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Results for the Ten Months Ended 30 April 2022

For decision: For noting:

Te tūtohunga / Recommendation

That the Auckland Transport Board (board):

- a) Receives the report.

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Section 1 – Te whakarāpopototanga matua / Executive summary

The full year budget was prepared on the assumption of Auckland being at COVID-19 pandemic (COVID-19) Alert Level 1 for the full financial year. Ongoing COVID-19 impacts and subsequent restrictions with the move to the traffic light system on 3 December 2021, mean that achievement of the full year budget is unrealistic. In December 2021, Waka Kotahi New Zealand Transport Agency (Waka Kotahi) agreed to continue funding lost public transport (PT) farebox revenue at 51% Funding Assistance Rate (FAR) this financial year and Auckland Council has approved additional operating funding of up to \$50 million for this financial year.

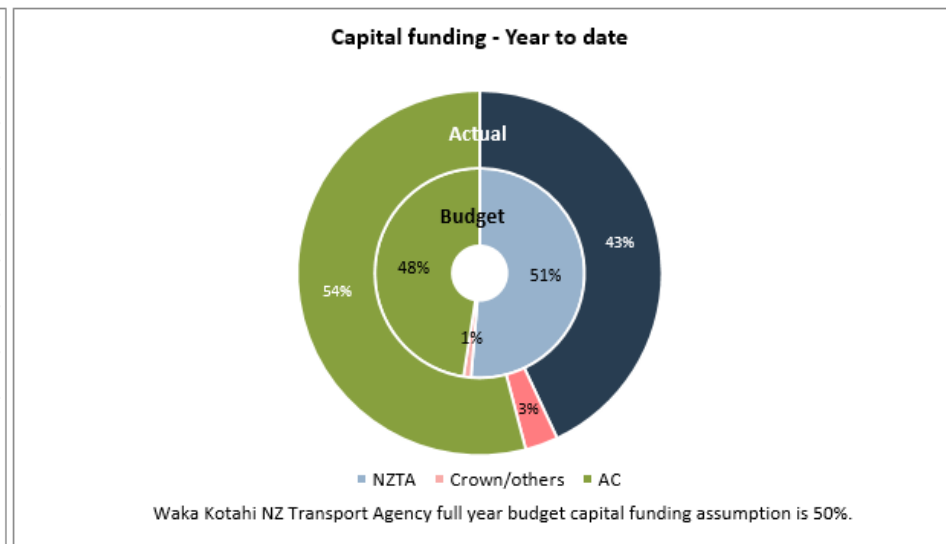
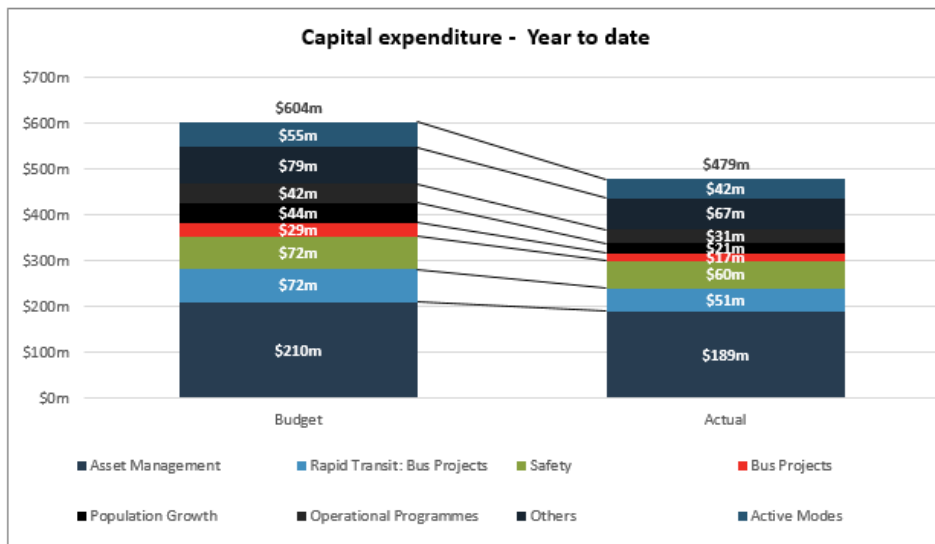
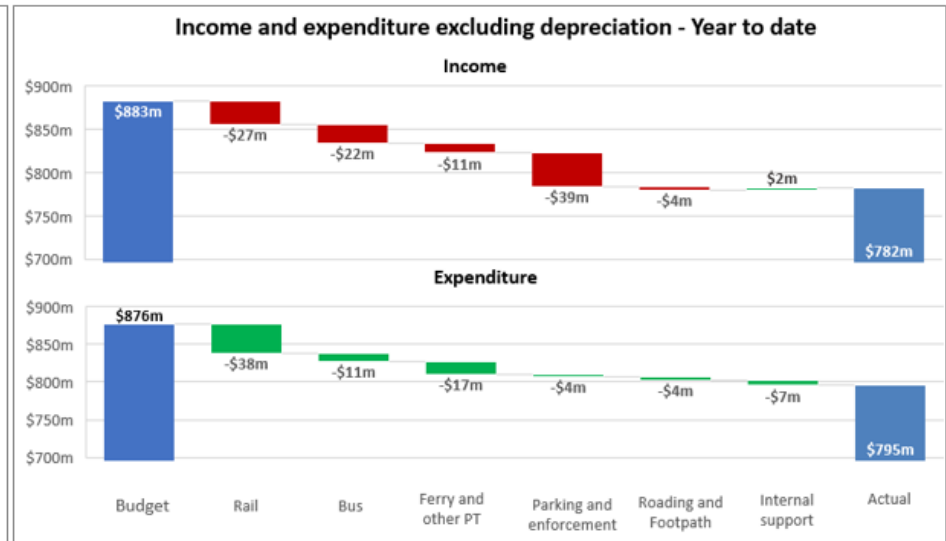
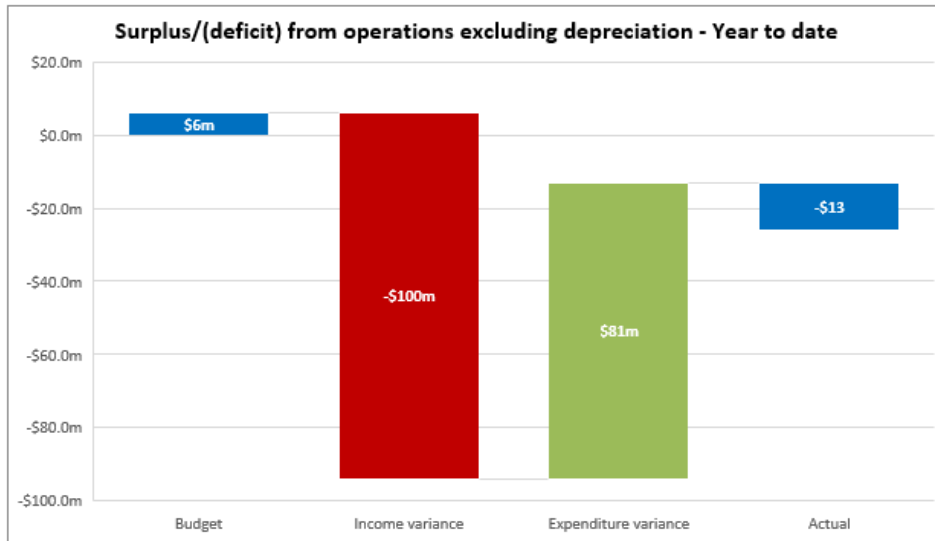
1. **Deficit from operations** is \$5.3 million favourable to budget in April and \$5.8 million unfavourable year to date (YTD). The favourable result in April is mainly due to lower than budgeted PT contract costs, material reductions in other opex and lower depreciation from lower than planned capital activity. PT costs (including track access charges) have been positively impacted by finalisation of cost estimates for historical block of line costs, lower electricity costs as well as the ongoing impact of Omicron on bus driver and service availability.
2. The full year result remains sensitive to COVID-19 impacts, PT patronage recovery and Waka Kotahi funding and the recent Omicron outbreak mean that Auckland Transport's (AT's) full year operating result (excluding depreciation) may be around \$30 million adverse to budget. The improved forecast reflects the hard work we are doing to identify further cost savings to minimise the financial impact of COVID-19 along with a potential upside in patronage from half price fares (which are being subsidised by Central Government).
3. **YTD deficit from operations excluding depreciation** of \$13.0 million is \$19.1 million unfavourable to budget mainly due to ongoing COVID-19 impacts on revenue. Operating income is down \$100.3 million YTD against budget, more than three quarters of which is offset by a \$81.1 million reduction in operating expenditure. The underlying run rate is \$20 million worse when one offs (Transdev wash up and KiwiRail reimbursement) are taken into consideration. Items to note:
 - Waka Kotahi funding is \$17.5 million favourable to budget mainly due to claims for higher net PT expenditure, partially offset by lower capital activity and administration subsidies. Waka Kotahi are funding 51% of the PT shortfall due to COVID-19 this financial year and will support the centrally funded 50% PT fare reduction from April to June.
 - Parking and enforcement revenue is unfavourable to budget mainly due to lower parking occupancy and infringement ticket issuances as a result of COVID-19 impacts and subsequent delays in the implementation of the next tranche of special vehicle lanes.
 - PT income is unfavourable to budget due to lower than expected patronage. PT patronage started to recover at the beginning of the financial year, stalled and declined due to the emergence of the Omicron variant of COVID-19 and has begun to recover again this month increasing from 37% (of pre-COVID-19 levels) in March to 48% in April due, in part, to the 50% discount on PT fares. It is important to recognise that April to June monthly PT income reflects the 50% discount in fares recovered from passengers.
 - Other revenue is unfavourable to budget mainly due to lower than expected petrol tax income and ferry operator access fees.

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- YTD operating expenditure includes \$4 million reclassification of Software as a Service (SaaS) costs from capital to operational expenditure in line with recent technical accounting changes.
 - Personnel cost is favourable to budget primarily due to budgeted positions not yet filled in a difficult recruitment market.
 - Capitalised personnel cost is lower than budget due to vacant positions and SaaS capitalised labour cost of \$1 million reclassified to opex in December 2021.
 - PT contract costs are favourable to budget due to reduced rail operating costs from favourable prior and current year cost wash-ups, reduced train service kilometres and utilities costs, lower than expected Transdev exit cost, lower ferry indexation, lower electricity costs and Key Performance Indicator (KPI) savings on bus contracts driven by the bus driver shortage. KPI's were suspended after the change to a weekend timetable under Alert Levels 4 and 3. AT resumed a weekday timetable at the beginning of February 2022.
 - Contractor maintenance is favourable to budget mainly from a reduction in stormwater charges, towing costs and reduced activity as a result of COVID-19 impacts.
 - Track and ferry access charges are favourable due to reimbursement of prior year charges by KiwiRail.
 - Other expenditure is favourable to budget primarily due to lower than expected unplanned facilities maintenance (e.g. stations, carparks etc.), AT delivered events and training, security, mobility and PT concessions and advertising costs.
4. **Loss on disposal of assets** - City Rail Link Limited (CRL) transferred Britomart Station Works including the Chief Post Office (CPO, C1 SP3) through Auckland Council to AT for \$161.9 million in September. As a result of the physical works performed by CRL, \$34.2 million of old assets were disposed of.
 5. **Capital expenditure** of \$479 million (79% delivery) is \$125 million lower than budget. Programmes and projects across the board are behind planned spend due to the impacts of COVID-19 on public consultations, consenting, procurement, tendering processes and broader supply chain constraints. AT are expecting to deliver a full year capital programme of circa \$650 million.
 6. **Waka Kotahi capital funding YTD** of 43% is lower than the budget of 50%. The budget assumption for the full year is 50% with the full year forecast expected to be less than 50% based on a lower capital spend.
 7. **Regional Fuel Tax (RFT) enabled capital spend** as at April YTD is \$122 million versus a full year planned spend of \$262 million which is approximately 47% of the full year RFT enabled capital budget.

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Section 1 – Te whakarāpopototanga matua / Executive summary (continued)



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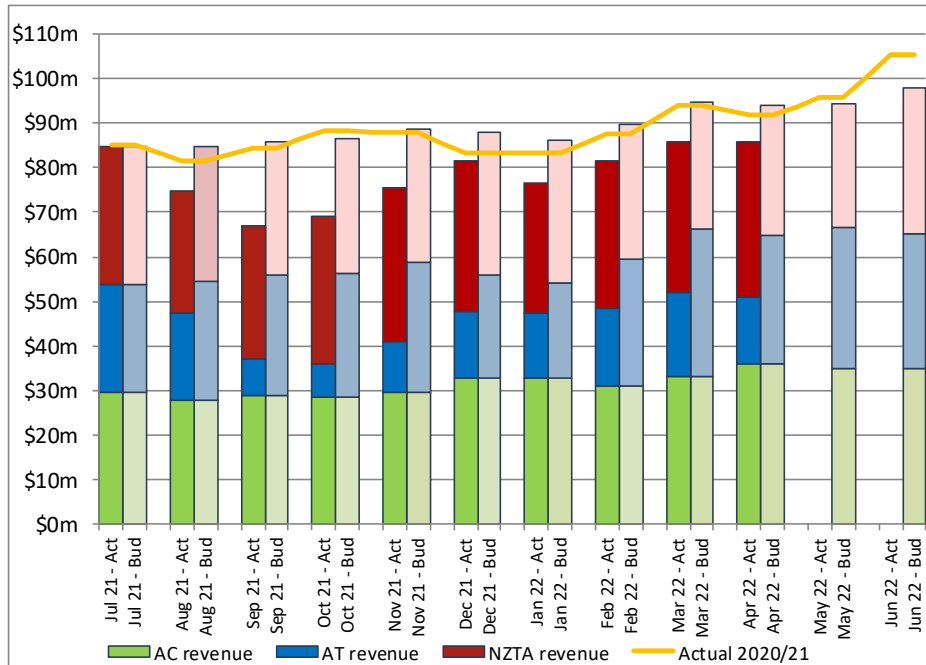
Section 2 – Financial results for the ten months ended 30 April 2022

	Current month			Year to date			Full Year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating income							
Auckland Council funding	35,881	35,881	-	309,948	309,948	-	379,855
Waka Kotahi NZ Transport Agency operating funding	34,961	29,188	5,773	320,489	303,041	17,448	363,288
Parking and enforcement income	6,585	9,916	(3,331)	49,857	88,678	(38,821)	108,605
Public transport income	5,917	16,580	(10,663)	76,646	153,575	(76,929)	190,896
Other revenue incl. other grants and subsidies	2,551	2,328	223	25,323	27,296	(1,973)	31,912
Total operating income	85,895	93,893	(7,998)	782,263	882,538	(100,275)	1,074,556
Operating expenditure							
Personnel costs	15,915	17,599	1,684	162,058	171,710	9,652	208,709
Capitalised personnel costs	(3,208)	(3,405)	(197)	(33,703)	(42,043)	(8,340)	(51,217)
Public transport contracts	40,231	44,893	4,662	388,251	421,619	33,368	512,588
Contractors-maintenance	6,866	7,473	607	71,423	76,798	5,375	93,075
Professional services	3,311	3,994	683	31,591	34,854	3,263	42,971
Track and ferry access charges	3,230	3,402	172	19,712	33,178	13,466	40,014
Other expenditure	13,975	16,989	3,014	131,826	156,192	24,366	192,140
Finance costs	2,369	2,370	1	24,148	24,140	(8)	28,946
Total operating expenditure excluding depreciation	82,689	93,315	10,626	795,306	876,448	81,142	1,067,226
Surplus/(deficit) from operations excluding depreciation	3,206	578	2,628	(13,043)	6,090	(19,133)	7,330
Depreciation and amortisation	34,643	37,336	2,693	336,174	349,546	13,372	425,920
Surplus/(deficit) from operations	(31,437)	(36,758)	5,321	(349,217)	(343,456)	(5,761)	(418,590)
Income for capital projects							
Waka Kotahi NZ Transport Agency capital co-investment	21,146	34,678	(13,532)	206,376	309,530	(103,154)	406,206
Auckland Council capital grant	36,177	26,580	9,597	258,856	287,369	(28,513)	403,908
Other capital grants	(2)	1,500	(1,502)	13,625	7,000	6,625	10,000
Vested asset income	11,623	40,997	(29,374)	172,673	253,590	(80,917)	275,000
Total income for capital projects	68,944	103,755	(34,811)	651,530	857,489	(205,959)	1,095,114
Net surplus/(deficit) before tax and derivatives	37,507	66,997	(29,490)	302,313	514,033	(211,720)	676,524
Gains/(losses) on derivatives	5,415	-	5,415	(3,596)	-	(3,596)	-
Gain/(loss) on disposal of assets	(5,522)	-	(5,522)	(38,724)	-	(38,724)	-
Net surplus/(deficit) after tax and derivatives	37,400	66,997	(29,597)	259,993	514,033	(254,040)	676,524

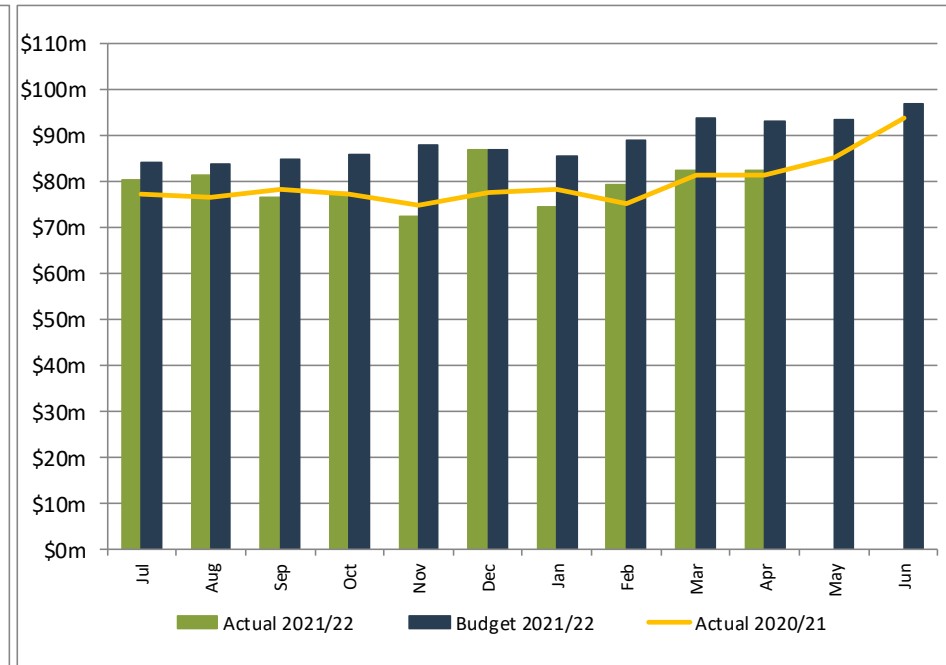
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Section 2 – Financial results for the ten months ended 30 April 2022 (continued)

Operating income



Operating expenditure excluding depreciation



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Section 2a – Summary of Financial Results by Activity

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Rail	9,357	12,484	(3,127)	92,794	119,798	(27,004)	145,432
Bus	19,820	21,267	(1,447)	186,154	207,881	(21,727)	256,256
Ferry	2,464	2,827	(363)	20,496	28,822	(8,326)	35,694
Other public transport	2,081	2,391	(310)	22,073	24,813	(2,740)	30,076
Parking	2,428	4,298	(1,870)	21,903	40,754	(18,851)	49,350
Enforcement	4,157	5,618	(1,461)	27,954	47,925	(19,971)	59,255
Roading and footpaths	4,733	5,782	(1,049)	55,750	59,331	(3,581)	71,114
Internal support	4,973	3,346	1,627	45,190	43,267	1,923	47,523
Auckland Council operating funding	35,881	35,881	-	309,948	309,948	-	379,855
Total operating income	85,894	93,894	(8,000)	782,262	882,539	(100,277)	1,074,555
Operating Expenditure							
Rail	15,477	19,985	4,508	150,700	188,645	37,945	228,574
Bus	32,918	33,539	621	309,715	320,756	11,041	389,437
Ferry	3,546	4,545	999	31,446	39,176	7,730	48,418
Other public transport	4,367	5,722	1,355	45,159	54,190	9,031	66,898
Parking	999	1,096	97	10,106	11,030	924	13,244
Enforcement	1,749	2,350	601	19,893	22,823	2,930	27,686
Roading and footpaths	11,393	11,143	(250)	107,846	111,943	4,097	135,108
Internal support	12,237	14,936	2,699	120,442	127,888	7,446	157,860
Depreciation and amortisation	34,643	37,336	2,693	336,174	349,546	13,372	425,920
Total operating expenditure	117,329	130,652	13,323	1,131,481	1,225,997	94,516	1,493,145
Surplus/(deficit) from Operations	(31,435)	(36,758)	5,323	(349,219)	(343,458)	(5,761)	(418,590)

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Section 2b – Rail Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Activity income	1,007	3,857	(2,850)	13,370	37,807	(24,437)	46,509
Other income	142	160	(18)	722	1,590	(868)	1,908
Waka Kotahi NZ Transport Agency operating funding	8,208	8,467	(259)	78,702	80,401	(1,699)	97,015
Total operating income	9,357	12,484	(3,127)	92,794	119,798	(27,004)	145,432
Operating Expenditure							
Personnel costs	321	737	416	4,953	7,299	2,346	8,834
Capitalised personnel costs	119	(55)	(174)	1,206	(482)	(1,688)	(603)
Public transport contracts	7,849	10,665	2,816	82,644	100,027	17,383	121,676
Contractors-maintenance	16	12	(4)	397	125	(272)	150
Professional services	57	185	128	994	198	(796)	411
Track access charges	3,146	3,367	221	19,341	32,819	13,478	39,583
Other expenditure	1,604	2,707	1,103	17,056	24,549	7,493	29,613
Finance costs	2,365	2,367	2	24,109	24,110	1	28,910
Total operating expenditure	15,477	19,985	4,508	150,700	188,645	37,945	228,574
Depreciation and amortisation	3,741	4,367	626	38,625	42,473	3,848	51,288
Surplus/(deficit) from Operations	(9,861)	(11,868)	2,007	(96,531)	(111,320)	14,789	(134,430)
Internal support costs	2,590	4,025	1,434	26,361	30,697	4,336	39,423
Surplus/(deficit)	(12,451)	(15,893)	3,441	(122,892)	(142,017)	19,125	(173,853)

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Section 2b – Bus Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Activity income	2,935	9,401	(6,466)	41,194	80,639	(39,445)	100,745
Other income	94	300	(206)	6,505	6,709	(204)	8,892
Waka Kotahi NZ Transport Agency operating funding	16,791	11,566	5,225	138,455	120,533	17,922	146,619
Total operating income	19,820	21,267	(1,447)	186,154	207,881	(21,727)	256,256
Operating Expenditure							
Personnel costs	180	504	324	3,951	5,036	1,085	6,099
Capitalised personnel costs	179	(114)	(293)	640	(1,223)	(1,863)	(1,501)
Public transport contracts	29,660	30,566	906	281,681	290,543	8,862	352,488
Contractors-maintenance	120	99	(21)	903	992	89	1,190
Professional Services	168	211	43	1,079	1,864	785	2,269
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	2,611	2,273	(338)	21,460	23,544	2,084	28,892
Finance costs	-	-	-	1	-	(1)	-
Total operating expenditure	32,918	33,539	621	309,715	320,756	11,041	389,437
Depreciation and amortisation	586	671	85	5,579	6,002	423	7,391
Surplus/(deficit) from Operations	(13,684)	(12,943)	(741)	(129,140)	(118,877)	(10,263)	(140,572)
Internal support costs	4,413	6,857	2,444	44,912	52,300	7,388	67,167
Surplus/(deficit)	(18,097)	(19,800)	1,703	(174,052)	(171,177)	(2,875)	(207,739)

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Section 2b – Ferry Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Operator access fees	597	579	18	4,483	5,810	(1,327)	6,935
Activity income	210	1,298	(1,088)	2,112	10,463	(8,351)	13,191
Other income	186	92	94	995	914	81	1,099
Waka Kotahi NZ Transport Agency operating funding	1,471	858	613	12,906	11,635	1,271	14,469
Total operating income	2,464	2,827	(363)	20,496	28,822	(8,326)	35,694
Operating Expenditure							
Personnel costs	117	185	68	1,627	1,738	111	2,130
Capitalised personnel costs	12	28	16	(541)	276	817	334
Public transport contracts	2,722	3,601	879	23,747	30,375	6,628	37,629
Contractors-maintenance	-	-	-	11	-	(11)	-
Professional Services	-	71	71	(12)	200	212	362
Ferry access charges	83	36	(47)	372	359	(13)	431
Other expenditure	612	624	12	6,242	6,228	(14)	7,532
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	3,546	4,545	999	31,446	39,176	7,730	48,418
Depreciation and amortisation	468	357	(111)	5,172	3,524	(1,648)	4,241
Surplus/(deficit) from Operations	(1,550)	(2,075)	525	(16,122)	(13,878)	(2,244)	(16,965)
Internal support costs	549	853	304	5,584	6,502	919	8,351
Surplus/(deficit)	(2,099)	(2,928)	829	(21,706)	(20,380)	(1,325)	(25,316)

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Section 2b – Other Public Transport Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Other income	745	894	(149)	7,266	9,642	(2,376)	11,616
Waka Kotahi NZ Transport Agency operating funding	1,336	1,497	(161)	14,807	15,171	(364)	18,460
Total operating income	2,081	2,391	(310)	22,073	24,813	(2,740)	30,076
Operating Expenditure							
Personnel costs	2,280	2,071	(209)	20,477	20,149	(328)	24,507
Capitalised personnel costs	(129)	356	485	353	1,200	847	1,314
Public transport contracts	-	61	61	179	683	504	805
Contractors-maintenance	979	820	(159)	10,495	10,119	(376)	13,032
Professional Services	430	827	397	5,390	7,311	1,921	8,964
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	(48)	55	103	632	463	(169)	526
Other expenditure	855	1,532	677	7,633	14,265	6,632	17,750
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	4,367	5,722	1,355	45,159	54,190	9,031	66,898
Depreciation and amortisation	559	635	76	5,901	6,303	402	7,597
Surplus/(deficit) from Operations	(2,845)	(3,966)	1,121	(28,987)	(35,680)	6,693	(44,419)
Internal support costs	758	1,178	420	7,715	8,984	1,269	11,538
Surplus/(deficit)	(3,603)	(5,144)	1,541	(36,702)	(44,664)	7,962	(55,957)

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Section 2b – Parking Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Parking Fees	2,283	4,241	(1,958)	20,703	40,238	(19,535)	48,720
Other income	145	57	88	1,200	516	684	630
Total operating income	2,428	4,298	(1,870)	21,903	40,754	(18,851)	49,350
Operating Expenditure							
Personnel costs	219	231	12	2,181	2,293	112	2,782
Capitalised personnel costs	(10)	(16)	(6)	(100)	(221)	(121)	(269)
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	122	145	23	1,220	1,449	229	1,738
Professional Services	63	11	(52)	237	107	(130)	129
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	605	725	120	6,568	7,402	834	8,864
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	999	1,096	97	10,106	11,030	924	13,244
Depreciation and amortisation	840	667	(173)	8,363	6,624	(1,739)	7,961
Surplus/(deficit) from Operations	589	2,535	(1,946)	3,434	23,100	(19,666)	28,145
Internal support costs	150	233	83	1,527	1,779	251	2,284
Surplus/(deficit)	439	2,302	(1,863)	1,907	21,321	(19,415)	25,861

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Section 2b – Enforcement Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Infringement income	4,149	5,618	(1,469)	27,929	47,925	(19,996)	59,255
Other income	8	-	8	25	-	25	-
Total operating income	4,157	5,618	(1,461)	27,954	47,925	(19,971)	59,255
Operating Expenditure							
Personnel costs	1,046	1,025	(21)	10,966	10,147	(819)	12,316
Capitalised personnel costs	3	6	3	(27)	78	105	95
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	155	275	120	1,684	2,750	1,066	3,305
Professional Services	26	8	(18)	186	83	(103)	100
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	94	79	(15)	1,443	795	(648)	953
Movement in doubtful debts	48	196	148	372	1,962	1,590	2,355
Other expenditure	377	761	384	5,269	7,008	1,739	8,562
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	1,749	2,350	601	19,893	22,823	2,930	27,686
Depreciation and amortisation	143	229	86	1,479	1,941	462	2,424
Surplus/(deficit) from Operations	2,265	3,039	(774)	6,582	23,161	(16,579)	29,145
Internal support costs	314	487	174	3,193	3,718	525	4,775
Surplus/(deficit)	1,951	2,552	(600)	3,389	19,443	(16,054)	24,370

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Section 2b – Roading and Footpaths Operations

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Petrol tax	531	875	(344)	5,772	8,688	(2,916)	10,448
Other income	743	668	75	6,922	7,948	(1,026)	9,312
Waka Kotahi NZ Transport Agency operating funding	3,459	4,239	(780)	43,056	42,695	361	51,354
Total operating income	4,733	5,782	(1,049)	55,750	59,331	(3,581)	71,114
Operating Expenditure							
Personnel costs	3,349	3,112	(237)	31,179	30,797	(382)	37,418
Capitalised personnel costs	(1,098)	(1,034)	64	(10,733)	(10,814)	(81)	(12,935)
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	5,422	6,040	618	57,080	60,451	3,371	72,556
Professional Services	1,136	1,340	204	10,383	13,360	2,977	16,096
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	2,584	1,685	(899)	19,937	18,149	(1,788)	21,973
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	11,393	11,143	(250)	107,846	111,943	4,097	135,108
Depreciation and amortisation	25,264	25,988	724	241,432	245,174	3,742	298,515
Surplus/(deficit) from Operations	(31,924)	(31,349)	(575)	(293,528)	(297,786)	4,258	(362,509)
Internal support costs	1,531	2,379	848	15,582	18,145	2,563	23,302
Surplus/(deficit)	(33,455)	(33,728)	273	(309,110)	(315,931)	6,821	(385,811)

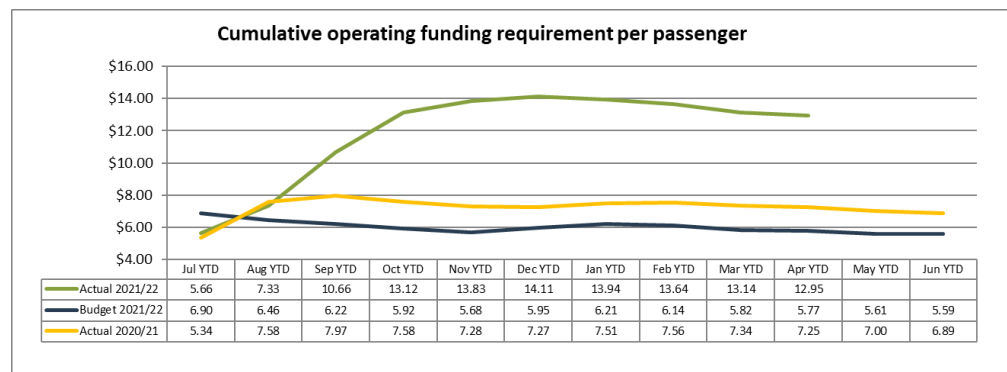
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Section 2b – Internal Support

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Rental income	798	337	461	7,425	6,715	710	7,390
Other income	479	448	31	5,203	3,945	1,258	4,762
Waka Kotahi NZ Transport Agency operating funding	3,696	2,561	1,135	32,562	32,607	(45)	35,371
Total operating income	4,973	3,346	1,627	45,190	43,267	1,923	47,523
Operating Expenditure							
Personnel costs	8,403	9,734	1,331	86,723	94,251	7,528	114,622
Capitalised personnel costs	(2,284)	(2,576)	(292)	(24,500)	(30,857)	(6,357)	(37,652)
Public transport contracts	-	(1)	(1)	-	(8)	(8)	(10)
Contractors-maintenance	51	82	31	(366)	912	1,278	1,103
Professional services	1,431	1,342	(89)	13,334	11,732	(1,602)	14,641
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	2,783	2,883	100	26,939	28,132	1,193	33,990
Directors fees	39	42	3	423	423	-	508
Other expenditure	1,811	3,427	1,616	17,851	23,272	5,421	30,621
Finance costs	3	3	-	38	31	(7)	37
Total operating expenditure	12,237	14,936	2,699	120,442	127,888	7,446	157,860
Depreciation and amortisation	3,041	4,422	1,381	29,622	37,504	7,882	46,503
Surplus/(deficit) from Operations	(10,305)	(16,012)	5,707	(104,874)	(122,125)	17,251	(156,840)
Internal support allocated	10,305	16,012	5,707	104,874	122,125	17,251	156,840
Surplus/(deficit)	-	-	-	-	-	-	-

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Section 2c – Operational funding requirement per passenger for the ten months ended 30 April 2022



The operational cost (net of third party revenue) of \$12.95 per passenger on the PT Network is higher than the budget of \$5.77 due to COVID-19 restrictions from 18 August 2021 driving lower than expected patronage and external revenue. This is partly offset by optimising PT operating expenditure where possible whilst accommodating the lower patronage. It is important to recognise that April to June external revenues reflect the 50% discount in fares recovered from passengers

	Current month				Year to date				Full year
	Actual	Budget	Variance	Variance %	Actual	Budget	Variance	Variance %	Budget
Rail, Bus and Ferry operations:									
Operating expenditure \$000	49,576	55,702	6,126	11%	467,752	524,467	56,715	11%	637,519
Less external revenues \$000	5,171	15,687	(10,516)	(67%)	69,381	143,932	(74,551)	(52%)	179,279
Operating funding requirement \$000	44,405	40,015	(4,390)	(11%)	398,371	380,535	(17,836)	(5%)	458,240
Patronage 000's	3,830	7,461	(3,631)	(49%)	30,760	65,920	(35,160)	(53%)	82,000
Operating funding requirement per passenger	\$11.59	\$5.36	(\$6.23)	(116%)	\$12.95	\$5.77	(\$7.18)	(124%)	\$5.59

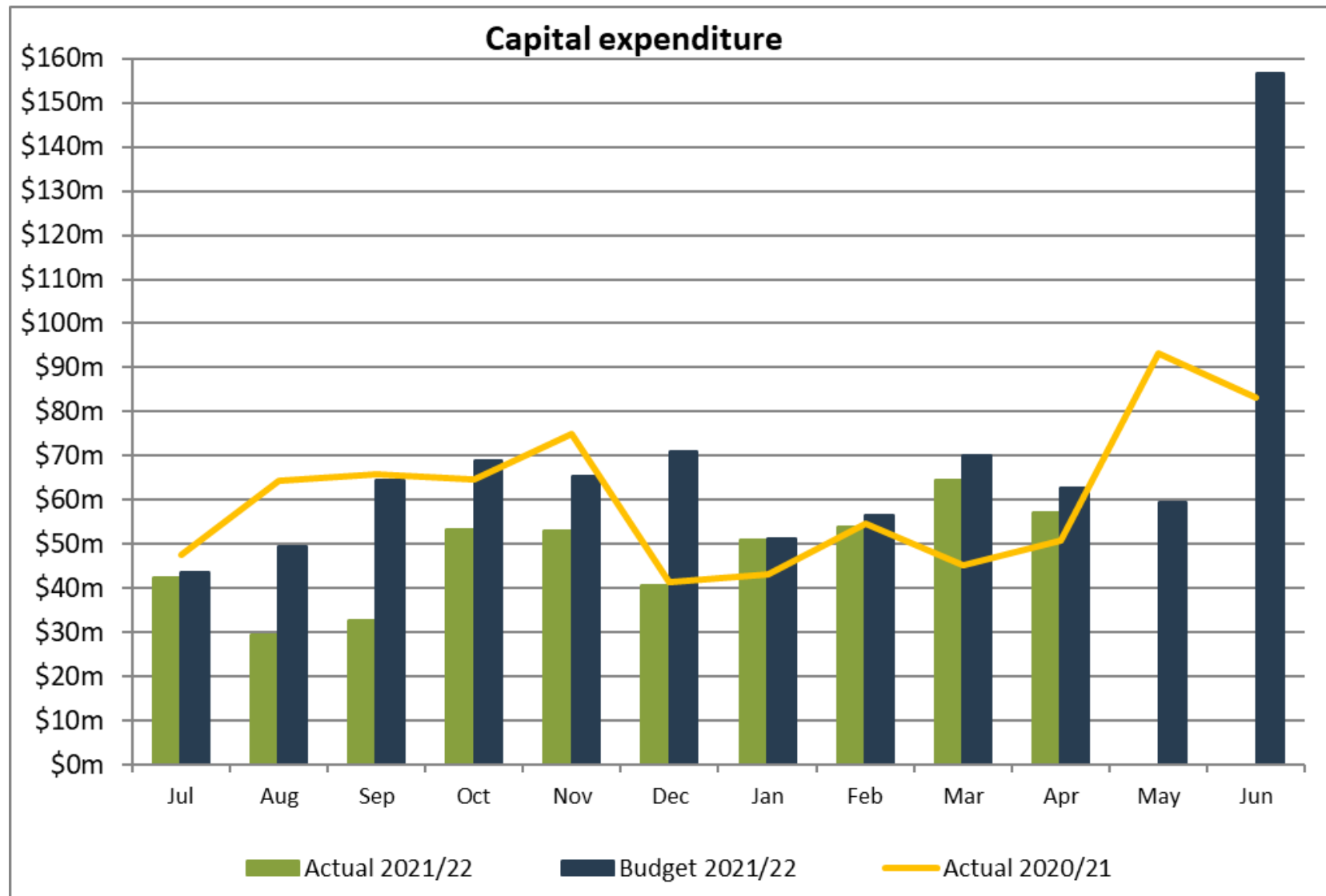
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Section 3a – Summary of Capital Expenditure

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Regional Land Transport Plan (RLTP) grouping							
Active Modes	4,765	5,639	874	42,193	55,454	13,261	72,228
Asset Management	20,652	18,831	(1,821)	189,393	209,714	20,321	252,394
Bus Projects	1,133	3,625	2,492	16,835	29,048	12,213	58,266
Corridor Improvements	2,675	2,878	203	10,292	13,043	2,751	27,513
Ferry, Multi-modal, and Park and Ride	9,717	3,640	(6,077)	24,675	23,688	(987)	33,101
Local Board Priorities	615	878	263	6,039	9,562	3,523	27,799
Network Capacity and Performance	1,825	925	(900)	9,468	11,235	1,767	14,000
Operational Programmes	3,557	2,523	(1,034)	30,679	41,791	11,112	49,580
Population Growth	925	4,283	3,358	21,441	44,366	22,925	68,941
Rapid Transit: Bus Projects	4,673	6,417	1,744	51,334	72,445	21,111	97,069
Rapid Transit: Rail Projects	117	3,498	3,381	16,282	16,678	396	25,151
Safety	6,943	9,024	2,081	59,578	71,713	12,135	86,360
Sustainability Projects that are in addition to travel choice projects	(277)	597	874	647	5,163	4,516	7,712
Total direct capital	57,320	62,758	5,438	478,856	603,900	125,044	820,114

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Section 3a – Summary of Capital Expenditure (continued)



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Section 3b – Capital Expenditure Funding

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Direct capital funding							
Waka Kotahi NZ Transport Agency new capital co-investment	11,938	24,688	(12,750)	122,914	201,013	(78,099)	286,646
Waka Kotahi NZ Transport Agency renewal co-investment	9,208	9,990	(782)	83,462	108,518	(25,056)	119,560
Other capital grants	(2)	1,500	(1,502)	13,625	7,000	6,625	10,000
Auckland Council capital grant	36,177	26,580	9,597	258,856	287,369	(28,513)	403,908
Total direct capital funding	57,321	62,758	(5,437)	478,857	603,900	(125,043)	820,114

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Section 3c – RFT Capital and Operational Expenditure

RFT Capital Expenditure

	Year to date			Full year		
	Actual Not RFT Enabled \$000	Actual RFT Enabled \$000	Actual Total \$000	Budget Not RFT Enabled \$000	Budget RFT Enabled \$000	Budget Total \$000
Capital expenditure	356,455	122,401	478,857	558,343	261,771	820,114
Funding						
Waka Kotahi NZ Transport Agency	149,641	56,735	206,376	299,092	107,115	406,206
Others (ACC,Crown, others)	263	13,362	13,625	-	10,000	10,000
Auckland Council	206,551	52,304	258,856	259,251	144,657	403,908
Total funding	356,455	122,401	478,857	558,343	261,771	820,114
Programme of capital projects supported by the RFT scheme						
Project 1: Bus priority improvements		6,094			30,016	
Project 2: City centre bus infrastructure		1,956			3,030	
Project 3: Improving airport access		6,744			11,517	
Project 4: Eastern Busway		34,409			70,799	
Project 5: Park-and-ride facilities		5			101	
Project 6: Electric trains and stabling		26			5,000	
Project 7: Downtown ferry terminal and redevelopment		690			-	
Project 8: Road safety		45,661			71,560	
Project 9: Active transport		9,871			14,680	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		3			-	
Project 12: Road corridor improvements		11,253			37,819	
Project 13: Network capacity and performance improvement		5,495			7,740	
Project 14: Growth-related transport infrastructure		195			9,508	
Total		122,401			261,771	

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RFT Operating Expenditure

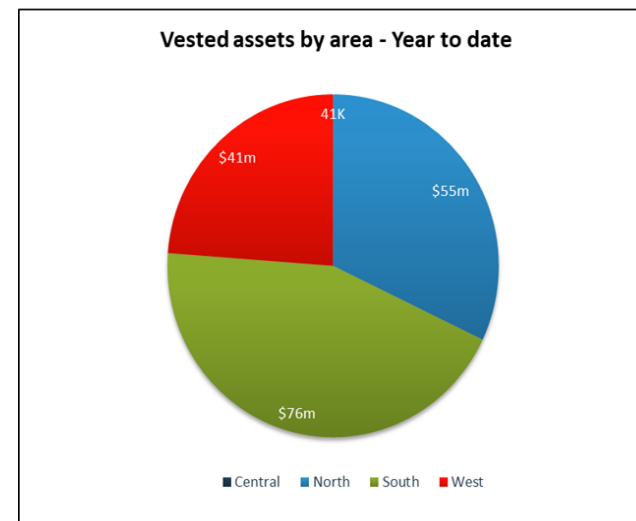
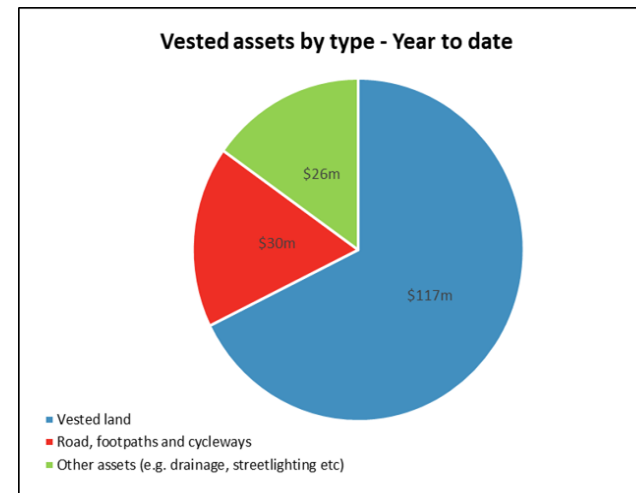
	Year to date			Full year		
	Actual Not RFT Enabled	Actual RFT Enabled	Actual Total	Budget Not RFT Enabled	Budget RFT Enabled	Budget Total
Operating expenditure		968			1,480	
<i>Note: Fully funded by Auckland Council</i>						
Programme of operating projects supported by the Auckland RFT scheme						
Project 8: Road safety		968			1,480	
Total		968			1,480	

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Section 3d – Vested Assets

As at 30 April 2022

	Current month	Year to date
	Actual \$000	Actual \$000
Vested Assets - Top 10 Suburbs		
Flat Bush	2,376	36,410
Milddale	-	24,967
Hobsonville	-	20,673
Massey	-	10,933
Pukekohe	438	8,947
Warkworth	-	7,445
Matakana	2,054	7,389
Drury	-	7,252
Glenbrook	-	6,701
Hingaia	-	6,527
Other	6,756	35,429
Total Vested Asset	11,623	172,673



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Section 4a – Statement of Financial Position

As at 30 April 2022

	Note	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
Assets			
Current assets			
Cash and cash equivalents	1	4,530	13,958
Receivables	2	536,441	529,398
Inventories		13,109	13,114
Other assets		7,342	9,298
Total current assets		561,422	565,768
Non-current assets			
Property, plant and equipment (PPE)		21,488,306	21,480,733
Intangible assets		127,202	134,366
Work in progress (PPE and intangible assets)	3	883,816	855,431
Total non-current assets		22,499,324	22,470,530
Total assets		23,060,746	23,036,298

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Section 4a – Statement of Financial Position (continued)

As at 30 April 2022

	Note	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
Liabilities			
Current liabilities			
Payables and accruals	4	217,912	225,671
Employee entitlements	5	20,791	19,917
Derivative financial instruments		1,001	1,539
Borrowings	6	8,767	8,726
Total current liabilities		248,471	255,853
Non-current liabilities			
Payables and accruals	4	4,046	4,313
Employee entitlements	5	328	328
Derivative financial instruments		5,810	10,421
Borrowings	6	472,718	473,422
Total non-current liabilities		482,902	488,484
Total liabilities		731,373	744,337
Net assets		22,329,373	22,291,961
Equity			
Contributed capital		13,202,643	13,202,627
Accumulated funds		4,701,516	4,664,120
Other reserves		4,425,214	4,425,214
Total equity		22,329,373	22,291,961

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Section 4b – Notes to the Financial Statements

As at 30 April 2022

	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
1 Cash and cash equivalents		
Cash at bank	4,300	13,728
Till floats	230	230
Total cash and cash equivalents	4,530	13,958

The carrying value of cash and cash equivalents approximates their fair value.

2 Receivables		
Trade and other debtors	7,439	8,519
Infringement receivable	44,739	44,075
Amounts due from related parties	440,320	438,266
Accrued revenue	65,864	60,409
	558,362	551,270
Less provision for impairment of receivables	(21,921)	(21,872)
Total current receivables	536,441	529,398

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

The carrying value of debtors and other receivables approximates their fair value.

There is no concentration of credit risk with respect to receivables as there are a large number of customers.

The maximum exposure to credit risk at reporting date is the carrying value of each class of receivable mentioned above.

The ageing profile of receivables is detailed below:

	Trade and other debtors	Infringements receivables	Infringements receivables MOJ debtor	Amounts due from related parties	Total
	\$000	\$000	\$000	\$000	\$000
Not past due	2,721	3,323	-	440,274	446,318
Past due 1 - 30 days	1,422	2,651	-	36	4,109
Past due 31 - 60 days	765	1,779	-	-	2,544
Past due 61 - 90 days	1,765	1,337	-	-	3,102
Past due > 90 days	766	1,060	34,589	10	36,425
	7,439	10,150	34,589	440,320	492,498
Impairment	(499)	(1,014)	(20,408)	-	(21,921)
	6,940	9,136	14,181	440,320	470,577

All receivables greater than 30 days in age are considered to be past due.

The provision for impairment of receivables has been calculated on an individual basis. The provision is based on a review of significant debtor balances. Receivables are assessed as impaired due to significant financial difficulties being experienced by the debtor, and AT management concluding that it is remote that the overdue amounts will be recovered.

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

	Trade and other debtors	Infringements receivables	Infringements receivables MOJ debtor	Total
	\$000	\$000	\$000	\$000
Balance at 1 July 2020	499	1,539	19,511	21,549
Additional/(Reversal) provisions made	-	-	897	897
Provisions reversed	-	(525)	-	(525)
Provisions relating to receivables written-off	-	-	-	-
Balance at 30 April 2022	499	1,014	20,408	21,921

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

	Opening balance 1 July 2021 \$000	Acquisition YTD 30 April 2022 \$000	Capitalisation YTD 30 April 2022 \$000	Closing balance 30 April 2022 \$000
3 Work in Progress (WIP)				
WIP by activity				
Roads and footpaths	649,465	221,237	(258,884)	611,818
Public Transport	465,032	67,168	(294,101)	238,099
Parking operations	6,762	2,149	(4,920)	3,990
Internal support	31,106	25,465	(26,662)	29,909
Total WIP	1,152,364	316,019	(584,567)	883,816
WIP by status				
Current WIP (completion in future)				777,867
Due for capitalisation within policy				11,880
Due for capitalisation not within policy				92,350
Forecast completion date not yet provided (new projects)				1,719
Total WIP				883,816

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

Top 10 Programmes	WIP Closing balance 30 April 2022 \$000
AMETI	118,130
SGA Network Growth	53,580
New Northern Busway Station & Park&Ride	52,091
New Lynn to Avondale Scheme C/Way	45,181
Warkworth Matakana Link (SH1 to Matakana	36,173
Wolverton Culvert Emergency Work	28,889
Wynyard Quarter Programme	23,768
Integrated Corridor	23,465
Tech-Corporate Prog	21,576
Tamaki Drive (Plumer St to Ngapipi Rd)	20,948
Total	423,803

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
4 Payables and accruals		
Current portion		
Creditors	11,797	29,809
Goods and services tax	624	7,180
Accrued expenses	156,674	141,911
Retentions	20,515	19,196
Amounts due to related parties	24,293	22,301
Revenue in advance	4,009	5,274
Total current payables	217,912	225,671
Non-current portion		
Amounts due to related parties	4,046	4,313
Total non-current payables	4,046	4,313

Creditors and other payables are non-interest bearing and are normally settled on 20 day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
5 Employee entitlements		
Current portion		
Accrued salaries and wages	7,089	6,362
Accrued leave	13,702	13,555
Total current employee entitlements	20,791	19,917
Non-current portion		
Retirement gratuities	253	253
Long service leave	75	75
Total non-current employee entitlements	328	328

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Section 4b – Notes to the Financial Statements (continued)

As at 30 April 2022

	Actual 30 April 2022 \$000	Actual 31 March 2022 \$000
6 Borrowings		
Current portion		
Finance lease	1,060	1,059
Loans from Auckland Council	7,707	7,667
Total current borrowings	8,767	8,726
Non-current portion		
Finance lease	3,062	3,150
Loans from Auckland Council	469,656	470,272
Total non-current borrowings	472,718	473,422
Weighted average cost of funds on total borrowings	6.02%	6.02%

AT's loan debt of \$477 million is issued at fixed rates of interest ranging from 5.55% to 6.57%.

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Section 5 – Cashflow

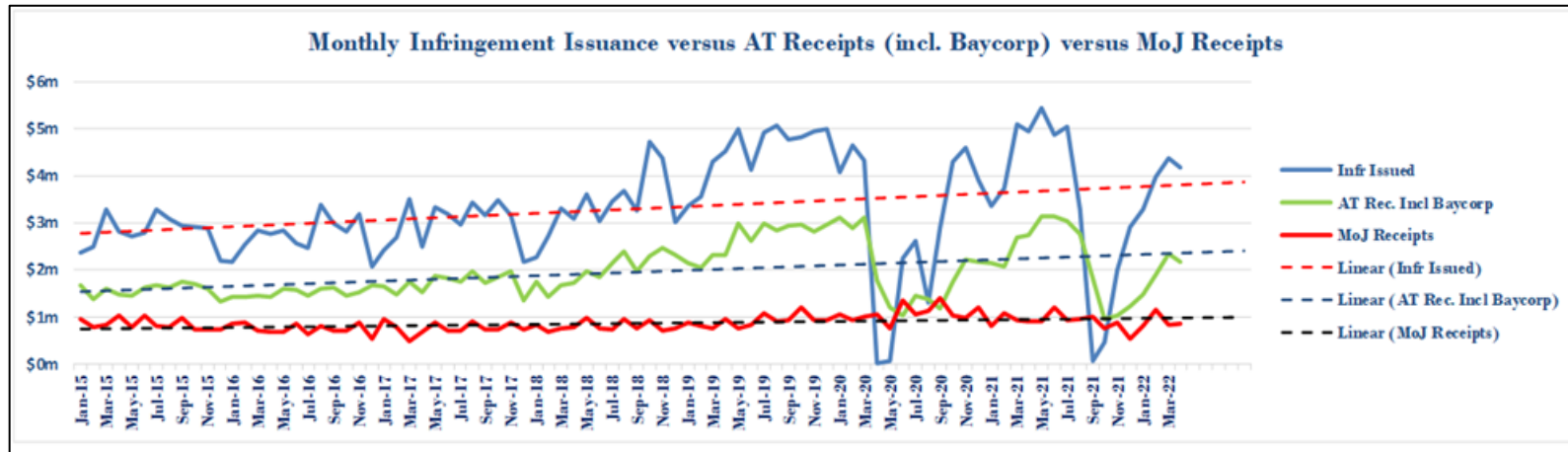
	Year to Date		Full year
	Actual \$000	Budget \$000	Budget \$000
Cash flows from operating activities			
Total cash provided	1,389,041	1,507,914	1,896,483
Cash applied to			
Payments to suppliers and employees	855,139	853,784	1,040,092
Interest paid	21,458	24,141	28,947
Goods and services tax	6,547	-	-
Total cash applied	883,144	877,925	1,069,039
Net cash from operating activities	505,897	629,989	827,444
Cash flows from investing activities			
Cash provided from			
Sale of property, plant and equipment	3,758	-	-
Cash applied to:			
Purchase of property, plant and equipment	503,857	623,899	820,114
Net cash from investing activities	(500,099)	(623,899)	(820,114)
Cash flows from financing activities			
Cash applied to			
Repayments of EMU loan from Auckland Council	6,090	6,090	7,330
Repayments of finance lease principal	875	-	-
Net cash from financing activities	(6,965)	(6,090)	(7,330)
Net (decrease)/increase in cash and cash equivalent	(1,167)	-	-
Opening cash and cash equivalents	5,697	-	-
Closing cash balance	4,530	-	-

Reconciliation of surplus after tax to net cash from operating activities	
	Actual \$000
Surplus after tax	259,993
Add/(less) non-cash items	
Depreciation and amortisation	336,174
Vested asset income	(172,673)
Loss on disposal of property, plant and equipment	38,724
(Gains)/losses on derivatives	6,295
	208,520
Add/(less) movements in balance sheet items	
Receivables	124,706
Inventories	(2,383)
Other assets	(2,850)
Payables and accruals	(85,789)
Employee entitlements	3,700
	37,384
Net cash from operating activities	505,897



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Section 6 – Infringement Overview

Over 88 months (January 2015 to April 2022), the trend for both infringements issued and receipts (including Baycorp) is positive and increasing while the trend for receipts by Ministry of Justice has remained relatively static, despite the fact that more matters have been lodged with them.



Te pou whenua tuhinga / Document ownership

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