

Financial Results for the Eight Months Ended 29 February 2012

Introduction

This report summarises for Auckland Transport the financial results for the eight months ended 29 February 2012.

Abbreviations used in this report

Please note that the following abbreviations are used in this report:

YTD = Year to date

FY = 12 month financial period, from 1 July 2011 to 30 June 2012

\$m = Millions of dollars

Budget = Approved budget for the 12 month period 1 July 2011 to 30 June 2012









Forecast = The forecast financial results following Auckland Transport review of the budgets.

YTD Variance = This is comparison of actual results compared to YTD forecast.

Surplus/(deficit) from operations = Operating income less operating expenditure

Net Surplus (Deficit) before tax = Net operating result plus income for capital projects

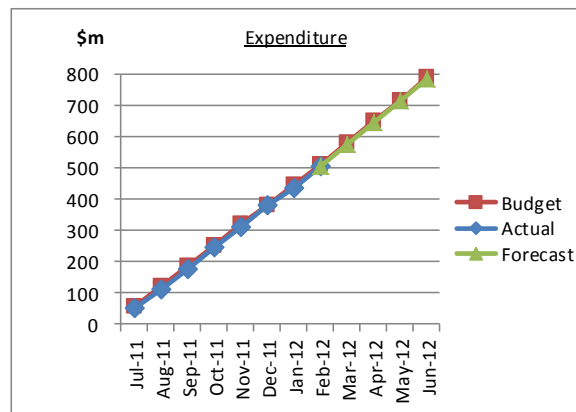
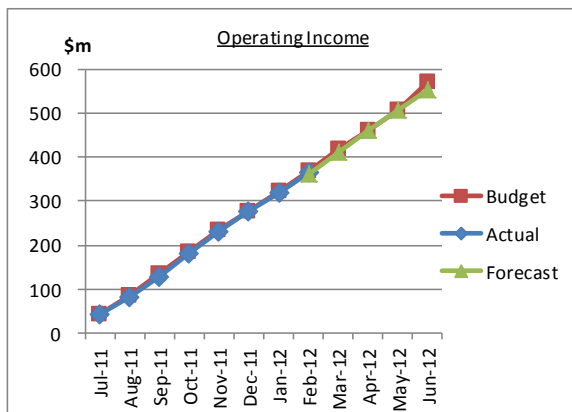
Key to symbols used:

	: Within tolerable range
	: Below budget, unfavourable variance.
	: Below budget, favourable variance.
	: Above budget, unfavourable variance.
	: Above budget, favourable variance.
	: Achieved budget or better
	: Monitoring, some action taken
	: Action required

Executive Summary

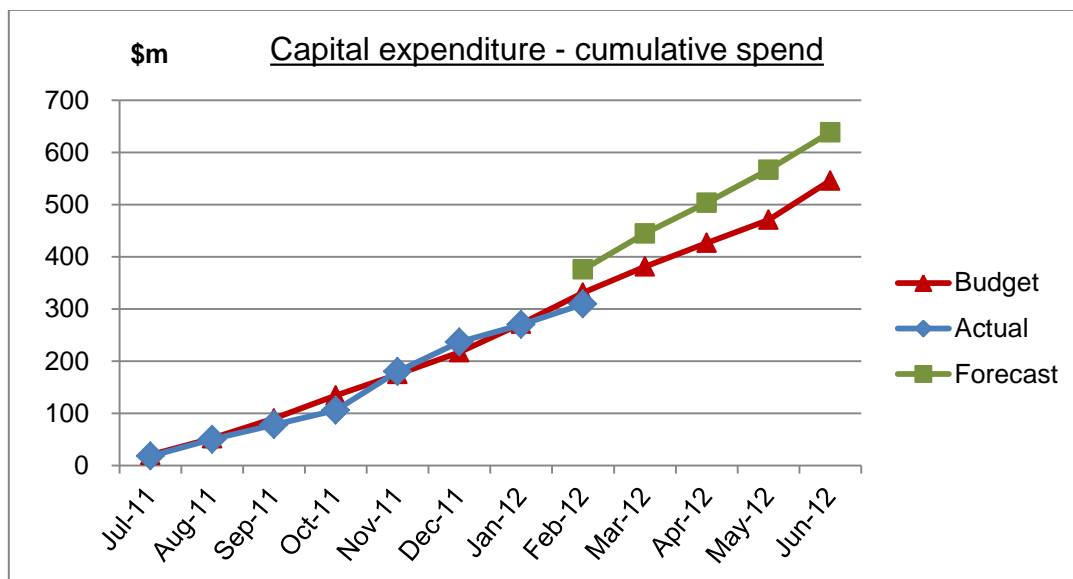
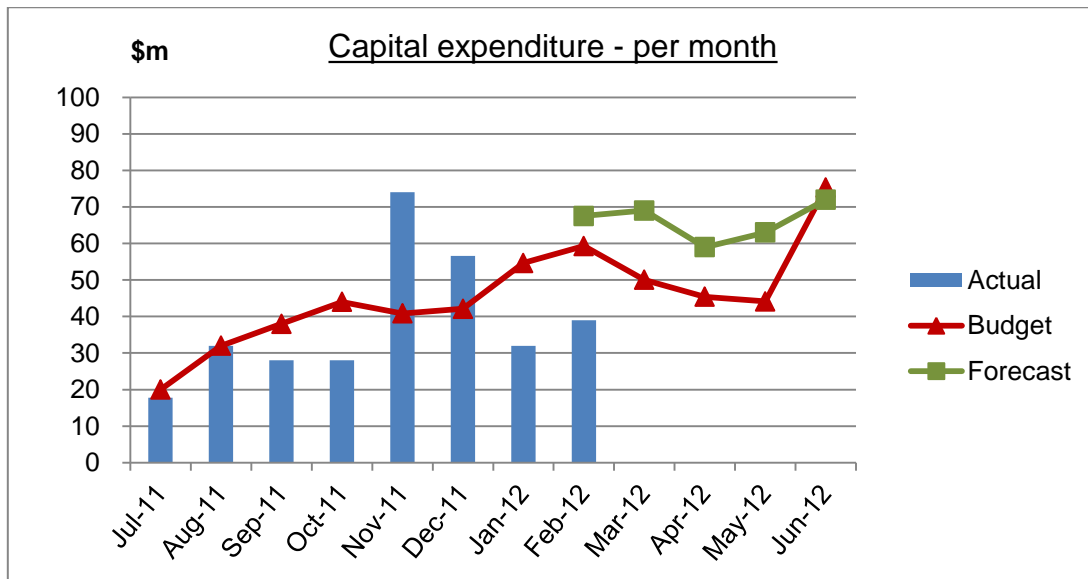
YTD results to 29 February 2012:

	Current month variance to Forecast \$m	Year to date variance to Forecast \$m	Year to date results	Year to date Actual \$m	Year to date Forecast \$m	Full Year Budget \$m	Full year Forecast \$m
Total operating income	(3.4)	4.3	↑ ●	366.5	362.2	569.8	551.4
Total operating expenditure	2.8	2.9	↓ ●	502.6	505.5	792.8	788.4
Surplus/(deficit) from operations	(0.6)	7.2	↑ ●	(136.0)	(143.2)	(223.0)	(237.1)
Income for capital projects	(0.9)	(21.1)	↓ ●	65.7	86.8	205.8	144.9
Net surplus/(deficit) before tax	(1.5)	(13.9)	↓ ●	(70.4)	(56.5)	(17.1)	(92.2)
Capital expenditure	28.4	67.5	↓ ●	309.1	376.6	546.2	639.5



Income for capital projects YTD is below forecast by \$20.3m. It should be noted that AT has agreed with NZTA to a lower Funding Assistance Rate (FAR) for delivery of AT's local road renewals programme in the 2011/2012 financial year. This accounts for \$20.1m of the variance.

Capital expenditure for the month was \$39.1m, an underspend to forecast of \$28.4m. YTD capital expenditure was \$309.1m, a variance to forecast of \$67.5m.




Capital expenditure is forecast to be over budget due to the purchase of the EMU's which were not budgeted for. The EMU's are loan funded and *these* funds are not reflected through the Profit and Loss account.

The asset position is sound with net assets of \$13.0b at the end of February and cash flow funding arrangements in place to ensure all liabilities can be met.

Recommendation

That the Auckland Transport Board receive this report.

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