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## Results for the Ten Months Ended 30 April 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
2. Please provide an estimated date for release of this report.	30 May 2023

### Te tūtohunga / Recommendation

That the Auckland Transport Board (board):

- a) Receives the report.

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## Section 1 – Te whakarāpopototanga matua / Executive summary

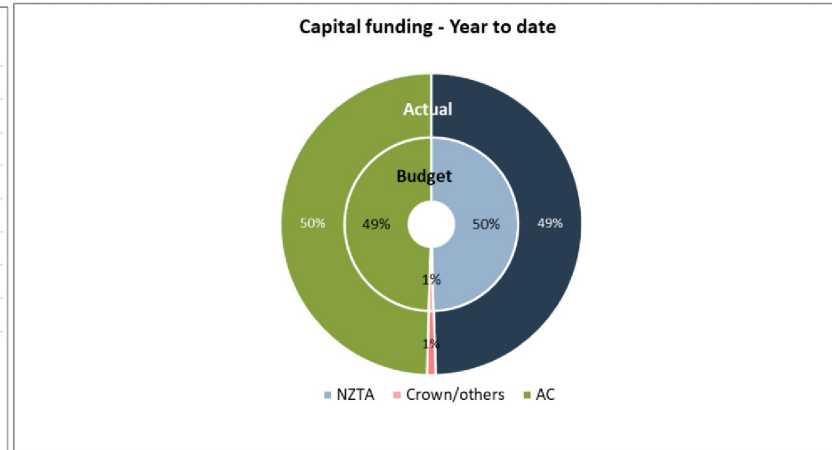
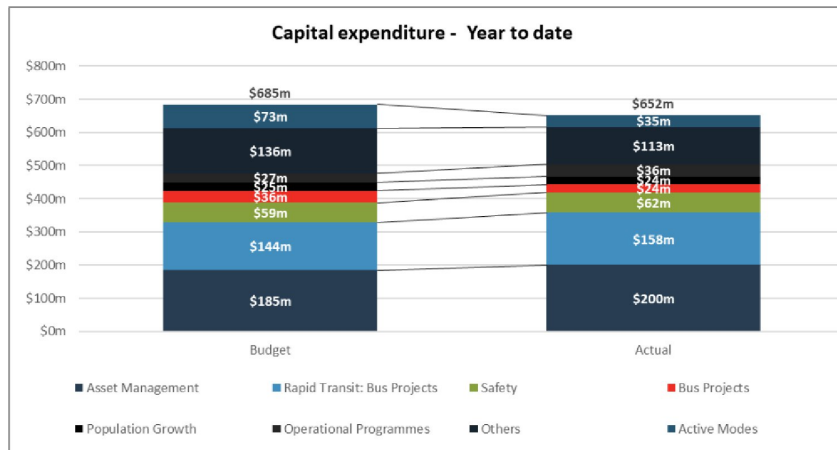
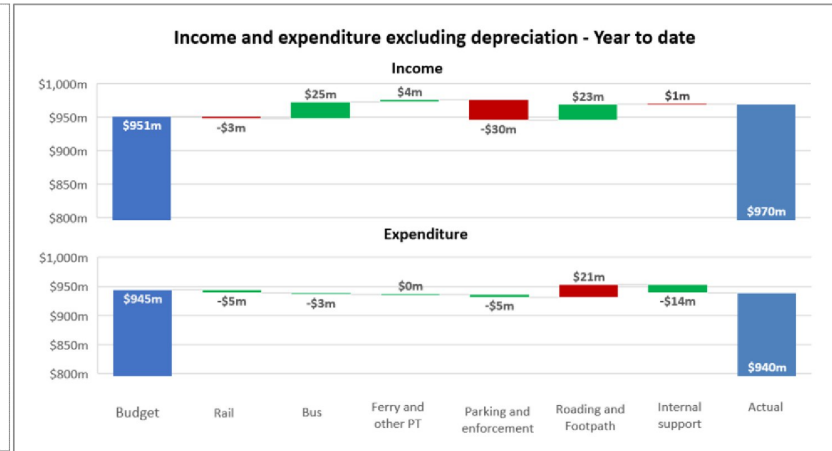
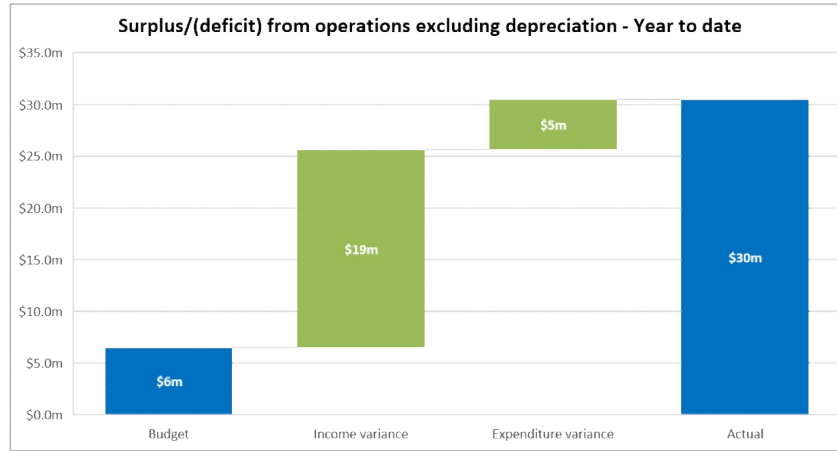
1. Year to date (YTD) **surplus from operations excluding depreciation** of \$30.5 million, is \$24.0 million favourable to budget due to an unbudgeted \$14.4 million public transport (PT) top-up from Waka Kotahi NZ Transport Agency (Waka Kotahi) and continued cost saving activity. Lower than budgeted parking and enforcement income and capitalised personnel costs are offset by lower personnel costs, track access charges, professional services, PT contracts and other expenditure.
2. Items to note:
  - Waka Kotahi funding is favourable to budget mainly due to the \$14.4 million PT top-up, unbudgeted PT fare funding for the extension of half price fares to the end of June 2023 and unbudgeted adverse weather top-up at 91% Funding Assistance Rate (FAR) 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 growth than expected and compliant behaviour of traffic users in our corridors.
  - 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, fully offsetting the unfavourable variance.
  - Personnel cost is favourable to budget primarily due to budgeted positions not filled.
  - Capitalised personnel cost is lower than budget mainly due to vacant positions and a change in the mix of 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 from the continuing bus driver shortage. This is partly offset by higher than expected PT contract indexation and rail leave liability. Actual indexation is 4.2% for Rail, 8.2% for Bus and 16.1% for Ferry, against a budget of 4%.
  - Contractors-maintenance is unfavourable to budget primarily due to storm related costs of \$4.8 million in April (\$26.6 million YTD), funded at 91% FAR by Waka Kotahi.
  - Professional services is favourable to budget primarily within planning and investment and road network management.
  - Track access charges is favourable mainly 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 \$3.7 million unfavourable to budget in April and \$47.5 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 continued cost savings.
4. **YTD Capital expenditure** of \$651.8 million is tracking at 95% of planned spend. Any headroom in expected spend levels will likely need to be reallocated to flood response activities.
5. **Waka Kotahi and other Crown capital funding** YTD of 49% is marginally lower than the budget of 50% mainly driven by delays in the resource consent approvals being obtained in the Urban Cycling Programme. 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 April is \$79.3 million and \$325.4 million YTD, versus a full year planned spend of \$391 million. YTD spend is approximately 83% of the full year RFT enabled capital budget.

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



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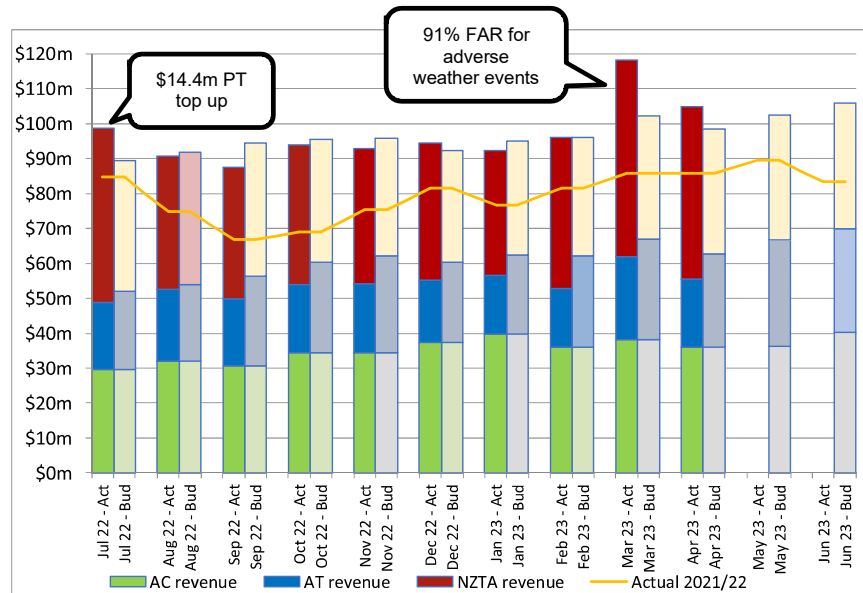
## Section 2 – Financial results for the ten months ended 30 April 2023

	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
<b>Operating income</b>							
Auckland Council funding	35,913	35,913	-	348,472	348,472	-	424,909
Waka Kotahi NZ Transport Agency operating funding	49,215	35,777	13,438	428,889	352,462	76,427	424,286
Parking and enforcement income	7,341	12,070	(4,729)	71,473	101,772	(30,299)	125,980
Public transport income	10,248	12,093	(1,845)	93,924	118,604	(24,680)	148,503
Other revenue incl. other grants and subsidies	2,111	2,598	(487)	27,448	29,756	(2,308)	35,742
<b>Total operating income</b>	<b>104,828</b>	<b>98,451</b>	<b>6,377</b>	<b>970,206</b>	<b>951,066</b>	<b>19,140</b>	<b>1,159,420</b>
<b>Operating expenditure</b>							
Personnel costs	17,360	18,081	721	179,455	186,626	7,171	227,041
Capitalised personnel costs	(3,501)	(4,320)	(819)	(37,527)	(45,500)	(7,973)	(55,557)
Public transport contracts	49,443	50,504	1,061	462,847	470,956	8,109	575,029
Contractors-maintenance	14,290	8,119	(6,171)	111,617	87,511	(24,106)	107,516
Professional services	1,317	2,778	1,461	20,868	25,873	5,005	31,261
Track and ferry access charges	4,335	3,974	(361)	31,950	34,896	2,946	42,404
Other expenditure	17,708	16,368	(1,340)	146,749	160,468	13,719	195,446
Finance costs	2,330	2,332	2	23,761	23,767	6	28,495
<b>Total operating expenditure excluding depreciation</b>	<b>103,282</b>	<b>97,836</b>	<b>(5,446)</b>	<b>939,720</b>	<b>944,597</b>	<b>4,877</b>	<b>1,151,635</b>
<b>Surplus/(deficit) from operations excluding depreciation</b>	<b>1,546</b>	<b>615</b>	<b>931</b>	<b>30,486</b>	<b>6,469</b>	<b>24,017</b>	<b>7,785</b>
Depreciation and amortisation	44,061	39,411	(4,650)	437,524	366,020	(71,504)	446,714
<b>Surplus/(deficit) from operations</b>	<b>(42,515)</b>	<b>(38,796)</b>	<b>(3,719)</b>	<b>(407,038)</b>	<b>(359,551)</b>	<b>(47,487)</b>	<b>(438,929)</b>
<b>Income for capital projects</b>							
Waka Kotahi NZ Transport Agency capital co-investment	55,105	38,667	16,438	321,303	339,908	(18,605)	434,460
Auckland Council capital grant	12,965	34,582	(21,617)	320,842	338,653	(17,811)	416,043
Other capital grants	-	89	(89)	5,523	6,098	(575)	6,227
Vested asset income	41,840	27,500	14,340	305,640	247,500	58,140	275,000
<b>Total income for capital projects</b>	<b>109,910</b>	<b>100,838</b>	<b>9,072</b>	<b>953,308</b>	<b>932,159</b>	<b>21,149</b>	<b>1,131,730</b>
<b>Net surplus/(deficit) before tax and derivatives</b>	<b>67,395</b>	<b>62,042</b>	<b>5,353</b>	<b>546,270</b>	<b>572,608</b>	<b>(26,338)</b>	<b>692,801</b>
Gains/(losses) on derivatives	5,802	-	5,802	6,568	-	6,568	-
Gain/(loss) on disposal of assets	(2,410)	-	(2,410)	3,898	-	3,898	-
<b>Net surplus/(deficit) after tax and derivatives</b>	<b>70,787</b>	<b>62,042</b>	<b>8,745</b>	<b>556,736</b>	<b>572,608</b>	<b>(15,872)</b>	<b>692,801</b>

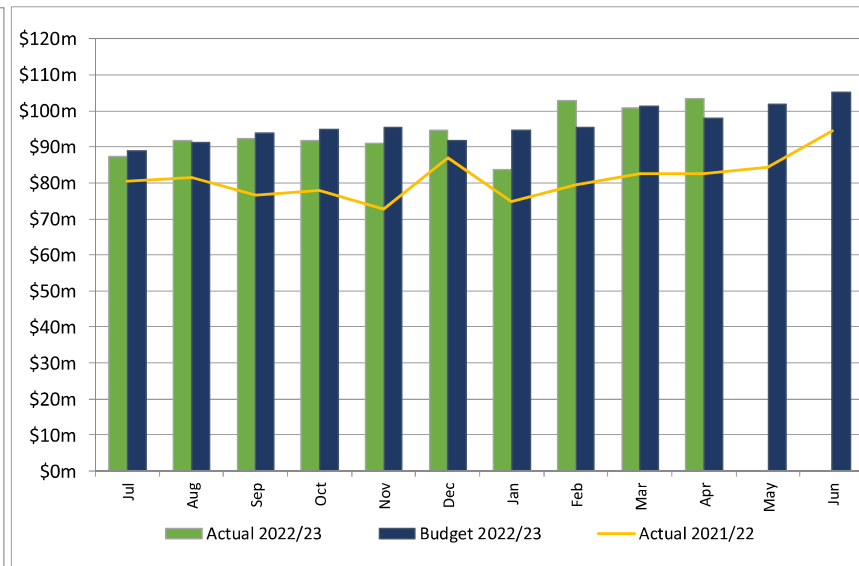
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## Section 2 – Financial results for the ten months ended 30 April 2023 (continued)

### Operating income



### Operating expenditure excluding depreciation



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## Section 2a – Summary of Financial Results by Activity

	Current month			Year to date		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
<b>Operating Income</b>						
Rail	11,718	13,040	(1,322)	109,491	112,349	(2,858)
Bus	25,831	22,479	3,352	245,089	220,293	24,796
Ferry	3,510	3,245	265	34,582	33,248	1,334
Other public transport	2,380	2,362	18	27,224	24,917	2,307
Parking	3,151	4,442	(1,291)	33,199	42,368	(9,169)
Enforcement	4,190	7,628	(3,438)	38,274	59,403	(21,129)
Roading and footpaths	10,231	5,228	5,003	83,809	60,553	23,256
Internal support	7,904	4,114	3,790	50,067	49,462	605
Auckland Council operating funding	35,913	35,913	-	348,472	348,472	-
<b>Total operating income</b>	<b>104,828</b>	<b>98,451</b>	<b>6,377</b>	<b>970,207</b>	<b>951,065</b>	<b>19,142</b>
<b>Operating Expenditure</b>						
Rail	18,616	21,910	3,294	178,345	183,203	4,858
Bus	38,685	36,297	(2,388)	354,151	357,444	3,293
Ferry	4,715	4,458	(257)	49,063	44,336	(4,727)
Other public transport	4,280	5,403	1,123	47,499	51,840	4,341
Parking	986	1,085	99	10,989	10,794	(195)
Enforcement	2,660	2,523	(137)	23,274	28,484	5,210
Roading and footpaths	17,357	10,834	(6,523)	142,244	120,822	(21,422)
Internal support	15,982	15,325	(657)	134,152	147,673	13,521
Depreciation and amortisation	44,061	39,411	(4,650)	437,524	366,020	(71,504)
<b>Total operating expenditure</b>	<b>147,342</b>	<b>137,246</b>	<b>(10,096)</b>	<b>1,377,241</b>	<b>1,310,616</b>	<b>(66,625)</b>
<b>Surplus/(deficit) from Operations</b>	<b>(42,514)</b>	<b>(38,795)</b>	<b>(3,719)</b>	<b>(407,034)</b>	<b>(359,551)</b>	<b>(47,483)</b>

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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
<b>Operating Income</b>							
Activity income	1,363	3,034	(1,671)	14,418	26,011	(11,593)	33,119
Other income	127	156	(29)	1,245	1,373	(128)	1,684
Waka Kotahi NZ Transport Agency operating funding	10,228	9,850	378	93,828	84,965	8,863	104,871
<b>Total operating income</b>	<b>11,718</b>	<b>13,040</b>	<b>(1,322)</b>	<b>109,491</b>	<b>112,349</b>	<b>(2,858)</b>	<b>139,674</b>
<b>Operating Expenditure</b>							
Personnel costs	479	603	124	4,875	6,371	1,496	7,760
Capitalised personnel costs	5	16	11	645	(112)	(757)	(83)
Public transport contracts	10,760	14,105	3,345	106,636	109,257	2,621	139,106
Contractors-maintenance	-	-	-	(1)	-	1	-
Professional services	(21)	194	215	104	259	155	425
Track access charges	4,174	3,938	(236)	31,427	34,514	3,087	41,942
Other expenditure	892	726	(166)	10,927	9,181	(1,746)	10,624
Finance costs	2,327	2,328	1	23,732	23,733	1	28,454
<b>Total operating expenditure</b>	<b>18,616</b>	<b>21,910</b>	<b>3,294</b>	<b>178,345</b>	<b>183,203</b>	<b>4,858</b>	<b>228,228</b>
Depreciation and amortisation	3,812	3,809	(3)	38,273	37,695	(578)	45,339
<b>Surplus/(deficit) from Operations</b>	<b>(10,710)</b>	<b>(12,679)</b>	<b>1,969</b>	<b>(107,127)</b>	<b>(108,549)</b>	<b>1,422</b>	<b>(133,893)</b>
Internal support costs	2,609	3,425	816	26,962	29,907	2,945	37,156
<b>Surplus/(deficit)</b>	<b>(13,319)</b>	<b>(16,104)</b>	<b>2,785</b>	<b>(134,089)</b>	<b>(138,456)</b>	<b>4,367</b>	<b>(171,049)</b>

## 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
<b>Operating Income</b>							
Activity income	4,889	5,187	(298)	46,760	55,834	(9,074)	70,935
Other income	1,495	1,306	189	9,141	8,511	630	11,149
Waka Kotahi NZ Transport Agency operating funding	19,447	15,986	3,461	189,188	155,948	33,240	184,514
<b>Total operating income</b>	<b>25,831</b>	<b>22,479</b>	<b>3,352</b>	<b>245,089</b>	<b>220,293</b>	<b>24,796</b>	<b>266,598</b>
<b>Operating Expenditure</b>							
Personnel costs	560	446	(114)	4,534	4,601	67	5,604
Capitalised personnel costs	72	(89)	(161)	579	(1,476)	(2,055)	(1,748)
Public transport contracts	34,420	32,729	(1,691)	314,889	325,116	10,227	391,917
Contractors-maintenance	98	110	12	1,096	1,104	8	1,450
Professional Services	(152)	183	335	1,390	1,772	382	2,128
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	3,687	2,918	(769)	31,663	26,327	(5,336)	32,178
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>38,685</b>	<b>36,297</b>	<b>(2,388)</b>	<b>354,151</b>	<b>357,444</b>	<b>3,293</b>	<b>431,529</b>
Depreciation and amortisation	611	671	60	6,028	6,199	171	7,575
<b>Surplus/(deficit) from Operations</b>	<b>(13,465)</b>	<b>(14,489)</b>	<b>1,024</b>	<b>(115,090)</b>	<b>(143,350)</b>	<b>28,260</b>	<b>(172,506)</b>
Internal support costs	4,933	6,475	1,543	50,979	56,547	5,568	70,254
<b>Surplus/(deficit)</b>	<b>(18,398)</b>	<b>(20,964)</b>	<b>2,567</b>	<b>(166,069)</b>	<b>(199,897)</b>	<b>33,828</b>	<b>(242,760)</b>



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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
<b>Operating Income</b>							
Operator access fees	764	630	134	6,915	6,133	782	7,371
Activity income	534	1,086	(552)	4,708	12,154	(7,446)	14,130
Other income	132	93	39	1,121	933	188	1,119
Waka Kotahi NZ Transport Agency operating funding	2,080	1,436	644	21,838	14,028	7,810	17,006
<b>Total operating income</b>	<b>3,510</b>	<b>3,245</b>	<b>265</b>	<b>34,582</b>	<b>33,248</b>	<b>1,334</b>	<b>39,626</b>
<b>Operating Expenditure</b>							
Personnel costs	89	112	23	1,079	1,168	89	1,420
Capitalised personnel costs	(20)	(39)	(19)	(319)	(473)	(154)	(552)
Public transport contracts	4,057	3,670	(387)	40,893	36,591	(4,302)	44,017
Contractors-maintenance	-	-	-	8	-	(8)	-
Professional Services	-	-	-	5	-	(5)	-
Ferry access charges	13	36	23	375	383	8	462
Other expenditure	576	679	103	7,022	6,667	(355)	8,055
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>4,715</b>	<b>4,458</b>	<b>(257)</b>	<b>49,063</b>	<b>44,336</b>	<b>(4,727)</b>	<b>53,402</b>
Depreciation and amortisation	488	484	(4)	4,810	4,745	(65)	5,719
<b>Surplus/(deficit) from Operations</b>	<b>(1,693)</b>	<b>(1,697)</b>	<b>4</b>	<b>(19,291)</b>	<b>(15,833)</b>	<b>(3,458)</b>	<b>(19,495)</b>
Internal support costs	610	801	191	6,309	6,998	689	8,694
<b>Surplus/(deficit)</b>	<b>(2,303)</b>	<b>(2,498)</b>	<b>195</b>	<b>(25,600)</b>	<b>(22,831)</b>	<b>(2,769)</b>	<b>(28,189)</b>

### 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
<b>Operating Income</b>							
Other income	944	601	343	9,616	7,655	1,961	8,995
Waka Kotahi NZ Transport Agency operating funding	1,436	1,761	(325)	17,608	17,262	346	21,225
<b>Total operating income</b>	<b>2,380</b>	<b>2,362</b>	<b>18</b>	<b>27,224</b>	<b>24,917</b>	<b>2,307</b>	<b>30,220</b>
<b>Operating Expenditure</b>							
Personnel costs	2,307	2,329	22	23,959	23,916	(43)	29,128
Capitalised personnel costs	(204)	(182)	22	(1,899)	(1,673)	226	(2,220)
Public transport contracts	206	-	(206)	305	-	(305)	-
Contractors-maintenance	621	1,231	610	10,683	10,507	(176)	12,968
Professional Services	659	355	(304)	4,624	4,798	174	5,581
Track and ferry access charges	148	-	(148)	148	-	(148)	-
IT costs	(68)	52	120	871	517	(354)	622
Other expenditure	611	1,618	1,007	8,808	13,775	4,967	17,901
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>4,280</b>	<b>5,403</b>	<b>1,123</b>	<b>47,499</b>	<b>51,840</b>	<b>4,341</b>	<b>63,980</b>
Depreciation and amortisation	319	500	181	3,814	4,836	1,022	5,847
<b>Surplus/(deficit) from Operations</b>	<b>(2,219)</b>	<b>(3,541)</b>	<b>1,322</b>	<b>(24,089)</b>	<b>(31,759)</b>	<b>7,670</b>	<b>(39,607)</b>
Internal support costs	731	960	229	7,558	8,384	826	10,416
<b>Surplus/(deficit)</b>	<b>(2,950)</b>	<b>(4,501)</b>	<b>1,551</b>	<b>(31,647)</b>	<b>(40,143)</b>	<b>8,496</b>	<b>(50,023)</b>

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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
<b>Operating Income</b>							
Parking Fees	2,985	4,400	(1,415)	31,110	41,865	(10,755)	50,906
Other income	166	42	124	2,089	503	1,586	590
<b>Total operating income</b>	<b>3,151</b>	<b>4,442</b>	<b>(1,291)</b>	<b>33,199</b>	<b>42,368</b>	<b>(9,169)</b>	<b>51,496</b>
<b>Operating Expenditure</b>							
Personnel costs	250	244	(6)	2,600	2,569	(31)	3,120
Capitalised personnel costs	3	(24)	(27)	(147)	(256)	(109)	(312)
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	146	136	(10)	1,307	1,459	152	1,796
Professional Services	21	12	(9)	424	109	(315)	130
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	566	717	151	6,805	6,913	108	8,381
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>986</b>	<b>1,085</b>	<b>99</b>	<b>10,989</b>	<b>10,794</b>	<b>(195)</b>	<b>13,115</b>
Depreciation and amortisation	916	820	(96)	9,110	8,108	(1,002)	9,753
<b>Surplus/(deficit) from Operations</b>	<b>1,249</b>	<b>2,537</b>	<b>(1,288)</b>	<b>13,100</b>	<b>23,466</b>	<b>(10,366)</b>	<b>28,628</b>
Internal support costs	150	197	47	1,549	1,719	169	2,135
<b>Surplus/(deficit)</b>	<b>1,099</b>	<b>2,340</b>	<b>(1,241)</b>	<b>11,551</b>	<b>21,747</b>	<b>(10,197)</b>	<b>26,493</b>

### 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
<b>Operating Income</b>							
Infringement income	4,190	7,628	(3,438)	38,239	59,403	(21,164)	74,483
Other income	-	-	-	35	-	35	-
<b>Total operating income</b>	<b>4,190</b>	<b>7,628</b>	<b>(3,438)</b>	<b>38,274</b>	<b>59,403</b>	<b>(21,129)</b>	<b>74,483</b>
<b>Operating Expenditure</b>							
Personnel costs	1,064	1,054	(10)	11,310	10,930	(380)	13,249
Capitalised personnel costs	35	11	(24)	335	113	(222)	137
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	315	285	(30)	2,263	2,573	310	3,143
Professional Services	6	10	4	169	80	(89)	100
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	110	102	(8)	1,243	767	(476)	969
Movement in doubtful debts	330	532	202	1,221	4,086	2,865	5,133
Other expenditure	800	529	(271)	6,733	9,935	3,202	11,398
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>2,660</b>	<b>2,523</b>	<b>(137)</b>	<b>23,274</b>	<b>28,484</b>	<b>5,210</b>	<b>34,129</b>
Depreciation and amortisation	94	113	19	932	1,024	92	1,257
<b>Surplus/(deficit) from Operations</b>	<b>1,436</b>	<b>4,992</b>	<b>(3,556)</b>	<b>14,068</b>	<b>29,895</b>	<b>(15,827)</b>	<b>39,097</b>
Internal support costs	390	512	122	4,032	4,472	440	5,556
<b>Surplus/(deficit)</b>	<b>1,046</b>	<b>4,480</b>	<b>(3,434)</b>	<b>10,036</b>	<b>25,423</b>	<b>(15,387)</b>	<b>33,541</b>

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### Section 2b – Roading and Footpaths Operations

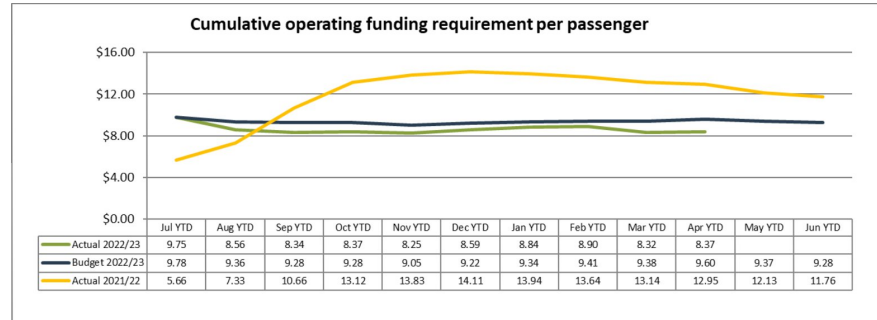
	Current month			Year to date			Full year
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000	Budget \$000
<b>Operating Income</b>							
Petrol tax	582	759	(177)	6,686	8,884	(2,198)	10,848
Other income	615	761	(146)	8,552	8,884	(332)	10,418
Waka Kotahi NZ Transport Agency operating funding	9,034	3,708	5,326	68,571	42,785	25,786	51,932
<b>Total operating income</b>	<b>10,231</b>	<b>5,228</b>	<b>5,003</b>	<b>83,809</b>	<b>60,553</b>	<b>23,256</b>	<b>73,198</b>
<b>Operating Expenditure</b>							
Personnel costs	3,283	3,314	31	34,017	34,868	851	42,257
Capitalised personnel costs	(869)	(1,249)	(380)	(9,262)	(11,887)	(2,625)	(14,457)
Public transport contracts	-	-	-	125	-	(125)	-
Contractors-maintenance	13,014	6,259	(6,755)	95,438	70,721	(24,717)	86,052
Professional Services	391	674	283	4,626	6,379	1,753	7,752
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	1,538	1,836	298	17,300	20,741	3,441	24,403
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>17,357</b>	<b>10,834</b>	<b>(6,523)</b>	<b>142,244</b>	<b>120,822</b>	<b>(21,422)</b>	<b>146,007</b>
Depreciation and amortisation	34,808	29,664	(5,144)	344,006	274,467	(69,539)	335,274
<b>Surplus/(deficit) from Operations</b>	<b>(41,934)</b>	<b>(35,270)</b>	<b>(6,664)</b>	<b>(402,441)</b>	<b>(334,736)</b>	<b>(67,705)</b>	<b>(408,083)</b>
Internal support costs	1,669	2,191	522	17,249	19,132	1,884	23,770
<b>Surplus/(deficit)</b>	<b>(43,603)</b>	<b>(37,461)</b>	<b>(6,142)</b>	<b>(419,690)</b>	<b>(353,868)</b>	<b>(65,821)</b>	<b>(431,853)</b>

### 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
<b>Operating Income</b>							
Rental income	557	580	(23)	5,960	6,754	(794)	8,242
Other income	357	498	(141)	6,251	5,234	1,017	6,234
Waka Kotahi NZ Transport Agency operating funding	6,990	3,036	3,954	37,856	37,474	382	44,738
<b>Total operating income</b>	<b>7,904</b>	<b>4,114</b>	<b>3,790</b>	<b>50,067</b>	<b>49,462</b>	<b>605</b>	<b>59,214</b>
<b>Operating Expenditure</b>							
Personnel costs	9,327	9,979	652	97,080	102,202	5,122	124,503
Capitalised personnel costs	(2,523)	(2,763)	(240)	(27,461)	(29,736)	(2,275)	(36,323)
Public transport contracts	-	(1)	(1)	-	(8)	(8)	(10)
Contractors-maintenance	96	99	3	822	1,146	324	2,107
Professional services	413	1,349	936	9,527	12,476	2,949	15,145
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	5,978	3,950	(2,028)	31,778	38,764	6,986	46,714
Directors fees	38	43	5	387	429	42	515
Other expenditure	2,650	2,666	16	21,990	22,366	376	28,553
Finance costs	3	3	-	29	34	5	41
<b>Total operating expenditure</b>	<b>15,982</b>	<b>15,325</b>	<b>(657)</b>	<b>134,152</b>	<b>147,673</b>	<b>13,521</b>	<b>181,245</b>
Depreciation and amortisation	3,014	3,350	336	30,552	28,947	(1,605)	35,951
<b>Surplus/(deficit) from Operations</b>	<b>(11,092)</b>	<b>(14,561)</b>	<b>3,469</b>	<b>(114,637)</b>	<b>(127,158)</b>	<b>12,521</b>	<b>(157,982)</b>
Internal support allocated	11,092	14,561	3,469	114,637	127,158	12,521	157,982
<b>Surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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### Section 2c – Operational funding requirement per passenger for the ten months ended 30 April 2023



The operational cost (net of third party revenue) of \$8.37 per passenger on the PT Network is lower than the budget of \$9.61 mainly due to higher than expected patronage.

It is important to recognise that the July 2022 to April 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
<b>Rail, Bus and Ferry operations:</b>									
Operating expenditure \$000	59,689	60,337	648	1%	557,827	561,250	3,423	1%	684,705
Less external revenues \$000	9,304	11,492	(2,188)	(19%)	84,308	110,949	(26,641)	(24%)	139,507
<b>Operating funding requirement \$000</b>	<b>50,385</b>	<b>48,845</b>	<b>(1,540)</b>	<b>(3%)</b>	<b>473,519</b>	<b>450,301</b>	<b>(23,218)</b>	<b>(5%)</b>	<b>545,198</b>
Patronage 000's	5,686	4,075	1,611	40%	56,571	46,881	9,690	21%	58,765
<b>Operating funding requirement per passenger</b>	<b>\$8.86</b>	<b>\$11.99</b>	<b>\$3.13</b>	<b>26%</b>	<b>\$8.37</b>	<b>\$9.61</b>	<b>\$1.23</b>	<b>13%</b>	<b>\$9.28</b>

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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
<b>Regional Land Transport Plan (RLTP) grouping</b>							
Active Modes	3,455	9,832	6,377	35,292	72,590	37,298	91,053
Asset Management	26,445	26,306	(139)	199,870	184,735	(15,135)	219,734
Bus Projects	441	2,469	2,028	24,013	36,278	12,265	42,111
Corridor Improvements	320	1,649	1,329	12,679	25,636	12,957	32,009
Ferry, Multi-modal, and Park and Ride	6,592	5,500	(1,092)	37,801	33,881	(3,920)	44,458
Local Board Priorities	976	1,600	624	10,457	13,797	3,340	17,205
Network Capacity and Performance	1,159	215	(944)	12,058	8,884	(3,174)	9,302
Operational Programmes	4,185	624	(3,561)	35,825	26,926	(8,899)	29,195
Population Growth	2,680	2,915	235	23,986	24,972	986	44,577
Rapid Transit: Bus Projects	19,684	14,276	(5,408)	158,082	144,020	(14,062)	180,803
Rapid Transit: Rail Projects	740	1,999	1,259	35,167	39,245	4,078	58,602
Safety	4,546	4,210	(336)	61,626	59,010	(2,616)	68,241
Sustainability Projects that are in addition to travel choice projects	217	244	27	2,262	4,188	1,926	4,676
Climate Action Targeted Rate	717	1,500	783	2,637	10,500	7,863	14,765
<b>Total direct capital</b>	<b>72,157</b>	<b>73,339</b>	<b>1,182</b>	<b>651,755</b>	<b>684,662</b>	<b>32,907</b>	<b>856,731</b>

### 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
<b>Direct capital funding</b>							
Waka Kotahi NZ Transport Agency new capital co-investment	43,018	25,743	17,275	230,913	249,382	(18,469)	329,125
Waka Kotahi NZ Transport Agency renewal co-investment	12,087	12,925	(838)	90,390	90,526	(136)	105,335
Other capital grants	-	89	(89)	5,523	6,098	(575)	6,227
Auckland Council capital grant through equity	-	-	-	4,087	-	4,087	-
Auckland Council capital grant	12,965	34,582	(21,617)	320,842	338,653	(17,811)	416,043
<b>Total direct capital funding</b>	<b>68,070</b>	<b>73,339</b>	<b>(5,269)</b>	<b>651,755</b>	<b>684,659</b>	<b>(32,904)</b>	<b>856,730</b>

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## Section 3c – RFT Capital and Operational Expenditure

### RFT Capital and Operating Expenditure

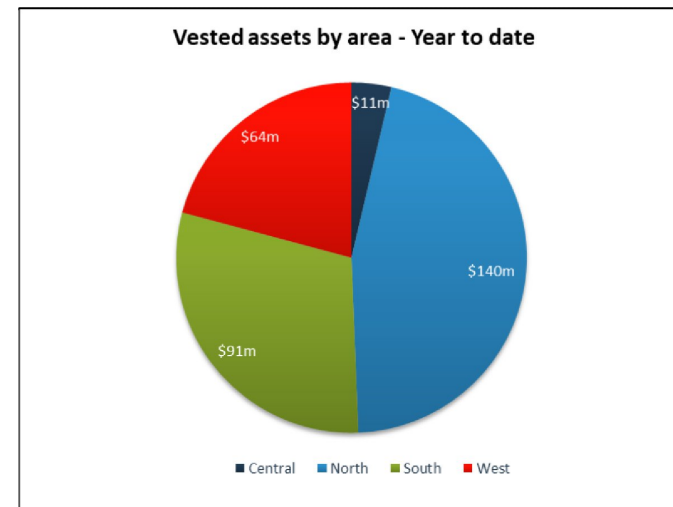
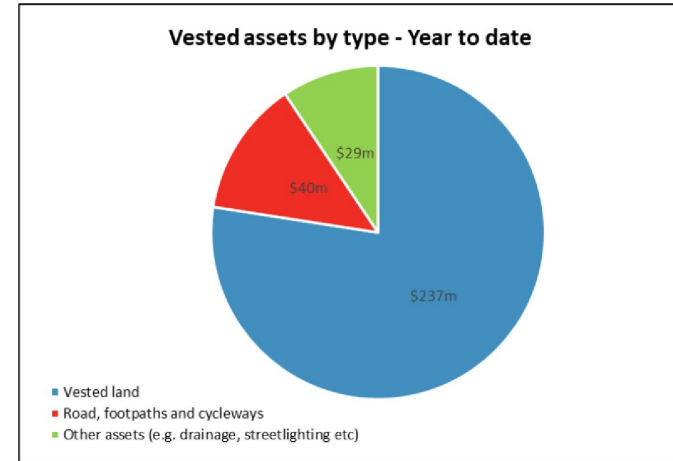
	Year to date			Full year		
	Actual Not RFT Enabled \$000	Actual RFT Enabled \$000	Actual Total \$000	Budget Not RFT Enabled \$000	Budget RFT Enabled \$000	Budget Total \$000
<b>Capital expenditure</b>	<b>326,379</b>	<b>325,375</b>	<b>651,754</b>	<b>466,170</b>	<b>390,560</b>	<b>856,730</b>
<b>Funding</b>						
Waka Kotahi NZ Transport Agency	132,298	189,005	321,303	260,661	173,800	434,460
Others (ACC,Crown, others)	3,981	1,541	5,523	-	6,227	6,227
Auckland Council	190,099	134,829	324,929	205,509	210,533	416,043
<b>Total funding</b>	<b>326,379</b>	<b>325,375</b>	<b>651,754</b>	<b>466,170</b>	<b>390,560</b>	<b>856,730</b>
<b>Programme of capital projects supported by the RFT scheme</b>						
Project 1: Bus priority improvements		20,411			45,601	
Project 2: City centre bus infrastructure		4,586			3,200	
Project 3: Improving airport access		7,119			8,379	
Project 4: Eastern Busway		150,289			136,212	
Project 5: Park-and-ride facilities		92			-	
Project 6: Electric trains and stabling		32,736			54,170	
Project 7: Downtown ferry terminal and redevelopment		442			-	
Project 8: Road safety		61,867			67,239	
Project 9: Active transport		11,110			22,061	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		-			-	
Project 12: Road corridor improvements		10,181			21,028	
Project 13: Network capacity and performance improvement		12,058			9,302	
Project 14: Growth-related transport infrastructure		14,484			23,368	
<b>Total</b>		<b>325,375</b>			<b>390,560</b>	
<b>Operating expenditure</b>		<b>936</b>			<b>1,515</b>	
<i>Note: Fully funded by Auckland Council</i>						
<b>Programme of operating projects supported by the Auckland RFT scheme</b>						
Project 8: Road safety		936			1,515	
<b>Total</b>		<b>936</b>			<b>1,515</b>	

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### Section 3d – Vested Assets

As at 30 April 2023

	Current month	Year to date
	Actual \$000	Actual \$000
<b>Vested Assets - Top 10 Suburbs</b>		
Milldale	29,090	119,606
Hobsonville	2,997	36,827
Pukekohe	-	31,211
Drury	771	20,497
Massey	-	17,588
Flat Bush	-	10,457
Mount Roskill	-	9,634
Takanini	6,586	6,631
Silverdale	-	6,575
Clarks Beach	-	6,565
Other	2,396	40,049
<b>Total Vested Asset</b>	<b>41,840</b>	<b>305,640</b>



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**Section 4a – Statement of Financial Position****As at 30 April 2023**

	Note	Actual 30 April 2023 \$000	Actual 31 March 2023 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	4,835	2,333
Receivables	2	603,090	617,410
Inventories		12,488	12,019
Other assets		16,960	19,504
Non-current assets held for sale		1,608	1,608
Derivative financial instruments		457	18
<b>Total current assets</b>		<b>639,438</b>	<b>652,892</b>
<b>Non-current assets</b>			
Property, plant and equipment (PPE)		25,800,350	25,765,904
Intangible assets		121,015	123,183
Work in progress (PPE and intangible assets)	3	1,032,459	994,801
Derivative financial instruments		1,099	-
<b>Total non-current assets</b>		<b>26,954,923</b>	<b>26,883,888</b>
<b>Total assets</b>		<b>27,594,361</b>	<b>27,536,780</b>



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**Section 4a – Statement of Financial Position (continued)****As at 30 April 2023**

	Note	Actual 30 April 2023 \$000	Actual 31 March 2023 \$000
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables and accruals	4	273,875	282,351
Employee entitlements	5	21,994	21,754
Derivative financial instruments		-	442
Borrowings	6	9,260	9,226
Total current liabilities		305,129	313,773
<b>Non-current liabilities</b>			
Payables and accruals	4	806	1,072
Employee entitlements	5	289	289
Derivative financial instruments		131	3,685
Borrowings	6	463,458	464,197
Total non-current liabilities		464,684	469,243
<b>Total liabilities</b>		<b>769,813</b>	<b>783,016</b>
<b>Net assets</b>		<b>26,824,548</b>	<b>26,753,764</b>
<b>Equity</b>			
Contributed capital		13,226,371	13,226,371
Accumulated funds		5,397,890	5,327,106
Other reserves		8,200,287	8,200,287
<b>Total equity</b>		<b>26,824,548</b>	<b>26,753,764</b>

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**Section 4b – Notes to the Financial Statements****As at 30 April 2023**

	<b>Actual</b> <b>30 April 2023</b> <b>\$000</b>	<b>Actual</b> <b>31 March 2023</b> <b>\$000</b>
<b>1 Cash and cash equivalents</b>		
Cash at bank	4,608	2,106
Till floats	227	227
<b>Total cash and cash equivalents</b>	<b>4,835</b>	<b>2,333</b>

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

<b>2 Receivables</b>		
Trade and other debtors	15,274	11,640
Infringement receivable	50,438	49,498
Amounts due from related parties	426,029	454,026
Accrued revenue	134,413	124,981
	<b>626,154</b>	<b>640,145</b>
Less provision for impairment of receivables	(23,064)	(22,735)
<b>Total current receivables</b>	<b>603,090</b>	<b>617,410</b>

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 April 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	6,407	3,470	-	426,029	435,906
Past due 1 - 30 days	2,338	3,199	-	-	5,537
Past due 31 - 60 days	907	1,509	-	-	2,416
Past due 61 - 90 days	150	1,220	-	-	1,370
Past due > 90 days	5,472	2,601	38,439	-	46,512
	<b>15,274</b>	<b>11,999</b>	<b>38,439</b>	<b>426,029</b>	<b>491,741</b>
Impairment	(381)	(4)	(22,679)	-	(23,064)
	<b>14,893</b>	<b>11,995</b>	<b>15,760</b>	<b>426,029</b>	<b>468,677</b>

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	-	-	2,643	2,643
Provisions reversed	-	(1,422)	-	(1,422)
Provisions relating to receivables written-off	-	-	-	-
Balance at 30 April 2023	<b>381</b>	<b>4</b>	<b>22,679</b>	<b>23,064</b>

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**Section 4b – Notes to the Financial Statements (continued)****As at 30 April 2023**

	Opening balance 1 July 2022 \$000	Acquisition YTD 30 April 2023 \$000	Capitalisation YTD 30 April 2023 \$000	Closing balance 30 April 2023 \$000
<b>3 Work in Progress (WIP)</b>				
<b>WIP by activity</b>				
Roads and footpaths	495,346	234,150	-158,895	570,600
Public Transport	289,255	250,329	-77,725	461,859
<b>Total WIP</b>	<b>784,601</b>	<b>484,479</b>	<b>-236,620</b>	<b>1,032,459</b>
<b>WIP by status</b>				
Current WIP (completion in future)				886,504
Due for capitalisation within policy				39,338
Due for capitalisation not within policy				106,577
Forecast completion date not yet provided (new projects)				40
<b>Total WIP</b>				<b>1,032,459</b>
<b>Top 10 Programmes</b>				<b>WIP Closing balance 30 April 2023</b>
Eastern Busway				214,763
Safety Programme				73,350
Supporting Growth				70,760
Urban Cycleways Programme				48,579
Rosedale and Constellation Bus Stations				46,419
Matakana Link Road				44,345
EMU Rolling Stock				42,738
Connected Communities				36,877
Decarbonisation of Ferry Fleet Stage 1				34,003
Public Transport Safety				27,270
<b>Total</b>				<b>639,105</b>

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**Section 4b – Notes to the Financial Statements (continued)****As at 30 April 2023**

	Actual 30 April 2023 \$000	Actual 31 March 2023 \$000
<b>4 Payables and accruals</b>		
<b>Current portion</b>		
Creditors	23,319	45,492
Goods and services tax	5,177	9,195
Accrued expenses	204,696	189,282
Retentions	22,797	22,300
Amounts due to related parties	14,343	11,244
Revenue in advance	3,543	4,838
<b>Total current payables</b>	<b>273,875</b>	<b>282,351</b>
<b>Non-current portion</b>		
Amounts due to related parties	806	1,072
<b>Total non-current payables</b>	<b>806</b>	<b>1,072</b>

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 2023**

	Actual 30 April 2023 \$000	Actual 31 March 2023 \$000
<b>5 Employee entitlements</b>		
<b>Current portion</b>		
Accrued salaries and wages	7,992	8,066
Accrued leave	14,002	13,688
<b>Total current employee entitlements</b>	<b>21,994</b>	<b>21,754</b>
<b>Non-current portion</b>		
Retirement gratuities	253	253
Long service leave	36	36
<b>Total non-current employee entitlements</b>	<b>289</b>	<b>289</b>
<b>6 Borrowings</b>		
<b>Current portion</b>		
Finance lease	1,160	1,159
Loans from Auckland Council	8,100	8,067
<b>Total current borrowings</b>	<b>9,260</b>	<b>9,226</b>
<b>Non-current portion</b>		
Finance lease	1,902	1,992
Loans from Auckland Council	461,556	462,205
<b>Total non-current borrowings</b>	<b>463,458</b>	<b>464,197</b>
Weighted average cost of funds on total borrowings	6.02%	6.02%

AT's loan debt of \$470 million is issued at fixed rates of interest ranging from 5.55% to 6.57%.

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## Section 5 – Cashflow

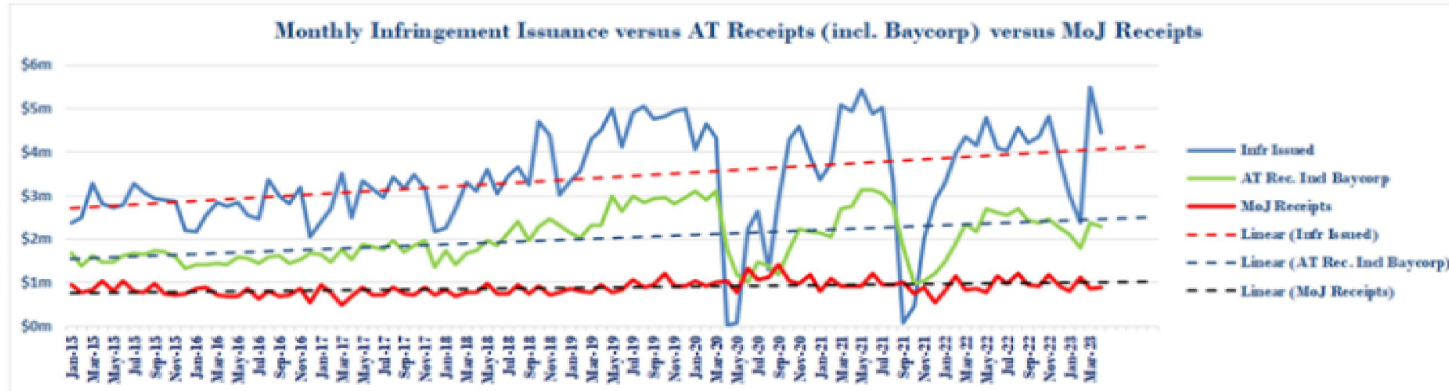
	Year to Date		Full year
	Actual \$000	Budget \$000	Budget \$000
<b>Cash flows from operating activities</b>			
<b>Total cash provided</b>	<b>1,612,727</b>	<b>1,657,801</b>	<b>2,018,764</b>
<b>Cash applied to</b>			
Payments to suppliers and employees	929,169	922,908	1,125,754
Interest paid	21,073	23,767	28,495
<b>Total cash applied</b>	<b>950,242</b>	<b>946,675</b>	<b>1,154,249</b>
<b>Net cash from operating activities</b>	<b>662,485</b>	<b>711,126</b>	<b>864,515</b>
<b>Cash flows from investing activities</b>			
<b>Cash provided from</b>			
Sale of property, plant and equipment	1,270	-	-
<b>Cash applied to:</b>			
Purchase of property, plant and equipment	655,959	704,660	856,730
<b>Net cash from investing activities</b>	<b>(654,689)</b>	<b>(704,660)</b>	<b>(856,730)</b>
<b>Cash flows from financing activities</b>			
<b>Cash applied to</b>			
Repayments of EMU loan from Auckland Council	6,467	6,466	7,785
Repayments of finance lease principal	884	-	-
<b>Net cash from financing activities</b>	<b>(7,351)</b>	<b>(6,466)</b>	<b>(7,785)</b>
<b>Net (decrease)/increase in cash and cash equivalent</b>	<b>445</b>	<b>-</b>	<b>-</b>
Opening cash and cash equivalents	4,390	-	-
<b>Closing cash balance</b>	<b>4,835</b>	<b>-</b>	<b>-</b>

<b>Reconciliation of surplus after tax to net cash from operating activities</b>	<b>Actual \$000</b>
<b>Surplus after tax</b>	<b>556,736</b>
<b>Add/(less) non-cash items</b>	
Depreciation and amortisation	437,524
Vested asset income	(305,640)
Gain on disposal of property, plant and equipment	(670)
(Gains)/losses on derivatives	(3,869)
	<b>127,345</b>
<b>Add/(less) movements in balance sheet items</b>	
Receivables	(16,737)
Inventories	868
Other assets	(6,684)
Non-current assets held for sale	(1,451)
Payables and accruals	(2,099)
Employee entitlements	4,507
	<b>(21,596)</b>
<b>Net cash from operating activities</b>	<b>662,485</b>

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## Section 6 – Infringement Overview

Over 100 months (January 2015 to April 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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