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Results for the Five Months Ended 30 November 2022

For decision: For noting:

Reason for inclusion in closed board meeting session	
1. Please state why this report is being considered in the closed board meeting as opposed to the open board meeting. Please refer to the 'reasons for confidentiality' and provide a direct reference to one of these reasons.	To protect information that will soon be publicly available
2. Please provide an estimated date for release of this report.	28 February 2023

Te tūhanga / Recommendation

That the Auckland Transport Board (board):

- a) Receives the report.

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Section 1 – Te whakarāpopototanga matua / Executive summary

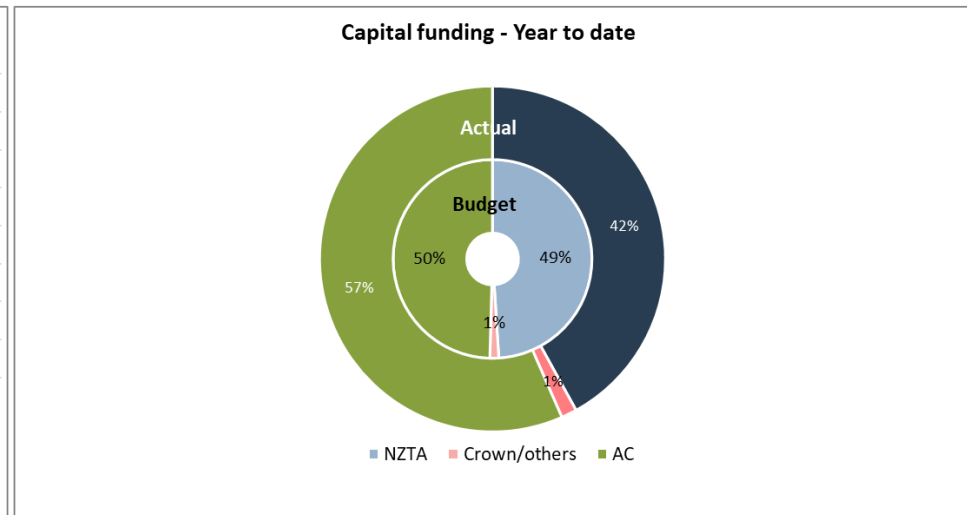
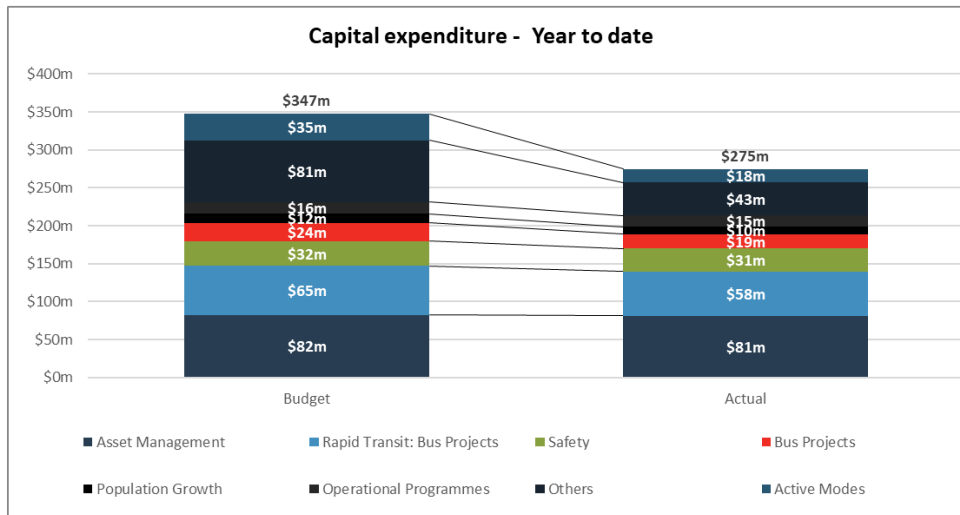
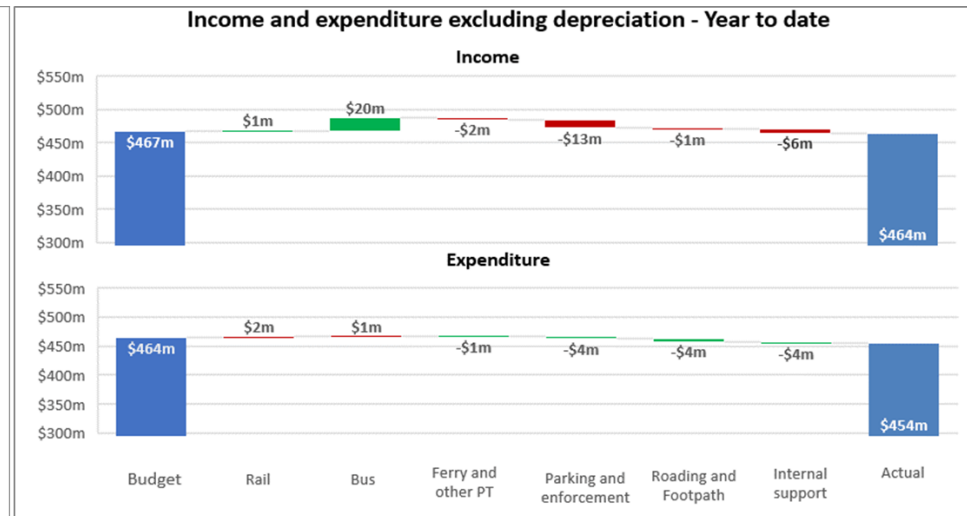
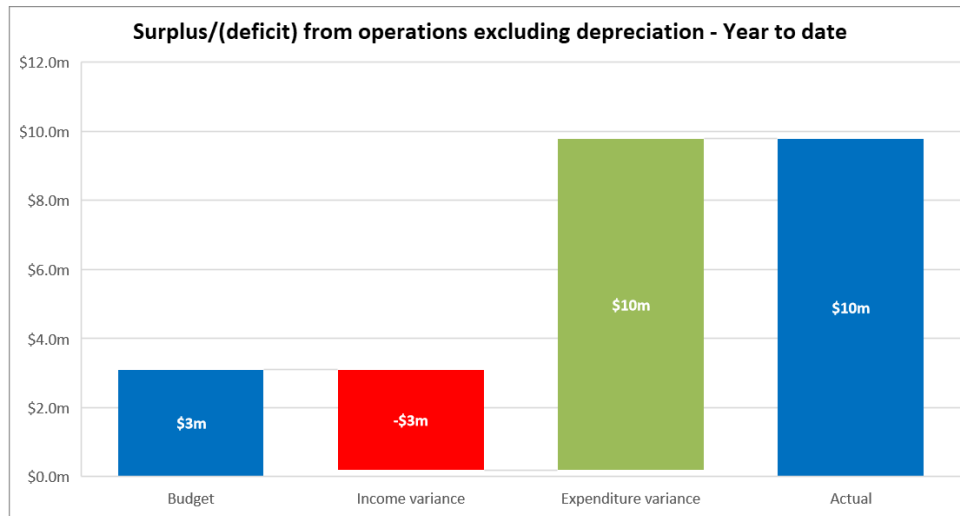
1. Year to date (YTD) **surplus from operations excluding depreciation** of \$9.8 million, is \$6.7 million favourable to budget mainly due to a \$14.4 million unbudgeted public transport (PT) top-up from Waka Kotahi New Zealand Transport Agency (Waka Kotahi) and lower maintenance and other expenditure. These are partially offset by lower than budgeted parking and enforcement income and lower capitalised personnel costs. Items to note:
 - Waka Kotahi funding is \$22.2 million favourable to budget mainly due to the \$14.4 million PT top-up and unbudgeted PT fare discount funding for the extension of half price fares to the end of March 2023.
 - Parking and enforcement revenue is unfavourable to budget mainly due to lower infringement ticket issuances and parking occupancy. Infringement revenue is under budget for all enforcement revenue types due to compliant behaviour of traffic users in our corridors. New Special Vehicle Lanes have also been delayed due to supply chain and technical issues.
 - PT income is unfavourable as the budget was set with the 50% fare discount ending in August 2022. The fare discount was subsequently extended to the end of March 2023 with the resultant top-up recognised as additional Waka Kotahi funding. PT patronage growth has slowed remaining relatively unchanged at 65%-70% of pre COVID-19 levels in the last three months, up from circa 60% of pre COVID-19 levels at the beginning of the financial year.
 - Personnel cost is favourable to budget primarily due to budgeted positions not filled. This is partly offset by higher than expected annual leave expense due to the revaluation of the annual leave liability in line with the recent remuneration review reflecting market movements.
 - Capitalised personnel cost is lower than budget mainly due to vacant positions and lower than budgeted capital expenditure.
 - PT contract costs are unfavourable to budget due to higher than expected PT contract indexation and rail leave liability. Actual indexation is 4.2% for Rail, 6.6% for Bus and 13.7% for Ferry, against a budget of 4%. This is offset by KPI savings on bus contracts driven by a continuing bus driver shortage.
 - Professional services is favourable to budget primarily within planning and investment, road network management and PT activity with spend expected to increase as projects in these areas progress.
 - Other expenditure is favourable to budget primarily due to lower than expected Information Technology costs, advertising, bank charges, commissions, court costs, Auckland Transport (AT) delivered events and doubtful debts.
2. **Deficit from operations** is \$6.0 million unfavourable to budget in November 2022 and \$34.5 million unfavourable YTD mainly due to higher than budgeted depreciation from the June 2022 roading revaluation, partly offset by the \$14.4 million unbudgeted PT top-up from Waka Kotahi and lower expenditure. The full year impact of the 2022 revaluation on depreciation is estimated to be circa \$100 million.

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3. YTD **Capital expenditure** of \$274.8 million is \$72.6 million lower than budget due to a slow start to implementation and delivery of the programme, driven by inflationary pressures and resourcing challenges including a delay in signing the Eastern Busway PAA and release of EMU milestone payments. The monthly profile of the capital budget was rephased in August for renewal seasonality. The full year capital budget remains unchanged.
4. **Waka Kotahi and other Crown capital funding** YTD of 42% is lower than the budget of 51% driven by the challenges faced on fundable capex projects, including delay in signing the Eastern Busway PAA. In particular the budget reflected a one-off Eastern Busway property purchase claim in October which is now being realised throughout the balance of the year.
5. **Regional Fuel Tax (RFT) enabled capital spend** for November is \$29.1 million and \$108.2 million YTD, versus a full year planned spend of \$358 million. YTD spend is approximately 30% of the full year RFT enabled capital budget.

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



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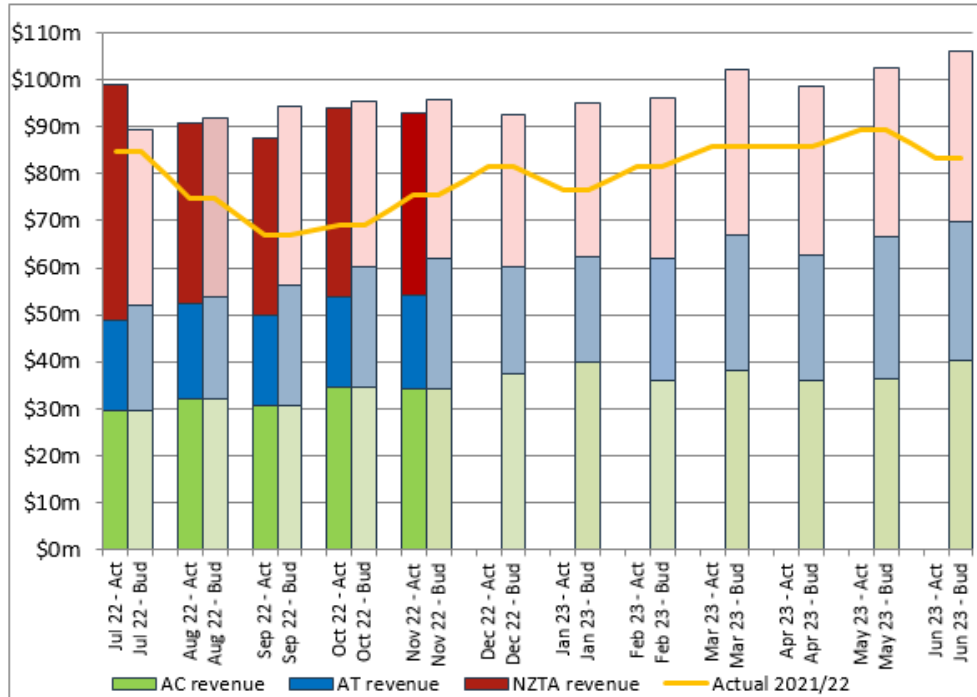
Section 2 – Financial results for the four months ended 30 November 2022

	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	34,367	34,367	-	161,231	161,231	-	424,909
Waka Kotahi NZ Transport Agency operating funding	38,699	33,855	4,844	205,031	182,847	22,184	424,286
Parking and enforcement income	7,822	11,031	(3,209)	37,610	50,963	(13,353)	125,980
Public transport income	9,215	13,605	(4,390)	45,551	55,680	(10,129)	148,503
Other revenue incl. other grants and subsidies	2,777	3,046	(269)	14,687	16,328	(1,641)	35,742
Total operating income	92,880	95,904	(3,024)	464,110	467,049	(2,939)	1,159,420
Operating expenditure							
Personnel costs	19,477	19,524	47	91,531	92,398	867	227,041
Capitalised personnel costs	(4,328)	(5,219)	(891)	(19,563)	(25,355)	(5,792)	(55,557)
Public transport contracts	46,703	46,290	(413)	229,116	229,100	(16)	575,029
Contractors-maintenance	8,797	9,804	1,007	42,841	46,138	3,297	107,516
Professional services	2,498	2,792	294	10,715	13,008	2,293	31,261
Track and ferry access charges	3,090	3,131	41	15,499	15,602	103	42,404
Other expenditure	12,518	16,636	4,118	72,166	81,042	8,876	195,446
Finance costs	2,347	2,349	2	11,999	12,004	5	28,495
Total operating expenditure excluding depreciation	91,102	95,307	4,205	454,304	463,937	9,633	1,151,635
Surplus/(deficit) from operations excluding depreciation	1,778	597	1,181	9,806	3,112	6,694	7,785
Depreciation and amortisation	43,453	36,290	(7,163)	216,405	175,208	(41,197)	446,714
Surplus/(deficit) from operations	(41,675)	(35,693)	(5,982)	(206,599)	(172,096)	(34,503)	(438,929)
Income for capital projects							
Waka Kotahi NZ Transport Agency capital co-investment	36,798	30,920	5,878	115,439	169,615	(54,176)	434,460
Auckland Council capital grant	31,068	39,353	(8,285)	155,394	172,350	(16,956)	416,043
Other capital grants	3,982	4,465	(483)	3,982	5,478	(1,496)	6,227
Vested asset income	19,779	27,500	(7,721)	143,203	110,000	33,203	275,000
Total income for capital projects	91,627	102,238	(10,611)	418,018	457,443	(39,425)	1,131,730
Net surplus/(deficit) before tax and derivatives	49,952	66,545	(16,593)	211,419	285,347	(73,928)	692,801
Gains/(losses) on derivatives	(5,900)	-	(5,900)	(6,878)	-	(6,878)	-
Gain/(loss) on disposal of assets	(381)	-	(381)	(251)	-	(251)	-
Net surplus/(deficit) after tax and derivatives	43,671	66,545	(22,874)	204,290	285,347	(81,057)	692,801

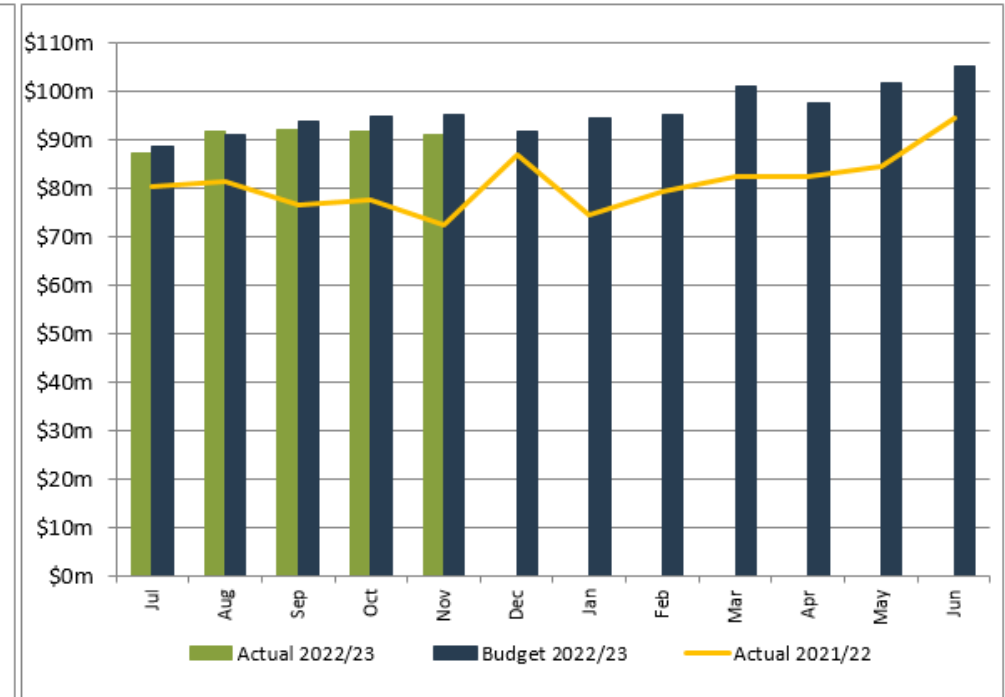
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Section 2 – Financial results for the four months ended 30 November 2022 (continued)

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	10,574	10,593	(19)	54,373	53,676	697	139,674
Bus	21,916	22,569	(653)	129,133	109,631	19,502	266,598
Ferry	3,295	3,384	(89)	14,055	16,072	(2,017)	39,626
Other public transport	3,093	2,665	428	12,634	13,054	(420)	30,220
Parking	3,296	4,651	(1,355)	17,409	21,453	(4,044)	51,496
Enforcement	4,526	6,380	(1,854)	20,200	29,510	(9,310)	74,483
Roading and footpaths	6,243	6,386	(143)	31,692	33,076	(1,384)	73,198
Internal support	5,569	4,910	659	23,380	29,347	(5,967)	59,214
Auckland Council operating funding	34,367	34,367	-	161,231	161,231	-	424,909
Total operating income	92,879	95,905	(3,026)	464,107	467,050	(2,943)	1,159,418
Operating Expenditure							
Rail	17,183	16,684	(499)	87,409	85,626	(1,783)	228,228
Bus	36,367	35,894	(473)	176,940	175,877	(1,063)	430,286
Ferry	5,019	4,428	(591)	23,195	21,961	(1,234)	53,402
Other public transport	3,959	6,094	2,135	23,319	25,582	2,263	65,223
Parking	1,129	1,018	(111)	5,655	5,246	(409)	13,115
Enforcement	1,824	3,236	1,412	10,553	14,877	4,324	34,129
Roading and footpaths	11,842	13,080	1,238	59,901	63,871	3,970	146,007
Internal support	13,779	14,874	1,095	67,332	70,901	3,569	181,245
Depreciation and amortisation	43,453	36,290	(7,163)	216,405	175,208	(41,197)	446,714
Total operating expenditure	134,555	131,598	(2,957)	670,709	639,149	(31,560)	1,598,349
Surplus/(deficit) from Operations	(41,676)	(35,693)	(5,983)	(206,602)	(172,099)	(34,503)	(438,931)

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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	1,584	3,169	(1,585)	7,924	11,671	(3,747)	33,119
Other income	143	132	11	621	641	(20)	1,684
Waka Kotahi NZ Transport Agency operating funding	8,847	7,292	1,555	45,828	41,364	4,464	104,871
Total operating income	10,574	10,593	(19)	54,373	53,676	697	139,674
Operating Expenditure							
Personnel costs	506	662	156	2,411	3,194	783	7,760
Capitalised personnel costs	14	(30)	(44)	125	(130)	(255)	(83)
Public transport contracts	10,203	9,699	(504)	52,034	49,813	(2,221)	139,106
Contractors-maintenance	(1)	-	1	(1)	-	1	-
Professional services	27	7	(20)	125	36	(89)	425
Track access charges	3,054	3,097	43	15,311	15,414	103	41,942
Other expenditure	1,036	904	(132)	5,420	5,312	(108)	10,624
Finance costs	2,344	2,345	1	11,984	11,987	3	28,454
Total operating expenditure	17,183	16,684	(499)	87,409	85,626	(1,783)	228,228
Depreciation and amortisation	3,804	3,765	(39)	19,224	18,739	(485)	45,339
Surplus/(deficit) from Operations	(10,413)	(9,856)	(557)	(52,260)	(50,689)	(1,571)	(133,893)
Internal support costs	2,611	3,012	401	13,578	12,880	(699)	37,156
Surplus/(deficit)	(13,024)	(12,868)	(156)	(65,838)	(63,569)	(2,270)	(171,049)

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	4,330	6,499	(2,169)	22,986	26,766	(3,780)	70,935
Other income	696	995	(299)	3,722	3,874	(152)	11,149
Waka Kotahi NZ Transport Agency operating funding	16,890	15,075	1,815	102,425	78,991	23,434	184,514
Total operating income	21,916	22,569	(653)	129,133	109,631	19,502	266,598
Operating Expenditure							
Personnel costs	372	375	3	1,346	1,743	397	4,276
Capitalised personnel costs	264	(171)	(435)	978	(942)	(1,920)	(1,660)
Public transport contracts	32,333	32,929	596	157,727	161,072	3,345	391,917
Contractors-maintenance	139	110	(29)	562	552	(10)	1,450
Professional Services	213	183	(30)	596	688	92	2,128
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	3,046	2,468	(578)	15,731	12,764	(2,967)	32,175
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	36,367	35,894	(473)	176,940	175,877	(1,063)	430,286
Depreciation and amortisation	604	614	10	2,994	2,958	(36)	7,575
Surplus/(deficit) from Operations	(15,055)	(13,939)	(1,116)	(50,801)	(69,204)	18,403	(171,263)
Internal support costs	4,923	5,679	756	25,600	24,282	(1,317)	70,052
Surplus/(deficit)	(19,978)	(19,618)	(360)	(76,401)	(93,486)	17,086	(241,315)

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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	718	616	102	2,672	2,756	(84)	7,371
Activity income	749	1,398	(649)	2,747	5,149	(2,402)	14,130
Other income	104	93	11	511	466	45	1,119
Waka Kotahi NZ Transport Agency operating funding	1,724	1,277	447	8,125	7,701	424	17,006
Total operating income	3,295	3,384	(89)	14,055	16,072	(2,017)	39,626
Operating Expenditure							
Personnel costs	127	123	(4)	539	591	52	1,420
Capitalised personnel costs	(34)	(53)	(19)	(171)	(259)	(88)	(552)
Public transport contracts	4,105	3,664	(441)	19,241	18,219	(1,022)	44,017
Contractors-maintenance	-	-	-	1	-	(1)	-
Professional Services	-	-	-	-	-	-	-
Ferry access charges	36	35	(1)	189	189	-	462
Other expenditure	785	659	(126)	3,396	3,221	(175)	8,055
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	5,019	4,428	(591)	23,195	21,961	(1,234)	53,402
Depreciation and amortisation	482	473	(9)	2,379	2,345	(34)	5,719
Surplus/(deficit) from Operations	(2,206)	(1,517)	(689)	(11,519)	(8,234)	(3,285)	(19,495)
Internal support costs	611	705	94	3,177	3,014	(163)	8,694
Surplus/(deficit)	(2,817)	(2,222)	(595)	(14,696)	(11,248)	(3,448)	(28,189)

Section 2b – Other PT 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	890	703	187	4,366	4,357	9	8,995
Waka Kotahi NZ Transport Agency operating funding	2,203	1,962	241	8,268	8,697	(429)	21,225
Total operating income	3,093	2,665	428	12,634	13,054	(420)	30,220
Operating Expenditure							
Personnel costs	2,698	2,655	(43)	13,216	12,268	(948)	30,456
Capitalised personnel costs	(452)	(354)	98	(1,230)	(1,596)	(366)	(2,308)
Public transport contracts	-	-	-	17	-	(17)	-
Contractors-maintenance	1,215	1,531	316	5,197	5,253	56	12,968
Professional Services	47	445	398	1,599	2,739	1,140	5,581
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	165	52	(113)	410	259	(151)	622
Other expenditure	286	1,765	1,479	4,110	6,659	2,549	17,904
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	3,959	6,094	2,135	23,319	25,582	2,263	65,223
Depreciation and amortisation	352	482	130	2,119	2,372	253	5,847
Surplus/(deficit) from Operations	(1,218)	(3,911)	2,693	(12,804)	(14,900)	2,096	(40,850)
Internal support costs	746	861	115	3,880	3,681	(200)	10,618
Surplus/(deficit)	(1,964)	(4,772)	2,808	(16,684)	(18,581)	1,896	(51,468)

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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	3,122	4,591	(1,469)	16,076	21,202	(5,126)	50,906
Other income	174	60	114	1,333	251	1,082	590
Total operating income	3,296	4,651	(1,355)	17,409	21,453	(4,044)	51,496
Operating Expenditure							
Personnel costs	263	268	5	1,272	1,295	23	3,120
Capitalised personnel costs	(59)	(30)	29	(128)	(146)	(18)	(312)
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	107	135	28	661	712	51	1,796
Professional Services	82	7	(75)	183	52	(131)	130
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	736	638	(98)	3,667	3,333	(334)	8,381
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	1,129	1,018	(111)	5,655	5,246	(409)	13,115
Depreciation and amortisation	909	810	(99)	4,547	4,029	(518)	9,753
Surplus/(deficit) from Operations	1,258	2,823	(1,565)	7,207	12,178	(4,971)	28,628
Internal support costs	150	173	23	780	740	(40)	2,135
Surplus/(deficit)	1,108	2,650	(1,542)	6,427	11,438	(5,011)	26,493

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	4,524	6,380	(1,856)	20,180	29,510	(9,330)	74,483
Other income	2	-	2	20	-	20	-
Total operating income	4,526	6,380	(1,854)	20,200	29,510	(9,310)	74,483
Operating Expenditure							
Personnel costs	1,137	1,148	11	5,676	5,465	(211)	13,249
Capitalised personnel costs	15	13	(2)	122	64	(58)	137
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	212	262	50	1,014	1,310	296	3,143
Professional Services	9	8	(1)	50	48	(2)	100
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	115	83	(32)	496	387	(109)	969
Movement in doubtful debts	(158)	442	600	(54)	2,037	2,091	5,133
Other expenditure	494	1,280	786	3,249	5,566	2,317	11,398
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	1,824	3,236	1,412	10,553	14,877	4,324	34,129
Depreciation and amortisation	93	101	8	465	484	19	1,257
Surplus/(deficit) from Operations	2,609	3,043	(434)	9,182	14,149	(4,967)	39,097
Internal support costs	390	450	60	2,030	1,926	(104)	5,556
Surplus/(deficit)	2,219	2,593	(374)	7,152	12,223	(5,071)	33,541

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Section 2b – Roading and Footpaths Operations

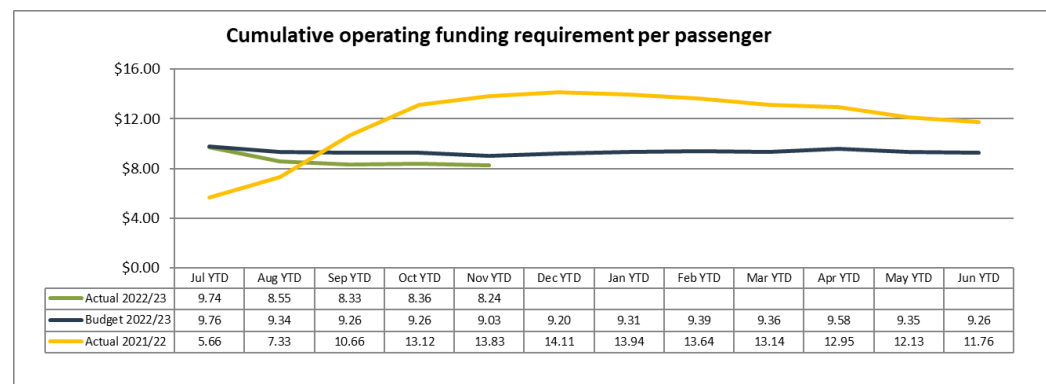
	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Petrol tax	731	982	(251)	3,273	4,821	(1,548)	10,848
Other income	833	820	13	5,056	5,043	13	10,418
Waka Kotahi NZ Transport Agency operating funding	4,679	4,584	95	23,363	23,212	151	51,932
Total operating income	6,243	6,386	(143)	31,692	33,076	(1,384)	73,198
Operating Expenditure							
Personnel costs	3,542	3,635	93	17,599	17,396	(203)	42,257
Capitalised personnel costs	(1,051)	(1,240)	(189)	(5,223)	(6,133)	(910)	(14,457)
Public transport contracts	62	-	(62)	97	-	(97)	-
Contractors-maintenance	7,082	7,638	556	35,121	37,714	2,593	86,052
Professional Services	572	791	219	2,576	3,559	983	7,752
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	1,635	2,256	621	9,731	11,335	1,604	24,403
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	11,842	13,080	1,238	59,901	63,871	3,970	146,007
Depreciation and amortisation	34,317	27,200	(7,117)	170,897	131,073	(39,824)	335,274
Surplus/(deficit) from Operations	(39,916)	(33,894)	(6,022)	(199,106)	(161,868)	(37,238)	(408,083)
Internal support costs	1,671	1,927	257	8,687	8,240	(447)	23,770
Surplus/(deficit)	(41,587)	(35,821)	(5,765)	(207,793)	(170,108)	(37,685)	(431,853)

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	675	744	(69)	3,125	3,656	(531)	8,242
Other income	538	500	38	3,233	2,809	424	6,234
Waka Kotahi NZ Transport Agency operating funding	4,356	3,666	690	17,022	22,882	(5,860)	44,738
Total operating income	5,569	4,910	659	23,380	29,347	(5,967)	59,214
Operating Expenditure							
Personnel costs	10,832	10,659	(173)	49,472	50,446	974	124,503
Capitalised personnel costs	(3,024)	(3,355)	(331)	(14,036)	(16,212)	(2,176)	(36,323)
Public transport contracts	-	(1)	(1)	-	(4)	(4)	(10)
Contractors-maintenance	42	128	86	286	598	312	2,107
Professional services	1,548	1,350	(198)	5,586	5,886	300	15,145
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	2,962	3,865	903	15,566	19,186	3,620	46,714
Directors fees	37	43	6	191	215	24	515
Other expenditure	1,379	2,182	803	10,252	10,769	517	28,553
Finance costs	3	3	-	15	17	2	41
Total operating expenditure	13,779	14,874	1,095	67,332	70,901	3,569	181,245
Depreciation and amortisation	2,893	2,844	(49)	13,781	13,208	(573)	35,951
Surplus/(deficit) from Operations	(11,103)	(12,808)	1,705	(57,733)	(54,762)	(2,971)	(157,982)
Internal support allocated	11,103	12,808	1,705	57,733	54,762	(2,971)	157,982
Surplus/(deficit)	-	-	-	-	-	-	-

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Section 2c – Operational funding requirement per passenger for the five months ended 30 November 2022



The operational cost (net of third party revenue) of \$8.24 per passenger on the PT Network is lower than the budget of \$9.03 mainly due to higher than expected patronage.

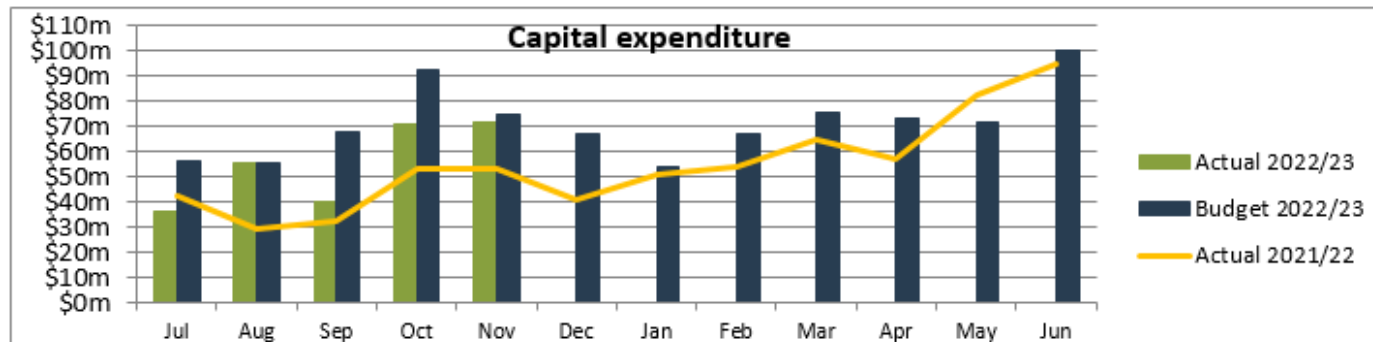
It is important to recognise that the July to November external revenues reflect the 50% discount in fares recovered from passengers. The budget was set with the 50% fare discount ending in August 2022 however the 50% fare discount was subsequently extended to the end of March 2023.

	Current month				Year to date				Full year
	Actual	Budget	Variance	Variance %	Actual	Budget	Variance	Variance %	Budget
Rail, Bus and Ferry operations:									
Operating expenditure \$000	56,225	54,661	(1,564)	(3%)	275,560	271,477	(4,083)	(2%)	683,462
Less external revenues \$000	8,324	12,902	(4,578)	(35%)	41,183	51,323	(10,140)	(20%)	139,507
Operating funding requirement \$000	47,901	41,759	(6,142)	(15%)	234,377	220,154	(14,223)	(6%)	543,955
Patronage 000's	6,135	5,115	1,020	20%	28,436	24,390	4,046	17%	58,765
Operating funding requirement per passenger	\$7.81	\$8.16	\$0.36	4%	\$8.24	\$9.03	\$0.78	9%	\$9.26

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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	5,736	7,601	1,865	17,956	35,016	17,060	91,053
Asset Management	21,961	21,643	(318)	81,301	82,401	1,100	219,734
Bus Projects	2,330	11,169	8,839	18,668	24,328	5,660	42,111
Corridor Improvements	3,401	2,133	(1,268)	8,117	16,752	8,635	32,009
Ferry, Multi-modal, and Park and Ride	2,695	2,611	(84)	17,706	13,884	(3,822)	44,458
Local Board Priorities	630	1,552	922	6,258	6,272	14	17,205
Network Capacity and Performance	1,079	781	(298)	6,071	6,666	595	9,302
Operational Programmes	4,855	2,980	(1,875)	15,316	15,824	508	29,195
Population Growth	2,790	2,062	(728)	9,520	11,565	2,045	44,577
Rapid Transit: Bus Projects	20,533	12,276	(8,257)	58,357	64,841	6,484	180,803
Rapid Transit: Rail Projects	1,227	656	(571)	3,978	31,938	27,960	58,602
Safety	4,808	7,332	2,524	30,607	32,482	1,875	68,241
Sustainability Projects that are in addition to travel choice projects	(151)	444	595	978	2,473	1,495	4,676
Climate Action Targeted Rate	103	1,500	1,397	132	3,000	2,868	14,765
Total direct capital	71,847	74,740	2,893	274,815	347,442	72,627	856,731



Rephased the monthly profile of the capital budget for renewal seasonality. The full year capital budget remains unchanged.

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	26,147	20,150	5,997	77,648	129,346	(51,698)	329,125
Waka Kotahi NZ Transport Agency renewal co-investment	10,651	10,770	(119)	37,791	40,269	(2,478)	105,335
Other capital grants	3,982	4,465	(483)	3,982	5,478	(1,496)	6,227
Auckland Council capital grant	31,068	39,353	(8,285)	155,394	172,350	(16,956)	416,043
Total direct capital funding	71,848	74,738	(2,890)	274,815	347,443	(72,628)	856,730

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Section 3c – RFT Capital and Operational Expenditure

RFT Capital and Operating Expenditure

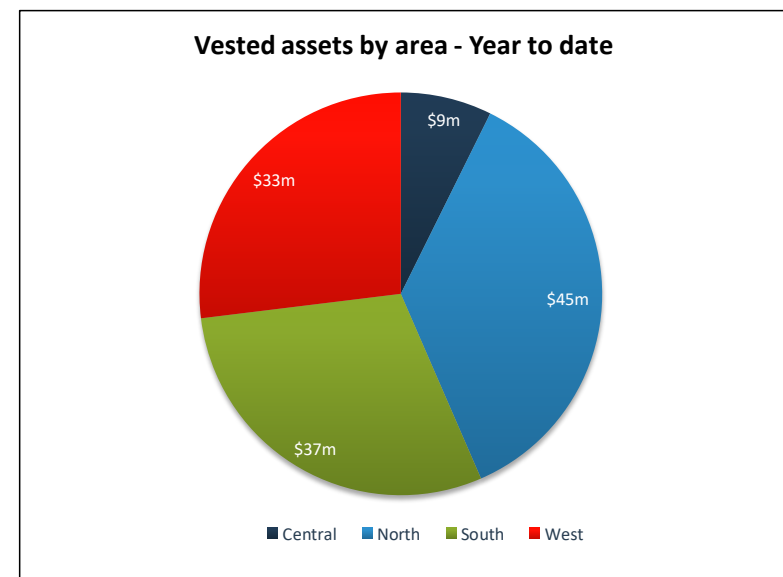
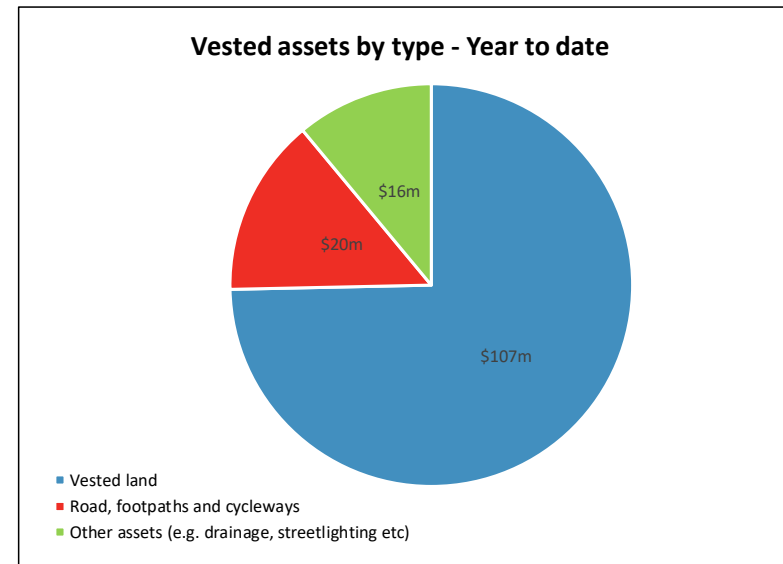
	Year to date			Full year		
	Actual Not RFT Enabled \$000	Actual RFT Enabled \$000	Actual Total \$000	Budget Not RFT Enabled \$000	Budget RFT Enabled \$000	Budget Total \$000
Capital expenditure	166,565	108,249	274,814	498,754	357,976	856,730
Funding						
Waka Kotahi NZ Transport Agency	64,953	50,486	115,439	268,339	166,121	434,460
Others (ACC,Crown, others)	-	3,982	3,982	6,227	-	6,227
Auckland Council	101,612	53,782	155,394	224,188	191,855	416,043
Total funding	166,565	108,249	274,814	498,754	357,976	856,730
Programme of capital projects supported by the RFT scheme						
Project 1: Bus priority improvements		3,059			23,314	
Project 2: City centre bus infrastructure		3,722			3,200	
Project 3: Improving airport access		4,148			8,379	
Project 4: Eastern Busway		51,196			136,462	
Project 5: Park-and-ride facilities		51			-	
Project 6: Electric trains and stabling		1,030			41,598	
Project 7: Downtown ferry terminal and redevelopment		8,001			30,430	
Project 8: Road safety		24,783			54,710	
Project 9: Active transport		3,147			21,161	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		-			-	
Project 12: Road corridor improvements		4,835			21,028	
Project 13: Network capacity and performance improvement		2,981			6,347	
Project 14: Growth-related transport infrastructure		1,297			11,347	
Total		108,249			357,976	
Operating expenditure		331			1,515	
<i>Note: Fully funded by Auckland Council</i>						
Programme of operating projects supported by the Auckland RFT scheme						
Project 8: Road safety		331			1,515	
Total		331			1,515	

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Section 3d – Vested Assets

As at 30 November 2022

	Current month	Year to date
	Actual \$000	Actual \$000
Vested Assets - Top 10 Suburbs		
Milldale	-	37,883
Hobsonville	627	27,586
Drury	1,426	11,297
Massey	10,257	10,860
Pukekohe	212	9,871
Mount Roskill	-	8,944
Northcote	-	5,530
Clarks Beach	-	4,802
Henderson	1,492	3,770
Orewa	3,625	3,625
Other	2,140	19,035
Total Vested Asset	19,779	143,203



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Section 4a – Statement of Financial Position**As at 30 November 2022**

	Note	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
Assets			
Current assets			
Cash and cash equivalents	1	4,619	4,751
Receivables	2	551,163	541,905
Inventories		11,894	11,778
Other assets		25,494	26,749
Non-current assets held for sale		1,608	1,608
Derivative financial instruments		-	13
Total current assets		594,778	586,804
Non-current assets			
Property, plant and equipment (PPE)		25,599,845	25,585,933
Intangible assets		122,665	124,568
Work in progress (PPE and intangible assets)	3	909,745	877,475
Total non-current assets		26,632,255	26,587,976
Total assets		27,227,033	27,174,780

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Section 4a – Statement of Financial Position (continued)**As at 30 November 2022**

	Note	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
Liabilities			
Current liabilities			
Payables and accruals	4	251,081	240,994
Employee entitlements	5	21,466	24,909
Derivative financial instruments		1,159	388
Borrowings	6	9,139	9,081
Total current liabilities		282,845	275,372
Non-current liabilities			
Payables and accruals	4	2,146	2,413
Employee entitlements	5	289	289
Derivative financial instruments		9,521	4,139
Borrowings	6	467,372	468,118
Total non-current liabilities		479,328	474,959
Total liabilities		762,173	750,331
Net assets		26,464,860	26,424,449
Equity			
Contributed capital		13,219,127	13,222,390
Accumulated funds		5,042,928	4,996,795
Other reserves		8,202,805	8,205,264
Total equity		26,464,860	26,424,449

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Section 4b – Notes to the Financial Statements

As at 30 November 2022

	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
1 Cash and cash equivalents		
Cash at bank	4,388	4,520
Till floats	231	231
Total cash and cash equivalents	4,619	4,751

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

2 Receivables		
Trade and other debtors	4,543	4,998
Infringement receivable	48,419	47,561
Amounts due from related parties	429,246	425,928
Accrued revenue	90,744	85,365
Goods and services tax	-	-
	572,952	563,852
Less provision for impairment of receivables	(21,789)	(21,947)
Total current receivables	551,163	541,905

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.

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Section 4b – Notes to the Financial Statements (continued)**As at 30 November 2022**

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	2,175	3,845	-	428,121	434,141
Past due 1 - 30 days	1,272	2,626	-	390	4,288
Past due 31 - 60 days	132	2,185	-	12	2,329
Past due 61 - 90 days	84	1,728	-	334	2,146
Past due > 90 days	880	2,234	35,801	389	39,304
	4,543	12,618	35,801	429,246	482,208
Impairment	(381)	(286)	(21,122)	-	(21,789)
	4,162	12,332	14,679	429,246	460,419

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.

	Trade and other debtors	Infringements receivables	Infringements receivables MOJ debtor	Total
	\$000	\$000	\$000	\$000
Balance at 30 June 2022	381	1,426	20,036	21,843
Additional/(Reversal) provisions made	-	-	1,086	1,086
Provisions reversed	-	(1,140)	-	(1,140)
Provisions relating to receivables written-off	-	-	-	-
Balance at 30 November 2022	381	286	21,122	21,789

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Section 4b – Notes to the Financial Statements (continued)**As at 30 November 2022**

	Opening balance 1 July 2022 \$000	Acquisition YTD 30 November 2022 \$000	Capitalisation YTD 30 November 2022 \$000	Closing balance 30 November 2022 \$000
3 Work in Progress (WIP)				
WIP by activity				
Roads and footpaths	495,346	104,774	-63,034	538,490
Public Transport	289,255	99,869	-16,466	371,255
Total WIP	784,601	204,644	-79,499	909,745
WIP by status				
Current WIP (completion in future)				723,829
Due for capitalisation within policy				47,855
Due for capitalisation not within policy				138,052
Forecast completion date not yet provided (new projects)				9
Total WIP				909,745
Top 10 Programmes				WIP Closing balance 30 November 2022
Eastern Busway				156,435
Safety Programme				65,338
Supporting Growth				63,475
Rosedale and Constellation Bus Stations				45,540
Matakana Link Road				42,354
Urban Cycleways Programme				41,070
Connected Communities				36,384
Wolverton Culverts				33,074
Customer and Business Technology				30,000
Decarbonisation of the Ferry Fleet				22,817
Total				536,486

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Section 4b – Notes to the Financial Statements (continued)**As at 30 November 2022**

	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
4 Payables and accruals		
Current portion		
Creditors	26,958	20,591
Goods and services tax	787	1,032
Accrued expenses	171,346	169,154
Retentions	23,824	24,077
Amounts due to related parties	17,761	15,759
Revenue in advance	10,405	10,381
Total current payables	251,081	240,994
Non-current portion		
Amounts due to related parties	2,146	2,413
Total non-current payables	2,146	2,413

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 November 2022**

	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
5 Employee entitlements		
Current portion		
Accrued salaries and wages	4,507	8,478
Accrued leave	16,959	16,431
Total current employee entitlements	21,466	24,909
Non-current portion		
Retirement gratuities	253	253
Long service leave	36	36
Total non-current employee entitlements	289	289

	Actual 30 November 2022 \$000	Actual 31 October 2022 \$000
6 Borrowings		
Current portion		
Finance lease	1,155	1,154
Loans from Auckland Council	7,984	7,927
Total current borrowings	9,139	9,081
Non-current portion		
Finance lease	2,349	2,439
Loans from Auckland Council	465,023	465,679
Total non-current borrowings	467,372	468,118

Weighted average cost of funds on total borrowings	6.02%	6.02%
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AT's loan debt of \$473 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	784,638	835,580	2,018,764
Cash applied to			
Payments to suppliers and employees	460,061	453,021	1,125,754
Interest paid	10,646	12,004	28,495
Goods and services tax	1,400	-	-
Total cash applied	472,107	465,025	1,154,249
Net cash from operating activities	312,531	370,555	864,515
Cash flows from investing activities			
Cash provided from			
Sale of property, plant and equipment	520	-	-
Cash applied to:			
Purchase of property, plant and equipment	309,264	367,442	856,730
Net cash from investing activities	(308,744)	(367,442)	(856,730)
Cash flows from financing activities			
Cash applied to			
Repayments of EMU loan from Auckland Council	3,116	3,113	7,785
Repayments of finance lease principal	442	-	-
Net cash from financing activities	(3,558)	(3,113)	(7,785)
Net (decrease)/increase in cash and cash equivalent	229	-	-
Opening cash and cash equivalents	4,390	-	-
Closing cash balance	4,619	-	-

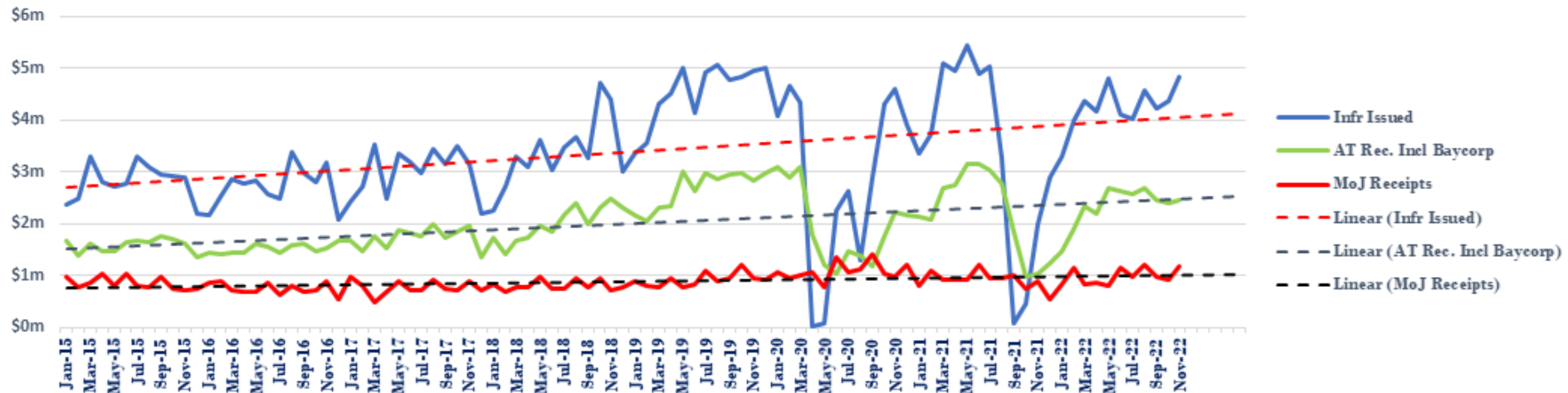
Reconciliation of surplus after tax to net cash from operating activities	
	Actual \$000
Surplus after tax	204,290
Add/(less) non-cash items	
Depreciation and amortisation	216,405
Vested asset income	(143,203)
Loss on disposal of property, plant and equipment	237
(Gains)/losses on derivatives	8,236
	81,675
Add/(less) movements in balance sheet items	
Receivables	35,190
Inventories	1,462
Other assets	(15,218)
Non-current assets held for sale	(1,451)
Payables and accruals	2,604
Employee entitlements	3,979
	26,566
Net cash from operating activities	312,531

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Section 6 – Infringement Overview

Over 95 months (January 2015 to November 2022), the trend for both infringements issued and receipted (including Baycorp) is positive and increasing while the trend for receipts by Ministry of Justice has remained relatively static, even though more matters have been lodged with them.

Monthly Infringement Issuance versus AT Receipts (incl. Baycorp) versus MoJ Receipts



Te pou whenua tuhinga / Document ownership

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