

TORONTO COACH TERMINAL INC REPORT NO.

MEETING DATE: DECEMBER 12, 2011

SUBJECT: FINANCIAL REPORT FOR THE TORONTO COACH
TERMINAL INC. FOR THE ACCOUNTING PERIOD
ENDING OCTOBER 1, 2011

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Board receive for information the Financial Report for Toronto Coach Terminal Inc. for the accounting period ending October 1, 2011.

DISCUSSION

The attached report provides information on the financial status as at October 1, 2011 and year-end projections.

November 10, 2011
42-48

ATTACHMENTS

P:\FinState\FinS01\SHAROON\Accounting Coordinator_2011 TCTI BOARD

TORONTO COACH TERMINAL INC.
OPERATING BUDGET - INCOME STATEMENT

Period 9	Period 9 Five Weeks August 28 to October 1, 2011			Nine Periods to October 1, 2011			Full Year 2011		
(\$000s)	Over/(Under)			Over/(Under)			Projected	Projected	
	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Variance
REVENUES:									
Commissions Earned (net)	258	235	23	2,307	2,195	112	3,020	2,904	116
Terminal/Platform Rental	183	170	13	1,509	1,460	49	2,048	1,979	69
Property Rental Revenue	35	27	8	256	244	12	336	326	10
Station Revenue	18	19	(1)	143	162	(19)	183	207	(24)
Miscellaneous Revenue	0	0	0	0	0	0	3	2	1
TOTAL REVENUES	494	451	43	4,215	4,061	154	5,590	5,418	172
OPERATING EXPENSES:									
Terminal Operations	146	142	4	1,088	1,113	(25)	1,472	1,491	(19)
Telephone Information	16	16	0	131	126	5	175	168	7
Finance & Administration	22	22	0	179	183	(4)	237	242	(5)
Plant Maintenance/RSEM	68	73	(5)	537	587	(50)	775	777	(2)
Other Employee Costs	69	72	(3)	541	566	(25)	730	750	(20)
Property Taxes	31	33	(2)	284	292	(8)	363	389	(26)
Other Administrative	33	34	(1)	269	287	(18)	358	397	(39)
TOTAL OPERATING EXPENSES	385	392	(7)	3,029	3,154	(125)	4,110	4,214	(105)
CASH FLOW FROM OPERATIONS	109	59	50	1,186	907	279	1,480	1,204	276
Depreciation	47	55	(8)	420	432	(12)	560	574	(14)
OPERATING PROFIT/(LOSS)									
BEFORE INTEREST	62	4	58	766	475	291	920	630	290
Net Interest Expense	38	38	0	294	335	(41)	396	446	(50)
NET PROFIT/(LOSS)	24	(34)	58	472	140	332	524	184	340

TORONTO COACH TERMINAL INC.

EXPLANATIONS OF SIGNIFICANT BUDGET VARIANCES

Year to October 1, 2011

The year-to-date financial results show:

- \$112,000 or 5.1% in higher **Commissions Earned** due to higher than budgeted sales for the carriers;
- \$49,000 or 3.4% in higher **Terminal/Platform Rental** mostly due to increased facility fee revenue as a result of higher than budgeted transactions, along with an increase in fees earned on the new Megabus route to Pittsburgh, offset by lower than anticipated use of revenue-generating parking spaces;
- \$50,000 or 8.5% in lower **Plant Maintenance** costs mostly due to timing differences in scheduled trade work and staff's continuing commitment to contain and reduce ongoing maintenance costs, wherever possible;
- \$25,000 or 4.4% in lower **Other Employee Costs** primarily reflecting lower labour costs;
- \$18,000 or 6.3% in lower **Other Administration** costs mostly due to reduced TTC administration charge as a result of lower labour costs for replacement TTC staff and a reduction in the allocation of TTC departmental costs to TCTI for work performed on its behalf; and
- \$41,000 or 12.2% lower **Net Interest Expense** mostly due to a lower than expected average prime rate of interest producing a lower interest expense, along with higher interest income earned on banked funds due to higher than expected bank balance.

Year-End Projections

Notable current projections for the year which largely reflect the continuation of the factors noted above include:

- \$116,000 or 4% in higher **Commissions Earned**;
- \$69,000 or 3.5% in higher **Terminal/Platform Rental**;
- \$39,000 or 9.8% in lower **Other Administration** costs;
- \$20,000 or 2.7% in lower **Other Employee Costs**;
- \$50,000 or 11.2% in lower **Net Interest Expense**, as well as
- \$26,000 or 6.7% in lower **Property Taxes** mostly due to a lower than anticipated tax rate and a net reduction in the property assessments of the two terminals.

TORONTO COACH TERMINAL INC.

Balance Sheet (Unaudited)

End of Period 9

	2011	2010
	(\$000s)	
ASSETS		
Current assets		
Cash and cash equivalents	5,168	3,900
Advances to subsidiary	2,600	2,500
Accounts receivable	19	20
Prepaid expenses	87	127
	<u>7,874</u>	<u>6,547</u>
Long-term assets		
Investment in subsidiary	100	100
Net capital assets	5,714	6,323
	<u>13,688</u>	<u>12,970</u>
LIABILITIES AND CAPITAL DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities	477	965
Unsettled accident claims	10	20
Advances from parent	16,001	15,430
	<u>16,488</u>	<u>16,415</u>
Long-term liabilities		
Unsettled accident claims	40	83
	<u>16,528</u>	<u>16,498</u>
Capital deficiency		
Capital stock:		
Authorized and issued		
10,000 common shares	1,000	1,000
Deficit	(3,840)	(4,528)
	<u>(2,840)</u>	<u>(3,528)</u>
	<u>13,688</u>	<u>12,970</u>