

ACTION

Objectives

ACTION provides public transport services for the ACT community, in the form of scheduled route bus services, school bus services, and special needs transport services.

ACTION buses provide more than 17 million route kilometres of services annually and the number of passenger boardings is expected to be 16.8 million in 2001-02.

2001-02 Highlights

Strategic and operational issues to be pursued in 2001-02 include:

- providing free school bus transport for eligible students;
- on-going refinement of services to better meet the needs of the ACT community through evaluation of patronage patterns and information systems;
- on-going workplace reform to further improve productivity and reduce costs including the negotiation and implementation of a new Enterprise Bargaining Agreement;
- focusing on further customer service improvements; and
- continuing to expand bus services into new suburbs in Gungahlin, South Tuggeranong and West Belconnen.

ACTION
Statement Of Financial Performance

2000-01 Budget \$'000		2000-01 Est.Outcome \$'000	2001-02 Budget \$'000	Var %	2002-03 Estimate \$'000	2003-04 Estimate \$'000	2004-05 Estimate \$'000
Revenue							
17 576	User Charges - Non ACT Government	18 136	14 372	-21	15 048	15 749	15 749
42 558	User Charges - ACT Government	42 675	47 541	11	44 372	41 420	42 308
400	Grants from the Commonwealth	400	0	-100	0	0	0
0	Interest	45	0	-100	0	0	0
0	Other Revenue	15	0	-100	0	0	0
60 534	Total Ordinary Revenue	61 271	61 913	1	59 420	57 169	58 057
Expenses							
37 531	Employee Expenses	37 052	36 272	-2	36 124	36 116	36 632
4 619	Superannuation Expenses	4 900	4 644	-5	4 664	4 674	4 745
15 360	Administrative Expenses	17 782	19 369	9	17 369	17 418	17 917
4 740	Depreciation and Amortisation	4 705	4 756	1	4 768	4 774	4 780
1 800	Borrowing Costs	1 800	1 485	-17	1 172	857	814
2 560	Other Expenses	1 094	1 665	52	1 255	1 314	1 369
66 610	Total Ordinary Expenses	67 333	68 191	1	65 352	65 153	66 257
-6 076	Operating Result Before Extraordinary Items	-6 062	-6 278	-4	-5 932	-7 984	-8 200
3 624	Injection for Operating Requirements	3 624	4 398	21	4 093	4 093	4 093
-2 452	Operating Result	-2 438	-1 880	23	-1 839	-3 891	-4 107
0	Increase/(Decrease) in retained profits on the adoption of a new standard	1	0	-100	0	0	0
0	Change In Equity Other Than Those Resulting From Transactions With Owners As Owners	1	0	-100	0	0	0
41 780	Total Equity From Start of Period	41 818	39 381	-6	41 701	41 122	38 491
0	Capital Injections	0	4 200	#	1 260	1 260	1 260
39 328	Total Equity At The End of Period	39 381	41 701	6	41 122	38 491	35 644

ACTION
Statement Of Financial Position

Budget as at 30/6/01 \$'000		Est.Outcome as at 30/6/01 \$'000	Planned as at 30/6/02 \$'000	Var %	Planned as at 30/6/03 \$'000	Planned as at 30/6/04 \$'000	Planned as at 30/6/05 \$'000
Current Assets							
52	Cash	1 570	1 570	-	1 570	1 570	1 866
578	Receivables	844	843	..	838	833	869
1 839	Other	1 755	1 755	-	1 755	1 755	1 755
2 469	Total Current Assets	4 169	4 168	..	4 163	4 158	4 490
Non Current Assets							
62 221	Property, Plant and Equipment	62 599	62 043	-1	58 535	55 021	51 501
169	Other	0	0	-	0	0	0
62 390	Total Non Current Assets	62 599	62 043	-1	58 535	55 021	51 501
64 859	TOTAL ASSETS	66 768	66 211	-1	62 698	59 179	55 991
Current Liabilities							
773	Creditors	789	789	-	789	789	789
2 501	Interest Bearing Liabilities	2 501	2 501	-	341	340	339
376	Finance Leases	376	432	15	547	0	0
4 632	Employee Entitlements	5 844	5 844	-	5 843	5 844	5 845
0	Other Provisions	422	422	-	422	422	422
8 282	Total Current Liabilities	9 932	9 988	1	7 942	7 395	7 395
Non Current Liabilities							
2	Creditors	2	2	-	2	2	2
9 317	Interest Bearing Liabilities	9 317	6 816	-27	6 475	6 134	5 793
979	Finance Leases	979	547	-44	0	0	0
6 951	Employee Entitlements	6 328	6 328	-	6 328	6 328	6 328
0	Other Provisions	829	829	-	829	829	829
17 249	Total Non Current Liabilities	17 455	14 522	-17	13 634	13 293	12 952
25 531	TOTAL LIABILITIES	27 387	24 510	-11	21 576	20 688	20 347
39 328	NET ASSETS	39 381	41 701	6	41 122	38 491	35 644
REPRESENTED BY FUNDS							
EMPLOYED							
32 950	Accumulated Funds	33 003	35 323	7	34 744	32 113	29 266
6 378	Reserves	6 378	6 378	-	6 378	6 378	6 378
39 328	TOTAL FUNDS	39 381	41 701	6	41 122	38 491	35 644
EMPLOYED							

ACTION
Cashflow Statement

2000-01 Budget \$'000		2000-01 Est.Outcome \$'000	2001-02 Budget \$'000	Var %	2002-03 Estimate \$'000	2003-04 Estimate \$'000	2004-05 Estimate \$'000
218	CASH AT BEGINNING OF REPORTING PERIOD	2 012	1 570	-22	1 570	1 570	1 570
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
63 712	User Charges	64 435	66 311	3	63 512	61 262	62 150
0	Interest Received	45	0	-100	0	0	0
400	Grants Received from the Commonwealth	400	0	-100	0	0	0
1 742	Other Revenue	3 058	3 388	11	3 441	3 501	3 509
65 854	Operating Receipts	67 938	69 699	3	66 953	64 763	65 659
	Payments						
42 150	Related to Employees	41 561	40 916	-2	40 788	40 790	41 377
15 816	Related to Administration	18 091	19 369	7	17 369	17 418	17 917
1 800	Borrowing Costs	1 800	1 485	-17	1 172	857	814
3 874	Other	4 152	5 052	22	4 691	4 810	4 914
63 640	Operating Payments	65 604	66 822	2	64 020	63 875	65 022
2 214	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	2 334	2 877	23	2 933	888	637
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
450	Proceeds from Sale of Property, Plant & Equipment	94	0	-100	0	0	0
450	Investing Receipts	94	0	-100	0	0	0
	Payments						
0	Purchase of Property, Plant and Equipment	40	4 200	#	1 260	1 260	1 260
0	Investing Payments	40	4 200	#	1 260	1 260	1 260
450	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	54	-4 200	#	-1 260	-1 260	-1 260
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
0	Capital Injection from Government	0	4 200	#	1 260	1 260	1 260

ACTION
Cashflow Statement

2000-01 Budget \$'000		2000-01 Est.Outcome \$'000	2001-02 Budget \$'000	Var %	2002-03 Estimate \$'000	2003-04 Estimate \$'000	2004-05 Estimate \$'000
0	Financing Receipts	0	4 200	#	1 260	1 260	1 260
	Payments						
2 501	Repayment of Borrowings	2 501	2 501	-	2 501	341	341
329	Repayment of Finance Lease	329	376	14	432	547	0
2 830	Financing Payments	2 830	2 877	2	2 933	888	341
-2 830	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	-2 830	1 323	147	-1 673	372	919
-166	NET INCREASE/(DECREASE) IN CASH HELD	-442	0	100	0	0	296
52	CASH AT THE END OF THE REPORTING PERIOD	1 570	1 570	-	1 570	1 570	1 866

Notes to the Budget Statements

Significant variations are as follows:

Statement of Financial Performance

- user charges - non-ACT Government: the increase of \$0.560m in 2000-01 from the original budget is due to increased revenue mainly from the Olympic Games (\$0.640m), offset by a reduction in fares (\$0.080m) due to decreased patronage. The decrease of \$3.764m in 2001-02 is due to the introduction of free school bus services, resulting in a lower level of fares (\$3.150m) and absence of one-off revenue, such as the Olympics in 2000-01;
- user charges – ACT Government: the increase of \$0.117m in 2000-01 from the original budget represents additional revenue from revised contracts and additional services in respect of Special Needs Transport. The increase in 2001-02 of \$4.866m is due to additional costs of providing free school bus services (\$5.430m) and additional CSO funding for the extension of concession travel to holders of Health Care Cards (\$0.4m). This is offset by a decrease in funding provided for fuel costs in 2000-01;
- grants from the Commonwealth: this reflects receipts from the Commonwealth Department of Education, Training and Youth Affairs for defraying costs associated with training schemes for industrial employees. The program concludes in 2000-01;
- employee expenses: the decrease of \$0.479m in 2000-01 from the original budget is due to lower ComCare and income protection premiums. In 2001-02, costs will reduce by a net \$0.780m with premium savings of \$0.9m being offset by the additional costs of free school bus services (\$0.120m);
- administrative expenses: the increase of \$2.422m in 2000-01 from the original budget is mainly due to increases in the cost of parts (\$0.5m), ticketing and other overheads (\$0.440m), and reclassification of insurance premium costs (\$0.940m) from other expenses. The increase of \$1.587m in 2001-02 from the estimated outcome is mainly due to the costs of providing free school bus services (\$1.718m);
- borrowings costs: the decrease of \$0.315m in 2001-02 reflects the loan repayment schedule for borrowings related to land and buildings;
- other expenses: the decrease of \$1.466m in 2000-01 from the original budget is mainly due to the reclassification of insurance premium costs (\$0.940m) to administrative costs. Other one-off reductions were achieved in the costs associated with premiums and general taxes. The increase of \$0.571m in 2001-02 from the estimated outcome recognises the normal level of insurance premiums and taxation costs; and
- capital injections: the increase of \$4.2m in 2001-02 reflects the provision of additional funding for the acquisition of buses as part of the free school bus program.

Statement of Financial Position

- cash: the increase of \$1.518m in 2000-01 from the original budget reflects the additional revenue received from the Olympic Games as well as reductions in expenses such as ComCare and income protection premiums;

- other non-current assets: the decrease of \$0.169m in 2000-01 from the original budget reflects the disposal of obsolete stores;
- current and non-current liabilities - employee entitlements: the movement in these items between the 2000-01 estimated outcome and the original budget reflects an updated assessment of entitlements undertaken during the year;
- current and non-current liabilities - other provisions: the increases of \$0.422m and \$0.829m respectively in 2000-01 from the original budgets are due to the timing of settling accident damage claims; and
- non-current interest bearing liabilities: the reduction in 2001-02 of \$2.501m reflects the program of loan repayments.

Cashflow Statement

The explanations for major variations within the *Cashflow Statement* from the 2000-01 original budget to the estimated outcome and the 2001-02 budget are provided above within the *Statement of Financial Performance*. Other variations are:

- proceeds from the sale of plant and equipment: the decrease of \$0.356m in 2000-01 from the original budget reflects the sale of surplus assets, originally planned for sale in 2000-01 but sold in 1999-2000. The revenue for 2000-01 reflects the sale of Special Needs Transport buses and some obsolete equipment. There are no asset sales planned for 2001-02.

Changes to Appropriation

Changes to Appropriation – Departmental

Capital Injections	2000-01 Est. Outc. \$'000	2001-02 Budget \$'000	2002-03 Estimate \$'000	2003-04 Estimate \$'000	2004-05 Estimate \$'000
2000-01 Budget	0	0	0	0	0
School Travel Funding	0	4 200	1 260	1 260	1 260
2001-02 Budget	0	4 200	1 260	1 260	1 260

OUTPUT CLASS 1: ACTION
PRINCIPAL MEASURES

OUTPUT 1.1: PUBLIC TRANSPORT

Description Provision of public transport services

Measures	2000-01 Targets	2000-01 Est. Outcome	2001-02 Targets
Quantity			
Passenger boardings ('000)	16 200	15 714	16 800
In-service hours ('000) (p.a.) ¹	527	532	558
Total kilometres ('000) ²	21 400	21 400	22 400
Route kilometres ('000) ³	16 500	16 500	17 500
Quality/Effectiveness			
Customer satisfaction (overall satisfaction) ¹²	70%	74%	
Customers per kilometre ⁴			0.96
Timeliness			
Service reliability (% of scheduled services operated) ⁵	99.8%	99.8%	99.8%
Cost			
Cost per in-service hour ⁶	\$126.37	\$126.56	\$122.21
Cost per passenger boarding ⁷	\$4.11	\$4.28	\$4.06
Fares revenue per passenger boarding ⁸	\$1.00	\$1.03	\$0.79
Farebox recovery % ⁹	24%	24%	19%
Cost per total kilometre ¹⁰	\$3.11	\$3.15	\$3.04
Cost per route kilometre ¹¹	\$4.04	\$4.08	\$3.90
TOTAL COST (\$'000)	\$66 610.0	\$67 333	\$68 191
INJECTION FOR OPERATIONS (\$'000)	\$3 624.0	\$3 624	\$4 398

Notes

- (1) In-service hours – the number of hours that buses are in service operating passenger carrying services. Excludes dead running between routes and to and from depots.
- (2) Total kilometres – the total annual kilometres travelled.
- (3) Route kilometres – the total annual kilometres travelled by buses in service, operating passenger-carrying services. Excludes dead running between routes, and to and from depots.
- (4) Customers per kilometre – the total annual passenger boardings divided by route kilometres. New Measure
- (5) Service reliability – the percentage of scheduled services that operate and are less than 4 minutes late on arrival at their destination point.
- (6) Cost per in-service hour – total expenses divided by in-service hours.
- (7) Cost per passenger boarding – total expenses divided by passenger boardings.
- (8) Fares revenue per passenger boarding – total fares revenue divided by passenger boardings.
- (9) Farebox recovery % - total fares revenue as a percentage of total expenses.
- (10) Cost per total kilometre – total expenses divided by total kilometres.
- (11) Cost per route kilometre – total expenses divided by route kilometres.
- (12) Measure Discontinued. Reported in Department of Urban Services Output 2.2.

Significant changes in 2001-02 targets for several of the indicators are due to the introduction of free bus travel for students travelling to and from school.