

	ALL CONTRACTS					
	STD A NO AIDES	STD A WITH AIDES	STD B	STD C	SPECIAL A	SPECIAL B
Average bus cost	\$ 73,269	\$ 84,164	\$ 170,723	\$ 222,529	\$ 108,721	\$ 229,906
Year of manufacture	1997	1997	1995	1995	1992	1995
Historical approved cost	\$ 66,851	\$ 71,087	\$ 120,201	\$ 164,698	\$ 70,557	\$ 171,978
Life of bus	10	10	15	15	10	15
Residual value	10%	10%	5%	5%	10%	5%
Daily distance	192.2	184.7	202.0	171.7	169.4	187.3
Days operating	195	195	195	195	195	195
Annual distance	37,482	36,016	39,387	33,472	33,033	36,532

COMPOSITE RATE MODEL (CRM)**INCOME and EXPENDITURE STATEMENT**

Income	58,997	94,958	73,590	72,588	96,130	118,021
Less : expenses						
Comp insurance	718	669	1,134	1,460	1,406	1,502
Licence/Third party	367	367	367	474	367	367
Purchase stamp duty	109	216	82	183	3,278	0
Administration	7,714	7,714	8,063	8,063	8,150	8,499
Capital replacement	0	0	0	0	0	0
Garaging	1,538	1,538	1,538	1,521	1,538	1,538
Repairs and maintenance	10,350	9,656	12,413	8,877	8,255	13,002
Tyres	787	756	1,223	1,656	694	1,135
Fuel	4,693	5,269	6,895	6,898	4,876	7,628
Air conditioning	635	4,177	614	324	4,625	5,509
Car running	50	0	244	80	0	0
Mobile phone	2	115	2	0	120	115
Minor contracts	0	0	0	0	0	0
Aides wages	0	15,142	778	728	13,389	15,710
Aides workers comp	0	465	24	22	411	482
Aides superannuation	0	1,363	70	66	1,205	1,414
Total expenses	26,962	47,446	33,446	30,352	48,312	56,900
Net profit bd	32,035	47,512	40,144	42,236	47,818	61,122
less : Depreciation	6,017	6,398	7,613	10,431	6,350	10,892
Net profit bob	26,018	41,114	32,532	31,805	41,468	50,230
less : Owner driver benefits	17,248	16,184	18,271	16,431	15,754	18,464
Net profit aob and before tax	\$ 8,770	\$ 24,930	\$ 14,260	\$ 15,374	\$ 25,713	\$ 31,765
ROI - on historical cost	13.4%	35.9%	12.8%	9.8%	36.4%	18.7%
Asset Turnover - on hist. cost	\$ 0.91	\$ 1.37	\$ 0.66	\$ 0.46	\$ 1.36	\$ 0.70
Overall profit	\$ 26,018	\$ 41,114	\$ 32,532	\$ 31,805	\$ 41,468	\$ 50,230
Overall profit margin	43.9%	43.1%	44.2%	43.9%	43.1%	42.2%
Daily gross rate	\$ 302.55	\$ 486.96	\$ 377.39	\$ 372.25	\$ 492.97	\$ 605.24

DISPOSABLE INCOME (in year in which finance applies)

Net profit before tax	\$ 8,770	\$ 24,930	\$ 14,260	\$ 15,374	\$ 25,713	\$ 31,765
less income tax @18.5%	3,993	6,733	4,543	3,862	6,805	7,181
Net profit after tax	4,778	18,197	9,718	11,512	18,908	24,584
add : owner driver benefits	17,248	16,184	18,271	16,431	15,754	18,464
add : depreciation	6,017	6,398	7,613	10,431	6,350	10,892
less : hire purchase payments	(12,108)	(12,875)	(21,770)	(29,829)	(12,779)	(31,147)
Disposable income	\$ 15,935	\$ 27,904	\$ 13,832	\$ 8,546	\$ 28,234	\$ 22,793

ALL CONTRACTS						
	STD A	STD A	STD B	STD C	SPECIAL A	SPECIAL B
	NO AIDES		WITH AIDES			

STANDARD RATE MODEL (SRM)

Gross income	\$ 50,494	\$ 71,885	\$ 73,413	\$ 78,186	\$ 79,232	\$ 106,177
Net profit/loss aob and before tax	267	1,858	14,083	20,972	8,815	19,921
R O I - on historical cost	2.7%	5.4%	13.0%	13.3%	12.5%	11.8%
Asset Turnover - on hist. cost	\$ 0.78	\$ 1.04	\$ 0.66	\$ 0.49	\$ 1.12	\$ 0.63
Overall profit	\$ 17,515	\$ 18,042	\$ 32,354	\$ 37,403	\$ 24,569	\$ 38,385
Overall profit margin	34.5%	24.9%	44.1%	47.9%	31.0%	36.2%
Daily gross rate	\$ 258.95	\$ 368.64	\$ 376.48	\$ 400.95	\$ 406.32	\$ 544.50
Disposable income	11,375	11,221	15,592	14,125	16,510	14,444

FINANCE and INCOME TAX ASSUMPTIONS

Finance assumptions

Term	84	84	84	84	84	84
Balloon	NIL	NIL	NIL	NIL	NIL	NIL
Monthly payment	\$ 1,008.97	\$ 1,072.89	\$ 1,814.15	\$ 2,485.73	\$ 1,064.89	\$ 2,595.61
Rate of interest	7%	7%	7%	7%	7%	7%

Hire purchase details

less capital portion hp	7,671	8,157	13,793	18,899	8,096	19,734
less : Interest	4,437	4,718	7,977	10,930	4,683	11,413
Annual payments	\$ 12,108	\$ 12,875	\$ 21,770	\$ 29,829	\$ 12,779	\$ 31,147

Calculation of income tax

Net profit bob	26,018	41,114	32,532	31,805	41,468	50,230
less : Interest	4,437	4,718	7,977	10,930	4,683	11,413
Taxable income	\$ 21,582	\$ 36,396	\$ 24,555	\$ 20,875	\$ 36,785	\$ 38,816
Income tax rate	18.5%	18.5%	18.5%	18.5%	18.5%	18.5%

	NEW BUSES 2003			
	STD A	STD A	STD B	STD C
	NO AIDES	WITH AIDES		
Average bus cost	\$ 73,269	\$ 84,164	\$ 170,723	\$ 222,529
Year of manufacture	2003	2003	2003	2003
Historical approved cost	\$ 73,269	\$ 80,532	\$ 170,723	\$ 222,529
Life of bus	10	10	15	15
Residual value	10%	10%	5%	5%
Daily distance	175.7	158.6	171.9	114.0
Days operating	195	195	195	195
Annual distance	34,252	30,924	33,516	22,233

COMPOSITE RATE MODEL (CRM)

INCOME and EXPENDITURE STATEMENT

Income	57,554	89,857	75,293	69,520
Less : expenses				
Comp insurance	576	515	471	800
Licence/Third party	367	367	367	474
Purchase stamp duty	1,431	2,009	2,569	3,346
Administration	7,714	7,714	8,063	8,063
Capital replacement	0	0	0	0
Garaging	1,538	1,538	1,538	1,538
Repairs and maintenance	9,196	7,751	10,211	5,174
Tyres	719	649	1,041	1,100
Fuel	4,214	4,501	5,843	5,038
Air conditioning	276	2,779	0	0
Car running	0	0	2,003	0
Mobile phone	0	120	0	0
Minor contracts	0	0	0	0
Aides wages	0	14,302	0	0
Aides workers comp	0	439	0	0
Aides superannuation	0	1,287	0	0
Total expenses	26,030	43,971	32,105	25,533
Net profit bd	31,524	45,887	43,189	43,987
less : Depreciation	6,776	7,248	10,812	14,094
Net profit bob	24,748	38,639	32,376	29,894
less : Owner driver benefits	16,469	15,294	16,362	14,414
Net profit aob and before tax	\$ 8,280	\$ 23,344	\$ 16,014	\$ 15,480
ROI - on historical cost	11.0%	29.0%	9.4%	7.0%
Asset Turnover - on hist. cost	\$ 0.77	\$ 1.12	\$ 0.44	\$ 0.31
Overall profit	\$ 24,748	\$ 38,639	\$ 32,376	\$ 29,894
Overall profit margin	43.0%	43.0%	43.0%	43.0%
Daily gross rate	\$ 295.15	\$ 460.81	\$ 386.12	\$ 356.51

DISPOSABLE INCOME (in year in which finance applies)

Net profit before tax	\$ 8,280	\$ 23,344	\$ 16,014	\$ 15,480
less income tax @18.5%	3,654	6,159	3,894	2,798
Net profit after tax	4,625	17,185	12,121	12,682
add : owner driver benefits	16,469	15,294	16,362	14,414
add : depreciation	6,776	7,248	10,812	14,094
less : hire purchase payments	(13,635)	(14,585)	(30,920)	(40,303)
Disposable income	\$ 14,235	\$ 25,142	\$ 8,375	\$ 886

NEW BUSES 2003

	STD A	STD A	STD B	STD C
	NO AIDES	WITH AIDES		

STANDARD RATE MODEL (SRM)

Gross income	\$ 46,298	\$ 65,181	\$ 67,071	\$ 57,907
Net profit/loss aob and before tax	(2,976)	(1,332)	7,792	3,866
R O I - on historical cost	0.3%	1.8%	4.6%	2.3%
Asset Turnover - on hist. cost	\$ 0.62	\$ 0.81	\$ 0.39	\$ 0.26
Overall profit	\$ 13,493	\$ 13,963	\$ 24,154	\$ 18,280
Overall profit margin	28.9%	20.4%	35.5%	31.4%
Daily gross rate	\$ 237.43	\$ 334.26	\$ 343.95	\$ 296.96
Disposable income	7,184	6,872	2,605	(8,644)

FINANCE and INCOME TAX ASSUMPTIONS

Finance assumptions

Term	84	84	84	84
Balloon	NIL	NIL	NIL	NIL
Monthly payment	\$ 1,136.28	\$ 1,215.45	\$ 2,576.67	\$ 3,358.56
Rate of interest	7%	7%	7%	7%

Hire purchase details

less capital portion hp	8,639	9,241	19,590	25,535
less : Interest	4,996	5,345	11,330	14,768
Annual payments	\$ 13,635	\$ 14,585	\$ 30,920	\$ 40,303

Calculation of income tax

Net profit bob	24,748	38,639	32,376	29,894
less : Interest	4,996	5,345	11,330	14,768
Taxable income	\$ 19,752	\$ 33,294	\$ 21,046	\$ 15,126
Income tax rate	18.5%	18.5%	18.5%	18.5%

Contact ID - STD A NO AIDE

	average	stdev	max	min
Average bus cost	\$ 73,269	\$ 5,284	\$ 84,164	\$ 73,269
Bus model				
Year of manufacture	1997	3	2002	1992
Historical approved cost	\$ 66,851	\$ 14,869	\$ 200,320	\$ 22,718
Life of bus	10	0	10	10
Residual value	10%	0%	10%	10%
Daily distance	192.2	57.7	409.0	54.8
Days operating	195	0	195	195
Annual distance	37,482	11,257	79,755	10,678

COMPOSITE RATE MODEL (CRM)**INCOME and EXPENDITURE STATEMENT**

Income	58,997	11,873	99,066	37,496
Less : expenses				
Comp insurance	718	304	2,231	1
Licence/Third party	367	0	367	367
Purchase stamp duty	109	482	2,541	0
Administration	7,714	0	7,714	7,714
Capital replacement	0	0	0	0
Garaging	1,538	0	1,538	1,538
Repairs and maintenance	10,350	3,767	22,706	2,108
Tyres	787	236	1,675	224
Fuel	4,693	1,474	9,712	1,275
Air conditioning	635	1,038	7,218	0
Car running	50	614	7,769	0
Mobile phone	2	14	120	0
Minor contracts	0	0	0	0
Aides wages	0	0	0	0
Aides workers comp	0	0	0	0
Aides superannuation	0	0	0	0
Total expenses	26,962	5,710	47,040	13,814
Net profit bd	32,035	6,325	52,539	23,407
less : Depreciation	6,017	1,338	18,029	2,045
Net profit bob	26,018	5,818	44,776	16,489
less : Owner driver benefits	17,248	3,295	32,781	14,322
Net profit aob and before tax	\$ 8,770	\$ 3,463	\$ 17,898	\$ (8,944)

RO I - on historical cost	13.4%	4.8%	31.0%	-4.5%
Asset Turnover - on hist. cost	\$ 0.91	\$ 0.23	\$ 2.78	\$ 0.41
Overall profit	\$ 26,018	\$ 5,818	\$ 44,776	\$ 16,489
Overall profit margin	43.9%	1.9%	49.5%	27.2%
Daily gross rate	\$ 302.55	\$ 60.89	\$ 508.03	\$ 192.29

DISPOSABLE INCOME (in year in which finance applies)

Net profit before tax	\$ 8,770	\$ 3,463	\$ 17,898	\$ (8,944)
less income tax @18.5%	3,993	1,040	7,283	1,686
Net profit after tax	4,778	2,612	12,271	(10,629)
add : owner driver benefits	17,248	3,295	32,781	14,322
add : depreciation	6,017	1,338	18,029	2,045
less : hire purchase payments	(12,108)	2,693	(4,115)	(36,280)
Disposable income	\$ 15,935	\$ 4,555	\$ 30,152	\$ 2,468

Contact ID - STD A NO AIDE

average	stdev	max	min
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STANDARD RATE MODEL (SRM)

Gross income	\$ 50,494	\$ 10,107	\$ 93,415	\$ 31,038
Net profit/loss aob and before tax	\$ 267	\$ 2,207	\$ 9,332	\$ (12,770)
R O I - on historical cost	2.7%	2.8%	20.2%	0.0%
Asset Turnover - on hist. cost	\$ 0.78	\$ 0.20	\$ 2.67	\$ 0.39
Overall profit	\$ 17,515	\$ 4,459	\$ 39,342	\$ 7,918
Overall profit margin	34.5%	3.4%	44.6%	17.4%
Daily gross rate	\$ 258.95	\$ 51.83	\$ 479.05	\$ 159.17

CRM provides benefit ?

FINANCE and INCOME TAX ASSUMPTIONS**Finance assumptions**

Term

Balloon

Monthly payment

Rate of interest

\$ 1,008.97	\$ 224.42	\$ 3,023.37	\$ 342.88
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Hire purchase details

less capital portion hp

less : Interest

Annual payments

7,671	1,706	22,986	2,607
4,437	987	13,294	1,508
<u>\$ 12,108</u>	<u>\$ 2,693</u>	<u>\$ 36,280</u>	<u>\$ 4,115</u>

Calculation of income tax

Net profit bob

less : Interest

Taxable income

Income tax rate

26,018	5,818	44,776	16,489
4,437	987	13,294	1,508
<u>\$ 21,582</u>	<u>\$ 5,622</u>	<u>\$ 39,369</u>	<u>\$ 9,111</u>
18.5%	0.0%	18.5%	18.5%