

**V/Line Regulatory Accounts
Introduction and Table of Content
for the year ending 30 June 2007.**

These Regulatory Accounts have been prepared for V/Line Pty Ltd in accordance with the Account Keeping Rules published in the 04 January 2006 Victorian Government Gazette.
These Regulatory Accounts should be prepared in conjunction with the "V/Line Regulatory Account Keeping Policy".
For the purposes of the Regulatory Account Keeping Policy, V/Line business units have been split into the Access Activities Business Unit — "RNA"; and all other V/Line Business Units — "V/Line Passenger Services".

Table of Worksheets

1. Allocators

This sheet provides the allocation mechanism for indirect costs for the second, third and fourth allocation levels.

2. Opex Inputs

This sheet requires the input of operating and maintenance expenditure data to feed into the Operating and Maintenance Cost Allocation Statement; and the Maintenance and Capital Works Statement.
Terminal and non-access other is allocated as a proportion of direct costs - as a default position - this can be changed in the "Allocators" sheet

3. Cost Allocation Statement - Operating and Maintenance Expenditure

This is the first of the 10 Statements required by the ESC and should be populated by data from the cost input sheet.

4. Cost Allocation Statement - Capital Expenditure

This sheet requires V/Line input of New Capital Expenditure and related depreciation.

5. Profit and Loss Statement

This sheet should be populated by information from the Prices and Revenue Statement and the Cost Allocation Statement, inputs are required for non-operating revenue and other internal transfer payments.

6. Balance Sheet

This sheet requires V/Line input of Assets and Liabilities.

7. Capital Expenditure & Asset Disposals Information

This sheet should be populated by information from the Capital Expenditure Cost Allocation Statement, inputs are required for contributions and asset disposals.

8. Related Party Transactions Statement

This is an input sheet for Related Party Transactions.

9. Contributions to Capital & Maintenance Expenses

This is an input sheet for contributions to Capital and Maintenance expenses from Government and Users.

10. Maintenance & Capital Works Statement

This sheet should be populated from the Cost Allocation - Operating and Maintenance Expenditure Statement.

11. Prices and Revenues Statement

This sheet requires V/Line to input the revenues received from each activity.

12. Internal Transfer Terms Statement

This is an input sheet requiring V/Line to show internal transfer terms.

Additional Information

Cells that require input are coloured yellow



Cells that are unused are coloured blue

Cells are not protected - please be careful not to disturb formulae

It is recommended that a Master Copy be kept to ensure integrity of information

ESC should be provided with Worksheets 3 - 12.

Table of Allocation Rules

Allocation Rules as set out in the Regulatory Account Keeping Policy are allocated at four levels.

Level 1 - Allocating Costs between Access Activities Business Units and Other Activities Business Units

Direct Costs	Allocated between Access Activities Business Unit and Other Activities Business Units
Indirect Costs	Allocated between Access Activities Business Unit and Other Activities Business Units on a causal factor or share of

Level 2 - Allocating costs between other activities and access activities within a access business unit or a non-access business unit

Direct Costs	Allocated between Access Activities and Other Activities
Indirect Costs	Allocated between Access Activities and Other Activities on a causal factor or share of direct costs

Level 3 - Allocating costs between terminal activities and other access activities

Direct Costs	Allocated between terminal activities and other activities
Indirect Costs	Allocated between terminal activities and other activities on a causal factor or share of direct costs

Level 4 - Allocating costs between freight and passenger services

Direct Costs	
RFR Lines	
Direct Costs	29% of costs are directly attributable to passengers, the remaining costs are to be allocated on share of train kilometres
Indirect Costs	In 2006/07 95.6% to passenger, and 4.4% to freight
Other Passenger	
Direct Costs	47% of costs are directly attributable to passengers, the remaining costs are to be allocated on share of train kilometres
Indirect Costs	In 2006/07 81.5% to passenger, and 18.5% to freight.
Freight Lines	
Direct Costs	Allocate all costs to freight
Indirect Costs	Allocate all costs to freight

Level 4 - Allocating costs between freight and passenger services

Indirect Costs	
In the first instance indirect costs are allocated to individual lines based on track kms. Once allocated to a particular line, indirect costs are then allocated between passenger and freight services based on allocations approved by	

Level 4 - Direct Cost Allocation (passenger and freight)

	Train km	Weighting
Passenger	60	60%
Freight	40	40%

	Avoidable cost (Pas)	Avoidable cost (Freight)
RFR Lines	29.0%	0.0%
Other Passenger	49.0%	0.0%
Freight Lines	0%	100.0%

Level 4 - Indirect Cost Allocation (passenger and freight)

The default for allocation of indirect costs to individual lines is the proportional share of direct costs.
 The following table should only be used where the default allocation is not appropriate

	Train km	Weighting
RFR Lines		0%
Other Passenger		0%
Freight Lines		0%

	Passenger	Freight
RFR Lines	95.6%	4.4%
Other Passenger	81.5%	18.5%
Freight Lines	0.0%	100.0%

**V/Line Regulatory Accounts
Cost Input Sheet - Opex
for the year ending 30 June .**

Year ending

Indirect Costs (access and non-access)

	RNA		V/Line Passenger	
Routine maintenance (including track)		100		100
MPM and renewal (including track)		100		100
Maintenance signalling and communication		100		100
Maintenance structures, buildings, facilities		100		100
Other maintenance		100		100
V/Line head office		100		100
Train control		100		100
Signalling		100		100
IT		100		100
Extra costs		100		100

Direct Costs

		RNA		V/Line Passenger	
		Direct	Indirect	Direct	Indirect

Routine maintenance (including track)

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

MPM and renewal (including track)

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Maintenance signalling and communications

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Maintenance structures, buildings, facilities, terminals

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Other maintenance

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

V/Line head office

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Train control

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Signalling

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

IT

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

Extra costs

RFR	10.00	20.00	10.00	20.00
Other Passenger Services	10.00	20.00	10.00	20.00
Freight Only Lines	10.00	20.00	10.00	20.00
Terminal	10.00	20.00	10.00	20.00
Other non-access activities	10.00	20.00	10.00	20.00

	RNA						V/Line Passenger - Other Activities						Access Activities Business Unit Totals	Other Activities Business Unit Totals	V/line Passenger Pty Ltd Totals		
	Declared rail transport services						Declared rail transport services										
	Non terminal					Terminals	Other Services	Non terminal								Terminals	Other Services
	Non-ref Pass	Non-ref Freight	Pass Zone	Freight Zone				Non-ref Pass	Non-ref Freight	Pass Zone	Freight Zone						
Routine maintenance (including track)																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
MPM and renewal (including track)																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Maintenance signalling and communications																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Maintenance structures, buildings, facilities, terminals																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Other maintenance																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
V/Line head office																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Train control																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Signalling																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
IT																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
Extra costs																	
RFR			26.28	3.72					26.28	3.72			30.00	30.00	60.00		
Other Passenger Services			24.26	5.74					24.26	5.74			30.00	30.00	60.00		
Freight					30.00						30.00		30.00	30.00	60.00		
	-	-	50.54	39.46		30.00			50.54	39.46		30.00	150.00	150.00	300.00		
TOTAL EXPENSES																	
RFR			262.80	37.20					262.80	37.20			300.00	300.00	600.00		
Other Passenger Services			242.60	57.40					242.60	57.40			300.00	300.00	600.00		
Freight					300.00						300.00		300.00	300.00	600.00		
	-	-	505.40	394.60		300.00			505.40	394.60		300.00	1,500.00	1,500.00	3,000.00		

**Cost Allocation Statement - Capital Expenditure
for the year ending 30 June .
[ESC Account Keeping Rules: s 2.3(a)(i)]**

		April 30 1999- 30 June 2006		2006/07			
		Access Business Unit	Other Business Units	Access Business Unit		Other Business Units	
Capital Expenditure				Access Activities	Other Activities	Access Activities	Other Activities
RAB							
Passenger							
Freight							
Terminal							
Depreciation							
Written Down Value		-	-	-	-	-	-

**V/Line Regulatory Accounts
Profit and Loss Statement
for the year ending 30 June .
[ESC Account Keeping Rules: s 2.2(b)(i)]**

	Notes	Source	RNA - Access Activities Business Unit					V/Line Passenger - Other Activities Business Unit					RNA - Access Activities Business Unit	V/Line Passenger - Other Activities Business Unit	V/Line Total	
			Declared Rail Transport Services					Declared Rail Transport Services								
			Terminals	Non terminal				Other Activities	Terminals	Non terminal						Other Activities
	Non-ref Pass	Non-ref Freight	Pass Zones	Freight Zones		Non-ref Pass	Non-ref Freight		Pass Zones	Freight Zones						
REVENUE																
Operating revenue - Service revenue	2.2.b(i)(A)		-	-	-	-	-	-	-	-	2.00	-	-	2.00	2.00	
Operating revenue - Other non-tariff revenue																
Non-operating revenue (excluding interest)	2.2.b(i)(B)															
Interest income (for whole business only)	2.2.b(i)(C)															
Contributions - Government																
Contributions - Users																
Internal Transfers																
Total Revenue			-	-	-	-	-	-	-	-	2.00	-	-	2.00	2.00	
EXPENSES																
Opex - Regional Fast Rail					262.80	37.20				262.80	37.20			300.00	300.00	600.00
Opex - Other Passenger	2.2.b(i)(D)				242.60	57.40				242.60	57.40			300.00	300.00	600.00
Opex - Freight		From Cost allocation Statement			-	-				-	-			-	-	-
Total operating & maintenance expenses (1)			300.00		505.40	394.60	300.00			300.00	394.60	300.00		1,500.00	1,500.00	3,000.00
Other internal transfer payments	2.2.b(i)(E)															
Total Expenses			300.00		505.40	394.60	300.00			300.00	394.60	300.00		1,500.00	1,500.00	3,000.00
Earnings before interest, tax, depreciation and amortisation														- 1,500.00	- 1,498.00	- 2,998.00
Depreciation and Amortisation expense	2.2.b(i)(F)															
Earnings before interest and tax														- 1,500.00	- 1,498.00	- 2,998.00
Tax Expense	2.2.b(i)(G)															
Interest Expense	2.2.b(i)(G)															
NET PROFIT AFTER TAX	2.2.b(i)(H)													- 1,500.00	- 1,498.00	- 2,998.00

Note (1): These figures should reconcile to the Total operating & maintenance expenses and Totals in the Maintenance & Capital Works Statement

V/Line Regulatory Accounts**Balance Sheet**

for the year ending 30 June .

[ESC Account Keeping Rules: s 2.2(b)(ii)]

	Notes	Access Activities Business Unit	Other Activities Business Units	V/Line Pty Ltd Totals
CURRENT ASSETS				
Cash				-
Receivables				-
Materials & Supplies				-
Other				-
Total Current Assets		-	-	-
NON-CURRENT ASSETS				
Plant & Equipment				-
Materials & Supplies				-
Land				-
Other Fixed Assets				-
Total Non-Current Assets		-	-	-
TOTAL ASSETS		-	-	-
CURRENT LIABILITIES				
Payables				-
Provisions				-
Other				-
Total Current Liabilities		-	-	-
NON-CURRENT LIABILITIES				
Loans				-
Provisions				-
Other				-
Total Non-Current Liabilities		-	-	-
TOTAL LIABILITIES		-	-	-
NET ASSETS (LIABILITIES)		-	-	-
EQUITY				
Contributed equity				-
Reserves				-
Retained Profits				-
TOTAL EQUITY		-	-	-

**V/Line Regulatory Accounts
Capital Expenditure & Asset Disposals Information
for the year ending 30 June .
[ESC Account Keeping Rules: s 2.2(b)(iii)]**

CAPITAL EXPENDITURE (Access Activities Only)	Access business unit	Non Access Business unit
V/Line expenditure		
Passenger	-	-
Freight	-	-
Terminal	-	-
Total Additions	-	-

CONTRIBUTIONS		
Government		
User		
Total contributions	-	-

ASSET DISPOSALS		
Passenger		
Freight		
Terminal		
Total disposals	-	-

EXPLANATORY NOTES			
Item description	Value \$'000	Service type	Comments

**V/Line Regulatory Accounts
 Related Party Transactions Statement
 for the year ending 30 June .
 [ESC Account Keeping Rules: s 2.2(b)(iv)]**

Name of Related Party	Service Provided	Value (\$)	Description of how the consideration was determined	Description of how this consideration is reflected in the regulatory accounts
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TRANSACTIONS

Access Activities Business Unit

Total			-		

Other Activities Business Units

Total			-		

**V/Line Regulatory Accounts
 Contributions to Capital & Maintenance Expenses
 for the year ending 30 June .
 [ESC Account Keeping Rules: s 2.2(b)(v)]**

	Capital Expenses Received		Maintenance Expenses Received		Accounting Treatment (Revenue/Equity)	Purpose of Contribution
Government /User	Access Business Unit	Other business units	Access Business Unit	Other business units		

CONTRIBUTIONS

	User	▼					Revenue	▼		
	Government	▼					Revenue	▼		
	Government	▼					Revenue	▼		
	Government	▼					Revenue	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
	Government	▼					Equity	▼		
TOTAL			-	-	-	-				
TOTAL CONTRIBUTIONS										0

VLine Regulatory Accounts
Maintenance & Capital Works Statement
 for the year ending 30 June .
 [ESC Account Keeping Rules: s 2.4]

	Regional Fast Rail						Other Passenger								
	Access Activities Business Unit			Other Activities Business Units			Access Activities Business Unit			Other Activities Business Units					
	Access Activities	Other	Costs	Access Activities	Other	Costs	Access Activities	Other	Costs	Access Activities	Other	Costs			
Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		
Maintenance															
Routine maintenance (including track)		30.00			30.00			30.00			30.00			30.00	
MPM and renewal (including track)		30.00			30.00			30.00			30.00			30.00	
Maintenance signalling and communications		30.00			30.00			30.00			30.00			30.00	
Maintenance structures, buildings, facilities, terminals		30.00			30.00			30.00			30.00			30.00	
Other maintenance		30.00			30.00			30.00			30.00			30.00	
Operations															
Network operations related to Access Activities including train control services and safe working operations		150.00			150.00			150.00			150.00			150.00	
Total Expenditure on Maintenance & Operations (1)		300.00			300.00			300.00			300.00			300.00	
New Capital Expenditure (since 30 April 1999)															
Capital Expenditure (Accumulated Depreciation)															
Net Capital Expenditure (Written-down Value)															
TOTAL		300.00			300.00			300.00			300.00			300.00	

NB: Maintenance and Capital Works Statement should be accompanied by a record of the results of the maintenance and capital works expenditure by showing each service standard the performance of the rail network measured in the manner and with the frequency specified in the access arrangement.

	Freight						Unallocated to Segments						Vline Passenger Pty Ltd Totals		
	Access Activities Business Unit			Other Activities Business Units			Access Activities Business Unit			Other Activities Business Units					
	Access Activities	Other	Costs	Access Activities	Other	Costs	Access Activities	Other	Costs	Access Activities	Other	Costs			
Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		Terminals	Non terminal		
		30.00			30.00			30.00			30.00				300.00
		30.00			30.00			30.00			30.00				300.00
		30.00			30.00			30.00			30.00				300.00
		30.00			30.00			30.00			30.00				300.00
		30.00			30.00			30.00			30.00				300.00
		30.00			30.00			30.00			30.00				300.00
		150.00			150.00			150.00			150.00				1,500.00
		150.00			150.00			150.00			150.00				3,000.00
															-
															-
		150.00			150.00			300.00			300.00				3,000.00

Reconciliation: Operations Expenditure
 Maintenance & Capital Works Statement 3000.00
 Profit & Loss 3000.00
 Cost Allocation Schedule 3000.00
TEST ("OK" IF "TRUE")
 TRUE

Reconciliation: Capital Expenditure
 Maintenance & Capital Works Statement 0.00
 Cost Allocation Schedule 0.00
TEST ("OK" IF "TRUE")
 TRUE

V/Line Regulatory Accounts
 Prices & Revenues Statement
 for the year ending 30 June .
 [ESC Account Keeping Rules: s 2.5]

	Prices charged	Quantities (Billing Units)	Revenues	Details of contracts, agreements or understandings attached to statement? (Y/N)
RNA - Access Activities Business Unit				
Terminal Revenue				
Non-terminal Revenue				
Reference Services				
Passenger				
Passenger 1			-	
Passenger 2			-	
Passenger 3			-	
Passenger 4			-	
Passenger 5			-	
Freight				
User 1			-	
User 2			-	
User 3			-	
User 4			-	
User 5			-	
User 6			-	
User 7			-	
User 8			-	
Non-Reference Services				
Passenger			-	
Freight			-	
Other Activities				
Other Service Revenue				
Non-tariff revenue				
Non-operating revenue (excluding interest)				
Contributions - Government				
Contributions - User				
TOTAL REVENUE FOR ACCESS ACTIVITIES BUSINESS UNIT				
			-	
V/Line Passenger - Other Activities Business Unit				
Terminal Revenue				
Non-terminal Revenue				
Reference Services				
Passenger				
Passenger 1			-	
Passenger 2			-	
Passenger 3			-	
Passenger 4			-	
Passenger 5			-	
Freight				
User 1			-	
User 2	1.00	2.00	2.00	
User 3			-	
User 4			-	
User 5			-	
User 6			-	
User 7			-	
User 8			-	
			2.00	
Non-Reference Services				
Passenger			-	
Freight			-	
Other Activities				
Other Service Revenue				
Non-tariff revenue				
Non-operating revenue (excluding interest)				
Contributions - Government				
Contributions - User				
TOTAL REVENUE FOR ACCESS ACTIVITIES BUSINESS UNIT			2.00	
TOTAL REVENUE V/LINE			2.00	
			-	

V/Line Pty Ltd Regulatory Accounts

for the year ending 30 June .

[ESC Account Keeping Rules: s 4]

	Declared Rail Transport Services				
	Notes	Revenue Details	Expense Details	Other Details & Documentation	Comments
Terminal Activities					
Non-terminal Activities					
Passenger					
Freight					
Other Activities					

Authorised by: _____

Position: _____

Date: _____