

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(87) 311 final

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EIGHTH COMMISSION REPORT

on the transposed annual accounts of railway undertakings

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Synoptic report on accounts

INTRODUCTION

1. Article 5 of Regulation (EEC) No. 2830/77¹ provides that railway undertakings shall, within 12 months of the end of the accounting year in question, transmit to the Commission their transposed accounts. Six months after their receipt "the Commission shall submit a synopsis (of the accounts) to the Council".
2. The Commission's services prepared a detailed working document on the transposed accounts 1984, which was submitted for comment to the Members of the Advisory Committee established to assist the Commission in the implementation of the said regulation.
3. At the time the working document was submitted (January 1987) the transposed accounts of British Rail (BR) had not yet been received by the Commission. In the meantime this information has been made available and a summary of the results is included in this report.
4. For the rest the Advisory Committee had no comments on the working document of the Commission's services.

¹ OJ No. L 334/13 of 24.12.1977

COMMENTARY ON THE TRANSPOSED ACCOUNTS

1. A summary of the Transposed Accounts is reproduced in Annex I.
2. The major changes in accounting practices used in the drawing-up of the 1984 Transposed Accounts are :

(a) D.S.B. (Denmark)

- (i) From 1984 onwards stocks are valued at net
- (ii) Work performed for third parties has been transferred from Post 72 "other revenue" to Post 73 "Contra of costs booked to other accounts".

(b) O.S.E. (Greece)

- (i) From 1984 interest on primary expenditure, which has previously been booked to the profit and loss account, will be accounted for in the balance sheet. The interest relates to financing final installations and will be amortized over 30-50 years from the date of operation of the installations
- (ii) From 1984 the same practice will be applied to the negative differences on rates stemming from repayment of loans contracted in foreign currency for the financing of fixed assets.

(c) N.I.R. (Northern Ireland)

- (i) A transfer has been made from reserve to profit and loss account for depreciation charged on fixed assets which have been grant-aided, revalued or acquired by the company out of its own funds.
- (ii) Where the Company enters into a lease which entails taking substantially all the risk and reward of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a fixed tangible asset and is depreciated over its estimated useful life or the lease term, whichever is the shorter.

(d) B.R.B. (United Kingdom)

As a consequence of the change in the accounting year from a calendar basis to a financial year basis (1 April - 31 March) the B.R.B. accounts for the year 1984 cover 15 months (1 January 1984 - 30 March 1985).

3. In its continuing attempts to improve the transparency of railway accounts the Commission's services asked for the exercise 1984 to receive Statements on Sources and Application of Funds. All railways, with one exception, provided this information is in conformity with the agreed scheme. The results will be presented in future biennial reports.
- 4.a) The Council is invited to take note of this report.
- 4.b) The Council is invited to examine the possible integration of the synoptic report on transposed accounts (art. 5 of Regulation (EEC) No. 2830/77) with the biennial report on the economic and financial situation of railway undertakings (art. 14 of Decision 75/327/EEC). At present, the two reports are presented separately. The report on transposed accounts restricts itself to the presentation of possible adjustments in the accounting methods and financial key-figures, whilst the interpretation of the figures and the analysis of the financial and economic situation of the railways are given afterwards in the biennial report.

Possibly the first report is of little interest to the Council. If so, the procedure for the future could be changed so that the information concerned will be integrated with the biennial report, after Regulation (EEC) No. 2830/77 has been modified accordingly.

SUMMARY OF THE TRANSPOSED BALANCE SHEET (1984)

(IN MIO NATIONAL CURRENCY)

	BBB	CEL	CIE	DB	DSB	FS	NIR	MS	OSE	SNCB/ MMBS	SNCF
ASSETS											
LONG-TERM ASSETS	1 464,7	3 717	266,2	59 275	10 059	17 126	37 405	6 705	39 600	194 241	103 728
- FIXED ASSETS	1 228,3	3 644	266,2	56 721	10 032	16 081	37 405	5 715	37 620	189 477	90 523
- OTHER FIXED ASSETS	236,4	73	-	2 554	27	1 045	-	986	1 980	4 764	13 205
CURRENT ASSETS	510	1 912	66,8	4 000	1 650	10 791	4 613	811	17 754	33 743	22 188
- STOCKS	213,4	563	37	1 039	685	1 813	572	301	3 370	11 366	3 638
- REALIZABLE ASSETS	269,7	1 340	28,3	2 158	688	4 845	2 734	294	11 941	21 402	17 599
- BANK BALANCES AND CASH	26,7	9	1,5	803	77	4 133	1 307	216	2 443	975	951
CUMULATIVE RESULTS (LOSSES)	650	95	58,8	6 833	-	16 410	668	-	-	7 703	26 103
TOTAL	2 624,7	5 724	391,8	70 108	11 709	44 327	42 686	7 516	57 354	235 687	154 019
LIABILITIES											
CAPITAL AND RESERVES	1 281	3 064	57,4	30 547	10 059	11 515	37 248	4 159	45 684	126 359	56 880
LONG TERM DEBTS	637,9	1 209	152,4	35 806	-	27 245	136	2 448	6 136	73 522	63 246
CURRENT LIABILITIES	711,8	1 451	102	3 755	1 650	5 567	4 042	871	5 534	35 806	33 893
CUMULATIVE RESULTS (PROFITS)	-	-	-	-	-	-	1 260	28	-	-	-
TOTAL	2 624,7	5 724	391,8	70 108	11 709	44 327	42 686	7 516	57 354	235 687	154 019

(1) MRO LIT
(2) 000 UKL

(3) 15 months

SUMMARY OF THE TRANSPOSED PROFIT AND LOSS ACCOUNT (1984)

(IN MIO NATIONAL CURRENCY)

	BRB	CPL	CIE	DB	DSB	FS	MIR	NS	OSE	SMB/	SMB/
	(3)					(1)	(2)			MBS	SMBP
REVENUE											
TRAFFIC REVENUE	2 252,5	1 906	206,5	15 699	3 882	2 420	5 540	1 404	6 423	28 144	36 542
- PASSENGER	1 606,1	339	164,2	5 747	2 502	1 545	4 580	1 065	3 479	10 871	17 040
- GOODS TRAFFIC	579,2	1 567	39	9 561	1 269	873	924	310	2 926	16 787	18 835
- POSTAL	67,2	-	3,3	391	111	2	36	29	18	486	667
FINANCIAL REVENUE	10,6	35	-	198	8	86	66	86	81	485	1 659
OTHER REVENUE	118,6	93	8,6	1 787	532	419	1 201	85	382	18 068	3 598
CONTRA OF COSTS	267,6	-	68,4	5 001	77	262	-	221	1 435	8 351	3 354
COMPENSATION AND AIDS	1 202,6	5 718	112	9 467	2 677	6 001	5 699	1 287	11 060	54 352	22 794
- REGULATION (EEC) 1191/69	1 172,7	1 933	50,3	3 655	2 112	3 004	4 946	1 199	617	23 937	6 884
- REGULATION (EEC) 1192/69	24,9	1 979	7	4 570	20	536	87	36	2 590	17 125	10
- REGULATION (EEC) 1107/70 ART.3	5	1 806	26,7	186	545	2 301	-	-	-	13 290	10 038
- OTHER	-	-	,5	1 056	-	-	666	-	-	-	2 391
- REGULATION (EEC) 1107/70 ART.4	-	-	27,5	-	-	160	-	52	7 853	-	3 471
EXTRAORDINARY ITEMS	-	-	1	128	-	273	-	-	137	56	1 058
LOSS FOR THE YEAR	408,3	91	-	3 120	-	1 796	668	-	-	261	6 149
TOTAL	4 260,2	7 843	396,5	35 400	7 176	11 257	13 174	3 083	19 518	109 717	75 154
EXPENSES											
STAFF COSTS	2 375,9	6 140	182,2	20 326	3 555	6 273	7 036	1 604	13 953	68 459	38 471
MATERIAL SUPPLIED AND SERVICES PERFORMED BY THIRD PARTIES	1 476	680	150,6	10 093	2 142	2 409	4 330	752	4 198	27 162	19 211
TAXES AND DUES	-	61	22,7	159	-	348	-	11	100	5	1 831
DEPRECIATION AND PROVISIONS	221,6	682	20	1 843	639	1 501	1 938	412	636	5 563	6 731
FINANCIAL CHARGES	83,8	280	21	2 927	840	722	-	276	463	8 528	8 700
EXTRAORDINARY ITEMS	102,7	-	-	52	-	4	- 130	-	168	-	210
PROFIT FOR THE YEAR	-	-	-	-	-	-	-	28	-	-	-
TOTAL	4 260,2	7 843	396,5	35 400	7 176	11 257	13 174	3 083	19 518	109 717	75 154

(1) MRD LIT
(2) 000 UKL

(3) 15 months