

# Financial Results for the Eleven Months Ended 31 May 2012

## Introduction

This report summarises for Auckland Transport the financial results for the eleven months ended 31 May 2012.

## Abbreviations used in this report

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

YTD = Year to date

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

\$m = Millions of dollars

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









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

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

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

Net Surplus (Deficit) before tax = Surplus/(deficit) from operations plus income for capital projects

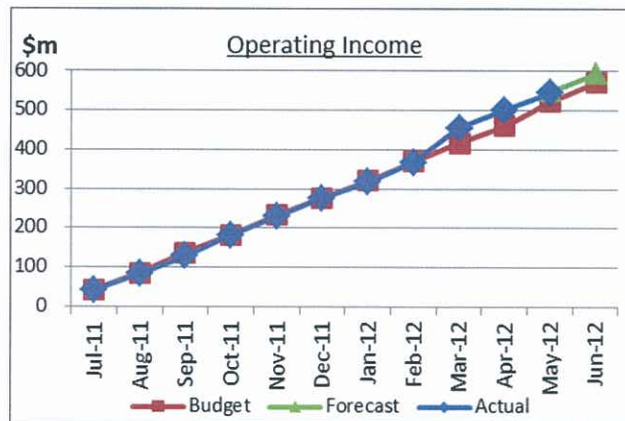
### Key to symbols used:

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

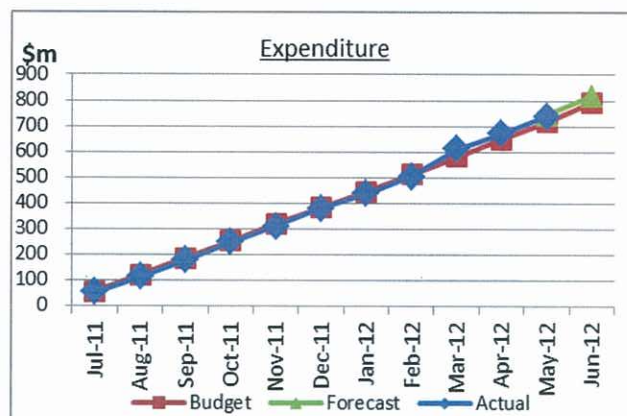
# Executive Summary

## YTD results to 31 May 2012

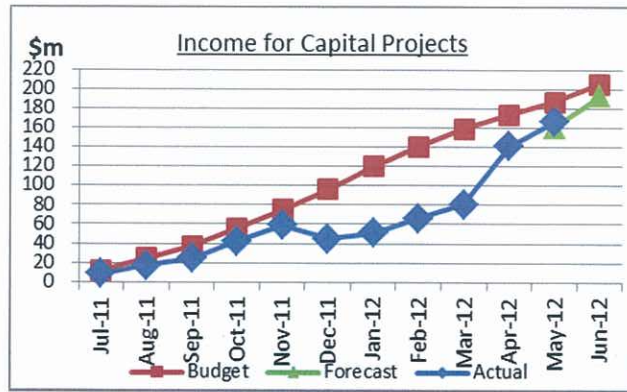
	Current month variance to Budget \$m	Year to date variance to Budget \$m	Year to date results	Year to date Actual \$m	Year to date Budget \$m	Full Year Budget \$m	Full year Forecast \$m
Total operating income	(3.2)	23.1	↑ ●	545.5	522.3	569.8	593.9
Total operating expenditure	(1.7)	(13.6)	↑ ●	740.3	726.7	792.8	818.8
Surplus/(deficit) from operations	(4.9)	9.5	↑ ●	(194.8)	(204.4)	(223.0)	(224.9)
Income for capital projects	1.5	(29.3)	↓ ●	159.3	188.7	205.8	193.2
Net surplus/(deficit) before tax	(3.3)	(19.8)	↓ ●	(35.5)	(15.7)	(17.1)	(31.7)
Capital expenditure	(24.2)	(30.9)	↑ ●	500.9	470.0	546.2	613.2



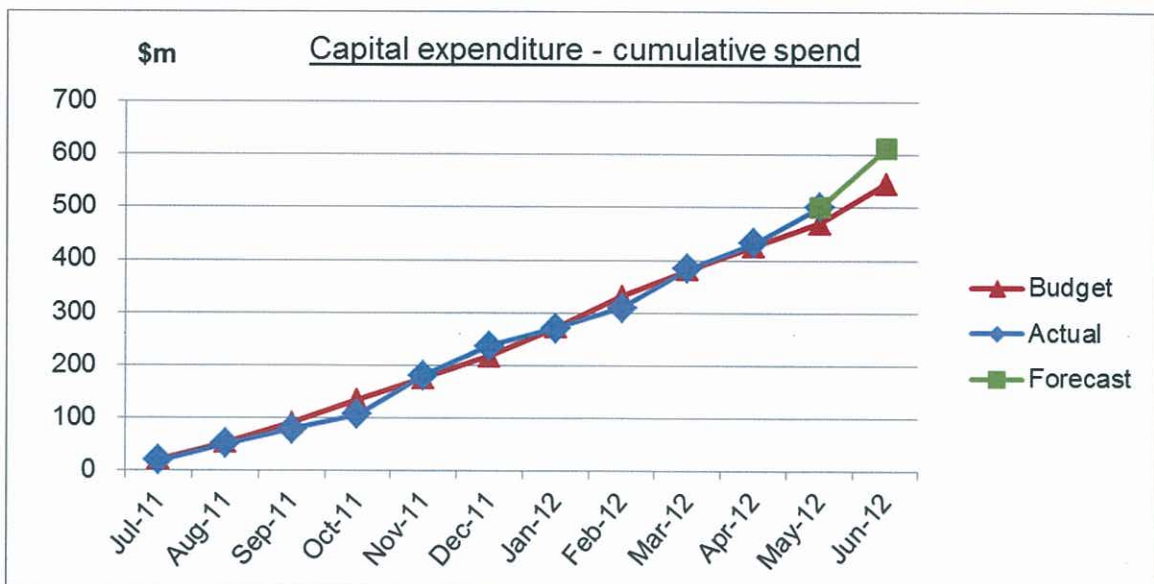
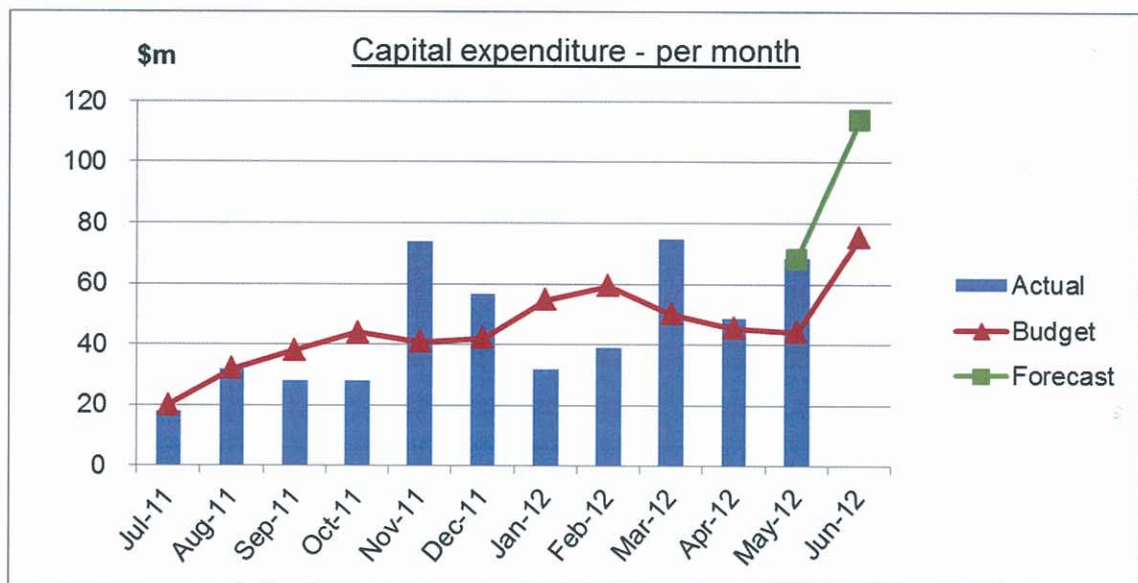
Total operating income YTD is above budget by \$23.1m. This is primarily due to operating grant income for the Electric Multiple Units (EMUs) project amounting to \$41.9m recognised this year but payable in 2014/2015. This is partly offset by \$22.9m NZTA operational funding revenue below budget.



Total operating expenditure YTD is above budget by \$13.6m. This is mainly due to \$41.9m reimbursement of the KiwiRail costs for EMUs procurement which is funded by operating grant income as mentioned above, partly offset by other expense savings amounting to \$28.3m. Other expense includes office, administration, maintenance, and professional services costs.



Income for capital projects YTD is below budget by \$29.3m primarily due to \$81.6m reduced NZTA capital funding partly offset by \$33.2m capital grant for the EMU project and \$18.5m vested asset income.



Capital expenditure for the month was \$68.2m, an overspend to budget of \$24.2m. YTD capital expenditure was \$500.9m, a variance to budget of \$30.9m. The YTD variance is mainly due to \$76.8m EMUs and \$18.5m vested assets not budgeted partly offset by

\$70.4m underspend in Roads new capital expenditure. The underspend in Roads new capital expenditure is mainly due to delays in the land acquisition component of some major projects.

The asset position is sound with net assets of \$13.3b at the end of May and cash flow funding arrangements in place to ensure all liabilities can be met.

## Recommendation

That the Auckland Transport Board receive this report.

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