

Financial Results for the Two Months Ended 31 August 2011

Introduction

This report summarises for Auckland Transport:

- the financial results for the two months ended 31 August 2011.

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









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

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

Net operating result = Operating income less expenditure

Net Surplus (Deficit) = 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

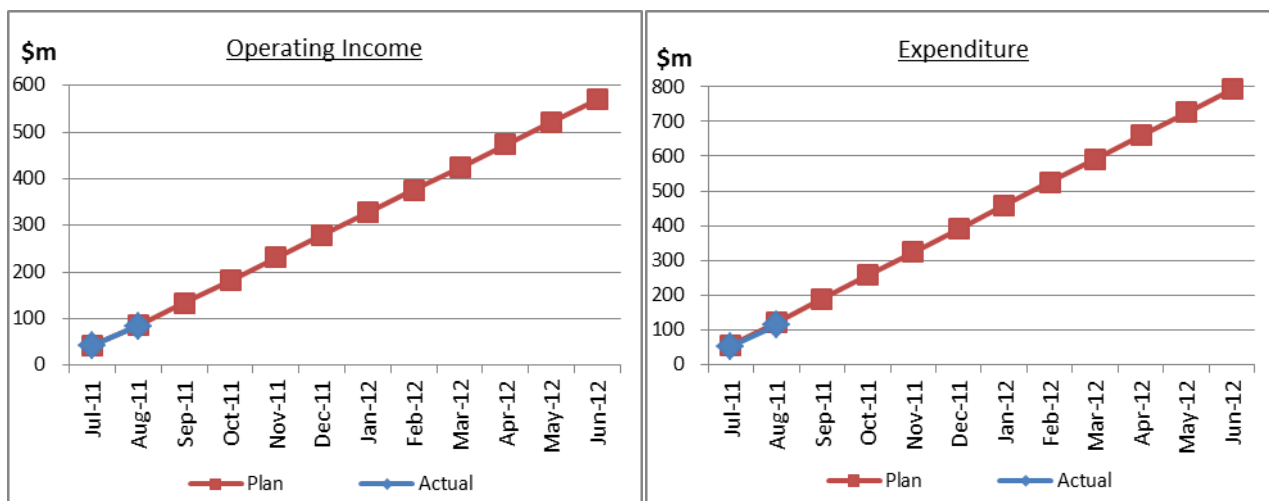
Executive Summary

YTD results:

	Current month variance to Plan \$m	Year to date variance to Plan \$m	Year to date results	Year to date Actual \$m	Year to date Plan \$m	Plan FY months \$m
Total operating income	(1.7)	(1.8)	↓ ●	83.2	85.0	569.8
Total operating expenditure	5.0	7.7	↓ ●	114.3	122.0	792.8
Profit/(loss) from operations	3.3	6.0	↑ ●	(31.1)	(37.0)	(223.0)
Income for capital projects	(3.3)	(7.2)	↓ ●	17.1	24.0	205.8
Net surplus/(deficit)	(0.1)	(1.1)	↓ ●	(14.0)	(13.0)	(17.1)
Capital expenditure	-	2.2	↓ ●	49.6	52.0	546.2

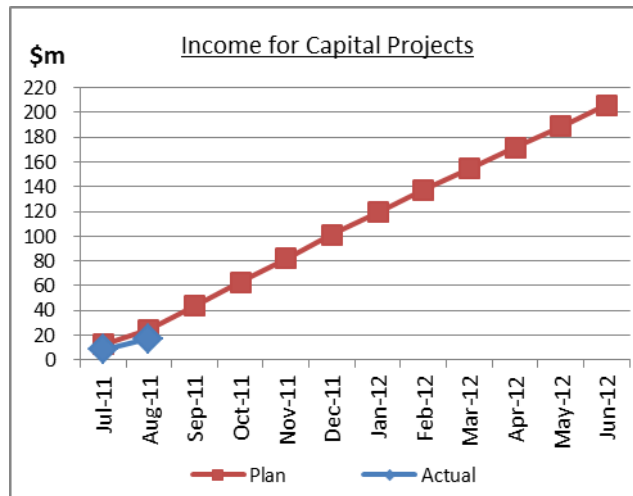
Total operating income is below plan by \$1.8m.

Total operating expenditure is below plan by \$7.7m, mainly due to \$5.8m lower other expenses (consultants and contractors) which is expected to be caught up by the end of the year, and \$1.6m reduced depreciation due to budget phasing, and is expected to remain below plan for the remainder of the year.

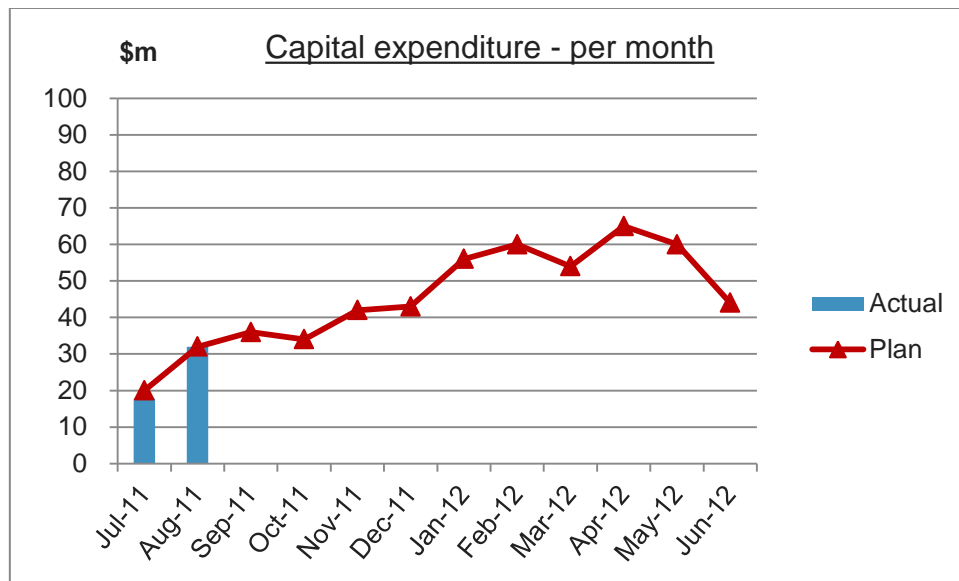


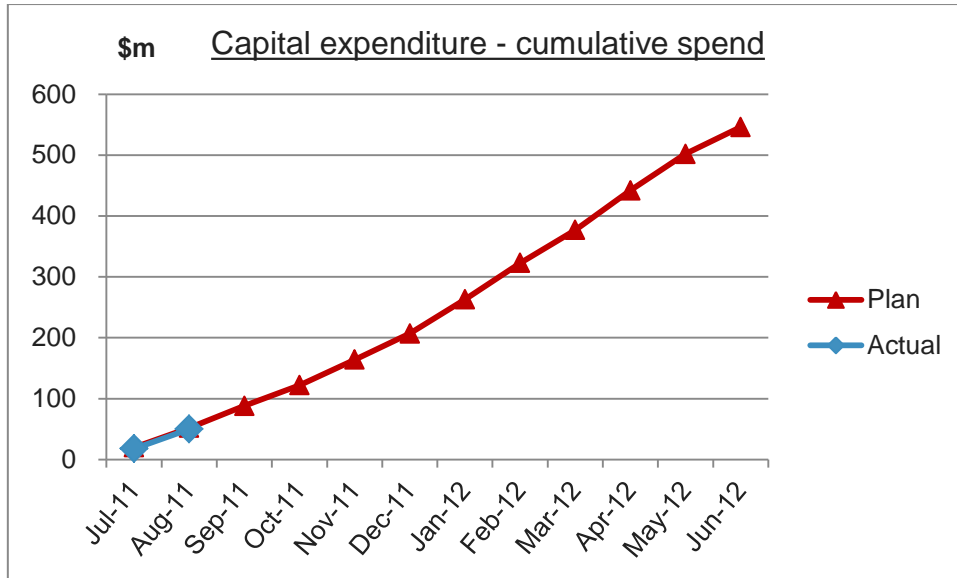
Profit/(Loss) from operations YTD is a deficit of \$31.1m, which is \$6.0m favourable to plan.

Income for capital projects is below forecast by \$7.2m due to reduced NZTA capital funding of \$7.2m, where there have been delays in the capital works programme.



Capital expenditure total spend for the month was \$31.8m which is in line with the month's plan. YTD capital expenditure was \$49.6 with a YTD variance to plan of \$2.2m. The FY planned expenditure is \$546.2m.





The asset position is sound with net assets of \$13.0b at the end of August and cash flow funding arrangements in place to ensure all liabilities can be met.

Recommendation

That the Auckland Transport Board receive this report.

WRITTEN BY	Harlem Cabuhat Reporting and Planning Accountant	
RECOMMENDED by	Julian Michael Financial Reporting Manager Steve Smith Manager Finance	
APPROVED FOR SUBMISSION by	Name: Dave Foster Title: Chief Financial Officer	