

CONFIDENTIAL

Financial Results for the Three Months Ended 30 September 2023

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.	1 November 2023

Aronga / Purpose

1. This report provides the financial results for the three months ended 30 September 2023.

Te tūhonga / Recommendation

That the Auckland Transport Board (board):

- a) Notes the report

Table of Contents

Section 1 – Executive summary	Section 3c – Regional Fuel Tax capital and operational expenditure
Section 2 – Financial results	Section 3d – Vested Assets
Section 2a – Summary of financial results by activity	Section 3e – Climate Action Transport Targeted Rate (CATTR)
Section 2b – Summary by activity	Section 4a – Statement of financial position
Section 2c – Operating funding requirement per passenger *	Section 4b – Notes to the financial statements
Section 3a – Summary of capital expenditure	Section 5 – Cashflow
Section 3b – Capital expenditure funding	Section 6 – Infringement overview

Note: *The operational funding requirement per passenger for the three months ended 30 September 2023 is unavailable pending reconciliation of the patronage numbers following the cyber incident.

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Section 1 – Te whakarāpopototanga matua / Executive summary

1. Year to date (YTD) **surplus from operations excluding depreciation** of \$11.7 million, is \$9.8 million favourable to budget mainly due to higher public transport (PT) income and lower IT, professional services and finance costs. These are partially offset by lower parking and enforcement income and capitalised personnel costs.
2. Items to note:
 - Waka Kotahi New Zealand Transport Agency (Waka Kotahi) operating funding is favourable to budget due to a claim for additional adverse weather remediation costs funded at a 91% Funding Assistance Rate. The cost scope adjustment was approved at the September Waka Kotahi board meeting.
 - Waka Kotahi top up from the crown is unfavourable to budget mainly due to lower than expected 16-24 year old uptake of the reduced fare concession.
 - Parking and enforcement revenue is unfavourable to budget mainly due to lower on-street parking attributed to lower occupancy and a later than budgeted parking tariff increase, now in effect with a positive impact in the September month.
 - PT income is favourable to budget primarily due to higher bus patronage. September patronage is still being confirmed following the cyber incident but current estimates indicate a total impact from lost revenue and related costs of less than \$1 million.
 - Capitalised personnel cost is lower than budget reflecting lower than planned capital spend levels but similar to prior year levels.
 - PT contract costs are favourable to budget mainly from a favourable prior year rail cost wash-up.
 - Professional services is favourable to budget primarily within Service Delivery and Planning and Investment Functions, mainly due to phasing.
 - Track access charges is unfavourable mainly due to unbudgeted costs relating to the FIFA Women's World Cup.
 - Other expenditure is favourable to budget primarily due to lower than expected IT, advertising and minor maintenance costs.
 - Finance costs is favourable to budget due to lower interest rates due to a loan restructure at the start of the financial year.
3. **YTD Deficit from operations** is \$10.3 million favourable to budget due to higher PT income and lower IT, professional services and finance costs. These are partially offset by lower parking fees revenue and capitalised personnel costs.
4. **YTD Capital expenditure** of \$201.8 million is tracking at 83% of planned spend. The underspend is driven by renewals and flood recovery works, ferry decarbonisation programme and Scott Point land settlement projects within the population growth programme which are tracking behind plan. Year-end forecasts for these areas are in line with planned spend for the year.
5. **YTD other capital grants** is unfavourable due to a change in the accounting recognition timing of Crown Infrastructure Partners capital grants.

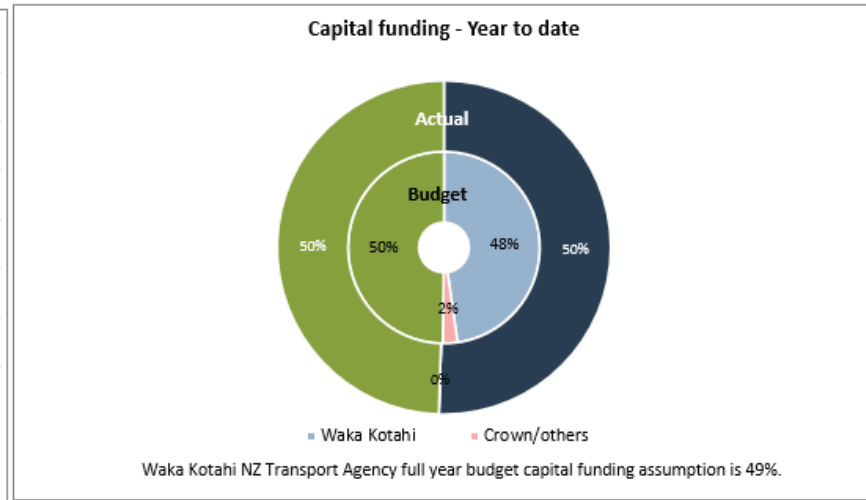
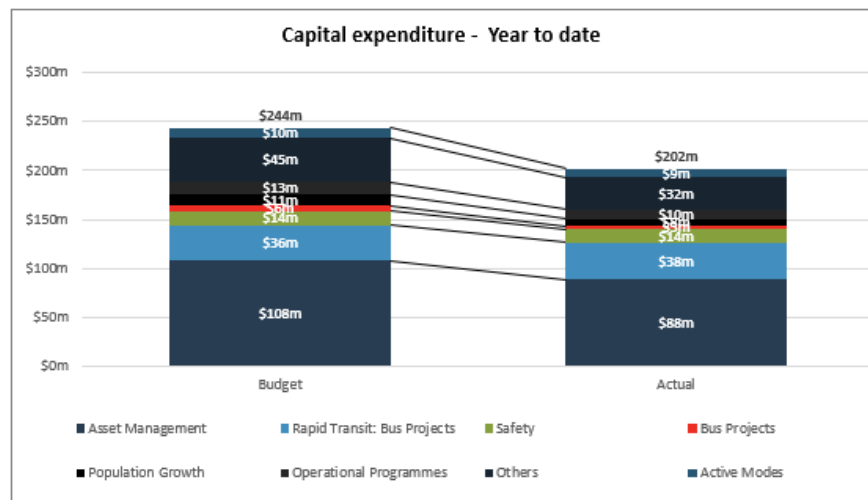
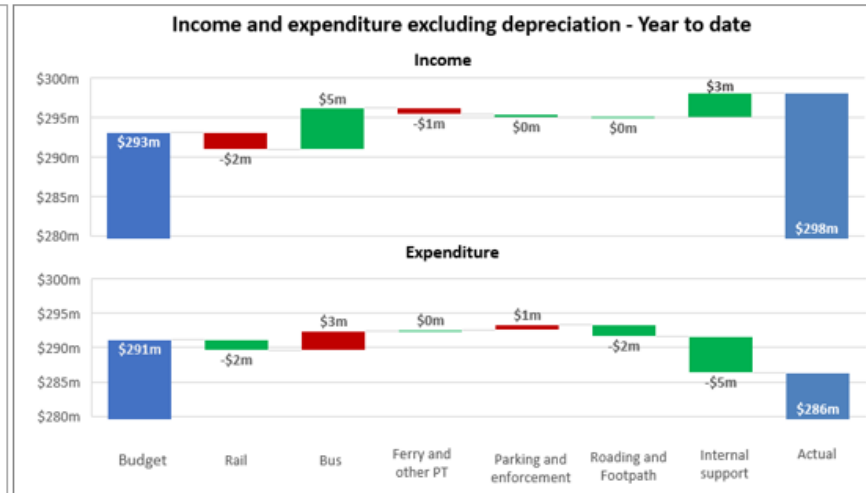
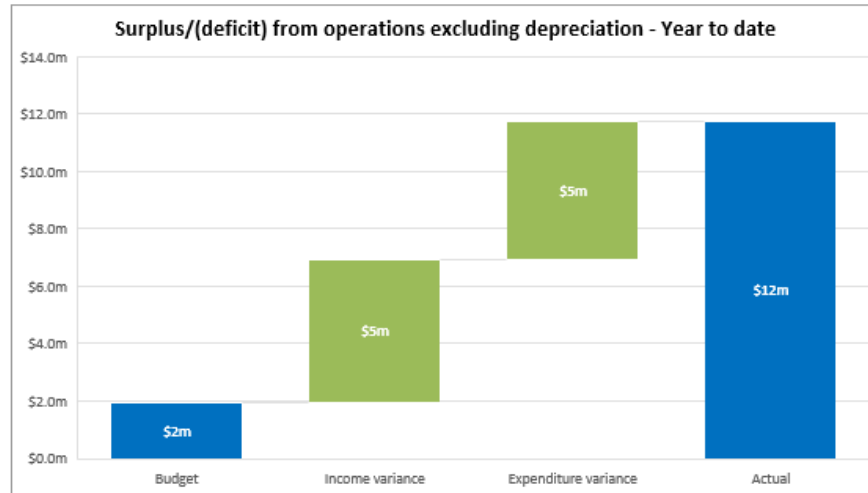
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Section 1 – Te whakarāpopototanga matua / Executive summary (continued)

6. **Waka Kotahi and other Crown capital funding** YTD of 50% is higher than the budget of 48% reflecting a catch up of New Zealand Upgrade Programme Eastern Busway funding.
7. **Regional Fuel Tax (RFT) enabled capital spend** for September is \$27.9 million and \$81.6 million YTD, versus a full year planned spend of \$478.9 million. YTD spend is approximately 17% of the full year RFT enabled capital budget.
8. **Climate Action Transport Targeted Rate (CATTR)** gross capital and operating expenditure YTD is \$2.9 million, \$5.6 million lower than budget mainly due to procurement delays within the ferry CATTR programme.

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



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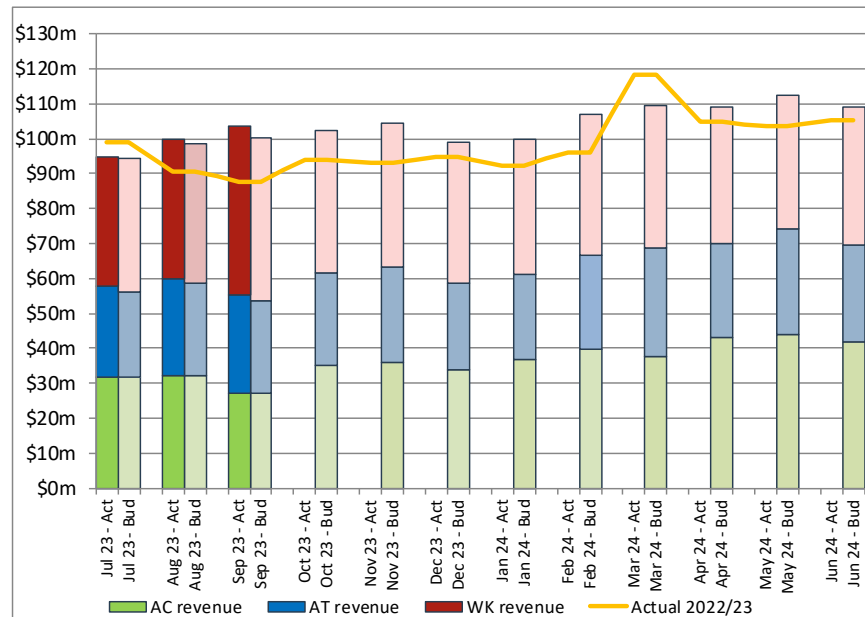
Section 2 – Financial results for the three months ended 30 September 2023

	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	27,087	27,087	-	90,932	90,932	-	439,358
Waka Kotahi NZ Transport Agency operating funding	46,476	42,371	4,105	113,882	111,857	2,025	432,947
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	1,624	4,175	(2,551)	10,887	12,725	(1,838)	50,302
Parking and enforcement income	9,431	9,207	224	27,348	27,814	(466)	123,261
Public transport income	13,927	13,174	753	43,595	38,752	4,843	161,314
Other revenue incl. other grants and subsidies	5,017	4,124	893	11,493	11,068	425	38,733
Total operating income	103,562	100,138	3,424	298,137	293,148	4,989	1,245,915
Operating expenditure							
Personnel costs	18,500	19,333	833	52,507	53,958	1,451	217,539
Capitalised personnel costs	(4,298)	(4,333)	(35)	(10,531)	(13,112)	(2,581)	(43,526)
Public transport contracts	49,907	50,119	212	147,534	148,395	861	632,997
Contractors-maintenance	10,339	10,631	292	31,432	31,955	523	132,914
Professional services	2,236	2,496	260	5,752	6,741	989	36,205
Track and ferry access charges	2,850	3,393	543	10,500	10,178	(322)	44,718
Other expenditure	15,270	15,529	259	43,845	46,048	2,203	188,792
Finance costs	1,743	2,340	597	5,353	7,021	1,668	28,086
Total operating expenditure excluding depreciation	96,547	99,508	2,961	286,392	291,184	4,792	1,237,725
Surplus/(deficit) from operations excluding depreciation	7,015	630	6,385	11,745	1,964	9,781	8,190
Depreciation and amortisation	43,516	43,999	483	129,716	130,220	504	552,450
Surplus/(deficit) from operations	(36,501)	(43,369)	6,868	(117,971)	(128,256)	10,285	(544,260)
Income for capital projects							
Waka Kotahi NZ Transport Agency capital co-investment	35,289	42,591	(7,302)	101,617	115,745	(14,128)	516,415
Auckland Council capital grant	34,552	44,236	(9,684)	104,230	121,454	(17,224)	512,441
Other capital grants	-	5,291	(5,291)	(4,085)	6,351	(10,436)	29,135
Vested asset income	39,604	19,250	20,354	57,308	40,920	16,388	275,000
Total income for capital projects	109,445	111,368	(1,923)	259,070	284,470	(25,400)	1,332,991
Net surplus/(deficit) before tax and derivatives	72,944	67,999	4,945	141,099	156,214	(15,115)	788,731
Gains/(losses) on derivatives	(6,024)	-	(6,024)	(1,961)	-	(1,961)	-
Gain/(loss) on disposal of assets/ non-operating items	(2)	-	(2)	(501)	-	(501)	-
Net surplus/(deficit) after tax and derivatives	66,918	67,999	(1,081)	138,637	156,214	(17,577)	788,731

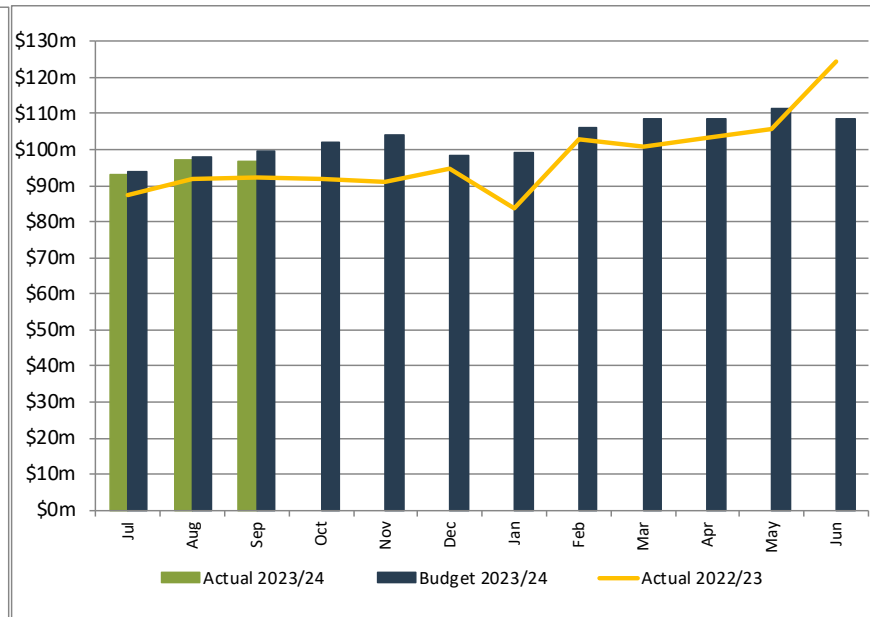
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Section 2 – Financial results for the three months ended 30 September 2023 (continued)

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	10,535	11,764	(1,229)	33,013	35,203	(2,190)	144,940
Bus	24,697	24,765	(68)	78,767	73,528	5,239	306,534
Ferry	3,628	3,975	(347)	10,541	11,795	(1,254)	47,499
Other public transport	3,503	2,663	840	7,612	7,092	520	29,629
Parking	3,750	3,675	75	10,540	11,680	(1,140)	50,275
Enforcement	5,680	5,533	147	16,808	16,134	674	72,986
Roading and footpaths	16,874	14,783	2,091	31,850	31,874	(24)	96,516
Internal support	7,805	5,895	1,910	18,075	14,908	3,167	58,179
Auckland Council operating funding	27,087	27,087	-	90,932	90,932	-	439,358
Total operating income	103,559	100,140	3,419	298,138	293,146	4,992	1,245,916
Operating Expenditure							
Rail	17,187	17,879	692	51,390	52,904	1,514	227,593
Bus	39,512	38,142	(1,370)	115,607	112,812	(2,795)	479,818
Ferry	5,510	5,525	15	16,240	16,342	102	67,699
Other public transport	4,550	4,750	200	13,966	13,701	(265)	71,081
Parking	989	962	(27)	2,923	3,103	180	13,050
Enforcement	3,134	2,415	(719)	8,287	7,340	(947)	30,487
Roading and footpaths	12,283	14,110	1,827	39,683	41,408	1,725	167,336
Internal support	13,382	15,721	2,339	38,301	43,573	5,272	180,661
Depreciation and amortisation	43,516	43,999	483	129,716	130,220	504	552,450
Total operating expenditure	140,063	143,503	3,440	416,113	421,403	5,290	1,790,175
Surplus/(deficit) from Operations	(36,504)	(43,363)	6,859	(117,975)	(128,257)	10,282	(544,259)

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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	2,577	3,462	(885)	8,054	10,542	(2,488)	42,124
Other income	452	117	335	757	354	403	1,559
Waka Kotahi NZ Transport Agency operating funding	7,551	7,474	77	22,534	22,140	394	92,692
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	(45)	711	(756)	1,668	2,167	(499)	8,565
Total operating income	10,535	11,764	(1,229)	33,013	35,203	(2,190)	144,940
Operating Expenditure							
Personnel costs	496	481	(15)	1,423	1,359	(64)	5,458
Capitalised personnel costs	(33)	(23)	10	(56)	(208)	(152)	(179)
Public transport contracts	10,719	10,668	(51)	31,269	31,645	376	136,881
Contractors-maintenance	-	10	10	23	10	(13)	80
Professional services	(40)	7	47	-	22	22	332
Track access charges	3,344	3,352	8	10,392	10,057	(335)	44,229
Other expenditure	961	1,047	86	2,993	3,007	14	12,744
Finance costs	1,740	2,337	597	5,346	7,012	1,666	28,048
Total operating expenditure	17,187	17,879	692	51,390	52,904	1,514	227,593
Depreciation and amortisation	3,267	3,810	543	9,800	11,420	1,620	45,848
Surplus/(deficit) from Operations	(9,919)	(9,925)	6	(28,177)	(29,121)	944	(128,501)
Internal support costs	1,840	2,701	860	6,201	7,783	1,582	35,316
Surplus/(deficit)	(11,759)	(12,626)	866	(34,378)	(36,904)	2,526	(163,817)

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	7,264	5,737	1,527	24,946	17,425	7,521	71,314
Other income	804	760	44	2,441	2,050	391	9,836
Waka Kotahi NZ Transport Agency operating funding	14,937	14,971	(34)	42,444	44,002	(1,558)	185,653
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	1,692	3,297	(1,605)	8,936	10,051	(1,115)	39,731
Total operating income	24,697	24,765	(68)	78,767	73,528	5,239	306,534
Operating Expenditure							
Personnel costs	432	429	(3)	1,282	1,228	(54)	5,015
Capitalised personnel costs	(2)	(122)	(120)	(157)	(367)	(210)	(1,251)
Public transport contracts	34,463	34,391	(72)	102,268	101,783	(485)	434,133
Contractors-maintenance	99	137	38	277	410	133	1,641
Professional Services	24	60	36	36	164	128	738
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	4,496	3,247	(1,249)	11,901	9,594	(2,307)	39,542
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	39,512	38,142	(1,370)	115,607	112,812	(2,795)	479,818
Depreciation and amortisation	636	611	(25)	1,895	1,804	(91)	7,729
Surplus/(deficit) from Operations	(15,451)	(13,988)	(1,463)	(38,735)	(41,088)	2,353	(181,013)
Internal support costs	3,880	5,693	1,813	13,073	16,409	3,335	74,455
Surplus/(deficit)	(19,331)	(19,681)	350	(51,808)	(57,497)	5,688	(255,468)

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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	696	597	99	1,806	1,706	100	8,221
Activity income	1,265	1,302	(37)	2,823	3,954	(1,131)	15,963
Other income	89	94	(5)	311	282	29	1,128
Waka Kotahi NZ Transport Agency operating funding	1,602	1,815	(213)	5,318	5,346	(28)	20,181
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	(24)	167	(191)	283	507	(224)	2,006
Total operating income	3,628	3,975	(347)	10,541	11,795	(1,254)	47,499
Operating Expenditure							
Personnel costs	100	115	15	292	336	44	1,340
Capitalised personnel costs	(38)	(32)	6	(121)	(95)	26	(303)
Public transport contracts	4,566	4,656	90	13,599	13,754	155	57,133
Contractors-maintenance	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-
Ferry access charges	43	40	(3)	125	121	(4)	489
Other expenditure	839	746	(93)	2,345	2,226	(119)	9,040
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	5,510	5,525	15	16,240	16,342	102	67,699
Depreciation and amortisation	270	473	203	810	1,418	608	5,683
Surplus/(deficit) from Operations	(2,152)	(2,023)	(129)	(6,509)	(5,965)	(544)	(25,883)
Internal support costs	547	803	256	1,845	2,315	471	10,505
Surplus/(deficit)	(2,699)	(2,826)	127	(8,354)	(8,280)	(73)	(36,388)

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	780	1,105	(325)	2,457	2,438	19	11,169
Waka Kotahi NZ Transport Agency operating funding	2,723	1,558	1,165	5,155	4,654	501	18,460
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	-	-	-	-	-	-	-
Total operating income	3,503	2,663	840	7,612	7,092	520	29,629
Operating Expenditure							
Personnel costs	2,439	2,412	(27)	7,111	6,630	(481)	27,800
Capitalised personnel costs	(9)	(497)	(488)	111	(1,401)	(1,512)	(4,023)
Public transport contracts	105	405	300	116	1,215	1,099	4,860
Contractors-maintenance	1,203	1,155	(48)	3,437	3,420	(17)	21,297
Professional Services	469	243	(226)	1,078	690	(388)	6,739
Track and ferry access charges	(536)	-	536	(17)	-	17	-
IT costs	62	55	(7)	331	199	(132)	1,204
Other expenditure	817	977	160	1,799	2,948	1,149	13,204
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	4,550	4,750	200	13,966	13,701	(265)	71,081
Depreciation and amortisation	346	322	(24)	984	956	(28)	4,010
Surplus/(deficit) from Operations	(1,393)	(2,409)	1,016	(7,338)	(7,565)	227	(45,462)
Internal support costs	575	843	269	1,937	2,431	494	11,030
Surplus/(deficit)	(1,968)	(3,252)	1,285	(9,275)	(9,996)	721	(56,492)

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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	3,575	3,592	(17)	10,124	11,486	(1,362)	49,169
Other income	175	83	92	416	194	222	1,106
Total operating income	3,750	3,675	75	10,540	11,680	(1,140)	50,275
Operating Expenditure							
Personnel costs	164	231	67	375	666	291	2,654
Capitalised personnel costs	31	11	(20)	100	34	(66)	143
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	154	125	(29)	407	376	(31)	1,530
Professional Services	35	10	(25)	93	30	(63)	122
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	605	585	(20)	1,948	1,997	49	8,601
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	989	962	(27)	2,923	3,103	180	13,050
Depreciation and amortisation	910	901	(9)	2,733	2,698	(35)	10,864
Surplus/(deficit) from Operations	1,851	1,812	39	4,884	5,879	(995)	26,361
Internal support costs	106	155	49	356	446	91	2,025
Surplus/(deficit)	1,745	1,657	88	4,528	5,433	(904)	24,336

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	5,678	5,533	145	16,806	16,134	672	72,986
Other income	2	-	2	2	-	2	-
Total operating income	5,680	5,533	147	16,808	16,134	674	72,986
Operating Expenditure							
Personnel costs	1,414	1,299	(115)	4,149	3,774	(375)	15,259
Capitalised personnel costs	43	-	(43)	84	-	(84)	-
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	188	191	3	631	632	1	2,868
Professional Services	36	20	(16)	76	61	(15)	241
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	156	73	(83)	456	214	(242)	1,034
Movement in doubtful debts	336	196	(140)	1,033	562	(471)	2,747
Other expenditure	961	636	(325)	1,858	2,097	239	8,338
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	3,134	2,415	(719)	8,287	7,340	(947)	30,487
Depreciation and amortisation	63	74	11	193	208	15	1,068
Surplus/(deficit) from Operations	2,483	3,044	(561)	8,328	8,586	(258)	41,431
Internal support costs	247	362	115	831	1,043	212	4,731
Surplus/(deficit)	2,236	2,682	(446)	7,497	7,543	(46)	36,700

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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	646	1,062	(416)	2,053	3,184	(1,131)	11,048
Other income	1,767	743	1,024	4,501	3,349	1,152	10,289
Waka Kotahi NZ Transport Agency operating funding	14,461	12,978	1,483	25,296	25,341	(45)	75,179
Total operating income	16,874	14,783	2,091	31,850	31,874	(24)	96,516
Operating Expenditure							
Personnel costs	3,679	3,627	(52)	10,671	10,368	(303)	42,138
Capitalised personnel costs	(1,562)	(1,209)	353	(3,765)	(3,776)	(11)	(12,497)
Public transport contracts	54	-	(54)	282	-	(282)	-
Contractors-maintenance	8,524	8,885	361	25,824	26,786	962	103,845
Professional Services	340	800	460	1,429	2,103	674	12,518
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	1,248	2,007	759	5,242	5,927	685	21,332
Finance costs	-	-	-	-	-	-	-
Total operating expenditure	12,283	14,110	1,827	39,683	41,408	1,725	167,336
Depreciation and amortisation	35,054	35,091	37	104,727	104,231	(496)	435,702
Surplus/(deficit) from Operations	(30,463)	(34,418)	3,955	(112,560)	(113,765)	1,205	(506,522)
Internal support costs	1,353	1,986	632	4,559	5,722	1,163	25,966
Surplus/(deficit)	(31,816)	(36,404)	4,587	(117,119)	(119,487)	2,368	(532,488)

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	577	672	(95)	1,808	2,016	(208)	8,063
Other income	2,027	1,647	380	3,131	2,519	612	9,333
Waka Kotahi NZ Transport Agency operating funding	5,201	3,576	1,625	13,136	10,373	2,763	40,783
Total operating income	7,805	5,895	1,910	18,075	14,908	3,167	58,179
Operating Expenditure							
Personnel costs	9,776	10,739	963	27,206	29,597	2,391	117,876
Capitalised personnel costs	(2,727)	(2,462)	265	(6,726)	(7,300)	(574)	(25,415)
Public transport contracts	-	(1)	(1)	-	(2)	(2)	(10)
Contractors-maintenance	171	127	(44)	834	320	(514)	1,652
Professional services	1,372	1,354	(18)	3,040	3,670	630	15,515
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	2,974	3,448	474	8,034	10,221	2,187	41,614
Directors fees	38	39	1	114	116	2	465
Other expenditure	1,776	2,474	698	5,792	6,941	1,149	28,926
Finance costs	2	3	1	7	10	3	38
Total operating expenditure	13,382	15,721	2,339	38,301	43,573	5,272	180,661
Depreciation and amortisation	2,971	2,717	(254)	8,575	7,484	(1,091)	41,546
Surplus/(deficit) from Operations	(6,548)	(12,543)	3,995	(28,801)	(36,149)	7,348	(164,028)
Internal support allocated	8,548	12,543	3,995	28,801	36,149	7,348	164,028
Surplus/(deficit)	-	-	-	-	-	-	-

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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	2,262	3,951	1,689	9,092	10,231	1,139	53,500
Asset Management	31,597	36,732	5,135	88,378	108,028	19,650	418,118
Bus Projects	1,004	1,744	740	2,703	6,135	3,432	40,777
Corridor Improvements	298	1,157	859	693	2,025	1,332	11,690
Ferry, Multi-modal, and Park and Ride	3,089	11,034	7,945	16,208	18,950	2,742	50,202
Local Board Priorities	4,212	2,426	(1,786)	7,689	6,025	(1,664)	18,479
Network Capacity and Performance	7	1,881	1,874	1,658	5,293	3,635	22,000
Operational Programmes	2,322	4,946	2,624	9,834	12,565	2,731	37,526
Population Growth	1,834	8,123	6,289	7,508	11,199	3,691	41,658
Rapid Transit: Bus Projects	15,784	11,579	(4,205)	37,904	35,853	(2,051)	180,000
Rapid Transit: Rail Projects	1,954	1,635	(319)	3,789	5,429	1,640	105,448
Safety	4,728	4,507	(221)	13,943	14,414	471	47,000
Sustainability Projects that are in addition to travel choice projects	25	25	-	204	80	(124)	500
Total direct capital	69,841	92,120	22,279	201,763	243,550	41,787	1,057,990

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	24,327	30,057	(5,730)	72,907	79,388	(6,481)	387,155
Waka Kotahi NZ Transport Agency renewal co-investment	10,962	12,534	(1,572)	28,710	36,357	(7,647)	129,260
Other capital grants	-	5,291	(5,291)	(4,085)	6,351	(10,436)	29,135
Auckland Council capital grant	34,552	44,236	(9,684)	104,230	121,454	(17,224)	512,441
Total direct capital funding	69,841	92,118	(22,277)	201,762	243,550	(41,788)	1,057,991

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Section 3c – RFT Capital and Operational Expenditure

RFT Capital and Operating Expenditure

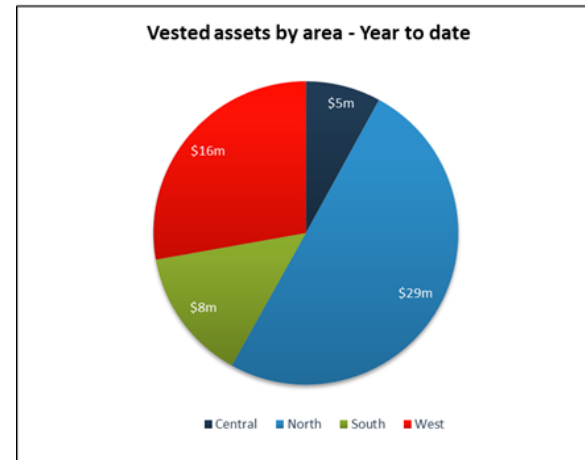
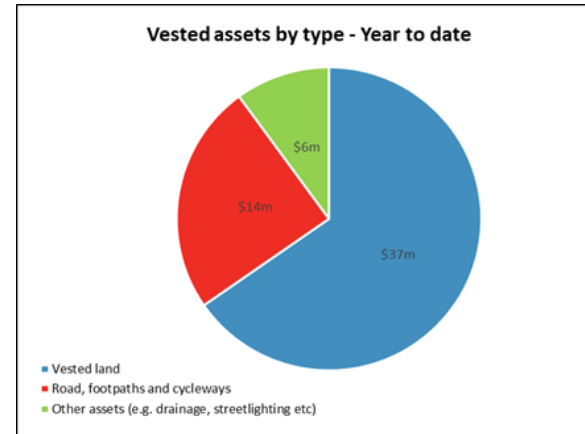
	Year to date			Full year		
	Actual Not RFT Enabled \$000	Actual RFT Enabled \$000	Actual Total \$000	Budget Not RFT Enabled \$000	Budget RFT Enabled \$000	Budget Total \$000
	120,168	81,594	201,763	579,105	478,885	1,057,990
Funding						
Waka Kotahi NZ Transport Agency	54,598	47,019	101,617	248,672	267,743	516,415
Others (ACC,Crown, others)	-	(4,085)	(4,085)	-	29,135	29,135
Auckland Council	65,570	38,660	104,230	330,433	182,008	512,441
Total funding	120,168	81,594	201,763	579,105	478,885	1,057,990
Programme of capital projects supported by the RFT scheme						
Project 1: Bus priority improvements		5,222			41,377	
Project 2: City centre bus infrastructure		230			7,500	
Project 3: Improving airport access		966			15,300	
Project 4: Eastern Busway		35,758			162,000	
Project 5: Park-and-ride facilities		1			-	
Project 6: Electric trains and stabling		3,789			105,448	
Project 7: Ferry Network Improvements		7,867			36,202	
Project 8: Road safety		13,881			46,000	
Project 9: Active transport		6,095			11,000	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		-			-	
Project 12: Road corridor improvements		(131)			8,000	
Project 13: Network capacity and performance improvement		1,658			22,000	
Project 14: Growth-related transport infrastructure		6,258			24,058	
Total		81,594			478,885	
Operating expenditure		2,535			3,897	
Programme of operating projects supported by the Auckland RFT scheme						
Project 3: Improving airport access (Net of farebox and Waka Kotahi co-funding)		2,578			2,497	
Project 8: Road safety (Fully funded by Auckland Council)		(43)			1,400	
Total		2,535			3,897	

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Section 3d – Vested Assets

As at 30 September 2023

	Current month	Year to date
	Actual \$000	Actual \$000
Vested Assets - Top 10 Suburbs		
Warkworth	20,396	20,396
Hobsonville	8,343	12,093
Long Bay	5,339	5,339
Auckland Central	-	4,027
Swanson	3,000	3,000
Mangere	-	2,974
Kaukapakapa	-	2,800
Drury	-	1,944
Flat Bush	1,761	1,761
Karaka	-	934
Other	765	2,041
Total Vested Asset	39,604	57,308



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Section 3e – Climate Action Transport Targeted Rate (CATTR)

CATTR Gross Capital and Operating Expenditure

	Year to date				Full year				Life				
	Actual \$000	Budget \$000	Variance \$000	%	Actual \$000	Budget \$000	Remaining \$000	%	Actual \$000	Budget \$000	Remaining \$000	%	Committed \$000
By Capital/Operational													
Capital	2,161	7,323	5,162	70%	2,161	38,242	36,081	94%	11,353	356,645	345,292	97%	20,992
Climate Action TR - Bus	-	-	-	-	-	-	-	-	-	40,375	40,375	100%	-
Climate Action TR - Cycling	391	845	454	54%	391	9,900	9,509	96%	1,842	112,578	110,736	98%	1,062
Climate Action TR - Ferry	1,735	5,203	3,468	67%	1,735	24,212	22,477	93%	9,425	126,848	117,423	93%	19,817
Climate Action TR - Walking	35	1,275	1,240	97%	35	4,130	4,095	99%	86	76,844	76,758	100%	113
Operational	715	1,155	440	38%	715	11,961	11,246	94%	1,986	451,153	449,167	100%	1,965
Climate Action TR - Bus	424	534	110	21%	424	9,183	8,759	95%	1,573	423,422	421,849	100%	1,621
Climate Action TR - Cycling	280	392	112	29%	280	1,569	1,289	82%	393	14,991	14,598	97%	333
Climate Action TR - Ferry	-	-	-	-	-	292	292	100%	-	(414)	(414)	100%	-
Climate Action TR - Walking	11	229	218	95%	11	917	906	99%	11	7,070	7,059	100%	11
Climate Action TR - Overhead	-	-	-	-	-	-	-	-	9	6,084	6,075	100%	-
Gross Expenditure	2,876	8,478	5,602	66%	2,876	50,203	47,327	94%	13,339	807,798	794,459	98%	22,957
Fare revenue from CATTR delivered services	(14)	(12)	2	(17%)	(14)	(1,445)	(1,431)	99%	(68)	(98,449)	(98,381)	100%	-
Climate Action TR - Bus	(14)	(12)	2	(17%)	(14)	(1,241)	(1,227)	99%	(68)	(90,665)	(90,597)	100%	-
Climate Action TR - Ferry	-	-	-	-	-	(204)	(204)	100%	-	(7,784)	(7,784)	100%	-
Waka Kotahi	(982)	(193)	789	(409%)	(982)	(4,349)	(3,367)	77%	(4,691)	(385,437)	(380,746)	99%	-
CATTR Local Share	(1,878)	(8,273)	(6,395)	77%	(1,878)	(44,409)	(42,531)	96%	(8,581)	(323,913)	(315,332)	97%	

- **Ferry** charging infrastructure orders planned in July 2023 have been delayed. This is now anticipated for October 2023.
- **Walking** projects construction start dates have been delayed. These delays are not expected to impact on delivery over the year.
 - Seven design projects have been approved to commence in order to build a pipeline of construction ready projects.
 - Manurewa focus area Single Stage Business Case has commenced with the Point of Entry documentation drafted ahead of discussions with Waka Kotahi.
- **Cycling** projects:
 - Hobsonville Road cycling project is progressing well with detailed design underway and construction due to start next financial year.
 - New Lynn design is progressing broadly to plan with a two month delay to programme.
 - Manurewa cycleway will proceed, having been put on pause. There is likely to be under-delivery to the annual plan driven by the delay.
 - A tender for business case/design for Albany cycleway is due to go to market in November 2023.
- **Bus** projects:
 - Marketing and promotion activity has been undertaken for the NorthWest busway service changes going live in November 2023. Around \$150,000 of the \$500,000 allocated has been spent.
 - In addition, the CATTR will fund the operational cost for NorthWest service changes from November and Route 74 and 76 services from January 2024.

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

	Note	Actual 30 September 2023 \$000	Actual 31 August 2023 \$000
Assets			
Current assets			
Cash and cash equivalents	1	9,578	2,775
Receivables	2	583,320	584,697
Inventories		12,675	12,679
Other assets		24,012	24,349
Non-current assets held for sale		1,451	1,451
Derivative financial instruments		21	1,750
Total current assets		631,057	627,701
Non-current assets			
Property, plant and equipment (PPE)		26,087,039	26,007,607
Intangible assets		119,946	117,085
Work in progress (PPE and intangible assets)	3	1,126,616	1,138,347
Derivative financial instruments		-	2,354
Total non-current assets		27,333,601	27,265,393
Total assets		27,964,658	27,893,094

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

	Note	Actual 30 September 2023 \$000	Actual 31 August 2023 \$000
Liabilities			
Current liabilities			
Payables and accruals	4	276,958	281,026
Employee entitlements	5	24,169	21,320
Derivative financial instruments		419	-
Provisions		495	571
Borrowings	6	11,363	11,323
Total current liabilities		313,404	314,240
Non-current liabilities			
Employee entitlements	5	290	290
Derivative financial instruments		1,788	-
Borrowings	6	457,117	458,054
Total non-current liabilities		459,195	458,344
Total liabilities		772,599	772,584
Net assets		27,192,059	27,120,510
Equity			
Contributed capital		13,276,876	13,272,241
Accumulated funds		5,664,400	5,597,486
Other reserves		8,250,783	8,250,783
Total equity		27,192,059	27,120,510

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

	Actual	Actual
	30 September 2023	31 August 2023
	\$000	\$000
1 Cash and cash equivalents		
Cash at bank	9,364	2,561
Till floats	214	214
Total cash and cash equivalents	9,578	2,775

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

2 Receivables		
Trade and other debtors	6,812	11,346
Infringement receivable	55,417	54,305
Amounts due from related parties	443,702	446,077
Accrued revenue	103,957	99,201
	609,888	610,929
Less provision for impairment of receivables	(26,568)	(26,232)
Total current receivables	583,320	584,697

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 September 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	3,463	4,439	-	442,793	450,695
Past due 1 - 30 days	334	3,552	-	380	4,266
Past due 31 - 60 days	199	2,543	-	149	2,891
Past due 61 - 90 days	77	2,255	-	238	2,570
Past due > 90 days	2,739	3,127	39,501	142	45,509
	6,812	15,916	39,501	443,702	505,931
Impairment	(526)	(2,341)	(23,701)	-	(26,568)
	6,286	13,575	15,800	443,702	479,363

All receivables greater than 30 days in age are considered to be past due.

	Trade and other debtors	Infringements receivables	Infringements receivables MOJ debtor	Total
	\$000	\$000	\$000	\$000
Balance at 30 June 2023	526	1,679	23,330	25,535
Additional/(Reversal) provisions made	-	662	371	1,033
Provisions reversed	-	-	-	-
Provisions relating to receivables written-off	-	-	-	-
Balance at 30 September 2023	526	2,341	23,701	26,568

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

	Opening balance 1 July 2023 \$000	Acquisition YTD 30 September 2023 \$000	Capitalisation YTD 30 September 2023 \$000	Closing balance 30 September 2023 \$000
3 Work in Progress (WIP)				
WIP by activity				
Roads and footpaths	510,326	85,485	-28,245	567,565
Public Transport	500,444	63,976	-5,369	559,051
Total WIP	1,010,771	149,460	-33,614	1,126,616
WIP by status				
Current WIP (completion in future)				851,517
Due for capitalisation within policy				33,132
Due for capitalisation not within policy				241,578
Forecast completion date not yet provided (new projects)				390
Total WIP				1,126,616
Top 10 Programmes				WIP Closing balance 30 September 2023
Eastern Busway Stages 1 to 4				283,270
Supporting Growth				79,769
Safety Programme				66,477
Urban Cycleways Programme				54,061
Decarbonisation of the Ferry Fleet Stage 1				48,736
EMU Rolling Stock				48,520
Rosedale and Constellation Bus Stations				47,265
Public Transport Safety				43,518
Customer and Business Technology				37,153
Unplanned Natural Events				35,168
Total				743,938

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

	Actual	Actual
	30 September 2023	31 August 2023
	\$000	\$000
4 Payables and accruals		
Current portion		
Creditors	38,633	18,653
Goods and services tax	9,676	9,120
Accrued expenses	189,858	205,678
Retentions	22,020	21,695
Amounts due to related parties	16,151	25,173
Revenue in advance	620	707
Total current payables	276,958	281,026

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 September 2023**

	Actual 30 September 2023 \$000	Actual 31 August 2023 \$000
5 Employee entitlements		
Current portion		
Accrued salaries and wages	8,167	6,352
Accrued leave	16,002	14,968
Total current employee entitlements	24,169	21,320
Non-current portion		
Retirement gratuities	253	253
Long service leave	37	37
Total non-current employee entitlements	290	290
6 Borrowings		
Current portion		
Finance lease	1,075	1,074
Loans from Auckland Council	10,288	10,249
Total current borrowings	11,363	11,323
Non-current portion		
Finance lease	1,542	1,632
Loans from Auckland Council	455,575	456,422
Total non-current borrowings	457,117	458,054
Weighted average cost of funds on total borrowings	4.54%	4.54%

AT's loan debt of \$466 million is issued at a fixed rate of interest of 4.54%.

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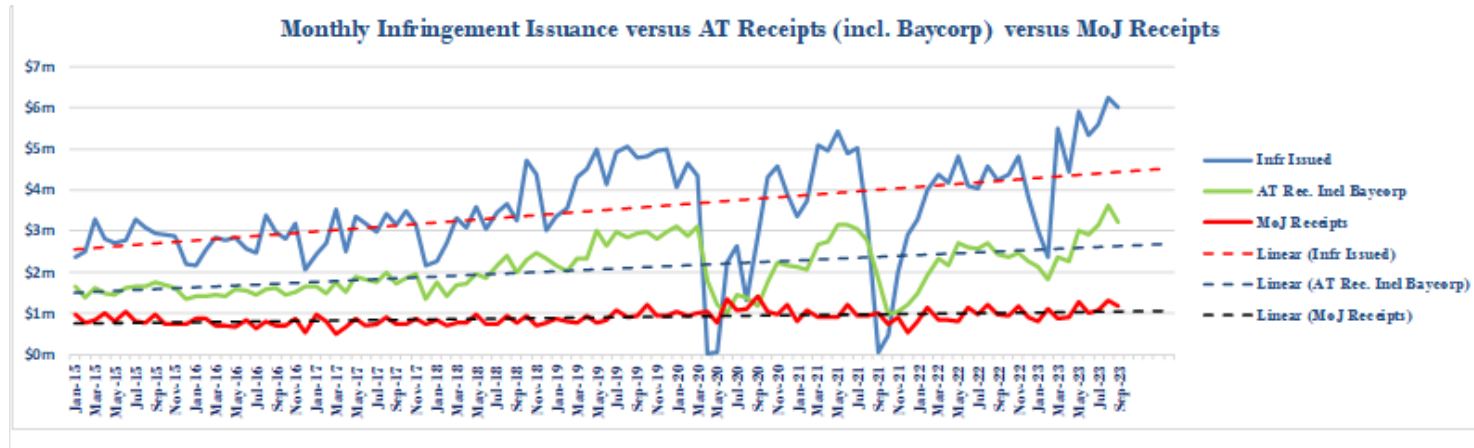
Section 5 – Cashflow

	Year to Date		Full year	
	Actual \$000	Budget \$000	Budget \$000	
Cash flows from operating activities				
Total cash provided	567,170	556,924	2,305,087	
Cash applied to				
Payments to suppliers and employees	306,507	323,880	1,216,540	
Interest paid	4,540	7,022	28,086	
Total cash applied	311,047	330,902	1,244,626	
Net cash from operating activities	256,123	226,022	1,060,461	
Cash flows from investing activities				
Cash applied to:				
Purchase of property, plant and equipment	248,786	223,551	1,057,990	
Net cash from investing activities	(248,786)	(223,551)	(1,057,990)	
Cash flows from financing activities				
Cash applied to				
Repayments of EMU loan from Auckland Council	2,471	2,471	2,471	
Repayments of finance lease principal	266	-	-	
Net cash from financing activities	(2,737)	(2,471)	(2,471)	
Net (decrease)/increase in cash and cash equivalents	4,600	-	-	
Opening cash and cash equivalents	4,978	-	-	
Closing cash balance	9,578	-	-	
				Reconciliation of surplus after tax to net cash from operating activities
				Actual
				\$000
				Surplus after tax
				138,637
				Add/(less) non-cash items
				Depreciation and amortisation
				129,716
				Vested asset income
				(57,308)
				Write-off of capital works
				501
				Gains/(losses) on derivatives
				2,778
				75,687
				Add/(less) movements in balance sheet items
				Receivables
				60,059
				Inventories
				(635)
				Other assets
				(10,475)
				Payables and accruals
				(7,534)
				Employee entitlements
				5,118
				Provisions
				(4,734)
				41,799
				Net cash from operating activities
				256,123



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Section 6 – Infringement Overview

Over 105 months (January 2015 to September 2023), the trend for both infringements issued and received (including Baycorp) is positive and increasing while the trend for receipts by Ministry of Justice has remained relatively static, despite more matters lodged with them.



Te pou whenua tuhinga / Document ownership

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