub-total		18 639	17 242
			11 11 11 11 11 11 11 11 11 11 11	Daci-1+		279	
Results		4 815		of a profits for previous financial years	•		•
06.1 Losses for previous financial years	4 815		8, ,	07.0 profit for the financial year	279		\$3
U. 1 Loss for the initialities year		109 615	101 268	Liabilities : Total		109 615	101 268
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			ii				

- 5 -

			I. GENERAL OPERATION				() Lead >	
Undertaking : SNCB/NMBS		-		Mio BFR			1979	
EXPERS	1979	1978	REVENUE	6 +	6 2		1978	
An staff costs	\$1 651	47 131	70. Traffic revenue			i i		
61. Material supplied and services performed	19 567	19 039	 Passenger and luggage traffic by rail 		7 988	536 /	7 875	
by third parties 62. Taxes and dues	25	50	b) by roadc) by other means of transport		- 1		٧ .	
Kx Allocations for depreciation	1	1	1. Goods traffic		14 045	14 045		
CO. ALLOCATIONS to provision acrounts	8 609	8 526	a) by rail i) full trains and wagon loads	11 307	} !		141	
ALCOCALIOUS TO PLOYING SECONDS	4.071	3 876	- national traffic - international traffic	5 506 7 975			6 240	
65. Financial charges			<pre>ii) part loads and parcels</pre>	2 285			2 180	
			ternat	453	1		451	
			b) by road c) other means of transport		1		. 1	
			2. Postal traffic			994		
			Sub-total			767 22	20 355	
			71. Financial revenue			349	301	
			72. Other revenue			7 940	6 275	
		-	73. Contra of costs booked to other accounts			10 128	11 262	
			and aids		10 153		17 547	
			0. Regulation (EEC) No 1197/09 1. Regulation (EEC) No 1192/69		13 493		12 735 10 013	
			nsations and aids		ı		:	
			Sub-total			45 959	40 293	
Total expenses	83 949	28 292	Total revenue			83 870	78 488	
91.0 Operating profit for the financial year		-	91.1 Operating loss for the financial year			62	104	-,
		H	II. PROFIT AND LOSS SUMMARY					Ī
91.1 Operating loss for the financial year	62	104	91.0 Operating profit for the financial year			35 8	1 124	
91.3.Exceptional losses 91.4 Corporation tax	•	· ,				1	\$ \$	
	279	975	91.7 Loss for the financial year			1	graphy analogology of the first term of the property of the control of the contro	1
91.6 Profit for the financial year							-	

TABEL 1b

PROFIT AND LOSS ACCOUNT

SNCB/NMBS: FINANCIAL YEAR 1979

Explanatory notes

Figures are given in millions of BFR.

BALANCE SHEET

Assets

Accounts 10 - 13 - Fixed Assets

The fixed assets shown in the Balance Sheet are those acquired since 1.9.1926, when the SNCB was founded; they are recorded at their purchase value and they include both those financed by the railway company and those financed by the State; the latter are set off by the Account 02 - Contribution to Investment Cost.

The replacement is ensured through the Replacement Fund (Account 03).

The allocation is calculated to cover industrial depreciation of tracks, equipments, tools, buildings and structures.

It is foreseen to replace this system by a classic method of depreciation.

Account 14 - Shareholdings in Other Companies

Shareholdings in affiliated companies	65
Shareholdings in other companies	256
Other stocks and shares	2
	
	323

Account 15 - Long-Term Loans

These are all claims vis-à-vis companies in which SNCB has a share-holding.

Account 17 - Miscellaneous Fixed Assets

(a) Railway operating concession	11 000
(b) War damage	2 410
(c) Loan to Fonds des Oeuvres Sociales	15
	13 425

Accounts 20 and 21 - Stocks

The amounts entered in the accounts are average weighted prices.

Raw materials, consumables,	supplies 7 069
Work in progress	578
Goods	49
,	
	7 696

Account 30 - Debtors

Claims whose term is more than one year arising from goods delivered and services rendered		8
Claims whose term is no more than one year		
(a) Arising from goods delivered or services rendered	7	688
(b) Other claims	1	216
Adjustments	2	554
	11	466

Account 45 - Securities

This account also includes FB 105 mio which is an investment in the FOS.

Account 43 - 46 - 47 - 48 - Bank Balance and Cash

Belonging to the FOS : FB 83 mio.

Liabilities

Account 01 - Reserves

This is the amount credited to the Loan Redemption Fund as at 31st December 1979. A sum is entered in the accounts each year to replenish this Fund.

Account 03 - Provisions

(a)	Fixed Assets Replacement Fund	413
(b)	Provision for exchange losses relating to foreign currency loans (Eurofima)	447
(c)	Other provisions	315
		1 175

Account 04 - Funds for Staff

This is a Fund to pay allowances due to staff in connection with accidents at work.

Account 05 - Long-Term Financial Debts

The other financial debts break down as follows:

(a)	Non-convertible subsidiary loans		358
(b)	Non-convertible debenture loans		25
(c)	Credit establishments	4	120
(d)	Payment in advance		5
(e)	Guarantees to connected firms		5
		4	513

The debts vis-à-vis companies in which the SNCB has a shareholding (Eurofima) amount to BFR 3 264 mio.

Account 31 - Creditors

Debts whose term is more than one year arising grom the purchase of goods and services	1
Debts whose term is no more than one year	
(a) Credit establishment	2 150
(b) Various debts arising from the purchase of goods and services	4 419
(c) Debts and provisions for tax, social charges and wage payments	3 462
(d) Advances received	1 630
(e) Other loans and deposits received	36
(f) Other debts	21
Adjustments	4 986
	16 706

Profit and Loss Account

EXPENSES

Account 60 - Staff Costs

Renumerations	31 411
Pensions	14 831
Social Assurance	4 960
Other Social Charges	449
	51 651

Account 61 - Material Supplied and Services Performed by Third Parties

Goods, raw materials, consumables and supplies	8 960	
Miscellaneous goods and services	10 607	
	19 567	

Account 62 - Taxes and Dues

The total on this account is the sum of :

- VAT on investment goods
- VAT on free sales to the personnel of the buffets
- Tax on assets rented to third parties
- Road tax on vehicles
- Registration fees, stamp duty and court registry dues

The VAT is 6 % for transport of passengers and 16 % on goods transport.

Account 64 - Allocations to Provision Accounts

Replacement allocation	8 320
Insurance Fund allocation	290
Provision for exchange losses on long-term	- 1
debts	8 609

Account 65 - Financial Charges

Charges on debts whose term is more than one year	3 687
Charges on debts whose term is no more than one year	70
Miscellaneous financial charges	307
Reductions of creances	8
	4 072

REVENUE

Account 70 - Traffic Revenue

These figures are extracted from the accounts. In the case of receipts from passenger traffic, some breakdowns based on statistics have been made between rail traffic and road traffic.

Account 71 - Financial Revenue

Revenue from financial assets	112
Revenue from other claims and bank balances and cash	39
Miscellaneous	198
	349

Account 72 - Other Revenue

Services and supplies	5 922
Miscellaneous revenue	1 654
Revenue relating to staff	364
	7 940

Account 73 - Contra of Costs Booked to Other Accounts

Internal work relating to the improvement of fixed assets

(a) New fixed assets	1 725
(b) Renewals to be written down	- 41
Net amount charged to the Replacement Fund	8 235
Net amount charged to the Insurance Fund	209
	10 128

Account 74 - Compensation and Aid Received

74.0. Regulation (EEC) Nº 1191/69		
Obligation to operate	1	744
Tariff obligation - passengers 15 582		
~ goods 26		
of analysis of production and the second sec	15	608
	17	352
74.1. Regulation (EEC) Nº 1192/69		
Retirement payments and pensions	12	604
Social charges, whereof:		
(a) Accidents at work		81
(b) Family allowances		24
Measures benefiting staff in recognition of services rendered to their country		3 3
Crossing facilities		289
Compensation for financial charges in respect of	:	
(a) War damage		16
(b) Lack of normalization in the past		183
(c) Loans raised to meet delays in renewals		263
	13	493
74.2. Regulation (EEC) Nº 1107/70 (Article 3)		
Compensation for :	,	707
(a) Infrastructure charges	6	797
(b) Financial charges relating to:	_	220
(i) Financing the extension of the network		228
(ii) Financing accumulated deficits and overdue renewals	1	108
over ade Tenewats	10	133
Tax from which the company is exempted		
to be deducted		19
	10	114

The sum of BFR 2 000 mio th the Health Insurance Office (FOS) is optional compensation not included in the accounts.

Account 91-2 - Exceptional Profits

The exceptional profits include:

- a credit relating to 1978 of BFR 75 mio given by the State
- BFR 283 mio repaid VAT on investments for creation of employment.

Note about the Health Insurance office

In favour of the personnel the SNCB has created a Health Insurance Office (Fonds des Oeuvres Sociales) - FOS - consisting of :

- la Caisse de Soins de Santé
- la Caisse des Indemnités
- la Caisse de la Solidarité Sociale.

From 1979 on the accounts of this Fund are incorporated in the accounts of the SNCB. Whereas the income and expenditures of the FOS are not recluded in the profit and loss account of the Company.

The results of the FOS are integrated as follows:

- Caisse de Soins de Santé : this fund represent a normal debt which the State meets every year, its deficit is brought into account 30.
- Caisse des Indemnités : is always in balance, the income corresponds to the expenditures.
- Caisse de la Solidarité Sociale : disposes of a credit, which is considered as a debt to the personnel and which is shown in account 31.

DANSKE STATSBANER (DSB)

LONG-TERM ASSETS	Undertaking : 056			31.12.1979	979		Nio DKR	-
installations and equipment and equipment der construction on other undertakings loans and loan redemption ixed assets Sub-total or being ranufactured) so in hand, postal cheque accounts, cash in hand Sub-total	SSET	۰		1978	IABILITIE	1 0	7.9	1978
10	ONG-TERM		7 785		Capital and reserves			
anufactured) postal cheque accounts, ash in hand sub-total	10 Land and fixed installations	4 248		3 969	00 Capital	8 039		7 421
d Loan redemption	11 Transport stock and equipment	3 266			01 Reserves	•	8 039	•
der construction 10 10 10 10 10 10 10 10 10 10 10 10 10	12 Other stock and equipment	27.1		240	02 Contribution to investment costs		ı	1
or being ranufactured) solution. cash sin hand, postal cheque accounts, tash in hand sub-total solution. cash solution soluti	13 Fixed assets under construction	0		0	03 Provisions		ł	1
usherr undertakings j loans and loan redemption just assets Sub-total or being ranufactured) cash si in hand, postal cheque accounts, cash in hand Sub-total Sub-total Sub-total Sub-total Sub-total	Other fixed assets	1	10		Of Long timesial dobts		1 :	1
CURRENT ASSETS Sub-total CURRENT ASSETS Sub-total CURRENT ASSETS CURRENT ASSETS Sub-total CURRENT ASSETS Sub-total CURRENT ASSETS Sub-total A15 342 314 408 Loans repayable within. One year Bills receivable Securities Ank balances and cash and postal cheque accounts, bank accounts, tash in hand Sub-total Sub-total Sub-total CURRENT ASSETS 314 408 316 408 317 408 A15 342 A16 A15 342 A17 A18 A18 A18 A18 A18 A18 A18 A18 A18 A18 A18 A18 A18 A19 A18 A18 A18 A18 A10 A18 A18 A18 A18 A11 A18 A18 A18 A18 A12 A18 A18 A18 A18 A18 A18 A18 A18 A18 A14 A18	14 Shareholdings in other undertakings	5		10	O Long-Lerm inducted debts	ı	!	
CURRENT ASSETS Sub-total CURRENT ASSETS Sub-total CURRENT ASSETS T 795	15 Long-term loans	ı		. 1	o to	ı	4.1	
CURRENT ASSETS Sub-total CURRENT ASSETS CURRENT ASSETS - 21 (In store or being ranufactured) - 314 - 408	16 Cost of floating loans and loan redemption premiums			1		•		t .
CURRENT ASSETS 1 (In store or being ranufactured) able assets tors ns repayable within. Year Ls receivable urities alances and cash bank actounts, tash in hand Sub-total Sub-total Tok 786 786 786 786 786 786 786 786		1		ı				
CURRENT ASSETS 1 (In store or being ranufactured) able assets tors ns repayable within year 1s receivable urities alances and cash 47-48 Cheques in hand, postal cheque accounts, bank accounts, cash in hand Sub-total Sub-total	Sub-total		7 795	7 188	Sub-total		8 039	1~
able assets able assets tors tors repayable within, year Us receivable urities dalances and cash 47-48 Cheques in hand, postal cheque accounts, bank accounts, tash in hand Sub-total Sub-total	CURRENT ASSETS							
314 408 314 408 -	Stocks							
cash es in hand, postal cheque accounts, cash in hand Sub-total Sub-total 314 408 0 0 0 0 0 10 764 780	20 - 21 (In store or being ranufactured)		415	342				
35 30	Realizable assets		314	-				
35 30	30 Debtors	314		807	·			
35 30	41 Loans repayable within, one year	ı		ı				
764 780	42 Bills receivable	0		0	Current Liabilities			
35 30	45 Securities		-		31 Creditors	167		244
764 780 44 Bills payable 764 780 Resuits	Bank balances and cash				40 Financial debts of less than one-year	2		5
764 780 Results	43-46-47-48 Cheques in hand, postal cheque accounts, bank accounts, cash in hand		35	30	44 Bills payable	,		1
	Sub-total		792		Sub-total		520	
	Results				Results	w. 4. 40 acres	•	
06.1 Losses for previous fixancial years	06.1 Losses for previous fixancial years	1		1	06.0 Profits for previous financial years	1		1
07.1 Loss for the financial year	07.1 Loss for the financial year	1		1	07.0 Profit for the financial year	Đ		ŝ
2 968	Assets: Total		8 558		Lisbilities : Total		8 559 7 968	2 968
建设物经过过移行 计正常性 医甲状腺 医甲状腺 医甲状腺 医甲状腺 医甲状腺 医甲状腺 医甲状腺 医甲状腺			11 11 11 11 11 11 11 11 11			N. adaha pp		

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ABEL 2b	Year : 1979	1978		699 105 144 156	143 155 17 5 146 49	280	437 31 154 - 622	2 525	
1				1 373	2 342	386	1 009	3 743	
		6 1 6		236 236 236 236	235 5		782 12 215 -		
		19		422	242				
	Nio DKR			9	223				
PROFIT AND LOSS ACCOUNT	I. GENERAL OPERATION		X E X E Z U E	70. Traffic revenue 0. Passenger and luggage traffic a) by rail c) by other means of transport 1. Goods traffic a) by rail i) full trains and wagon loads	- national traffic - international traffic ij part loads and parcels - national traffic - international traffic b) by road c) other means of transport 2. Postal traffic	71. Financial revenue 72. Other revenue 73. Contra of costs booked to other accounts	74. Compensations and aids received under 0. Regulation (EEC) No 1197/69 1. Regulation (EEC) No 1192/69 2. Regulation (EEC) No 1107/70, Article 3 3. Other compensations and aids Sub-total	Total revenue 91.1 Operating loss for the financial year	
			1978	1 552 606 - 128	239			2 525	
			1979	2 228	335			3 743	
		Undertaking : bsB	EXPERSES	60. Staff costs 61. Material supplied and services performed by third parties 62. Taxes and dues 63. Allocations for depreciation	64. Allocations to provision accounts 65. Financial charges			Total expenses	91.0 Operating profit for the financial

II. PROFIT AND LOSS SUMMARY

•	1	•	•		•		1
of n operating profit for the financial year	91.2 Exceptional profits	91.5 Balancing subsidy	- Regulation (EEC) No 1107/70, Article 4	- Other	or a transfer of the financial Veal	YI. Coss for the	
	91.1 Operating loss for the financial year	91.3.Exceptional losses	91.4 Corporation tax			91_6 profit for the financial year	

DSB - Financial year 1979

Explanatory Notes

Figures are given in millions of DKR.

I. Balance Sheet

Accounts 10 - 13 - Assets

In accordance with the national standard accounting procedure the costs of fixed assets under construction are included in Accounts 10 - 12.

		Accou	unts	
	10	11	12	Total
	3 969	 2 969	240	7 178
Primo value + Investments	483	452	49	984
- Sales	147	33	10	190
- Depreciation	57	122	8	187
Ultimo value	4 248	3 266	271	7 785

Accounts 20 and 21 - Stocks

Stock valuation is based on current prices.

Liabilities

The capital is built up through annual state contributions to investments.

II. Profit and Loss Account

Account 60 - Staff Costs

This account includes DSB's contributions to pension costs for all staff in employment.

The pensions paid to retired DSB staff are covered by the State budget.

Staff expenditure relating to fixed assets is entered under the relevant assets accounts.

Account 62

The ingoing VAT on the national passenger traffic is included in Account 61.

The VAT on the national freight traffic is compulsory but the income on goods - Account 70.1. - excludes the collected VAT which is booked separately. Investment in assets for the passenger traffic shall bear the ingoing VAT (included in Account 10 - 12) whereas for assets in the goods sector the VAT can be repaid.

Account 63 - Allocations for Depreciation

Depreciation is on a straight-line basis, with various rates of depreciation (see account 10 - 13).

Account 65 - Financial Charges

Tangible assets, which are part of the capital invested in DSB by the State, bear interest at 4.5. %.

DSB's current account with the Finance Ministry (Account 40) bears interest at 3.5 %.

Account 70 - Traffic Revenue

Much of DSB's traffic revenue cannot be apportioned between the various modes of transport. There is no separate pricing for ferry crossings which are part of a passenger or freight transport, for road haulage or for some bus services.

The carriage of private cars and goods vehicles, and ferry crossings where passengers are not travelling by train are shown in accounts 70.0 c) and 70.1 c). The revenue shown in accounts 70.0 b) and 70.1 b) is from the carriage of passengers and small parcels by DSB buses.

Account 74 - Compensation and Aid

Regulation (EEC) Nº 1191/69

Regulation (CCG) is	
- passenger transport	623
- freight and mail	159
Regulation (EEC) No 1192/69 - Class XI -	12
Allowances to staff	

Regulation (EEC) N° 1107/70 - Infrastructure Cost 215

This amount is compensation for interest charges and amortization on loans of fixed installations which the other modes do not bear.

DEUTSCHE BUNDESBAHN (DB)

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TABEL 38

1 1 1 1 1 1 1 1 1 1	Undertaking : DB			at 31.12.1979	64	Ē	Nio DM	
13.586 48.651 90.0 Capital and reserves 19.413 9.413 9.413 9.413 9.413 9.413 9.413 9.614	SSET	۰		1978	IABILITIE	•	1	1978
19	LONG-TERM ASSETS							
13 586 13 473 01 features 14 402 2 18 18 5	Fixed Assets (Net)		48 851		Capital and reserves			
13.88	10 Land and fixed installations	59 964		28 735	00 Capital	19 413		19 791
2 007	11 Transport stock and equipment	13 588		13 471	01 Reserves		23 815	2 717
1035 2 593 3 208 05 fonds for staff 255 2593 25 25 25 25 25 25 25 2	12 Other stock and equipment	2 007		1 904				5 079
10 10 10 10 10 10 10 10	13 Fixed assets under construction						255	929
1 1 1 1 1 1 1 1 1 1					04 Funds for staff		1	!
1006 2100 - debentures 13828 - debentures 17203 - debentures 17203 - content claus - content claus 17203 - content claus 1	Other fixed assets		2 293	0			31 031	
Sub-total 2 008	14 Shareholdings in other undertakings	794			- debentures	13 828		13 861
Sub-rotal 123 137 - other financial debts 17 203 18 18 - other financial debts 17 203 18 18 - other financial debts 17 203 18 18 18 18 18 18 18 1	15 Long-term loans	2 008				,		1
Sub-total Sub-	16 Cost of floating loans and loan redemption premiums	123		137		17 203		18 239
CURRENT ASSETS Sub-total State Sub-total Sub	17 Miscellaneous fixed assets	,		1				
CURRENT ASSETS 1038 1000 1038 1000 1038 1000 1000 1038 1000	Sub-total		51 444	50 082	Sub-total		279 09	60 311
CURRENT ASSETS				H H H H H H H H H				# # # # # # # # #
1038 1000 2377 1896 2377 1056 2377 1896 1 211	CURRENT ASSETS							
2 286	Stocks							
2 286 1 89	20 - 21 (In store or being manufactured)		1 038	1 000				
1806 1806	Realizable assets		2 377				.,,,	
Current Liabilities Signature Current Liabilities Color Profit for the financial years Color Profit for the financial years Color Profit for the financial year Color Colo	30 Debtors	2 286		1 896			•	
hand, postal cheque accounts, tres, cash in hand Sub-total Sub-	41 Loans repayable within one year	2		211				
hand, postal cheque accounts, hand, postal cheque accounts, nts, cash in hand Sub-total stimancial years total Assets: Total Assets: Total Assets: Total And, postal cheque accounts, 1 030 1 444 4 445 4 445 4 445 4 451 6 64 076 6 3 768 1 030 1 1444 4 4 551 Results Results Results OR. O Profit for the financial years Calibrities: Total	42 Bills receivable			1				
hand, postal cheque accounts, nts, cash in hand Sub-total Sub-t	45 Securities	•		•	31 Creditors	3 181		3 140
hand, postal cheque accounts, item term term term term term 1 030	Bank balances and cash				40 Financial debts of less than one-year	248		317
Sub-total 4 445 4 551 8 187 8 187 4 611 4 611 5 576 6 4 611 7 07.0 Profit for the financial year 1 70tal 8 187 8 64 076 1 70tal 8 187 8 64 076 1 10tal 8 187 9 4 611 9 7.0 Profit for the financial year 1 10tal 8 187 9 64 076 1 10tal 9 445 1 10tal 8 187 9 6 10 10 10 10 10 10 10 10 10 10 10 10 10	43-46-47-48 Cheques in hand, postal cheque accounts,		1 010	777 1	term 44 Bills payable			,
# 187			577 7	4 551			3 429	3 457
# 187 Results	יייי פוסר מחיי							
3 576 4 611 07.0 Profit for the financial year 5.70tal 64 076 63 768 Liabilities : Total 64 076 63 768 ETTERMENT OF TOTAL STATE TOTAL STAT	Results		8 187		Results		ì	
Assets : Total	06.1 Losses for previous financial years	119 7		725 7	06.0 Profits for previous financial years	1		1
64 076 63 768 Liabilities : Total 64 076	07.1 Loss for the financial year	3 576		4 611	U.O Profit for the inductive year			
	Assets : Total		920 79		Liabilities : Total		64 076	11

EXPENSES	1979	1978	REVENUE	4 9 7 9	6 2		1978
Staff costs	18 770	18 177	70. Traffic revenue				
61. Material supplied and services performed by third parties	8 954	8 416	0. Passenger and luggage traffic			4 486	3 526
62. Taxes and dues	26	88	b) by road c) by other means of transport		570 40		39
63. Allocations for depreciation	1 820	1 769	1. Goods traffic			9 331	
64. Allocations to provision accounts	•	1	a) by rail i) full trains and wagon loads	796 9	977 9		•
65. Financial charges	2 394	5 464	- national traffic - international traffic	2 514		~~	4 052 2 089
			ii) part loads and parcels - national traffic	1 176 1 264			160
			- international traffic	***	100		104
			c) other means of transport		•		•
			2. Postal traffic			358	367
			Sub-total	***************************************	14 175		12 800
			71. Financial revenue			161	125
			72. Other revenue		-	549	1 366
			73. Contra of costs booked to other accounts		•	7 897 7	4 676
			and aids (EEC) No		3 026	~	826
			1. Regulation (EEC) No 1192/69 2. Regulation (EEC) No 1107/70, Article 3		3 957 82	<u></u>	3 565 105
			3. Other compensations and aids		1 018	- 	1 087
			Sub-total		••	8 083 7	7 735
Total expenses	32 030	30 914	Total revenue		28	28 436 26	26 702
91.0 Operating profit for the financial year		•	01.1 Operating loss for the financial year		•	, , , ,	3

2

TABEL

PROFIT AND LOSS ACCOUNT

II. PROFIT AND LOSS SUMMARY

91.1 Operating loss for the financial year 91.3.Exceptional losses 91.4 Corporation tax	3 594	4 212 423 3	91.0 Operating profit for the financial year 91.2 Exceptional profits 91.5 Balancing subsidy - Regulation (EEC) No 1107/70, Article 4		
91.6 Profit for the financial year	-		91.7 Loss for the financial year	3 576	3 576 4 611

DB - Financial Year 1979

Explanatory Notes

Figures are given in millions of DM

I. Balance Sheet

Liabilities

Account 00 - Capital

Own capital	19	220
Contributions from the State to cover losses carried over	1	350
Less State loans to increase the capital not written off	- 1	157
	19	413

Account 05 - Long-Term Financial Debts

The other financial debts include:

(a)	Long-term debts	15	468
(b)	Debts of 1 to 4 years	1	733
(c)	Part of other liabilities		2
		17	203

Account 05 includes some DM 2484 mio by way of financial debts in respect of companies in which DB has a shareholding.

DM 3 651 mio are payable in 1980.

Accounts 10 to 12 - Fixed Assets

Fixed assets are accounted for at the cost of acquisition or production and depreciated on a linear basis over their useful lifetime (provision for depreciation is shown in the liabilities side of the Balance Sheet, depreciation is shown in item 63 in the Profit and Loss Account). When an asset is disposed of before the end of its normal lifetime the net book value of this asset is fully depreciated.

The items break down as follows:

Description	Gross Value	Accumulated Depreciation	Net Value
10. Land and Installations	53 508	23 544	29 964
11. Transport Stock and Equipment	22 648	9 060	13 588
12. Other Stock and Equipment	3 784	1 777	2 007

Account 15 - Long-Term Loans

Long term loans	1 962
Loans arising from other assets	48
Less valuation adjustment on fixed assets	- 2
	2 008

Account 15 includes DM 774 mio in loans to companies in which DB has a shareholding.

Account 16 - Cost of Floating Loans and Loan Redemption Premiums

The sum of DM 123 mio is the bond issue premium.

Account 20 - 21 - Stocks

Account to 1	- new	103	
Fuel	- old and waste	18	
			121
Stocks to fixed assets	- new	757	
Scooks 15 VVVV	 old and waste 	160	
			917
			1 038

Account 30 - Debtors

This account includes:

Advances		34
Claims arising from transport services, supplies and other services	1	115
Part of other assets		250
Adjustments (assets, less bond issue premiums		891
Less valuation adjustments to other current assets	_	4
	2	286

Account 31 - Creditors

This account includes:

Advances	8	38
Transport services, supplies and other services	3 06	59
	2	24
Adjustments (liabilities)		_
	3 18	31

Account 40 - Financial Debts of Less than One Year Term

The sum of DM 248 mio is the remainder of the liabilities.

Account 41 - Loans Repayable Within One Year

The sum of DM 91 mio is the remainder of the assets.

Accounts 43, 46 to 48 - Bank Balances and Cash

Represent DM 1 030 mio.

Account 06-1 - Losses for Previous Financial Years

The loss of DM 4 524 mio in 1977 was set off against Government contribution to cover losses carried over Account 00 and against the reserves Account 01.

In principle DB is obliged to insert its losses in the balance sheet until Federal government has decided on coverage. Generally these losses are being compensated two years later with capital grants to cover accumulated losses or with reserves. For these two items DB receives annual payments above the line.

II. Profit and Loss Account

Account 60 - Staff Costs

This account includes:

Total staff expenditure	18 338
Social charges external to the company	413
Pension charges external to the company	19
	18 770

The total can be broken down as follows:

Remuneration of staff in employment	10 985
Retirement and pensions	5 056
Social charges	2 729
	18 770

The pensions of workers and salaried staff are paid by an independent fund, to which the DB pays a contribution, while those for permanent officials are paid by the undertaking itself. As shown in account 74.1. the DB receives a compensation for excess social charges and external superannuation charges.

Account 61 - Materials Supplied and Services Performed by Third Parties

This account includes:

Current operating expenditure	3	466
Less tax (see Account 62)	-	92
Expenditure on materials supplied and ser vices provided by third parties for the renewal and maintenance of fixed assets		580
	8	954

Of this DM 5 580 mio, only DM 2 237 mio for the expenditure on maintaining installations and equipment remains in the Profit and Loss Account. The other DM 3 343 mio - expenditure on materials for the construction of fixed assets - is entered in DB's Balance Sheet in Account 73.

Account 62 - Taxes and Dues

Various taxes include DM 8.4 mio which are taxes on behalf of personnel.

The VAT rate on rail activities is 13 % except on the suburban traffic (until 50 km) where it is 6,5 %. The 13 % rate is also in force on materials supplied and services performed by third parties. The ingoing and the outgoing TVA are booked separately and only the amount, which is to be paid is shown in Account 62.

Account 63 - Allocations for Depreciation

Reference should also be made to Accounts 10 and 12.

Thic	account	includes	•
inis	account	mictudes	

This account includes :	
Ordinary depreciation of fixed assets	2 218
Depreciation of obsolete fixed assets	265
Less:	
(a) contributions to investment costs and si- milar contributions from third parties	- 233
(b) other credit items relating to mainte- nance and renewal	- 430
	1 820
Account 65 - Financial Charges	
Interest, premiums and subsidies on bonds	2 2 9 0
Interest on loans and other outside resources for increasing capital	104
	2 394
Account 71 - Financial Revenue	

This account includes:

Revenue from shares	35
Interest on loans and other revenue	126
	161

Account 72 - Other Revenue

This account is made up of :

The balance of revenue from other transport services (vehicle hire, services performed		
for other railways, etc.)		361
Other operational revenue	1	188
	1	549

his total may be broken down as roctows.		
Revenue from work done for, and supplied to third parties	51	4
Revenue from other activities, including rents	89	7
Miscellaneous	13	8
	1 54	9
Account 73 - Contra of Costs Booked to Other Accoun	<u>ts</u>	
This account may be broken down as follows:		
Services for own account, fixed assets and material	s	
in stocks, entered as offsets to expenditure in the Profit and Loss Accounts	1 12	25
Expenditure on materials in respect of fixed assets (sse Account 61)	3 34	¥3 —
	4 46	58
Account 74 - Compensation and Aid		
74.0 Regulation (EEC) Nº 1191/69		
Local rail passenger services	2 9	
Mainline rail passenger services (social tariffs)	·	74
Maintenance of services on certain lines		4
Support tariffs for the Saar		32
	3 0	26
74.1 Regulation (EEC) Nº 1192/69		
Operation and maintenance of level crossings	4	15
Medical aid for tuberculosis sufferers		3
Excess social charges due to structural factor	·s 2 7	'34
Additional staff superannuation		36
Additional training posts		37
External superannuation charges	4	13
External pensions		19
	3 9	957

74.2 Regulation (EEC) Nº 1107/70 (Article 3)

Road transport for apprentices	82
74.3 Other Compensation and Aid	
Interest on loans and other outside capital taken up to increase own capital	104
Interest in respect of improvement of the capital structure	914
	1 018

The Federal Government allocations to cover losses carried over (DM 1 349 mio) for the repayment of loans and other outside resources for increasing capital (DM 557 mio) do not affect the results and are entered directly in the Balance Sheet. The tax on mineral oils (DM 283 mio) refunded by the State has been deducted from the expenditure on fuel contained in Account 61.

Account 91.2 - Exceptional Profits

This account contains the revenue arising from the adjustment of provisions and other profits (DM 42 mio).

Account 91.3 - Exceptional Losses

The sum of DM 21 mio may be broken down as	follows	:
Depreciation of long term loans and investments	2	
Depreciation of other current assets	. 4	
Exchange losses and provisions	1	
Issue costs	1	
DB's additional payments obligations to the BVA	7	
Additional payment of turnover tax	6	
	21	

SOCIETE NATIONALE DES CHEMINS DE FER FRANCAIS (SNCF)

			at 31.12.1979	626	Nio FF		
Undertaking . One.	197	6	1978	LIABILITIES	197	•	1978
LONG-TERM ASSETS							
Fixed Assets (Net)		62 348	,	Capital and reserves			14
10 Land and fixed installations	44 210		44 150	Of tapital	43 759	43 773	44 705
11 Transport stock and equipment	13 767		13 886			1	1
12 Other stock and equipment	588		553			- 01	m
13 Fixed assets under construction	3 783		2 082	Ob Fronts for staff		1	•
Other fixed assets		2 691				21 828	
14 Shareholdings in other undertakings	1 889		1 752	- debentures	16 598		15 548
15 Long-term Loans	348		311	- State loans	1 414		1 427
16 Cost of floating loans and loan redemption	077		789	- other financial debts	3 816		2 482
premiums 17 Miscellaneous fixed assets	14		4				
בו פרטר כפו בפול בי		020 37	113 13	Sub-total		65 611	67 179
Sub-total		00 00	200 00				
CURRENT ASSETS		ger v _{ers} tare b					
S A D C A D							
20 - 21 (In store or being manufactured)		2 270	2 191				
o accets		9 874					
30 Debtors	8 761		8 699				
41 Loans repayable within	8		%				
one year			126	6 6 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9			
42 Bills receivable	515		685	ta conditions	8 875		8 032
45 Securities	907		į	regulate and the section of)		
Bank balances and cash				40 Financial debts of less than one year	6 273		6 534
43-46-47-48 Cheques in hand, postal cheque accounts,		691	436	44 Bills payable	1 837		1 755
Dank accounts, cash ill lialid		12 835	12 133	Sub-total		16 985	16 321
		;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;				108	
Results		4 830		AK A Profits for previous financial years			•
06.1 Losses for previous financial years	4 830		3 771	00.0 Total for the financial Year	108		•
07.1 Loss for the financial year	1		1 119			207 204	80 300
Assets : Total		82 704	80 500	1901(15)68 : 10191			# }} !1
							- 1
							30 -
				The state of the s	•		

- 31

PROFIT AND LOSS ACCOUNT	

I. GENERAL OPERATION

TABEL 4 D

Year 1979

Mio FF

14/4	1978	5 8 013	132	Ω	6 901	1 846	199	102		59 19 916	309	1 826	63 1 207	3 567	3 021	1 280	48 8 297	31 555
	6 2 6	9 305	150	13 280 12 989		-	671	129	374	52 959	311	2 089	1 463	3 804	3 472	1 532	6 248	36 070
Bio FF	1 9				8 034	2 626 2 329	7 02 -											
	REVENUE	70. Traffic revenue 0. Passenger and luggage traffic	a) by rail b) by road c) by other means of transport	1. Goods traffic a) by rail	i) full trains and wagon loads	international traffic	 national traffic international traffic 	b) by road	2. Postal traffic	Sub-total	71. Financial revenue	. –	73. Contra of costs booked to other accounts	74. Compensations and aids received under	1. Regulation (EEC) No 1192/69	3. Other compensations and aids	Sub-total	Total revenue
	1978	20 887	485	3 416	16	1 893												900
	1979	23 306	884	3 355	4	2 288												30, 0,
Undertaking : SNCF	2 m %	60. Staff costs 41. Material supplied and services performed	by third parties 62. Taxes and dues	63. Allocations for depreciation	64. Allocations to provision accounts	65. Financial charges												Total expec

II. PROFIT AND LOSS SUMMARY

91.1 Operating loss for the financial year	4 335	4 653	91.0 Operating profit for the financial year	627	
91.3.Exceptional losses	22	207	91.2 Exceptional profits	30 1	-
91.4 Corporation tax	-	0	91.5 Balancing subsidy	3 300	2 472
Special allocation to reserves	267	188	- Other	1	
					0,0
91.6 Profit for the financial year	108	1	91.7 Loss for the financial year		411
					-

SNCF - Financial Year 1979

Figures are given in millions of FF.

I. Balance Sheet

Assets

Revaluation of Accounts 10 to 14

At the end of 1978, the SNCF revalued its Balance Sheet in accordance with the Finance Acts for 1977 and 1978.

Land was revalued on the basis of current market prices.

Depreciable assets were revalued in accordance with the ordinary rules on depreciation. The maximum revaluation coefficients were applied to the book value.

Revaluation resulted in an increase in the value of the assets and of the undertaking's own funds.

Accounts 10 to 12 - Fixed Assets

The gross value of the fixed assets and depreciation break down as follows:

Description	Gross Value	Accumulated Depreciation	Net Value
10. Land and Fixed Installations	73 025	28 815	44 210
11. Transport Stock and Equipment	35 837	22 070	13 767
12. Other Stock and	588	-	588
Equipment	109 450	50 885	58 565

The SNCF uses a linear method of depreciation with the possibility to amortize certain materials faster.

Account 14 - Shareholdings in Other Companies

Financial holdings have been revalued (see Table above) on the basis of either the companies' net position after revaluation to which the SNCF

shareholding percentage was applied (subsidiaries where the shareholding was larger than 50 %) or on the basis of their profitability for SNCF in the case of the remaining shareholdings.

Account 15 - Long-Term Loans

Loans granted to companies in which SNCF has a shareholding:

Loans granted Allocation to depreciation Net balance	102.0 8.3 93.7, of which Société	de Crédit Immobilier des
Chemins de Fer (SOCRIF) represents	82.8	
Accounts 20 and 21 - Stocks		
Supplies		2 035
Work in progress		235
		2 270
Account 30 - Debtors		
Suppliers - down-payments ar	nd advances made on orde	rs 234
Customers		1 891
Other debtors		2 192
Deposits and guarantees		6
Adjustments		716
Suspense accounts and items		31
Assets accounts for related	services	3 691 ———
		8 761
Accounts 43 to 48 - Bank Ba	lances and Cash	
Various items in land		426
Bank balances, postal cheque	es and Treasury	39
Cash in hand		226

691

Liabilities

Account 01 - Reserves

Statutory and contractual reserves	9 642
Difference in value after revaluation	
(a) special reserve (non-depreciable assets)	26 192
(b) special provision (depreciable assets)	7 925
	43 759

Account 05 - Long-Term Financial Debts

Debts to companies in which SNCF has a shareholding are in the form of bonds issued by SNCF and bought by the Société Immobilière des Chemins de Fer Français for a total of FF 3 607 mio on 31 December 1979.

Account 31 - Creditors

Suppliers	2	329
Advances received from customers		49
Other creditors	3	982
Adjustments	1	721
Suspense accounts and items to be adjusted		3
Liabilities accounts for related services		791
	8	875

II. Profit and Loss Account

Account 60 - Staff Costs

Wages and operational bonuses	15 639
Social charges	7 667
	23 306

Account 61 - Materials Supplied and Ser	vices Performed by Third Parties
Purchase of materials	3 973
Work done and supplies and services pro externally	vided 6 269
Various administration costs	801
	11 043
Laca change in the stocks account	- 79

10 964

Account 62 - Taxes and Dues

Less change in the stocks account

This account breaks down as follows:

Direct Taxes and Dues

(a) business tax	215
(b) property and dwellings tax	100
(c) tax on interest and repayment premiums	20
(d) regular and special contributions relating to apprenticeships and training	44
(e) payments relating to public transport	78
(f) other direct taxes and dues	8
Registration and Stamp Duty - Vehicle Tax on Cars	23
Miscellaneous Taxes	0
	488

The VAT regime is in accordance with the $\,$ 6th $\,$ directive EEC of 17 may 1977.

This account does not include any cost in relation to VAT because the accounting hereof is separate. The profit and loss account or the investment account only have to bear the non-deductible VAT.

Account 63 - Allocations for Depreciation

Allocation for depreciation (historic values) 3 355

Account 73 - Contra of Costs Booked to Other Accounts	
Work done by SNCF on its own behalf (to create fixed assets)	1 426
Less non-operational work and expenditure	37
	1 463
Account 74 - Compensation and Aid Received	
This account breaks down as follows:	
74.0 Regulation (EEC) Nº 1191/69	
Compensation for tariff reductions	
(a) Mainline network	1 560
(b) Paris suburban network	950
Compensatory allowances	583
Compensation for other tariff reductions	
(a) Newspapers	53
(b) Regional adjustments	46
Obligation to operate	
- Military lines	5
Other compensations	607
	3 804
74.1 Regulation (EEC) Nº 1192/69	
Cost of level crossing facilities	427
Reduction of the cost of loans	13
	440
74.2 Regulation (EEC) Nº 1107/70	
	3 472
Infrastructure cost	3 412
74.3 Other Compensations and Aids	
Payments from local authorities :	
(a) Reduction of depreciation cost (Paris suburbs)	238
(b) Compensations for tariff reductions and compensatory allowances	1 294
accomanues	1 532

Profits and Losses Summary

Transfers to reserves are affected on the basis of Art. 24 of the 1937 Convention. This year's allocation is FF 267 mio.

Account 91.2 - Exceptional Profits

This account covers in particular:

(a) the difference in value after revaluation	1 105
(b) surpluses realized from the sale of depreciable assets	48
non-depreciable assets	267

CORAS IOMPAIR EIREANN (CIE)

BALANCE SHEET

. .

TABEL

106,3 28,6 6,4 23,7 26,0 1,61 6'6 10,8 2,0 ı 11,6 19,4 . 1978 129,9 ************* 42,7 87,2 12,8 1,7 23,8 -1979 34,6 8,1 9'6 9'6 12,8 Liabilities : Total 06.0 Profits for previous financial years 40 Financial debts of less than one-year Sub-total Sub-total 07.0 Profit for the financial year 02 Contribution to investment costs mio IRL 05 Long-term financial debts - other financial debts LIABILITI Current Liabilities Capital and reserves 04 Funds for staff 44 Bills payable - State loans - debentures 03 Provisions 31 Creditors 01 Reserves 00 Capital Results 31.12.1979 108,3 11 11 11 11 11 11 11 11 11 11 11 11 11 1,9 2,4 32,1 12,8 15,1 2,3 8,07 ŧ 20,8 1978 129,9 ************ 11,2 9,7 1,3 51,9 18,0 81,1 1,18 0 1979 5,4 15,3 2,7 6,4 1 1 28,1 48,1 43-46-47-48 Cheques in hand, postal cheque accounts, bank accounts, cash in hand Sub-total Sub-total Assets : Total 16 Cost of floating loans and loan redemption 06.1 Losses for previous financial years 20 - 21 (In store or being manufactured) 14 Shareholdings in other undertakings 13 Fixed assets under construction ASSETS 07.1 Loss for the financial year LONG-TERM ASSETS 11 Transport stock and equipment CURRENT ASSETS 10 Land and fixed installations 17 Miscellaneous fixed assets 12 Other stock and equipment 41 Loans repayable within one year Bank balances and cash Undertaking : CIE 42 Bills receivable 15 Long-term loans Other fixed assets Fixed Assets (Net) Realizable assets 45 Securities 30 Debtors Results Stocks

TABEL 5 D

Year 1979

Mio IRL

I. GENERAL OPERATION

PROFIT AND LOSS ACCOUNT

			: :	1979	•		
EXPERS	1979	1978					
	105,1	88,2	70. Traffic revenue			73,7	,
60. Staff costs 61. Material supplied and services performed	26,7	42,9	 Passenger and luggage traffic by rail 		19,4		15,1 51,9
by third parties	3,4	***	b) by road		2		1,0
62. Taxes and dues		0		-	11 7	* ′/2	
63. Allocations for depreciation	**	3	a) by rail	2,5	, (C		
// Allocations to provision accounts	ı	•	i) full trains and wagon loads - national traffic	2,2			0,00
**	•	9.4	- international traffic	0,3			i
65. Financial charges	2		ii) part loads and parcels				6,7
			- national traffic	.,	14 7		12.1
	-				,,		0
			c) other means of transport		>	-	1.1
			2, Postal traffic			100	23,3
			Sub-total			-	•
			71. Financial revenue			10.5	9,6
			72. Other revenue				
			73. Contra of costs booked to other			14,9	0′6
			accounts				• !
			74. Compensations and aids received under		17,1	-	8,4 0, k
			0. Regulation (EEC.) Nº 1171/07		م د د		9,8
			2. Regulation (EEC) No 1107/70, Article 3				0,2
			Other compensations			\$ 04	56,6
			Sub-total			2	
						168,1	138,5
Total expenses	185,1	47,44	וסנקו נפגפוותב			17,0	10,9
	•	•	91.1 Operating loss for the financial year		-		

II. PROFIT AND LOSS SUMMARY

1	1	15,5	15,5			2,2 0,2		
	91.0 Operating profit for the financial year	91.2 Exceptional profits	91.5 Balancing subsidy	- Regulation (EEC) No 1107/70, Article 4	- Other		91.7 Loss for the financial year	
	10,9	7'0	1				1	
	17,0	2,0	•					
		91.1 Operating loss for the Tinancial year	91.3.Exceptional losses	91.4 Corporation tax				91.6 Profit for the financial year

CIE - FINANCIAL YEAR 1979

Explanatory Notes

Figures are given in millions of IRL.

I. Balance Sheet

<u>Assets</u>

Accounts 10 to 12 - Fixed Assets

The amounts shown represent the net value of fixed assets acquired since 1950, including railway lines and works incurred since 1974. They also include work in progress.

Description	Gross Value	Accumulated Depreciation	Net Value
10. Land and Fixed Installations	28.6	0.5	28.1
11. Transport Stock and Equipment	78.2	30.1	48.1
12. Other Stock and Equipment	7.0	2.1	4.9
Equipment	113.8	32.7	81.1

Accounts 20 and 21 - Stocks

Stocks are valued at cost, generally determined on the basis of the average cost, which is computed after making provision for defective and obsolete stocks.

Maintenance materials and spare parts

Fuel, lubricants and other sundry stocks

9.2

21.9

Liabilities

Account 01 - Reserves	
Fund for the depreciation of transport stock and equipment	2.7
Bank loans redemption fund	0.2
Redemption fund - unsecured loans	0.2
Capital reserves	9.7
	12.8
Account 31 - Creditors	
Creditors and expenses outstanding	33.9
Tax charges	0.1
Equalisation account : renewal of lines and works	0.6
	34.6
Account 40 - Financial Debts of Less than One Year Term	
	6.1
Amount due to banks	2.0
Unsecured bank loans	
	8.1
Profit and Loss Account	
Expenses	
Account 60 - Staff Costs	
Staff costs include :	
(a) total payroll costs including contributions to social welfare funds	98.7
(b) contributions to superannuation and pension funds in respect of employees in employment	6.4

6.4

105.1

Account 61 - Material Supplied and Services	Performed by Third Parties
Material OIE subsidiary, supplies, etc. Services by third parties	40.9 3.0 15.8 59.7
Account 62 - Taxes and Dues Non-deductible VAT Import and excise duty payments Road tax and licences in respect of road vehicle operations Account 63 - Allocations for Depreciation Depreciation Movement on Asset Replacement Reserve	3.0 1.6 0.8 5.4 5.4
Account 65 - Financial Charges (a) Net financial charges (interest on traport stocks and on repayable State adv for capital expenditure) (b) Transfer of rents received (c) Redemption fund - unsecured loan for sand equipment	4.8 0.1

REVENUE

Account 72 - Other Revenue

This includes revenue from :

(a)	other rail and road services	0.5
(b)	hotels and catering services	7.8
(c)	Rosslare harbour operations	1.3
(d)	canal operations	0.1
	work for third parties	0.7
	rents receivable	0.1
		10.5

Account 73 - Contra of Costs Booked to Other Accounts

This heading covers capital expenditure.

Account 74 - Compensation and Aid

This account breaks down as follows:

74.0 Regulation (EEC) Nº 1191/69	
Operation of passenger services	17.1
74.1 Regulation (EEC) Nº 1192/69	
Retirement and pensions	3.3
Level crossings	0.5
	3.8
74.2 Regulation (EEC) Nº 1107/70	
Contribution to infrastructure expenses	2.8
Deficit on the operation of road passenger transport services in Dublin and in the	
provinces	16.7
	19.5
74.3 Other Compensation and Aid	
Compensation for losses on the Galway - Aran Islands ferry service	0.1

Profit and Loss Summary

Account 91.3 - Exceptional Losses

This account includes:

Provisions for loss on interest in subsidiary company of OIE	0.26
Provisions for additional losses of subsidiary company of OIE	0.48
	0.74

Note

Re-stated trasposed accounts for 1978

To recognise the effect of changed accounting policies as follows:

- (a) The reporting of Fixed Assets and Depreciation Provision figures has been changed with regard to the treatment of the excess of depreciation based on replacement cost over historical cost depreciation. In prior years the full replacement cost depreciation provision was deducted from the cost of the related assets. From now on the excess of depreciation is shown in Account 03. Only the depreciation calculated on original cost is deducted from the original cost of Fixed Assets.
- (b) The policy followed in accounting for expenditures on Railway Lines and Works which in prior years was debited to Capital Reserves was changed from 1979 onwards with retrospective effect to 1st April 1974. Expenditures on Railway Lines and Works are included in Account 10.

AZIENDA AUTONOMA DELLE FERROVIE
DELLO STATO (FS)

TABEL

Undertaking: FS		···	at 31.1	31,12,1979		Mrd LIT	
ASSETS	1979	82	1978	LIABILITIES	1979	62	1978
LONG-TERM ASSETS							*
Fixed Assets (Net)		\$ 977		Cabital and reserves			
10 Land and fixed installations	3 250		2 895	00 Capital	¥		
11 Transport stock and equipment	2 570		2 201	O1 Reserves	7 3	027	7
12 Other stock and equipment	156		137	02 Contribution to investment costs		\$ 6 °	41.4
13 Fixed assets under construction	•		•	03 Provisions		878	\$28
Other fixed assets		326	283	04 Funds for staff		•	
14 Shareholdings in other undertakings	11		15	05 Long-term financial debts		10 412	
15 Long-term Loans	4			- debentures	2 072		2 139
16 Cost of floating loans and loan redemption				- State Loans	6 937		5 703
premiums 17 Miscellaneous fixed assets	308		\$ 92	- other financial debts	1 403		1 258
Sub-total			5 516	Sub-total		15 015	13 213
CORRENT ASSETS						٠.	
Stocks							
20 - 21 (In store or being manufactured)	-	797	305				
14-1		Č					
A Debessor		•					
S. Diographic	\$2		759				
41 Loans repayable within one year	1		•				
42 Bills receivable							
45 Securities				Current Liabilities			
Bank balances and cash		•		5) Creditors 60 Financial debte of less than con-uses	184 Z		1 614
43-46-47-48 Cheques in hand, postal cheque accounts,		808	297	ELO1			;
bank accounts, cash in hand		3		44 Bills payable	•		ŧ
Sub-total		2 569	1 7%	Sub-total		2 485	1 614
Results		2	N	Results		***	
06.1 Losses for previous financial years	7 415		9 5 5 9	06.0 Profits for previous financial years	1		
07.1 Loss for the financial year	1 217		1 295	07.0 Profit for the financial year	i		1
Assets : Total		17 504	14 827	Liabilities : Total		17 504	14 827
		######################################	11 11 11 11 11 11 11 11 11 11 11 11 11			******	
			Supplied to				

TABEL

I. GENERAL OPERATION

			I. GENERAL OPERATION		Year 1479	
Undertaking : FS			HLG LIS			
				QLQ+	1078	
2 u 2 x u	1979	1978	REVENCE	A) (A)		
	2 612	1 944	70. Traffic revenue			
Start costs				151	929	
Material supplied and services performed	1 345	1 157	O. Passenger and Luggage traffic			
the third norther			a) by rait			
מא כוווים ליפו ניפי						

					-
EX PES OF O	1979	1978	REVENUE	1979	1978
40. Staff costs	2 612	1 944	70. Traffic revenue	\$3£	450
Material supplied and services performed	1 345	1 157	0. Passenger and luggage traffic		25
by third parties 62. Taxes and dues	8	9,2	b) by other means of transport		
	ı	1	1. Goods traffic	501	455
Attores on achievan	434	520	a) by rail i) full trains and wagon loads		
4. Allocations to provision accounts			- national traffic		
45 Financial charges	027	607	- international traffic		
			ii) part loads and parcels		
			- international traffic		
			b) by road		***
		denotes 41	c) other means of transport	•	~
			2. Postal traffic		100.
			Sub-total	1 233	-
			71 Financial revenue	92	02
				149	188
-			72. Other revenue		987
			73. Contra of costs booked to other		
			915034		
			74. Compensations and aids received under	908	593
			0. Regulation (EEC) No 1197/69	416	366
			1. Regulation (CCC) N° 1172/07		•
			3. Other compensations and aids	- 1 222	•
			Sub-total	1 222	
	906 7	4 106	TA+3 CAVADILIA	3 158	2 641
Total expenses				7,0	377 1
		1	91.1 Operating loss for the financial year	-	-

II. PROFIT AND LOSS SUMMARY

91.1 Operating loss for the financial year 91.3.Exceptional losses 91.4 Corporation tax	1 748	1 465	91.0 Operating profit for the financial year 91.2 Exceptional profits 91.5 Balancing subsidy - Regulation (EEC) No 1107/70, Article 4	483 483		
91.6 Profit for the financial year	1	1	91.7 Loss for the financial year	1 217	1 295	,

FS - FINANCIAL YEAR 1979

Explanatory Notes

Figures are given in milliards (thousands of millions) of LIT.

I. Balance Sheet

Assets

Accounts 10 - 12 - Fixed Assets

The figures in accounts 10 to 12 are the costs of acquisition or construction as the FS does not employ the system of depreciating fixed assets. The last revaluation took place in 1927.

Account 13 - Fixed Assets under Construction

Investment expenditure is booked directly to the accounts concerned without passing through this account.

Account 16 - Cost of Floating Loans and Loan Redemption Premiums

Issue costs are never depreciated.

Accounts 20 and 21 - Stocks

The figure of LIT 797 mrd includes work in progress in FS workshops; not all of this is concerned with stocks.

Account 06.1 - Losses for Previous Financial Years

The amount entered in this account includes LIT 7 352 mrd covered by loans.

Account 07.1 - Loss for the Financial Year

LIT 755 mrd of the loss for the financial year is covered by advance loans from the Treasury Ministry.

Liabilities

Account 00 - Capital

The amount entered in this account represents the initial State allocation for lines and equipment and successive changes. In fact, changes take place only as a result of the closure of lines by Presidential Decree.

Account 02 - Contribution to Investment Costs

The amount entered under this account includes LIT 1 308 mrd by way of reimbursement by the State for the redemption of loans (excluding interest contracted to finance investments).

Account 05 - Long-Term Financial Debts

These debts include LIT 8 108 mrd in respect of long term debt to cover losses. This is made up as follows:

Debenture loans		1	175
State loans		6	933
		8	108

These amounts can be set off against those entered under 06. 1 and 07.1. The amounts in question are indicated in the Notes to those Accounts.

Debts to companies in which FS has a shareholding amount to LIT 335 mrd (Eurofima).

II. Profit and Loss Account

Expenses

Account 62 - Taxes and Dues

The amout entered in this account is made up as follows:

Taxes on land and buildings	1.1
Non-deductible VAT	13.5
VAT not recoverable from users	80.0
	94.6

Account 63 - 64

The FS does not depreciate its fixed assets, but sets up an annual reserve for their renewal which is entered under account 64.

Account 65 - Financial Charges

The amount of LIT 420 mrd includes repayments and interest for loans contracted to cover deficits reimbursed by the State under the provisions of Regulation (EEC) N° 1192/69 (see Notes to Account 74.1).

Revenue

Account 70 - Traffic Revenue

It is impossible to provide accounting data broken down as required by Annex IV to Regulation (EEC) N° 2830/77.

Account 74 - Compensatory and Aid

These are made up as follows:

74.0 Regulation (EEC) Nº 1191/69

Operation of :

(a) low-traffic lines	275
(b) unprofitable installations	11
(c) ferry services to Sardinia	18
(d) substitute road services	1
Tariff obligations	125
Expenses arising from tariff obligations of a social nature	341
Mail transport	35
	806

74.1 Regulation No 1192/69

Expenditure of a social nature (Class II)	11
Superannuation and pensions (Class III)	7.7
Level crossings (Class IV)	34
Recognition of services to the country (Class X)	24
Conditions in respect of the placing of public tenders (Class XIV)	20
Lack of normalization in the past (Class XV)	
(a) interest on loans for the renewal of instal- lations	45
(b) financial charges (capital and interest) on	204
loans contracted to cover deficits	416

Account 91.7 - Loss for the Financial Year

As mentioned in the Note to Balance Sheet Account 07.1, the loss for the financial year includes the sum of LIT 755 mrd already covered by State loans. This amount could be transferred to Account 91.5 - Balancing Subsidy.

SOCIETE NATIONALE DES CHEMINS DE FER LUXEMBOURGEOIS (CFL)

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	1978	1 608 904 -	32 0 5 05 3 6	87 0 7			77 20	21.9	198
Mio LFR	•	2 588 - 358	1 137	4 083				1 228	5 311
Ē	197	1 600 889	295 476 366				\$27		, ,
•	LIABILITIES	Capital and reserves 00 Capital 01 Reserves 02 Contribution to investment costs 03 Provisions 04. Funds for staff	05 Long-term financial debts - debentures - State loans - other financial debts	Sub-total			Current liabilities 31 Creditors 40 Financial debts of less than one-year term	44 Ditts payable Sub-total	Results 06.0 Profits for previous financial years 07.0 Profit for the financial year Liabilities : Total
31.12.1979	1978	692 1 489 43 587	25	2 863		009	. 5	1 861	
	•	3 083	2	3 134		1 492		23	134
	197	673 1 408 38 964	25			922	- 20		134
	Undertaking : CFL A S S E T S	Fixed Assets (Net) 10 Land and fixed installations 11 Transport stock and equipment 12 Other stock and equipment 13 Fixed assets under construction	Other fixed assets 14 Shareholdings in other undertakings 15 Long-term loans 16 Cost of floating loans and loan redemption premiums	17 Miscellaneous fixed assets Sub-total	Stocks 20 - 21 (In store or being manufactured)	Realizable assets 30 Debtors 41 Loans repayable within one year	42 Bills receivable 45 Securities Bank balances and cash	43-40-4(7-40 ineques) in haird, postar circust bank accounts, cash in hand	Results 06.1 Losses for previous financial years 07.1 Loss for the financial year Assets: Total

- 55 -

				. ,-													
TABEL 76	Year 1979	1978	182	- 27		71.2	1 161	- <u>\$</u>	: R	•	1 642	25	3	\$	265	25.	3 567
			232		1 602					1	1 83	25	Ξ	, 1 33			3 698
		6 2	204	≈ ,	1 584				•	.		,d.,		North	& &	8 5	ges () er
		1979				1 544	07	?									
	Mio LFR	\$. o				265	1 279	+ 0	,	i ph							
					1.40 14.						otal			i de		M	otal
-			ffic	sport		gon loads	affic	cels	affic	ŧ.	Sub-total	4		.	ved under 69	69 70, Article 3	ids Sub-total
= 1		ENUE	ffic revenue Passenger and Luggage traffic	b) by road c) by other means of transport		full trains and wagon loads	- international traffic	part loads and parcels - national traffic	 international traffic oad 	c) other means of transport				Contra of costs booked to other accounts	. s o	Regulation (EEC) No 1192/69 Regulation (EEC) No 1107/70,	Other compensations and aids
OSS ACCOUR	PERATION	REV	revenue	road other mean	Goods traffic	i) full tra			- intern b) by road	c) other means		Financial revenue	venue	f costs bo	tions and ation (EEC	Regulation (EEC) Regulation (EEC)	compensat
PROFIT AND LOSS ACCOUNT	GENERAL OPERATION		F. o	b) by road c) by other	1. Goods	o tell		2	• Q	e) of		Financia			. 5.4		3. Other
g.	.		.67	(2 - 1	oni oni					, ż			2	<u>R</u>	<u>Z</u>	70 T	etersey
		1978	4 258	23	371	161	165				v	Politica (2)	Ch.	* 9-		g. (49)	
											1.3%		*	135	en en enere e	** 3\$5:	
		1979	4 561	8	389	17	167	1+ "F									
			-Bed														
		E S	ses perfo			counts											
		PENS	nd servic		reciation	ision ac									yti. Yti.		
	ing :CFL	m X	Staff costs Material supplied and services performed	res	63. Allocations for depreciation	64. Allocations to provision accounts	harges								43 - 459		
	Undertaking		60. Staff costs 61. Material su	oy third parties Taxes and dues	ocations	ocations.	65. Financial charges										
			60. Sta 61. Mat	0y 62. Tax	63. ALI	64. ALI	65. Fir	:									.

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PROFIT AND	ŧ
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91.1 Operating loss for the financial year

Total revenue

5 416

5 802

91.0 Operating profit for the financial year Total expenses

5 348 **3**9

3 698 \$ 695 107

80	10%		91.7 Loss for the financial year			91.6 Profit for the financial year
45		A	- Other			
. 8	1 2	A . A	91.5 Balancing subsidy - Regulation (EEC) Nº 1107/70, Article 4	93. 93.	•	91.4 Corporation tax of the properties of the pr
N			91.2 Exceptional profits	.		1.3.Exceptional losses
	•		91.0 Operating profit for the financial year	%	107	91.1 Operating loss for the financial year

CFL - FINANCIAL YEAR 1979

Explanatory Notes

Figures are given in millions of LFR

I. Balance Sheet

Assets

Accounts 10 to 12 - Fixed Assets

The amounts represent the net value of the assets built and acquired:

Description	Gross Value	Accumulated Depreciation	Net Value
10. Land and Fixed Installations	1 189	516	673
11. Transport Stock and Equipment	2 629	1 221	1 408
12. Other Stock	150	112	38
and Equipment	3 968	1 849	2 119

There is no depreciation in the case of land.

The value of the land and fixed installations placed at CFL's disposal by the State when the company was formed appears in the Balance Sheet as nil. The renewal costs for these fixed assets are regarded as a depreciation allocation charged to the operating account.

Account 13 - Fixed Assets under Construction

The actual cost of this work is shown in the Balance Sheet.

Account 20 - 21 - Stocks

The valuation is based on current prices.

Account 30 - Debtors

Miscellaneous debtors	490
Expenses prepaid	112
Costs for 1980 paid in 1979	320
	922

Account 07.1 - Loss for the Financial Year

The loss is covered by the reserves and does not appear under this weak.

LIABILITIES

Account 01 - Reserves

Reserve funds and parts of long and medium-term debts 1 paid off	095
Less amount withdrawn to cover the deficit for 1978	107
	988
Account 03 - Provisions	
Insurance Fund	191
Fund for the recovery of initial expenses	167
	358
Account 05 - Long-Term Financial Debts Other financial debts are:	
Cash advances which can be consolidated	250
Debts to company in which CFL has a shareholding	116
(Eurofima)	366
Account 31 - Creditors	
Shareholders	48
Other creditors	600
Customer creditors	2
Income received in advance	75
Costs to be paid	78 ——
	803

II. Profit and Loss Account

Expenses

Account 60 - Staff Costs

The remuneration of staff in employment excludes that relating to investment which is charged to the relevant account items.

Account 62 - Taxes and Dues are

Municipal payroll tax,
Municipal trade tax and
Property tax

Accoutn 64 - Allocations to provision accounts

Allocation to	Insurance Fund	29
Allocation to	Reserve Fund	142
		171

Revenue

Account 74 - Compensation and Aid Received

Regulation	(EEC)	No	1191/69	_	Passenger traffic	1	629	
					Family allowances		31	
					Superannuation and pensions	1	446	
					Level crossings		15	
					Lack of normalization in the past		5	
					Too much collected in 1976	-	69	
						1	428	
Regulation	(EEC)	No	1107/70	_	Infrastructure cost		<u>641</u>	

Profit and Loss Summary

91.7 Loss for the Financial Year

See the Notes to Balance Sheet Account 07.1.

NEDERLANDSE SPOORWEGEN (NS)

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			31.12.1979		E	Mio HFL	
	197	•	1978	LIABILITIES	161	6	1978
ASSETS							
LONG-TERM ASSETS							
Fixed Assets (Net)		3 222		Capital and reserves	787		787
10 Land and fixed installations	1 755		289	00 capital 01 Reserves	1 964	2 448	1 992
11 Transport stock and equipment	•		٠,	02 Contribution to investment costs		495	105
12 Other stock and equipment	721		296	03 Provisions		102	ಪ
13 Fixed assets under construction				04 Funds for staff		۶۵ ;	\$
Other fixed assets	101	505	* 07	05 Long-term financial debts	376	•	248
14 Shareholdings in other undertakings	1 078		1 115	- debentures	3 \$	-	•
<pre>15 Long-term toans 16 Cost of floating loans and loan redemption</pre>	•				1 455		1 499
premiums	I .			-			
17 Miscellaneous fixed assets	•		1	•		4 818	1 185
Sub-total		27	4 375	Sub-total		25255555555	11
		11 11 11 11 11 11 11 11 11 11 11 11 11	1				
CURRENT ASSETS	· .						
ωļ		3 2	168				
20 - 21 (In store or being manufactured)				-			
Realizable assets		384	1				
30 Debtors	267		138				
41 Loans repayable within one year	117		544				
42 Bills receivable	1		1	Current liabilities			498
45 Securities			1	31 Creditors	§		
Bank balances and cash		1		40 Financial debts of less than one—year term	8 01		129
43-46-47-48 Cheques in hand, postal cheque accounts,		\$	51	44 Bills payable	•		
DANK ACCOUNTS CAN IN THE STATE OF THE STATE		632	601	Sub-total		572	763
		311111111111111111111111111111111111111	# # # # # # # # # #	Results		1	
Results		· 	1	06.0 Profits for previous financial years	•		1
06.1 Losses for previous financial years	31		~	07.0 Profit for the financial year			
U. Loss for the illustrict year		5 390		Liabilities : Total		\$ 390	2.6 7
		# 6 11 11 11 11 11 11 11 11	######################################			_	
	_	-					-

- 61 -

PROFIT AND LOSS ACCOUNT

TABEL 8b

Year : 1979 Rio HFL I. GENERAL OPERATION Undertaking : NS

VENUE 1979 1978		rains and wagon loads 100 289 314 onal traffic 189 5 oads and parcels 1 onal traffic 4 ii) Other revenue 20 s of transport	Sub-total 1117 12 75 75 215	### and aids received under ### (EEC) No 1191/69 ###################################
Z W	70. Traffic revenue 0. Passenger and luggage traffic a) by rail b) by road c) by other means of transport	600d	71. Financial revenue 72. Other revenue 73. Contra of costs booked to other accounts	74. Compensations and aids received under 0. Regulation (EEC) No 1191/69 1. Regulation (EEC) No 1192/69 2. Regulation (EEC) No 1107/70, Artic 3. Other compensations and aids
1978		273 126 28		
1979	1 416 519 5	202 133 41		
м 2 ш 4 2	60. Staff costs 61. Material supplied and services performed by third parties 62. Taxes and dues	63. Allocations for depreciation 64. Allocations to provision accounts 65. Financial charges		

II. PROFIT AND LOSS SUMMARY

					No. and All of	
91.1 Operating loss for the financial year	£	122	91.0 Operating profit for the financial year		1	ij. 18
91.3.Exceptional losses		•	91.2 Exceptional profits	constant or	*	1964
91.4 Corporation tax	1	1	91.5 Balancing subsidy - Regulation (EEC) Nº 1107/70, Article 4 - Other	Š. g	ngarantan a sakir	t.
						A CONTRACTOR OF A CONTRACTOR O
91.6 profft for the financial year	Ŋ	ŧ	91.7 Loss for the financial year	e de desente de la manufactura del manufactura de la manufactura d	11	,

NS - FINANCIAL YEAR 1979

Explanatory Notes

Figures are given in millions of HFL.

I. BALANCE SHEET

Account 00 - Capital

The company's share capital consists of HFL 1 mrd divided into one million shares of HFL 1 000 each, of which HFL 484.4 mio were issued and paid up as at 31 December 1979.

Account 01 - Reserves

This account contains in particular the following:

General reserve		969
Revaluation reserve		617
Investment reserve		66
Reserve for shareholdings		281

Account 02 - Contributions to Investment Costs

This account contains the investment grants from the State and the premiums paid in accordance with the "Wet Investeringsrekening (WIR)".

Account 03 - Provisions

This account consists of provisions for :

maintenance of fixed assets Reorganization of freight traffic and Other provisions

It includes provisions for the equal distribution of certain charges and the cover of specific risks.

Account 04 - Funds for Staff

This item consists of a provision for early retirement pensions (a percentage of the total amount of pension contribution is paid into this reserve each year) and pension commitments which are not covered by the

railway's pension fund. The contribution to this fund is included in the pension cost of Account 60. The State also contributes to the railway's pension fund.

Account 05 - Long-Term Financial Debts

These are debts which still have more than a year to run. The annual repayments which have to be made on the long-term loans in the next year are included under Account 40.

The debts are entered at nominal value.

Foreign currency loans are converted at the latest exchange rate in 1979. The exchange difference is entered in the Account 01.

This account does not include debts to companies in which NS has a shareholding.

Account 10 - 12 - Fixed Assets

	Grossvalue	Accumulated Depreciation	Net value
10. Land and Installations	3 214	1 459	1 755
11. Transport Stock and Equipment	1 642	896	746

Account 10 - Expenditure on the maintenance of permanent way (except on strengthening) is charged to the operational Account 64.

Account 11 - includes stock and equipment obtained from Eurofina on hire purchase.

Account 12 - Purchases of machinery, tools and service vehicles are in the course of the year (HFL 18 mio).

Account 13 - Fixed Assets under Construction

Expenditure which should not appear on the assets side is deducted from the expenditure incurred. Depreciation commences on entry into service.

Land and fixed	installations	561
Transport stock	and equipment	156
Other stock and	d equipment	4
		721

Account 14 - Shareholdings in Other Companies

The value of the shareholdings is that shown in the most recently published Balance Sheets of the companies in question. It relates to own capital, with due allowance for profit or loss.

Account 15 - Long-Term Loans

These loans mainly include:

- (a) claim on the State for losses prior to 1976 1 000
- (b) financing of new lines
- (c) loans granted

 (including HFL 3 mio to a company in which NS has a shareholding)

Account 20 - Stocks

Stocks are valued at the 1 January 1980 price level, less a provision for obsolesence. Any price differences are charged to the Reserve for Revaluation Account 01.

64

Account 30 - 31 - Debitors and Creditors

These accounts are taken up to nominal value.

Account 40 - Financial Debts of Less than One Year Term

This account covers the redemption in the coming year of loans with a remaining term of more than one year.

Repayments of foreign-currency loans are converted into HFL. The exchange difference is charged to the Reserve for Revaluation (Account 01).

Account 41 - Loans repayable within a Year

This account lists the part of the claim on the State resulting from accumulated losses prior to 1976 and falling due in the coming year (HFL 49.3 mio) and short-term investments (to nominal value).

II. Profit and Loss Account

Account 60 - Staff Costs

The sum entered in this account can be broken down as follows:

Remuneration	893
Social charges	503
Other staff costs	21

Account 61 - Material Supplied and Services Performed by Third Parties

This account includes:

(a)	supplies from and maintenance by third par	ties	252
	of which for fixed installations	120	
	for rolling stock	103	
(b)	the costs of electricity, fuel and		168
	communications		
(c)	the costs of automatic data-processing		41

Account 62 - Taxes and Dues

This account includes non-deductible VAT, property tax, environmental taxes and other deductible taxes.

It does not include deductible VAT. NS pays VAT on goods which it purchases and charges VAT in respect of its passenger and freight services. When the accounts are cleared, excess VAT paid or charged is claimed or reimbursed, as appropriate.

Account 63 - Allocations for Depreciation

This item contains depreciation on the basis of the purchase price

(a) depreciation allocation

(b) additional depreciation (in goods traffic)

(c) expenditure which should not be shown on the assets side

(d) book value losses

2
206

(e) amortization on premiums WIR

- 4
202

Account 64 - Allocations to Provision Accounts

This account covers allocations:

- 119 (a) to the provision account for the maintenance of the permanent way
- (b) for the modification and improvement of rolling stock

Account 65 - Financial Charges

The amount of this account is the difference between interest paid

- from the State 86 and interest received

- from others

The Profit and Loss Account therefore includes interest amounting to HFL 86 mio by way of financial losses up to 1975. The accumulated loss itself is converted into a claim on the State.

Account 71 - Financial Revenue

This account also includes the corporation tax for 1978 transferred to NS in 1979 by its consolidated subsidiaries; no corporation tax was due from NS in 1978 because of its deficit.

Account 72 - Other Revenue

This account also includes general expenses, direct wages and the indirect cost of materials charged to third parties (HFL 23.5 mio).

Account 74 - Compensation and Aid

74.0. Regulation (EEC) No 1191/69

Maintenance of passenger traffic

769

74.1. Regulation (EEC) Nº 1192/69

Crossing facilities

43

812

124

Account 91.5. - Balancing Subsidy

- (a) State subsidy for freight traffic in 1979 equal to losses calculated on the basis of full costs
- (b) Adjustment of the Compensation for Public Service 70 Obligations accounts for 1979 and State subsidy for 54 freight traffic in 1979

Account 91.1 - operating loss of the year	85
Account 91.5 - Balancing subsidy (Regulation (EEC) Nº 1107/70, art. 4)	54
Account 91.7 - Loss for the financial year	31
which covers allocation for depreciaition of fixed asset	s to be used in the
goods transport.	

BRITISH RAILWAYS BOARD (BRB)

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35,6 *********** 418,9 4,0 344,5 1,47 ******** 2 170,7 341,8 151,4 1 709,8 40,8 786,1 493,2 389,7 . *********** 514,6 45,0 2 551,3 6,549 1 994,7 462,6 39,8 546,4 TABEL 9a Mio UKL 6,24 394,5 120,1 462,6 382,8 163,6 ŧ Liabilities : Total 06.0 Profits for previous financial years 40 Financial debts of less than one-year Sub-total Sub-total 02 Contribution to investment casts 07.0 Profit for the financial year 05 Long-term financial debts LIABILITIES - other financial debts Capital and reserves Current Liabilities 04 Funds for staff 44 Bills payable - State Loans debentures 03 Provisions 31 Creditors 01 Reserves 00 Capital Results at 31.12.1979 2 170,7 357,5 186,3 4, 159,0 5,0 465,8 8,99 ۲,2 808,6 1 813,2 10,8 1,694 2 123,6 2 551,3 427,3 11,9 7,0 186,9 228,5 1 151,6 972.0 526,6 6,1 4,0 2,0 558,6 8,0 508,4 ı 43-46-47-48 Cheques in hand, postal cheque accounts, bank accounts, cash in hand Sub-total Sub-total Assets : Total 16 Cost of floating loans and loan redemption 06.1 Losses for previous financial years 20 - 21 (In store or being manufactured) 14 Shareholdings in other undertakings 13 Fixed assets under construction ASSETS LONG-TERM ASSETS 07.1 Loss for the financial year 11 Transport stock and equipment 10 Land and fixed installations CURRENT ASSETS 17 Miscellaneous fixed assets 12 Other stock and equipment 41 Loans repayable within Bank balances and cash Undertaking : BRB 42 Bills receivable 15 Long-term loans Other fixed assets Fixed Assets (Net) Realizable assets 45 Securities premiums one year 30 Debtors Results Stocks

PROFIT AND LOSS ACCOUNT

I. GENERAL OPERATION

TABEL 96

Year 1979

Mio UKL

err · Coldetabell				Mio UKL		¥Ί	Year 4979	
940	1979	1978	W 7 2 4 7 4 4	1979	6 4		1978	
EXPRES IN							2.00	
otati freta 17	1 376,8	1 189,6	70. Traffic revenue				Ģ ≻	
61. Material supplied and services performed	1 015,5	856,2	O. Passenger and luggage traffic		855,8	2,48	751,2	
by third parties		. ?	a) by rail b) by road		10# 7		92.3	•
62. Taxes and dues	•	7/0	c) by other means of transport			0 667		-
63. Allocations for depreciation	109,4	93,5	1. Goods traffic		5,612	055,7		
4/ Allocations to provision accounts	1	ŀ	a) by rail i) full trains and wagon loads	430,2			390 ,6 5 ,3	k
	62.59	50.0	- national traffic - international traffic				6 68	
65. Financial charges	3		ii) part loads and parcels	89,5			200	
			- national traffic - international traffic					
			b) by road		14,0		6 67	
			c) other means of transport		97,60		2,7 (1)	
			2. Postal traffic		,	×0.	27.5	
			Sub-total Sub-total		-	1 628,3	1 408,3	
			71. Financial revenue			3,9	66,33	,
			. 0			164,2	144,8	
			73. Contra of costs booked to other			231,6	6'561	
	.,		accounts 76. Commensations and aids received under		1		•	
	·				522,5		10.00	
			1. Regulation (EEC) No 1192/69		2,7	.,	2,2	
			3. Other compensations and aids				-	
	.,		Sub-total.			538,1	447,3	
Total evaluation	2 564.7	2 189,5	Total revenue			2 566,1	2 196,0	-
							ı	
91.0 Operating profit for the financial year	4/1	5'9	91.1 Operating loss for the financial year			-		

II. PROFIT AND LOSS SUMMARY

91.1 Operating loss for the financial year 91.3.Exceptional losses 91.4 Corporation tax	80,1	, ,	91.0 Operating profit for the financial year 91.2 Exceptional profits 91.5 Balancing subsidy - Regulation (EEC) No 1107/70, Article 4		,
			- Other		
91.6 profit for the financial year	ļ.	6,6	91.7 Loss for the financial year	***	_

BRB - FINANCIAL YEAR 1979

Explanatory Notes

Figures are given in millions of UKL.

I. General

1. Property let or held for sale is not amortized, in view of the continuing appreciation of property values. These properties have been revalued on an open market basis as at 31 December 1978 and the revised value included in the capital account. The surplus (UKL 97 mio) on revaluation and on sales of non-operational property were transferred to the Capital Reserve account.

2. Leased Assets

Rolling stock, ships and plants and equipment acquired under leasing arrangements are included in fixed assets and amortised in the normal way. This capital element is included under the heading Loans and Leasing Liabilities and reduced by the value of the capital proportion of lease payments; the remainder of the lease payments is charged to the Account 65.

3. Special Replacement Allowance

A sum of UKL 56.7 mio for the Special Replacement Fund, received as Public Service Obligation support, has been entered under "Provision for Replacement of Rail Passenger Assets". It has then been transferred to the Capital Reserve (Account 01).

II. Balance Sheet

Assets

Accounts 10 to 13 - Fixed Assets

The amounts included are made up as follows:

Description	Gross Value	Accumulated Depreciation	Net Value
10. Land and Fixed Installations	583.4	75.0	508.4
11. Transport Stock and Equipment	1 187.2	628.6	558.6
12. Other Stock and Equipment	155.3	70.7	84.6
	1 925.9	774.3	1 151.6

Account 13

These amounts are included in Accounts 11 and 12.

Account 14 - Shareholdings in Other Companies

The sum of UKL 2.0 mio is the total book value of shareholdings in other undertakings.

Account	15	_	Long-Term	Loans

<u>Liabilities</u>

Account 01 - Reserves	
Capital reserves	412.5
General reserve	50.1
	462.6

Account 03 - Provisions

General Obsolescence Provision	30.7
Internal Insurance Provision	9.1
	39.8
Account 04 - Funds for Staff	
Debts to Staff Pension Funds	925.3
Savings bank	20.6

The sum of UKL 925.3 mio is the contra of the equivalent amount included in account 15, since BRB has the right to reimbursement of this debt by

Account 31 - Creditors

Interest due on capital liabilities to secretary of state	11.0
Creditors and debts outstanding	383.5
	394.5
	ンァサ・ノ

III. Profit and Loss Account

Expenses

the State.

Account 60 - Staff Costs

The main item in this account is gross staff costs which include:

Salaries and wages	1 160.8
Employer's liability for :	
- National Insurance	110.8
- Pension fund contributions etc.	98.2
Clothing	7.0
	1 376.8

Account 61 - Material Supplied and Services Performed by Third Parties

Fuel and power	136.7
Materials, supplies and services	717.3
To be charged to third parties	161.5
	1 015.5

Account 62 - Taxes and Dues

A standard rate of 15 % is applied to all positively rated railway traffic. VAT is included in the cost of most services performed by third parties and also on the cost of supplies and equipment.

Every three months a settlement of the differences between the VAT collected and that paid. The VAT is dealt with through a suspense account system and is not included in the published accounts.

Account 65 - Financial Charges

Interest payable to Government	36.9
Other interest charges	20.7
Leasing charges	4.2
Other charges	1.1
	62.9

Revenue

Account 70.0 - Passenger and Luggage Traffic

(a) Rail

Passenger fares	799.4
Station catering	38.5
Train catering	17.9
	855.8

(b) Road

(c) Other Means of Transport

Ships	96.3
Hovercraft	12.4
	108.7

Account 70.1 - Goods Traffic

International traffic includes only wagon traffic using gerries, i.e. traffic carried by rail outside the BRB system.

Account 72 - Other Revenue

Revenue from :

Railway workshops	31.4
Ports	20.6
Hotels	37.9
Non-operational property	12.3
Operational property - letting	27.5
Transmark	4.5
Miscellaneous	30.0
	164.2

Account 63 - Contre of costs

Amount recovered in respect of work done for third parties and the cost of work charged to capital account are shown in this account. The corresponding entries for expenses are included within their respective cost headings.

Account 74 - Compensation and Aid

74.0	Compensation for public service obligations	522.5
74.1	Compensations for crossing facilities	12.9
74.2	Reseranch grants	2.7

NORTHERN IRELAND RAILWAYS
COMPANY LTD. (NIR)

13 363 22 097 13 363 7 667 1 067 1 067	LIABILITES LIABILITES			
13 363 1 667 1 067	to the second of	•		
13 363 7 667 1 067 -	בשל ושני פוני בעיני			Ş
290 t	11 756 00 Capital 8 099 01 Reserves	3 615	3 715	3 336
	00		18 306	17 368
1 1	- 03 Provisions		•	
1 1	04 Funds for staff			•
	05 Long-term financial debts		8	ı
	- debentures		·····	1
	- State loans	· .		2
Cost of floating loans and loan redemption	- other financial debts	3		3
1	1			100
	20 758 Sub-total		22 121	*OX 07
(In store or being manufactured)	298			
2 514	780			
	1			
•	Current Liabilities	Ş		1 739
1	31 Creditors	2		
	40 Financial debts of less than one-year	,		1
43-46-47-48 Cheques in hand, postal cheque accounts, hand hand in hand	(189) 44 Bills payable	,		1
1 823	1 889 Sub-total		1 790	1 739
17 91 18 18 18 18 18 18 18 18 18 18 18 18 18	Resolts	agent from	6	1
Results Od. 1 locase for previous financial years	- 06.0 Profits for previous financial years	*		,
	26 07.0 Profit for the financial year	~		\$
Assets : Total	22 673 Liabilities : Total		23 920	25 57

7.7 -

- 10

			PROFIT AND LOSS ACCOUNT			TABEL 10 b
Undertaking : NIR			I. GENERAL OPERATION OCC	000 UKL		1.4.1979/ Yeal1:3.1980
EXPENSES	1,4,1979/	1.4.1978/	REVERUE	1,4,1979 / 31,3,1980	3 80	1,4,1978/
60. Staff costs	4 259	3 546	70. Traffic revenue			
61. Material supplied and services performed by third parties	2 692	2 138	0. Passenger and luggage traffica) by rail	2 818	2 818	2 240
62. Taxes and dues	ı	•	b) by road c) by other means of transport	l f		ı I
63. Allocations for depreciation	22	22	1. Goods traffic	1 372	1 372	
64. Allocations to provision accounts	828	296	a) by rail i) full trains and wagon loads	238		
AS Einencia change	77	~	- national traffic - international traffic	266		515
מעס		ı	ii) part loads and parcels	773		627
	-		- national traffic - international traffic	25		97
			b) by road c) other means of transport	1 1		· 1 1
			2. Postal traffic		44	5
			Sub-total		4 207	3 423
			71. Financial revenue		S	27
			72. Other revenue		535	579
			73. Contra of costs booked to other		1	1
			mpensations and aids	2 431		1 895
			0. Regulation (EEC) No 1191/69			
				394	2 878	348 2 275
			Sub-total			
Total expenses	7 625	6 304	Total revenue		7 625	6 304
91.0 Operating profit for the financial year			91.1 Operating loss for the financial year		1	1

II. PROFIT AND LOSS SUMMARY

91.1 Operating loss for the financial year 91.3.Exceptional losses 91.4 Corporation tax	6	8	91.0 Operating profit for the financial year 91.2 Exceptional profits 91.5 Balancing subsidy - Regulation (EEC) Nº 1107/70, Article 4	1 1 1	1 1 1 1 1
91.6 Profit for the financial year	\$		91.7 Loss for the financial year		

NIR - ANNUAL ACCOUNTS CLOSED ON 29 MARCH 1980

Explanatory Notes

Figures are given in thousands of UKL.

1. Basis of Accounting

Accounts are prepared on the historical cost basis of accounting, whereby items are recorded at their values on the dates when they were acquired or revalued, the liabilities were incurred or the capital obtained.

2. Fixed Assets

Fixed assets transferred to the Company on the 1st April 1968 are included as valued on 29 March 1970 and other assets at cost.

3. Depreciation

Depreciation is not charged on expenditure on assets not yet in use. With the exception of signalling, bridges and permanent way, depreciation of fixed assets is charged so as to write them off over their expected useful lives at cost. In the case of signalling and bridges, expenditure is written off in the period in which it is incurred.

Depreciation is charged against reserves (account 64) in respect of all assets others than two items of plant and machinery on which depreciation is charged to profit and loss account 63.

4. Stocks

The basis of valuation is the lower of average cost or estimated realizable value. The stocks include engineering materials and stores of fuel and oil.

5. Corporation Tax

An amount of UKL 5 000 is payable to Group Companies in respect of an over-provision for Group Taxation Relief in the previous year.

Account 64 - Allocation to provision account	
Depreciation to reserve account	121
Fixed assets replacement reserve	507
	628
Account 72 - Other revenue	
Surplus on disposal of fixed assets	121
Catering	180
Other receipts	44
On cost	190
	535

SUMMARY OF THE TRANSPOSED BALANCE SHEETS

(1979)

(in mio, national currency)

1

		SNCB	DSB	90	SNCF	CIE	FS (1)	CFL	NS	BRB	NIR (2)
ASSETS		7	7 705	51 7.7	65 039	~	6 303	3 134	4 727	2 123,6	22 097
Long-term assets		60 240	- ^	48 851		81,1			3 222	1 151,6	22 097
- Fixed assets		14 199	10			0	326	51	1 505	972,0	t
- Other Tixed assers		21 361	764		12 835	41,2	2 569	2 034	632	427,3	1 823
רטורפוור מטטפרט		2 692	415	1 038	2 270	21,9	262	528	184	186,9	393
- Dealitable accets		12 257	314	2 377	728 6	18,0	874	1 492	384	228,5	2 514
- Rear Leader assets -		1 409	35	1 030	169	1,3	868	23	99	11,9	(1 048)
Cumulative results		4 815	1	8 187	4 830	9,7	8 632	134	31	0,4	1
(losses) Total	<u> </u>	109 615	8 559	920 79	82 704	129,9	17 504	5 311	5 390	2 551,3	23 920
LIABILITIES		767 87	8 039	29 616	43 783	38,3	4 603	2 946	3 074	1 448,3	22 021
Capital and reserves		000 27	, ,			6,84	10 412	1 137	1 744	546,4	100
Long-term debts		18 639	520			42,7	2 489	1 228	572	514,6	1 790
Cumulative results		279	1	ı	108	ŧ	1	ı	ı	45,0	6
(profits) Total		109 615	8 859	64 076	82 704	129,9	17 504	5 311	5 390	2 551,3	23 920

(1) in mrd LIT (2) in 000 UKL

		SNCB	DSB	80	SNCF	CIE	FS(1)	CFL	SN	BRB	NIR(2)
REVENUE											
Traffic revenue		22 494				~	1 253	1 834	1 117	- 00	20
- passenger		686 2	1 373	4 486	9 305	73,7	751	232	772	964,5	2 818
spood .		14 045	904			`~'	501	1 602	314	\sim	37
- postal		7460	92	358		<u>, -</u>	•	1	31		, —
Financial revenue		349	9	161	311		56	52	123	M	·
Other revenue			386			0	149	111	S	164	535
sts			ı			4	508	ı	215	31	ı
ompensation		45 959	1 009	8 083	12 548	26,0	1 705		866	538,1	87
Regulation			782			~	806	1 629	692	22	2 431
Regulation 1192/69			12		077	3	416		43	12	Ŋ
		10 114	215	82			ı	641	1	\sim	1
Others		I	1	1 018	1 532	0	1	ı	ı	1	394
- Regulation 1107/70, art. 4		1	1	ı			483	ı	54	ı	ı
Extraordinary items		358	ı	75		•	65	ı	ı	1	ı
Loss of the year			1	3 576	1	2,2	1 217	107	31	•	ı
	Total	84 228	3 743	5	40 802		8	5 802	2 316	2 566,5	7 625
EXPENSES											
Staff costs	**	51 651	2 228		7	v	7	1741	~	K	
Material + third parties				8 954	10 964	205	1 245	627	2,10	1 010 5	7 607
Taxes			1		, 4	, 2	6	55	-	,	
Depreciation and provisions		9	187		. [7]		424	260	335	7001	650
Financial charges		4 071	335	2 394	2 288	٠,	420	167	4	6.29	76
Extraordinary items		1	ı	54	N	•		. 1		00,	(2)
Profit of the year		279	ı	1	108		ı	ı			'n
	Total	84 228	3 743	32 054	40 802	185.8	206 7	5 802	2 316	2 544 5	7 625

(1) mrd LIT (2) 000 UKL

PART II

- 1. Factors preventing harmonization and comparability of railway accounts are of two types:
 - organizational/structural differences between undertakings
 - differing accounting norms and practices used by undertakings.
- 2. The structural impediments are manifest in the considerable differences which exist in the field of State/Railway relationships. Certain railways and their accounting systems are integral parts of the State Administration (Denmark and Italy) whilst others have a cooperate entity distinct from the State (Netherlands, UK, Ireland) and are more subject to the discipline of industrial and commercial practices. The purpose and role of railway undertakings differ from Member State to Member State with consequent implications for the degree of State intervention and financial assistance. There exist major differences in legal and financial structures. Certain railways own their infrastructure - UK, Ireland, Netherlands whilst others are granted concessions to operate railway services for limited periods on State owned infrastructure - Belgium, France - and are responsible only for maintenance of the infrastructure. Differences exist as to the corporate activities and services provided by railway undertakings. BRB is a multi-modal, multi-activity organization, as is CIE, whilst CFL is simply a provider of transport services.
- 3. These fundamental differences impede both harmonization of accounting systems (i.e. practices, procedures and methods) and inhibit strict comparisons between transposed accounts presented. It is further considered that Regulation 2830/77 is not a suitable instrument to resolve these differences. This can only be achieved within the context of the wider railway policy pursued and legislative provisions existing or envisaged.
- 4. The Advisory Committee considered that progress could best be achieved, in the short term, by improving comparability of the accounting material

available. Previous reports and work have provided a sound basis for improving comparability and clarifying the issues to be solved - depreciation principles and methods (See Annexe I), deficit coverage, normalization procedures. The Commission considers that greater comparability can now be attained by improving the explanatory notes to the accounts. To this end the Commission suggested ways and means, generally accepted by the Committee, by which the explanatory notes could be expanded over and above the basic requirements specifically laid down in the regulation.

- 5. The suggestions can be summarized as :
 - (a) Comprehension, transparency and comparative analysis of <u>Balance Sheet</u> data will be facilitated by:
 - inclusion of details of companies in which railways have a shareholding, with remarks and information on the extent of those shareholdings and loans made;
 - (ii) statement showing movements over the year in fixed assets and stocks;
 - (iii) statement on sources and application of funds;
 - (iv) provision of full details on stock breakdown and valuation methods used.
 - (b) Understanding, transparency and comparative analysis of <u>Profit and Loss</u>

 <u>Account</u> will be facilitated by:
 - (i) inclusion of detailed breakdowns of staff costs. Clear distinctions should be made between remuneration of staff in active employment, direct pension payments, contributions paid by undertakings on behalf of employees to autonomous pension funds and miscellaneous social charges;
 - (ii) details on structure and cost of workforce;
 - (iii) breakdown of expenditures in the different definable business sectors (suggested breakdown as per Account 70);

- (iv) detailed breakdown of materials supplied and services performed by third parties (Account 61) and contra of costs booked to other accounts (Account 73);
- (v) using the provisions of the 4th Directive on Accounting (1) concerning the use of "set-offs" when compiling accounts;
- (vi) specification of the nature of compensation paid under EEC Regulation No 1191/69 on public service obligations, No 1192/69 on normalization of railway accounts and No 1107/70 on aids to transport.
- 6. These suggestions, it is maintained, would facilitate the establishment of reliable comparative indicators from which would be removed distorting factors (e.g. direct pension payments, capital support, etc.). It is considered that this approach will also fulfill the mandate for more comparative accounting data layed down in Regulation 2830/77 without;
 - prejudicing the autonomy of railway managements (Art. II of Decision of May 1975);
 - infringing the provisions of the 4th Directive on Accounting which is directly applicable to four of the undertakings;
 - requiring changes in national accounting practices and conventions,

and respecting the principles of industrial and commercial accounting practice as provided for in Article 7 of the 1975 Decision (2) and indeed the spirit and practice of that Decision and Community railway policy.

7. An Analysis of the Transposed Accounts, in the form of comparative indicators, will in future be contained in the Biennial Report on the economic and financial situation of railway undertakings. However consideration is being given to determine what additional information could be included in this report.

⁽¹⁾ OJ Nº L 222 Vol. 21 of 14/8/1978

⁽²⁾ OJ Nº L 152/3 of 12/6/1975