







# Financial Results for the Three Months Ended 30 September 2012

## Introduction

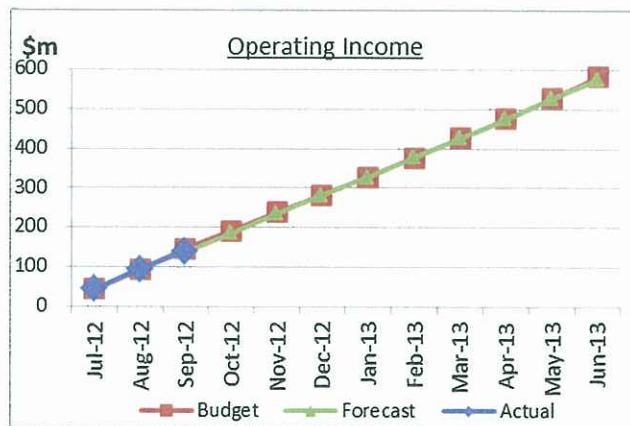
This report summarises the Auckland Transport financial results for the three months ended 30 September 2012.

## Executive Summary

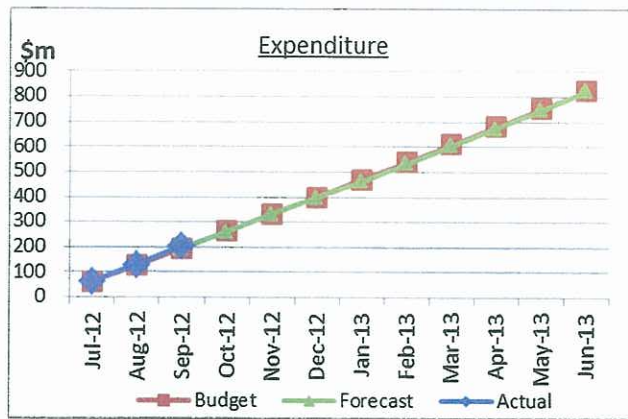
### Financial Results for the three months ended 30 September 2012:

	Current month variance to Budget \$m	Year to date variance to Budget \$m	Year to date results	Year to date Actual \$m	Year to date Budget \$m	Full Year Budget \$m	Full year Forecast \$m
Total operating income	(1.8)	(0.2)	↓ 	138.8	139.0	583.6	578.0
Total operating expenditure	(9.2)	(11.0)	↑ 	204.3	193.3	824.2	824.8
Surplus/(deficit) from operations	(11.0)	(11.2)	↓ 	(65.5)	(54.3)	(240.6)	(246.9)
Income for capital projects	(2.0)	(1.6)	↓ 	53.7	55.4	243.0	243.0
Net surplus/(deficit) before tax	(13.0)	(12.9)	↓ 	(11.8)	1.1	2.4	(3.8)
Capital expenditure	(1.1)	0.7	↓ 	110.5	111.2	719.8	713.5

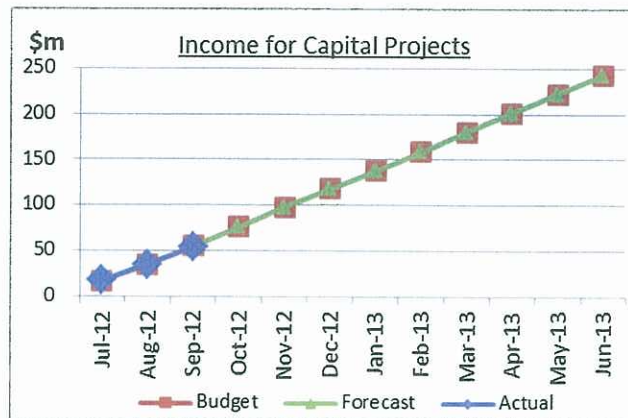
**Net deficit before tax year to date** is \$11.8 million. This is \$12.9 million unfavourable to the budgeted surplus of \$1.1 million, due to \$11.0 million of operating expenditure being higher than budget and \$1.9 million of total income being lower than budget.



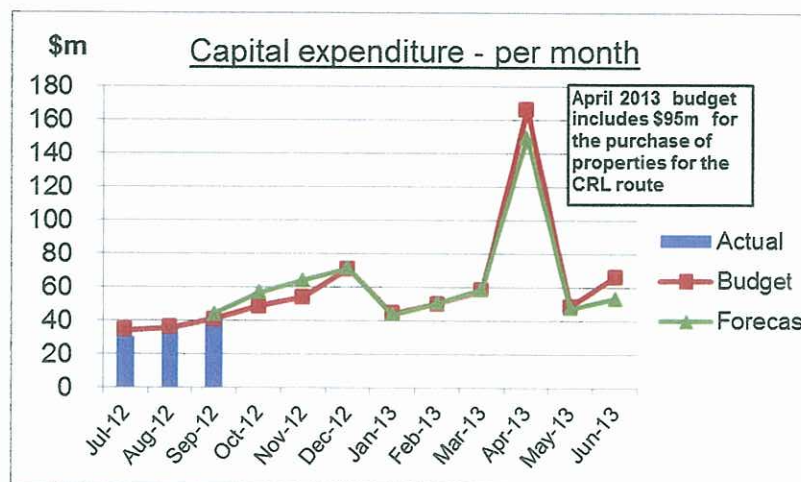
**Total operating income year to date** is \$138.8 million, in line with the budget of \$139.0 million.

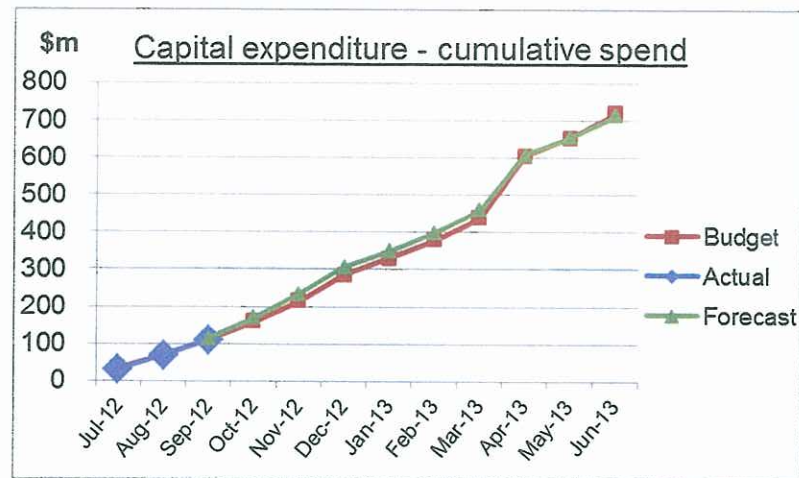


**Total operating expenditure year to date** is above budget by \$11.0 million mainly due to \$4.2 million loss from the close out of interest rate swaps and \$2.6 million unrealised interest rate swap loss relating to the purchase of electric trains. The losses on the interest rate swap close outs are due to the market interest rate being lower than the contract rate for the swaps, however Auckland Transport will be paying lower fixed interest rates for related borrowing till April 2023.



**Income for capital projects year to date** is below budget by \$1.6 million primarily due to NZ Transport Agency capital funding being lower than expected. The NZTA subsidy is paid when work is undertaken.





**Capital expenditure year to date** was \$110.5 million, which is \$0.7 million less than budget. The full year budgeted capital expenditure is \$719.8 million.

Capital expenditure is forecast to be under budget by \$6.2 million due to the reduction of footpath renewals. The total forecast programme for the year to June 2012 is \$713.5 million.

The **asset position** is sound with net assets of \$13.5 billion at the end of September and cash flow funding arrangements are in place to ensure all liabilities can be met.

## Recommendation

It is recommended that the Auckland Transport Board receive this report.

### Key to symbols used in this report:

	: 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

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