

Financial Results for the Nine Months Ended 31 March 2012

Introduction

This report summarises for Auckland Transport the financial results for the nine months ended 31 March 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 forecast.

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

Net Surplus (Deficit) before tax = Net operating result plus income for capital projects

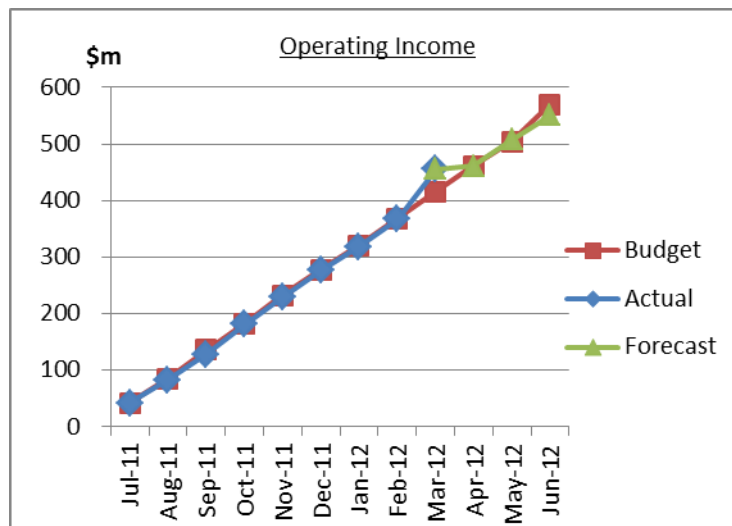
Key to symbols used:

	: 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

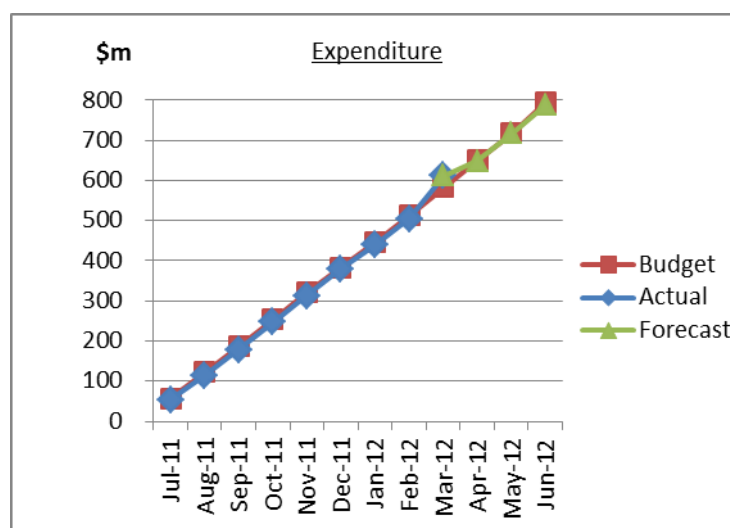
Executive Summary

YTD results to 31 March 2012

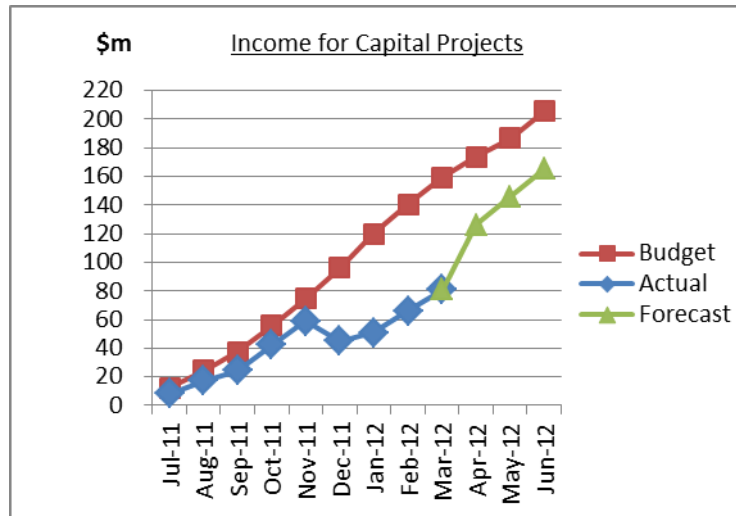
	Current month variance to Forecast \$m	Year to date variance to Forecast \$m	Year to date results	Year to date Actual \$m	Year to date Forecast \$m	Full Year Budget \$m	Full year Forecast \$m
Total operating income	37.9	42.2	↑ ●	454.5	412.4	569.8	551.4
Total operating expenditure	(38.9)	(36.0)	↑ ●	611.7	575.7	792.8	788.4
Surplus/(deficit) from operations	(1.0)	6.2	↑ ●	(157.1)	(163.3)	(223.0)	(237.1)
Income for capital projects	35.9	14.8	↑ ●	120.8	106.0	205.8	164.9
Net surplus/(deficit) before tax	34.8	20.9	↑ ●	(36.4)	(57.3)	(17.1)	(72.2)
Capital expenditure	7.0	74.5	↓ ●	383.9	458.4	546.2	659.5



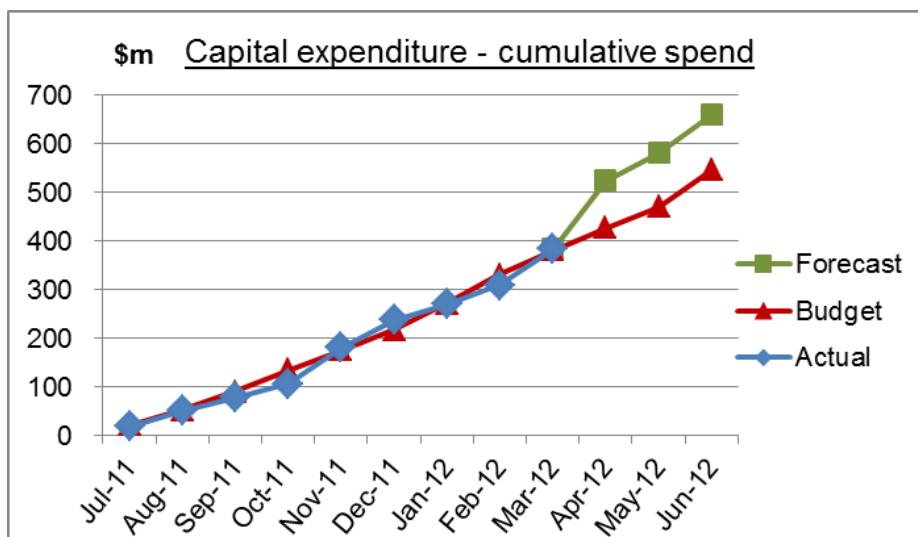
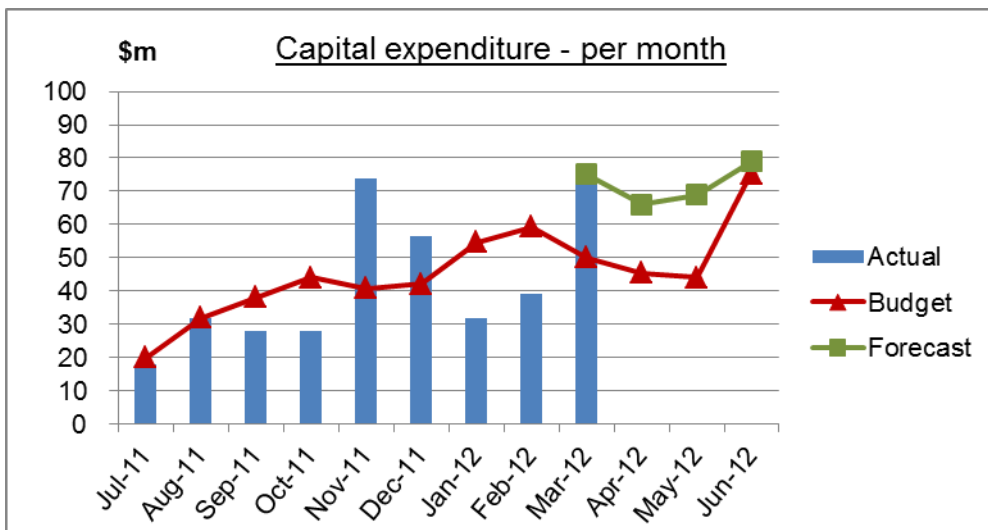
Total operating income YTD is above forecast by \$42.2m. This is due to operating grant income for the Electric Multiple Units (EMUs) project not included in the forecast to be recognised in this year but payable in 2014/2015.



Total operating expenditure YTD is above forecast by \$36.0m. This is mainly due to reimbursement of the KiwiRail costs for Electric Multiple Units (EMUs) procurement.



Income for capital projects YTD is above forecast by \$14.8m due to \$39.8m capital grant income for the EMU project partly offset by \$25.6m lower NZTA capital funding. AT has agreed with NZTA to a lower Funding Assistance Rate (FAR) for delivery of AT's local road renewals programme in the 2011/2012 financial year.



Capital expenditure for the month was \$74.8m, an underspend to forecast of \$7.0m. YTD capital expenditure was \$383.9m, a variance to forecast of \$74.5m. Capital expenditure is forecast to be over budget due to the purchase of the EMU's which were not budgeted for. The EMU's are loan funded and these funds are not reflected through the Profit and Loss account.

The asset position is sound with net assets of \$13.1b at the end of March 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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