

CONFIDENTIAL

Results for the Seven Months Ended 31 January 2023

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. <i>Auckland Transport cannot release any financial results to the public due to the Auckland Council Group NZX obligations which restrict releasing financial results to the public before the announcement of the Group results to the New Zealand Stock Exchange.</i>
2. Please provide an estimated date for release of this report.	March 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

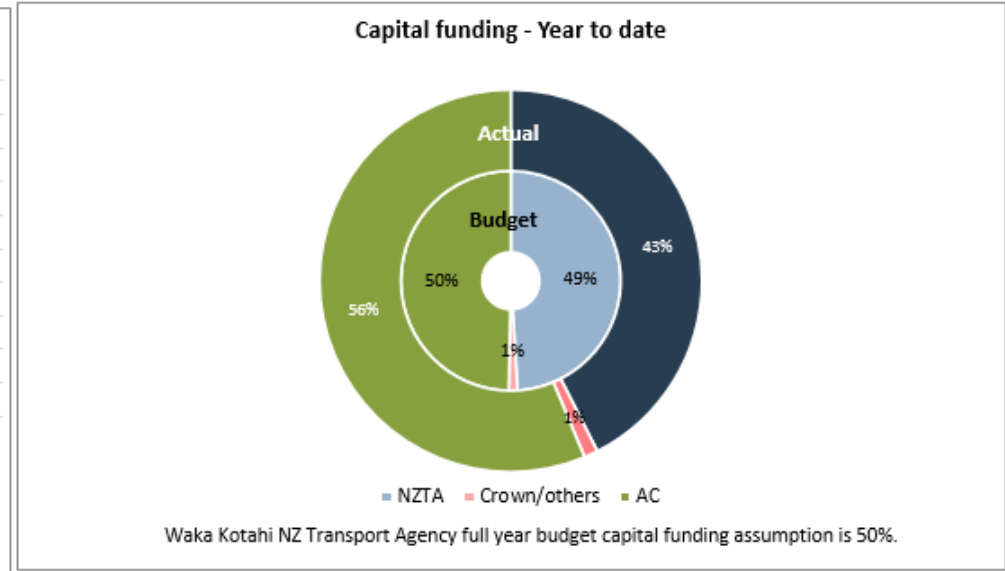
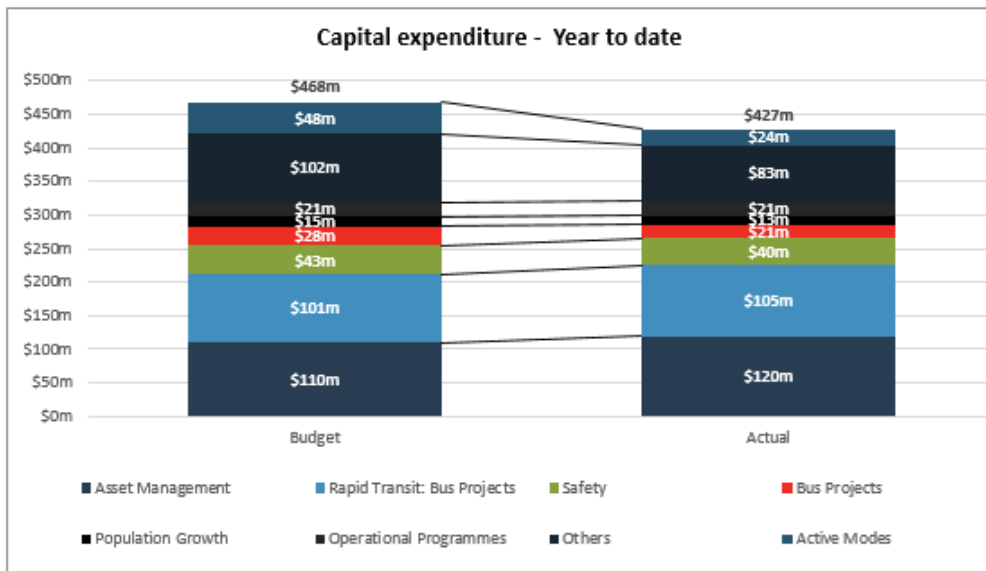
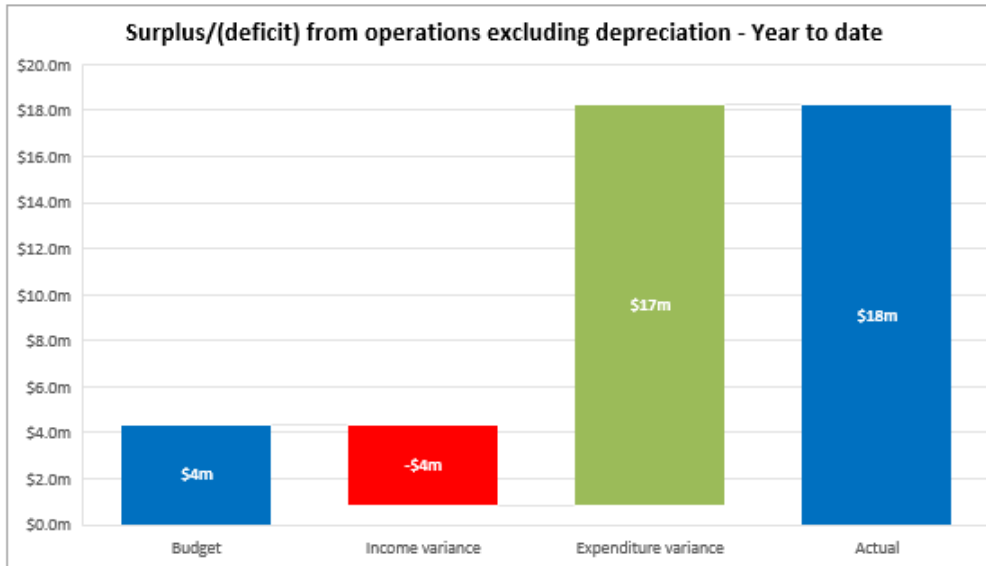
1. Flooding from the Auckland Anniversary weekend storm event on 27 January 2023 has caused extensive disruption and damage to Auckland's transport network. Work is underway to assess the damage which is expected to be significant.
2. Year to date (YTD) **surplus from operations excluding depreciation** of \$18.3 million, is \$13.9 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 personnel costs, track access charges, professional services, PT contracts and other expenditure. January's favourable variance of \$7.9 million is primarily due to one-off savings in personnel costs, PT contract costs and track access charges. These are partially offset by lower than budgeted parking and enforcement income and lower capitalised personnel costs. Items to note:
 - Waka Kotahi funding is favourable to budget mainly due to the \$14.4 million PT top-up and unbudgeted PT fare funding for the extension of half price fares to the end of June 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 lower post the COVID-19 pandemic (COVID-19) growth than expected and 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, but was subsequently extended to the end of June 2023 with the resultant top-up recognised as additional Waka Kotahi income. PT patronage growth has slowed remaining relatively unchanged at 65%-75% of pre COVID-19 levels in the last five months, up from circa 60% of pre COVID-19 levels at the beginning of the financial year. PT patronage for the last week of the month was significantly impacted by the January flooding decreasing to approximately 50% of pre COVID-19 levels.
 - Personnel cost is favourable to budget primarily due to budgeted positions not filled. January's favourable budget variance is due to higher annual leave taken over the holiday period.
 - Capitalised personnel cost is lower than budget mainly due to vacant positions and lower than budgeted capital expenditure.
 - PT contract costs are favourable to budget mainly due to bus variable cost savings as a result of cancelled services across the network. This is partly offset by higher than expected PT contract indexation and rail leave liability. Actual indexation is 4.2% for Rail, 7.5% for Bus and 15.4% for Ferry, against a budget of 4%. This is offset by key performance indicator 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.
 - Track access charges is favourable in January due to a one-off lower than expected 2021/22 track access wash-up.
 - Other expenditure is favourable to budget primarily due to lower than expected IT costs, advertising, bank charges, commissions, court costs, AT delivered events and doubtful debts.

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3. **Deficit from operations** is \$0.8 million favourable to budget in January and \$41.5 million unfavourable YTD. This is mainly due to higher than budgeted depreciation from the June 2022 roading revaluation and lower parking and enforcement income, partially 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.
4. YTD **Capital expenditure** of \$427.3 million is tracking at 91% of planned spend with no major risks at this point.
5. **Waka Kotahi and other Crown capital funding** YTD of 43% is lower than the budget of 49% mainly driven by delays in the resource consent approvals being obtained in the Urban Cycling Programme. Waitemata Safe Routes, Pt Chevalier and Great North Road are all under review by the AT Board and senior council leaders, with an intention to make a decision on construction at the end of February. The budget reflected a one-off Eastern Busway property purchase claim in October which is now being realised throughout the balance of the year.
6. **Regional Fuel Tax (RFT) enabled capital spend** for January is \$20.2 million and \$199.9 million YTD, versus a full year planned spend of \$358 million. YTD spend is approximately 56% of the full year RFT enabled capital budget.

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



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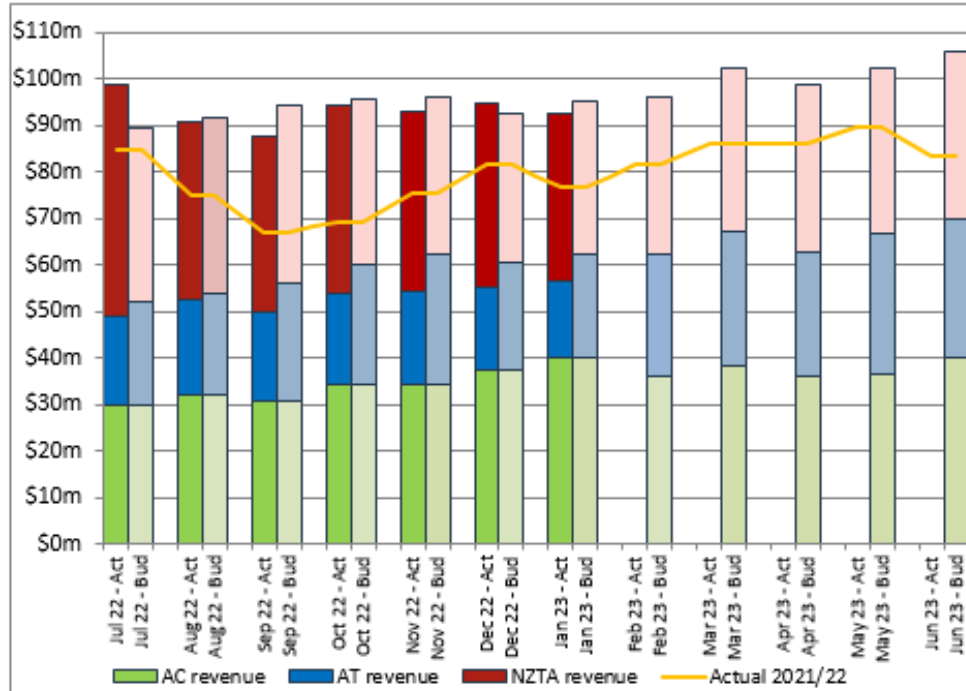
Section 2 – Financial results for the seven months ended 31 January 2023

	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	39,857	39,857	-	238,541	238,541	-	424,909
Waka Kotahi NZ Transport Agency operating funding	35,775	32,695	3,080	280,074	247,732	32,342	424,286
Parking and enforcement income	6,373	7,755	(1,382)	50,487	67,170	(16,683)	125,980
Public transport income	8,125	12,225	(4,100)	62,429	79,922	(17,493)	148,503
Other revenue incl. other grants and subsidies	2,215	2,563	(348)	19,512	21,200	(1,688)	35,742
Total operating income	92,345	95,095	(2,750)	651,043	654,565	(3,522)	1,159,420
Operating expenditure							
Personnel costs	13,124	18,796	5,672	123,521	129,758	6,237	227,041
Capitalised personnel costs	(2,076)	(3,428)	(1,352)	(25,329)	(32,088)	(6,759)	(55,557)
Public transport contracts	44,040	47,223	3,183	320,634	322,643	2,009	575,029
Contractors-maintenance	8,400	8,025	(375)	59,528	61,148	1,620	107,516
Professional services	1,534	2,275	741	14,621	17,555	2,934	31,261
Track and ferry access charges	1,186	3,837	2,651	20,006	23,254	3,248	42,404
Other expenditure	15,198	15,359	161	102,952	111,072	8,120	195,446
Finance costs	2,418	2,419	1	16,839	16,844	5	28,495
Total operating expenditure excluding depreciation	83,824	94,506	10,682	632,772	650,186	17,414	1,151,635
Surplus/(deficit) from operations excluding depreciation	8,521	589	7,932	18,271	4,379	13,892	7,785
Depreciation and amortisation	44,711	37,538	(7,173)	305,034	249,660	(55,374)	446,714
Surplus/(deficit) from operations	(36,190)	(36,949)	759	(286,763)	(245,281)	(41,482)	(438,929)
Income for capital projects							
Waka Kotahi NZ Transport Agency capital co-investment	39,721	27,779	11,942	181,772	230,096	(48,324)	434,460
Auckland Council capital grant	9,245	26,232	(16,987)	240,869	232,538	8,331	416,043
Other capital grants	636	162	474	4,618	5,777	(1,159)	6,227
Vested asset income	33,210	27,500	5,710	191,574	165,000	26,574	275,000
Total income for capital projects	82,812	81,673	1,139	618,833	633,411	(14,578)	1,131,730
Net surplus/(deficit) before tax and derivatives	46,622	44,724	1,898	332,070	388,130	(56,060)	692,801
Gains/(losses) on derivatives	(439)	-	(439)	(4,128)	-	(4,128)	-
Gain/(loss) on disposal of assets	5,654	-	5,654	5,740	-	5,740	-
Net surplus/(deficit) after tax and derivatives	51,837	44,724	7,113	333,682	388,130	(54,448)	692,801

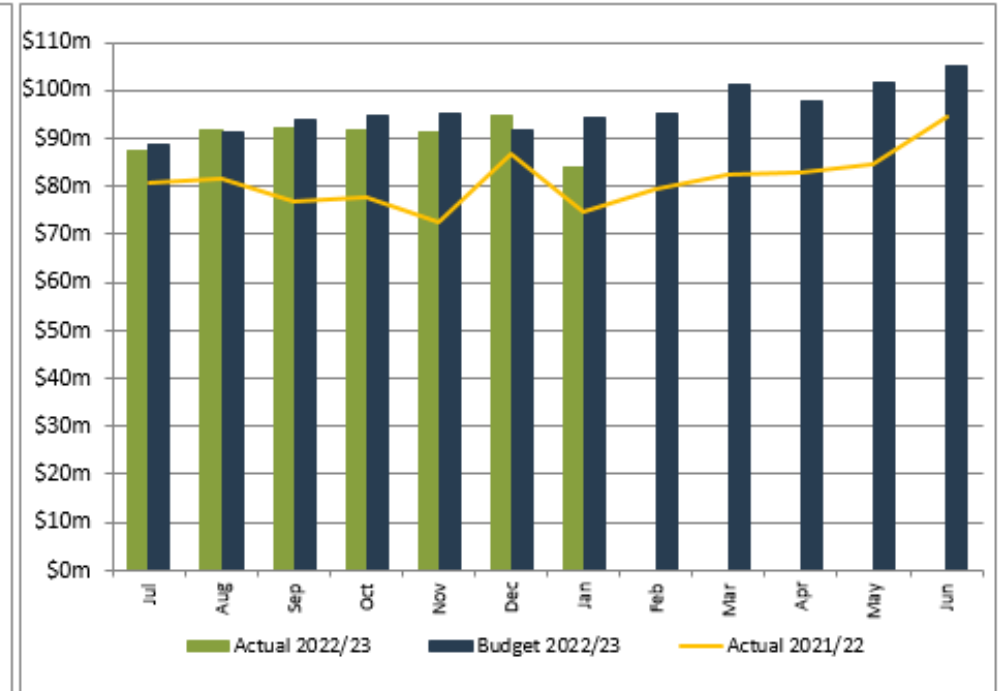
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Section 2 – Financial results for the seven months ended 31 January 2023 (continued)

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	9,887	10,876	(989)	75,261	75,093	168	139,674
Bus	21,237	22,034	(797)	173,654	153,173	20,481	266,598
Ferry	3,164	3,497	(333)	20,292	23,017	(2,725)	39,626
Other public transport	1,909	2,257	(348)	17,134	17,625	(491)	30,220
Parking	3,518	3,749	(231)	23,804	29,582	(5,778)	51,496
Enforcement	2,855	4,006	(1,151)	26,683	37,588	(10,905)	74,483
Roading and footpaths	5,074	5,201	(127)	42,868	42,873	(5)	73,198
Internal support	4,843	3,617	1,226	32,806	37,074	(4,268)	59,214
Auckland Council operating funding	39,857	39,857	-	238,541	238,541	-	424,909
Total operating income	92,344	95,094	(2,750)	651,043	654,566	(3,523)	1,159,418
Operating Expenditure							
Rail	16,520	18,582	2,062	121,840	121,885	45	228,228
Bus	32,914	35,903	2,989	246,464	248,163	1,699	431,529
Ferry	5,465	4,440	(1,025)	34,200	30,866	(3,334)	53,402
Other public transport	3,949	5,127	1,178	31,781	35,562	3,781	63,980
Parking	991	1,101	110	7,775	7,478	(297)	13,115
Enforcement	2,353	2,951	598	15,616	20,276	4,660	34,129
Roading and footpaths	10,796	11,074	278	82,649	84,513	1,864	146,007
Internal support	10,837	15,331	4,494	92,445	101,443	8,998	181,245
Depreciation and amortisation	44,711	37,538	(7,173)	305,034	249,660	(55,374)	446,714
Total operating expenditure	128,536	132,047	3,511	937,804	899,846	(37,958)	1,598,349
Surplus/(deficit) from Operations	(36,192)	(36,953)	761	(286,761)	(245,280)	(41,481)	(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	730	2,280	(1,550)	10,060	16,336	(6,276)	33,119
Other income	89	148	(59)	903	922	(19)	1,684
Waka Kotahi NZ Transport Agency operating funding	9,068	8,448	620	64,298	57,835	6,463	104,871
Total operating income	9,887	10,876	(989)	75,261	75,093	168	139,674
Operating Expenditure							
Personnel costs	491	633	142	3,434	4,454	1,020	7,760
Capitalised personnel costs	42	(9)	(51)	653	(143)	(796)	(83)
Public transport contracts	10,404	10,915	511	73,057	70,687	(2,370)	139,106
Contractors-maintenance	-	-	-	(1)	-	1	-
Professional services	17	7	(10)	142	50	(92)	425
Track access charges	1,105	3,802	2,697	19,721	22,987	3,266	41,942
Other expenditure	2,046	818	(1,228)	8,016	7,030	(986)	10,624
Finance costs	2,415	2,416	1	16,818	16,820	2	28,454
Total operating expenditure	16,520	18,582	2,062	121,840	121,885	45	228,228
Depreciation and amortisation	3,810	3,783	(27)	26,837	26,295	(542)	45,339
Surplus/(deficit) from Operations	(10,443)	(11,489)	1,046	(73,416)	(73,087)	(329)	(133,893)
Internal support costs	2,332	3,472	1,139	18,988	19,655	666	37,156
Surplus/(deficit)	(12,775)	(14,961)	2,185	(92,404)	(92,742)	337	(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	4,099	6,049	(1,950)	30,925	38,663	(7,738)	70,935
Other income	965	723	242	5,892	5,346	546	11,149
Waka Kotahi NZ Transport Agency operating funding	16,173	15,262	911	136,837	109,164	27,673	184,514
Total operating income	21,237	22,034	(797)	173,654	153,173	20,481	266,598
Operating Expenditure							
Personnel costs	396	455	59	3,040	3,198	158	5,604
Capitalised personnel costs	(2)	(118)	(116)	670	(1,171)	(1,841)	(1,748)
Public transport contracts	29,016	32,673	3,657	218,979	226,453	7,474	391,917
Contractors-maintenance	119	110	(9)	776	773	(3)	1,450
Professional Services	262	251	(11)	1,068	1,124	56	2,128
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	3,123	2,532	(591)	21,931	17,786	(4,145)	32,178
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	32,914	35,903	2,989	246,464	248,163	1,699	431,529
Depreciation and amortisation	601	637	36	4,195	4,220	25	7,575
Surplus/(deficit) from Operations	(12,278)	(14,506)	2,228	(77,005)	(99,210)	22,205	(172,506)
Internal support costs	4,410	6,564	2,154	35,903	37,162	1,259	70,254
Surplus/(deficit)	(16,688)	(21,070)	4,382	(112,908)	(136,372)	23,464	(242,760)

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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	924	668	256	4,747	4,079	668	7,371
Activity income	517	1,575	(1,058)	3,184	8,187	(5,003)	14,130
Other income	102	93	9	734	654	80	1,119
Waka Kotahi NZ Transport Agency operating funding	1,621	1,161	460	11,627	10,097	1,530	17,006
Total operating income	3,164	3,497	(333)	20,292	23,017	(2,725)	39,626
Operating Expenditure							
Personnel costs	112	114	2	785	816	31	1,420
Capitalised personnel costs	(3)	(42)	(39)	(207)	(333)	(126)	(552)
Public transport contracts	4,585	3,636	(949)	28,439	25,509	(2,930)	44,017
Contractors-maintenance	-	-	-	1	-	(1)	-
Professional Services	-	-	-	-	-	-	-
Ferry access charges	54	36	(18)	259	267	8	462
Other expenditure	717	696	(21)	4,923	4,607	(316)	8,055
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	5,465	4,440	(1,025)	34,200	30,866	(3,334)	53,402
Depreciation and amortisation	486	478	(8)	3,349	3,299	(50)	5,719
Surplus/(deficit) from Operations	(2,787)	(1,421)	(1,366)	(17,257)	(11,148)	(6,109)	(19,495)
Internal support costs	546	812	267	4,443	4,599	156	8,694
Surplus/(deficit)	(3,333)	(2,233)	(1,099)	(21,700)	(15,747)	(5,953)	(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	698	688	10	5,984	5,735	249	8,995
Waka Kotahi NZ Transport Agency operating funding	1,211	1,569	(358)	11,150	11,890	(740)	21,225
Total operating income	1,909	2,257	(348)	17,134	17,625	(491)	30,220
Operating Expenditure							
Personnel costs	1,746	2,448	702	16,625	16,598	(27)	29,128
Capitalised personnel costs	77	203	126	(1,501)	(1,228)	273	(2,220)
Public transport contracts	-	-	-	17	-	(17)	-
Contractors-maintenance	1,035	931	(104)	7,233	7,115	(118)	12,968
Professional Services	326	361	35	2,489	3,488	999	5,581
Track and ferry access charges	27	-	(27)	27	-	(27)	-
IT costs	9	52	43	519	362	(157)	622
Other expenditure	729	1,132	403	6,372	9,227	2,855	17,901
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	3,949	5,127	1,178	31,781	35,562	3,781	63,980
Depreciation and amortisation	357	489	132	2,826	3,347	521	5,847
Surplus/(deficit) from Operations	(2,397)	(3,359)	962	(17,473)	(21,284)	3,811	(39,607)
Internal support costs	654	973	319	5,323	5,510	187	10,416
Surplus/(deficit)	(3,051)	(4,332)	1,281	(22,796)	(26,794)	3,998	(50,023)

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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	3,270	3,706	(436)	22,098	29,185	(7,087)	50,906
Other income	248	43	205	1,706	397	1,309	590
Total operating income	3,518	3,749	(231)	23,804	29,582	(5,778)	51,496
Operating Expenditure							
Personnel costs	254	254	-	1,803	1,800	(3)	3,120
Capitalised personnel costs	(8)	(17)	(9)	(138)	(183)	(45)	(312)
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	120	135	15	908	1,018	110	1,796
Professional Services	29	13	(16)	249	78	(171)	130
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	596	716	120	4,953	4,765	(188)	8,381
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	991	1,101	110	7,775	7,478	(297)	13,115
Depreciation and amortisation	912	814	(98)	6,370	5,655	(715)	9,753
Surplus/(deficit) from Operations	1,615	1,834	(219)	9,659	16,449	(6,790)	28,628
Internal support costs	134	199	65	1,091	1,129	38	2,135
Surplus/(deficit)	1,481	1,635	(154)	8,568	15,320	(6,752)	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	2,855	4,006	(1,151)	26,656	37,588	(10,932)	74,483
Other income	-	-	-	27	-	27	-
Total operating income	2,855	4,006	(1,151)	26,683	37,588	(10,905)	74,483
Operating Expenditure							
Personnel costs	1,017	1,083	66	7,882	7,615	(267)	13,249
Capitalised personnel costs	35	8	(27)	200	80	(120)	137
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	217	215	(2)	1,472	1,740	268	3,143
Professional Services	70	2	(68)	137	51	(86)	100
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	59	47	(12)	779	481	(298)	969
Movement in doubtful debts	157	270	113	287	2,577	2,290	5,133
Other expenditure	798	1,326	528	4,859	7,732	2,873	11,398
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	2,353	2,951	598	15,616	20,276	4,660	34,129
Depreciation and amortisation	93	106	13	652	693	41	1,257
Surplus/(deficit) from Operations	409	949	(540)	10,415	16,619	(6,204)	39,097
Internal support costs	349	519	170	2,840	2,939	100	5,556
Surplus/(deficit)	60	430	(370)	7,575	13,680	(6,104)	33,541

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Section 2b – Roading and Footpaths Operations

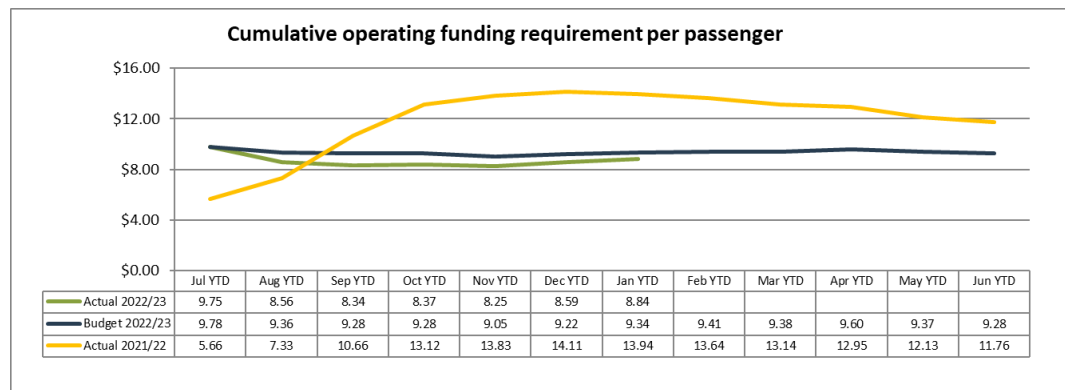
	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
Operating Income							
Petrol tax	539	804	(265)	4,730	6,249	(1,519)	10,848
Other income	309	681	(372)	6,115	6,463	(348)	10,418
Waka Kotahi NZ Transport Agency operating funding	4,226	3,716	510	32,023	30,161	1,862	51,932
Total operating income	5,074	5,201	(127)	42,868	42,873	(5)	73,198
Operating Expenditure							
Personnel costs	2,471	3,560	1,089	23,691	24,381	690	42,257
Capitalised personnel costs	(531)	(1,018)	(487)	(6,600)	(8,184)	(1,584)	(14,457)
Public transport contracts	35	-	(35)	142	-	(142)	-
Contractors-maintenance	6,791	6,507	(284)	48,618	49,652	1,034	86,052
Professional Services	195	324	129	3,172	4,299	1,127	7,752
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	1,835	1,701	(134)	13,626	14,365	739	24,403
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	10,796	11,074	278	82,649	84,513	1,864	146,007
Depreciation and amortisation	34,530	28,186	(6,344)	239,708	186,952	(52,756)	335,274
Surplus/(deficit) from Operations	(40,252)	(34,059)	(6,193)	(279,489)	(228,592)	(50,897)	(408,083)
Internal support costs	1,492	2,221	729	12,148	12,574	426	23,770
Surplus/(deficit)	(41,744)	(36,280)	(5,464)	(291,637)	(241,166)	(50,471)	(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	531	613	(82)	4,178	4,751	(573)	8,242
Other income	836	465	371	4,489	3,737	752	6,234
Waka Kotahi NZ Transport Agency operating funding	3,476	2,539	937	24,139	28,586	(4,447)	44,738
Total operating income	4,843	3,617	1,226	32,806	37,074	(4,268)	59,214
Operating Expenditure							
Personnel costs	6,637	10,249	3,612	66,261	70,896	4,635	124,503
Capitalised personnel costs	(1,685)	(2,434)	(749)	(18,406)	(20,927)	(2,521)	(36,323)
Public transport contracts	-	(1)	(1)	-	(6)	(6)	(10)
Contractors-maintenance	118	127	9	520	851	331	2,107
Professional services	634	1,317	683	7,364	8,465	1,101	15,145
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	3,016	3,899	883	21,630	26,966	5,336	46,714
Directors fees	39	43	4	272	300	28	515
Other expenditure	2,075	2,128	53	14,783	14,874	91	28,553
Finance costs	3	3	-	21	24	3	41
Total operating expenditure	10,837	15,331	4,494	92,445	101,443	8,998	181,245
Depreciation and amortisation	3,923	3,047	(876)	21,097	19,199	(1,898)	35,951
Surplus/(deficit) from Operations	(9,917)	(14,761)	4,844	(80,736)	(83,568)	2,832	(157,982)
Internal support allocated	9,917	14,761	4,844	80,736	83,568	2,832	157,982
Surplus/(deficit)	-	-	-	-	-	-	-

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Section 2c – Operational funding requirement per passenger for the seven months ended 31 January 2023



The operational cost (net of third party revenue) of \$8.84 per passenger on the PT Network is lower than the budget of \$9.34 mainly due to higher than expected patronage.

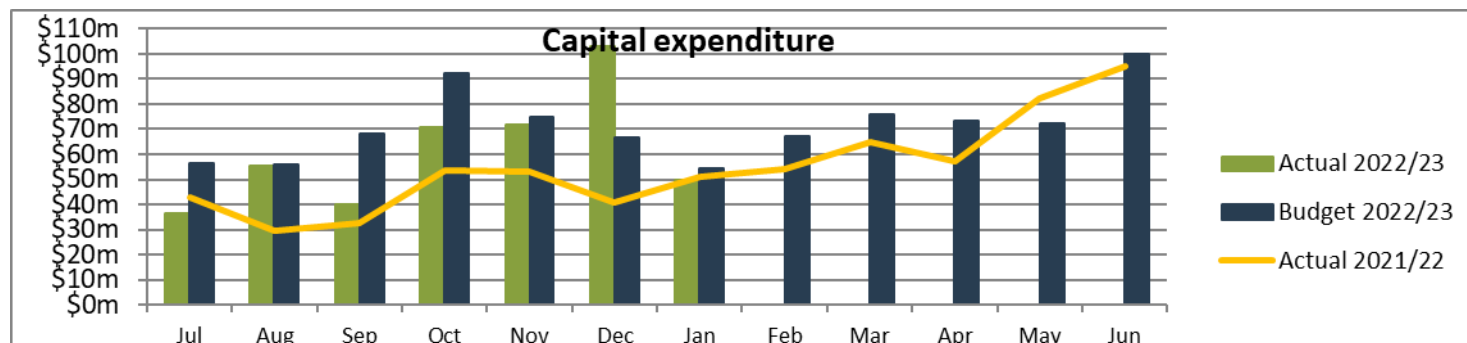
It is important to recognise that the July 2022 to January 2023 external revenues reflect the 50% discount in fares recovered from passengers. The budget was set with the 50% fare discount ending in August 2022 however, the 50% fare discount was subsequently extended to the end of June 2023.

	Current month				Year to date				Full year
	Actual	Budget	Variance	Variance %	Actual	Budget	Variance	Variance %	Budget
Rail, Bus and Ferry operations:									
Operating expenditure \$000	52,484	56,509	4,025	7%	385,686	384,094	(1,592)	(0%)	684,705
Less external revenues \$000	7,426	11,536	(4,110)	(36%)	56,445	74,187	(17,742)	(24%)	139,507
Operating funding requirement \$000	45,058	44,973	(85)	(0%)	329,241	309,907	(19,334)	(6%)	545,198
Patronage 000's	4,165	4,460	(295)	(7%)	37,237	33,196	4,041	12%	58,765
Operating funding requirement per passenger	\$10.82	\$10.08	(\$0.74)	(7%)	\$8.84	\$9.34	\$0.49	5%	\$9.28

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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	3,359	6,166	2,807	24,041	47,610	23,569	91,053
Asset Management	19,833	13,937	(5,896)	119,815	110,263	(9,552)	219,734
Bus Projects	1,065	2,355	1,290	20,997	28,251	7,254	42,111
Corridor Improvements	(402)	1,714	2,116	9,936	20,243	10,307	32,009
Ferry, Multi-modal, and Park and Ride	3,807	3,700	(107)	24,641	19,586	(5,055)	44,458
Local Board Priorities	653	1,510	857	7,722	9,060	1,338	17,205
Network Capacity and Performance	5	399	394	7,611	7,565	(46)	9,302
Operational Programmes	2,423	2,737	314	21,120	21,354	234	29,195
Population Growth	1,047	1,777	730	13,197	14,807	1,610	44,577
Rapid Transit: Bus Projects	10,673	13,076	2,403	104,890	101,193	(3,697)	180,803
Rapid Transit: Rail Projects	2,708	456	(2,252)	31,145	36,335	5,190	58,602
Safety	4,553	4,385	(168)	40,283	42,753	2,470	68,241
Sustainability Projects that are in addition to travel choice projects	(233)	463	696	1,438	3,391	1,953	4,676
Climate Action Targeted Rate	111	1,500	1,389	420	6,000	5,580	14,765
Total direct capital	49,602	54,175	4,573	427,256	468,411	41,155	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	30,514	20,974	9,540	126,303	176,095	(49,792)	329,125
Waka Kotahi NZ Transport Agency renewal co-investment	9,206	6,805	2,401	55,469	54,000	1,469	105,335
Other capital grants	636	162	474	4,618	5,777	(1,159)	6,227
Auckland Council capital grant	9,245	26,232	(16,987)	240,869	232,538	8,331	416,043
Total direct capital funding	49,601	54,173	(4,572)	427,259	468,410	(41,151)	856,730

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Section 3c – RFT Capital and Operational Expenditure

RFT Capital and Operating Expenditure

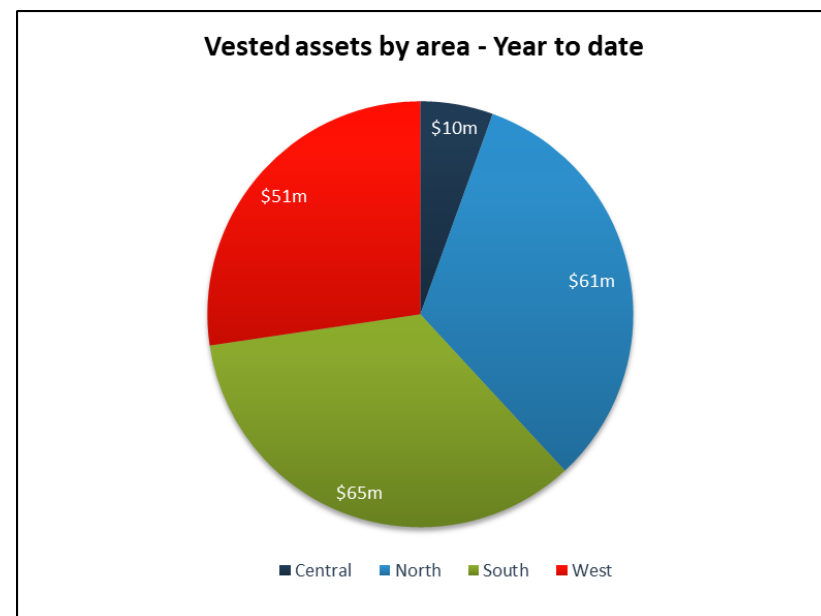
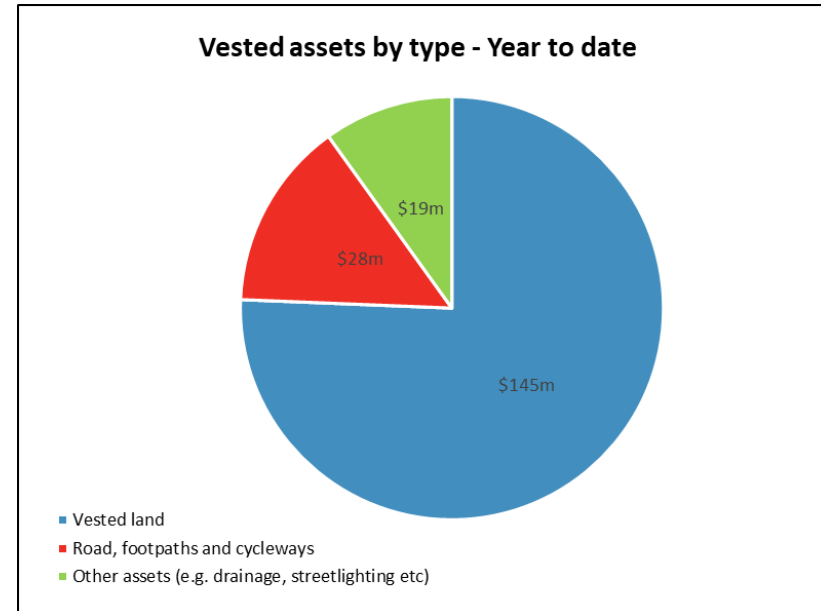
	Year to date			Full year		
	Actual Not RFT Enabled \$000	Actual RFT Enabled \$000	Actual Total \$000	Budget Not RFT Enabled \$000	Budget RFT Enabled \$000	Budget Total \$000
Capital expenditure	227,388	199,870	427,258	498,754	357,976	856,730
Funding						
Waka Kotahi NZ Transport Agency	90,827	90,945	181,772	268,339	166,121	434,460
Others (ACC,Crown, others)	636	3,981	4,618	6,227	-	6,227
Auckland Council	135,925	104,943	240,869	224,188	191,855	416,043
Total funding	227,388	199,870	427,258	498,754	357,976	856,730
Programme of capital projects supported by the RFT scheme						
Project 1: Bus priority improvements		6,690			23,314	
Project 2: City centre bus infrastructure		4,329			3,200	
Project 3: Improving airport access		5,146			8,379	
Project 4: Eastern Busway		98,432			136,462	
Project 5: Park-and-ride facilities		57			-	
Project 6: Electric trains and stabling		23,996			41,598	
Project 7: Downtown ferry terminal and redevelopment		9,930			30,430	
Project 8: Road safety		33,337			54,710	
Project 9: Active transport		5,272			21,161	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		-			-	
Project 12: Road corridor improvements		6,583			21,028	
Project 13: Network capacity and performance improvement		4,094			6,347	
Project 14: Growth-related transport infrastructure		2,004			11,347	
Total		199,870			357,976	
Operating expenditure		576			1,515	
<i>Note: Fully funded by Auckland Council</i>						
Programme of operating projects supported by the Auckland RFT scheme						
Project 8: Road safety		576			1,515	
Total		576			1,515	

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Section 3d – Vested Assets

As at 31 January 2023

	Current month	Year to date
	Actual \$000	Actual \$000
Vested Assets - Top 10 Suburbs		
Milldale	6,598	44,481
Hobsonville	-	32,104
Pukekohe	10,825	31,211
Drury	4,958	16,256
Massey	-	10,860
Mount Roskill	-	8,980
Clarks Beach	1,762	6,565
Northcote	-	5,530
Silverdale	3,976	4,115
Henderson	-	3,770
Other	5,089	27,703
Total Vested Asset	33,210	191,574



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Section 4a – Statement of Financial Position

As at 31 January 2023

	Note	Actual 31 January 2023 \$000	Actual 31 December 2022 \$000
Assets			
Current assets			
Cash and cash equivalents	1	4,435	6,657
Receivables	2	553,932	552,065
Inventories		11,884	11,891
Other assets		21,512	23,343
Non-current assets held for sale		1,608	1,608
Derivative financial instruments		6	7
Total current assets		593,377	595,571
Non-current assets			
Property, plant and equipment (PPE)		25,658,925	25,607,324
Intangible assets		122,222	124,326
Work in progress (PPE and intangible assets)	3	964,709	976,100
Total non-current assets		26,745,856	26,707,750
Total assets		27,339,233	27,303,321

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Section 4a – Statement of Financial Position (continued)

As at 31 January 2023

	Note	Actual 31 January 2023 \$000	Actual 31 December 2022 \$000
Liabilities			
Current liabilities			
Payables and accruals	4	241,162	254,657
Employee entitlements	5	17,311	19,500
Derivative financial instruments		318	314
Borrowings	6	9,230	9,179
Total current liabilities		268,021	283,650
Non-current liabilities			
Payables and accruals	4	1,596	1,871
Employee entitlements	5	289	289
Derivative financial instruments		8,168	7,459
Borrowings	6	465,839	466,565
Total non-current liabilities		475,892	476,184
Total liabilities		743,913	759,834
Net assets		26,595,320	26,543,487
Equity			
Contributed capital		13,220,202	13,220,202
Accumulated funds		5,172,313	5,120,480
Other reserves		8,202,805	8,202,805
Total equity		26,595,320	26,543,487

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Section 4b – Notes to the Financial Statements

As at 31 January 2023

	Actual 31 January 2023	Actual 31 December 2022
	\$000	\$000
1 Cash and cash equivalents		
Cash at bank	4,204	6,426
Till floats	231	231
Total cash and cash equivalents	4,435	6,657

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

2 Receivables		
Trade and other debtors	10,278	10,187
Infringement receivable	48,586	48,591
Amounts due from related parties	426,686	437,907
Accrued revenue	90,512	76,503
Goods and services tax	-	850
	576,062	574,038
Less provision for impairment of receivables	(22,130)	(21,973)
Total current receivables	553,932	552,065

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 31 January 2023

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	2,915	2,367	-	424,933	430,215
Past due 1 - 30 days	6,051	2,141	-	394	8,586
Past due 31 - 60 days	283	2,410	-	315	3,008
Past due 61 - 90 days	173	2,067	-	353	2,593
Past due > 90 days	856	2,750	36,851	691	41,148
	10,278	11,735	36,851	426,686	485,550
Impairment	(381)	(7)	(21,742)	-	(22,130)
	9,897	11,728	15,109	426,686	463,420

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	-	-	1,706	1,706
Provisions reversed	-	(1,419)	-	(1,419)
Provisions relating to receivables written-off	-	-	-	-
Balance at 31 January 2023	381	7	21,742	22,130

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

As at 31 January 2023

	Opening balance 1 July 2022 \$000	Acquisition YTD 31 January 2023 \$000	Capitalisation YTD 31 January 2023 \$000	Closing balance 31 January 2023 \$000
3 Work in Progress (WIP)				
WIP by activity				
Roads and footpaths	495,346	147,825	-116,600	527,992
Public Transport	289,255	176,720	-27,837	436,718
Total WIP	784,601	324,545	-144,436	964,709
WIP by status				
Current WIP (completion in future)				811,422
Due for capitalisation within policy				30,373
Due for capitalisation not within policy				122,880
Forecast completion date not yet provided (new projects)				34
Total WIP				964,709
Top 10 Programmes				WIP Closing balance 31 January 2023
Eastern Busway				202,796
Supporting Growth				65,533
Safety Programme				63,749
Rosedale and Constellation Bus Stations				45,712
Urban Cycleways Prog				44,070
Matakana Link Road				43,176
EMU Rolling Stock				42,482
Connected Communities				36,649
Decarbonisation of Ferry Fleet Stage 1				26,079
Customer and Business Technology				24,449
Total				594,693

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

As at 31 January 2023

	Actual 31 January 2023 \$000	Actual 31 December 2022 \$000
4 Payables and accruals		
Current portion		
Creditors	43,333	54,733
Goods and services tax	2,955	-
Accrued expenses	148,714	154,871
Retentions	21,808	21,064
Amounts due to related parties	16,755	15,034
Revenue in advance	7,597	8,955
Total current payables	241,162	254,657
Non-current portion		
Amounts due to related parties	1,596	1,871
Total non-current payables	1,596	1,871

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 31 January 2023

	Actual 31 January 2023 \$000	Actual 31 December 2022 \$000
5 Employee entitlements		
Current portion		
Accrued salaries and wages	5,125	4,413
Accrued leave	12,186	15,087
Total current employee entitlements	17,311	19,500
Non-current portion		
Retirement gratuities	253	253
Long service leave	36	36
Total non-current employee entitlements	289	289
6 Borrowings		
Current portion		
Finance lease	1,157	1,156
Loans from Auckland Council	8,073	8,023
Total current borrowings	9,230	9,179
Non-current portion		
Finance lease	2,171	2,260
Loans from Auckland Council	463,668	464,305
Total non-current borrowings	465,839	466,565
Weighted average cost of funds on total borrowings	6.02%	6.02%

AT's loan debt of \$472 million is issued at fixed rates of interest ranging from 5.55% to 6.57%.

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Section 5 – Cashflow

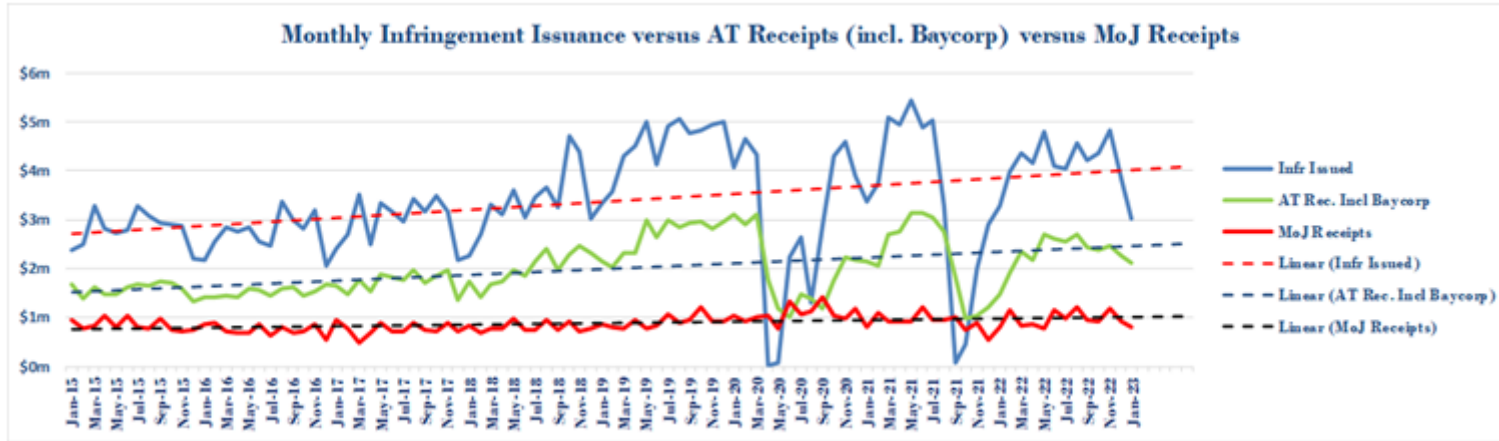
	Year to Date		Full year
	Actual \$000	Budget \$000	Budget \$000
Cash flows from operating activities			
Total cash provided	1,124,750	1,144,293	2,018,764
Cash applied to			
Payments to suppliers and employees	633,778	634,658	1,125,754
Interest paid	14,876	16,844	28,495
Total cash applied	648,654	651,502	1,154,249
Net cash from operating activities	476,096	492,791	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	471,571	488,411	856,730
Net cash from investing activities	(471,051)	(488,411)	(856,730)
Cash flows from financing activities			
Cash applied to			
Repayments of EMU loan from Auckland Council	4,382	4,380	7,785
Repayments of finance lease principal	618	-	-
Net cash from financing activities	(5,000)	(4,380)	(7,785)
Net (decrease)/increase in cash and cash equivalent	45	-	-
Opening cash and cash equivalents	4,390	-	-
Closing cash balance	4,435	-	-

	Actual \$000
Reconciliation of surplus after tax to net cash from operating activities	
Surplus after tax	333,682
Add/(less) non-cash items	
Depreciation and amortisation	305,034
Vested asset income	(185,922)
Gain on disposal of property, plant and equipment	(5,762)
(Gains)/losses on derivatives	6,037
	119,387
Add/(less) movements in balance sheet items	
Receivables	32,421
Inventories	1,472
Other assets	(11,236)
Non-current assets held for sale	(1,451)
Payables and accruals	1,997
Employee entitlements	(176)
	23,027
Net cash from operating activities	476,096


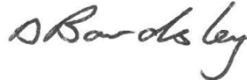
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Section 6 – Infringement Overview

Over 97 months (January 2015 to January 2023), 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.



Te pou whenua tuhinga / Document ownership

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