

# Red Bus Limited

## Cost of Service

2001/02 BUDGET \$		2002/03 BUDGET \$
17,708,000	Revenue	17,862,000
16,072,000	Maintenance & Operating Costs	15,727,000
1,172,000	Depreciation	1,094,000
17,244,000	Total Expenditure	16,821,000
464,000	Net Profit before Taxation and Extraordinaries	1,041,000

## Net Surplus Before Taxation

Projected Surplus before Taxation 2003/04	\$1,240,000
Projected Surplus before Taxation 2004/05	\$1,300,000

## Capital Expenditure

Projected Capital Expenditure 2002/03	\$100,000
Projected Capital Expenditure 2003/04	\$100,000
Projected Capital Expenditure 2004/05	\$100,000

## Nature and Scope

- Providing scheduled urban public passenger transport (PPT) services. The Company continues to be the principal provider of such services in the Canterbury region in terms of kilometres run.
- Operating ancillary services which profitably complement the above services, including bus charter services which promote regional interests.
- Research of actual and potential customer needs and development of services in Canterbury and other regions where it is perceived that the company will have a profitable and competitive advantage.

- The Company maintains a fleet of 166 buses, shuttles and coaches.

## Relationship to the Council

Red Bus Limited is a Local Authority Trading Enterprise, 100% owned by Christchurch City Holdings Ltd. The Company commenced trading on 1 July 1991. The Council retains control over the activities of the Company through approval of the Company's annual Statement of Corporate Intent.

For a list of the Company directors see page 169.

The Council's interest in this Company is in accordance with its Strategic Objective F4 (as printed in the Strategic Statement).

## Overall Service Objective

To operate a profitable, sustainable and innovative business in providing public passenger transport and ancillary services.

## Objectives for 2002/03

1. Achieve targeted return on investment.
2. Achieve projected net after tax profit.

## Performance Indicators

1. Carry 9,000,000 passengers per annum.
2. Net after tax profit of \$697,000.

## Sources of Funding

