

# REDBUS LIMITED

## Cost of Service

1998/99 BUDGET		1999/00 BUDGET
\$		\$
(15,059,000)	Revenue	(15,207,000)
12,763,000	Maintenance & Operating Costs	13,183,000
980,000	Depreciation	960,000
13,743,000	Total Expenditure	14,143,000
(1,316,000)	Net Profit before Taxation and Extraordinaries	(1,104,000)

(Subject to Board ratification)

## Net Profit Before Taxation

Projected Net Profit before Taxation 2000/01	(1,530,000)
Projected Net Profit before Taxation 2001/02	(1,890,000)

## Capital Expenditure

Projected Capital Expenditure 1999/00	5,160,000
Projected Capital Expenditure 2000/01	3,330,000
Projected Capital Expenditure 2001/02	100,000

## Planned Services

- 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 158 buses, shuttles and coaches.

## Relationship to the Council

Redbus 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.

The Council's interest in this Company is in accordance with its Strategic Objective F4 (see page 28).

## Overall Service Objective

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

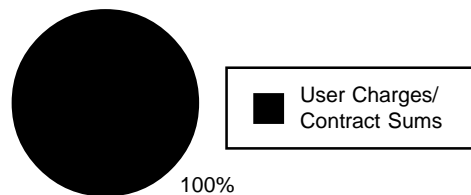
## Objectives for 1999/00

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

## Performance Indicators

- 2.1 Pre-tax return on funds employed of 15%.
- 3.1 Net after tax profit of \$740,000.

## Sources of Funding



A new look for the Redbus bus fleet.