

## Financial Results for the Four Months Ended 31 October 2023

AGENDA ITEM 11   BOARD NOTING PAPER	
<b>To:</b>	Board
<b>From:</b>	Sam Ho
<b>Reviewed:</b>	David Bardsley, Group Manager Finance Mark Laing, Executive General Manager Finance Dean Kimpton, Chief Executive Officer
<b>Date:</b>	16/11/2023
<b>Title:</b>	Financial Results for the Four Months Ended 31 October 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.	30 November 2023

### Aronga / Purpose

1. This report provides the financial results for the four months ended 31 October 2023

### Te tūhunga / Recommendation

That the Auckland Transport Board (board):

- a) Notes the report

1

### Te rārangi Ihirangi / Table of Contents

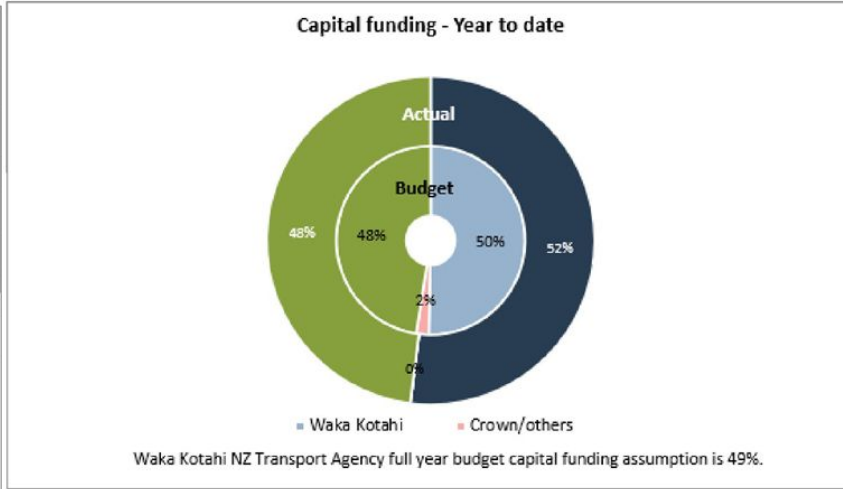
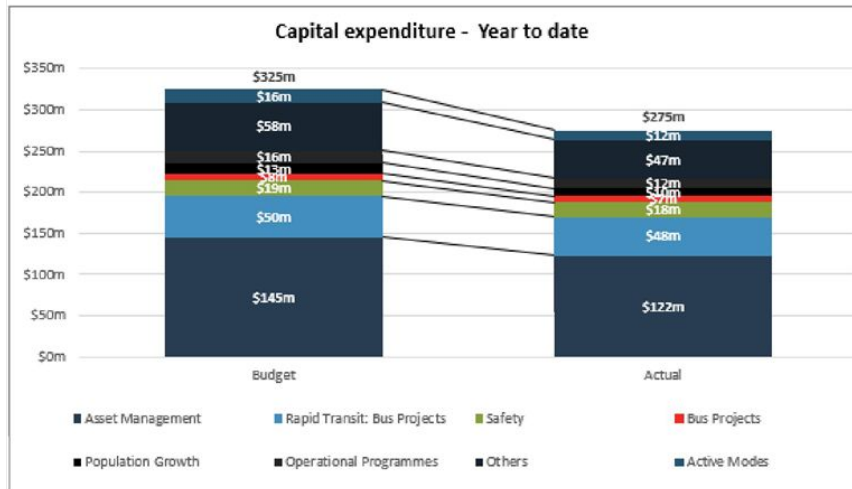
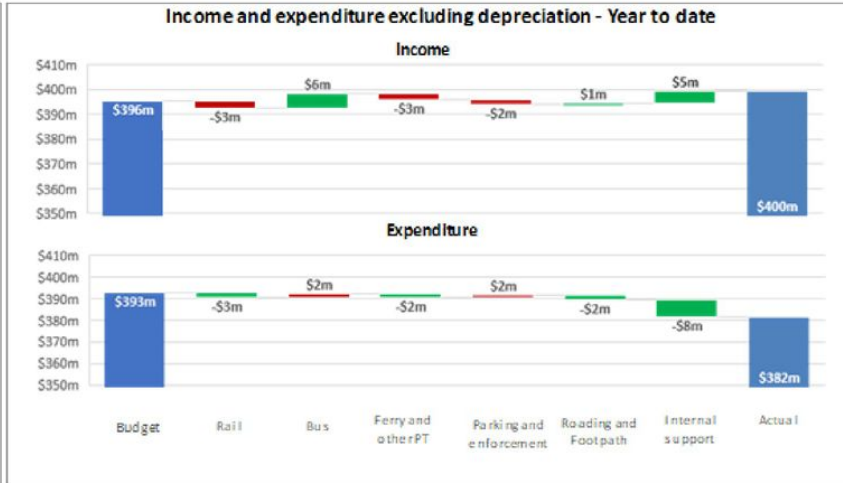
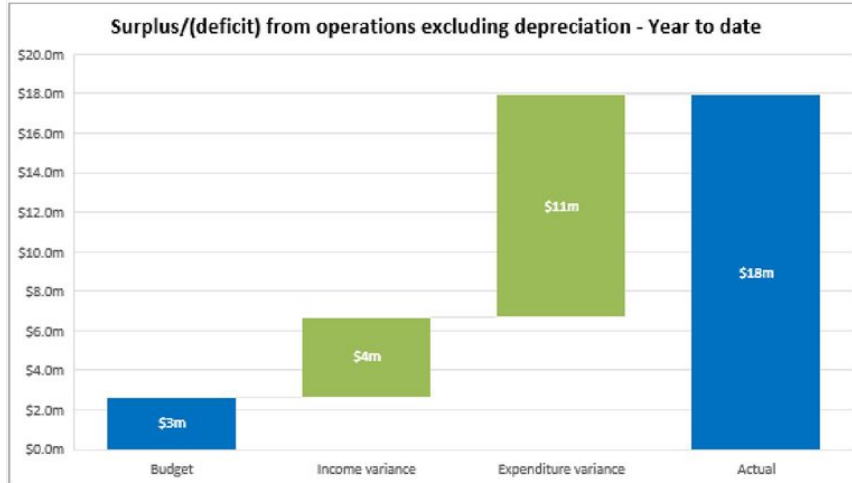
- Section 1 – Executive summary
- Section 2 – Financial results
  - Section 2a – Summary of financial results by activity
  - Section 2b – Summary by activity
  - Section 2c – Operating funding requirement per passenger
- Section 3a – Summary of capital expenditure
- Section 3b – Capital expenditure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



## Section 1 – Te whakarāpopotanga matua / Executive summary

2. Year to date (YTD) **surplus from operations excluding depreciation** of \$18.0 million, is \$15.3 million favourable to budget principally due to the receipt of \$8.1 million of funding which relates to 2022/23 flood/storm costs. Underlying business performance is pleasing with higher public transport (PT) income and lower contractors-maintenance, PT contracts, professional services, IT and finance costs. These are partially offset by lower parking and enforcement income and capitalised personnel costs.
3. Items to note:
  - a. **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, partially offset by lower fundable costs with higher PT income and lower contract costs
  - b. **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 against budget across all modes.
  - c. **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.
  - d. **PT income** is favourable to budget primarily from higher bus patronage. PT patronage growth is approximately 81% of pre COVID-19 levels up from circa 75% of pre COVID-19 levels at the beginning of the financial year.
  - e. **Personnel cost** is favourable to budget primarily due to budgeted positions not filled.
  - f. **Capitalised personnel** cost is lower than budget reflecting lower than planned capital spend levels but similar to prior year levels.
  - g. **PT contract costs** are favourable to budget mainly from a favourable prior year rail cost wash-up and lower cost indexation.
  - h. **Professional services** is favourable to budget primarily within Service Delivery and Planning and Investment Functions, mainly due to phasing.
- i. **Other expenditure** is favourable to budget primarily due to lower than expected IT, advertising and minor maintenance costs.
- j. **Finance costs** are favourable to budget due to lower interest rates due to a loan restructure at the start of the financial year.
4. YTD **Deficit from operations** is \$16.8 million favourable to budget due to higher PT income and lower contractors-maintenance, public transport contracts, professional services, IT and finance costs. These are partially offset by lower parking fees revenue and capitalised personnel costs.
5. YTD **Capital expenditure** of \$275.2 million is tracking at 85% of planned spend. The underspend is within renewals and flood recovery works, rapid rail, active modes and operational modes projects.
6. YTD **other capital grants** is unfavourable due to a change in the accounting recognition timing of Crown Infrastructure Partners capital grants.
7. **Waka Kotahi and other Crown capital funding** YTD of 52% is higher than the budget of 50% reflecting a catch up of New Zealand Upgrade Programme Eastern Busway funding.
8. **Regional Fuel Tax (RFT)** enabled capital spend for October is \$21.0 million and \$102.6 million YTD, versus a full year planned spend of \$455.2 million. YTD spend is approximately 23% of the full year RFT enabled capital budget.
9. **Climate Action Transport Targeted Rate (CATTR)** gross capital and operating expenditure YTD is \$4.9 million, \$6.0 million lower than budget mainly due to delays to construction projects for this financial year.

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



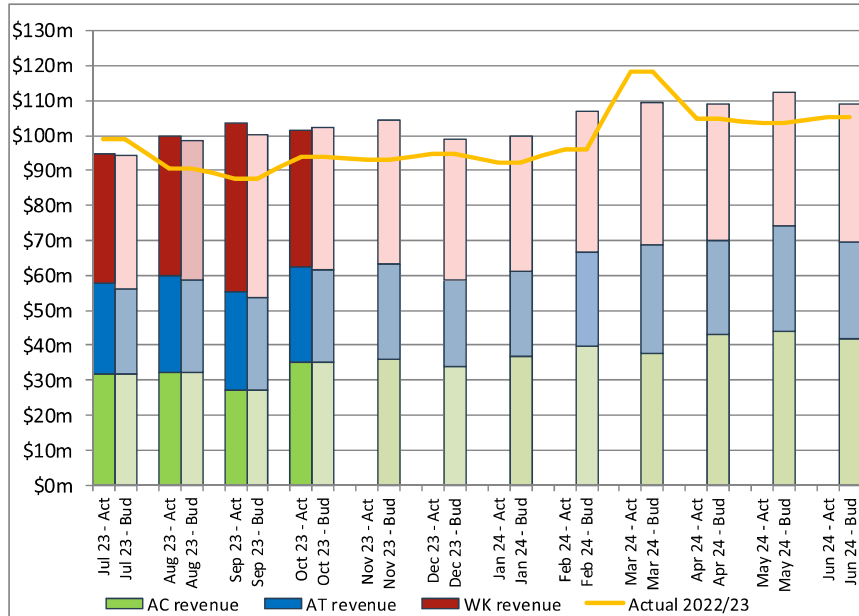
**Section 2 – Financial results for the four months ended 31 October 2023**

	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	35,120	35,120	-	126,052	126,052	-	439,358
Waka Kotahi NZ Transport Agency operating funding	35,731	36,723	(992)	149,613	148,580	1,033	432,947
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	3,354	4,224	(870)	14,241	16,949	(2,708)	50,302
Parking and enforcement income	9,273	10,454	(1,181)	36,620	38,268	(1,648)	123,261
Public transport income	15,313	13,218	2,095	58,908	51,970	6,938	161,314
Other revenue incl. other grants and subsidies	2,815	2,787	28	14,308	13,855	453	38,733
<b>Total operating income</b>	<b>101,606</b>	<b>102,526</b>	<b>(920)</b>	<b>399,742</b>	<b>395,674</b>	<b>4,068</b>	<b>1,245,915</b>
<b>Operating expenditure</b>							
Personnel costs	17,946	18,653	707	70,453	72,611	2,158	217,539
Capitalised personnel costs	(4,276)	(4,226)	50	(14,807)	(17,338)	(2,531)	(43,526)
Public transport contracts	49,933	51,208	1,275	197,467	199,603	2,136	632,997
Contractors-maintenance	8,473	11,125	2,652	39,905	43,081	3,176	132,914
Professional services	2,632	3,115	483	8,384	9,855	1,471	36,205
Track and ferry access charges	2,878	3,641	763	13,378	13,819	441	44,718
Other expenditure	16,007	15,975	(32)	59,852	62,023	2,171	188,792
Finance costs	1,797	2,340	543	7,150	9,362	2,212	28,086
<b>Total operating expenditure excluding depreciation</b>	<b>95,390</b>	<b>101,831</b>	<b>6,441</b>	<b>381,782</b>	<b>393,016</b>	<b>11,234</b>	<b>1,237,725</b>
<b>Surplus/(deficit) from operations excluding depreciation</b>	<b>6,216</b>	<b>695</b>	<b>5,521</b>	<b>17,960</b>	<b>2,658</b>	<b>15,302</b>	<b>8,190</b>
Depreciation and amortisation	43,571	44,590	1,019	173,287	174,810	1,523	552,450
<b>Surplus/(deficit) from operations</b>	<b>(37,355)</b>	<b>(43,895)</b>	<b>6,540</b>	<b>(155,327)</b>	<b>(172,152)</b>	<b>16,825</b>	<b>(544,260)</b>
<b>Income for capital projects</b>							
Waka Kotahi NZ Transport Agency capital co-investment	41,741	47,600	(5,859)	143,358	163,346	(19,988)	516,415
Auckland Council capital grant	31,676	32,744	(1,068)	135,907	154,198	(18,291)	512,441
Other capital grants	-	1,040	(1,040)	(4,085)	7,391	(11,476)	29,135
Vested asset income	29,334	51,013	(21,679)	86,642	91,933	(5,291)	275,000
<b>Total income for capital projects</b>	<b>102,751</b>	<b>132,397</b>	<b>(29,646)</b>	<b>361,822</b>	<b>416,868</b>	<b>(55,046)</b>	<b>1,332,991</b>
<b>Net surplus/(deficit) before tax and derivatives</b>	<b>65,396</b>	<b>88,502</b>	<b>(23,106)</b>	<b>206,495</b>	<b>244,716</b>	<b>(38,221)</b>	<b>788,731</b>
Gains/(losses) on derivatives	5,699	-	5,699	3,738	-	3,738	-
Gain/(loss) on disposal of assets/ non-operating items	80	-	80	(422)	-	(422)	-
<b>Net surplus/(deficit) after tax and derivatives</b>	<b>71,175</b>	<b>88,502</b>	<b>(17,327)</b>	<b>209,811</b>	<b>244,716</b>	<b>(34,905)</b>	<b>788,731</b>

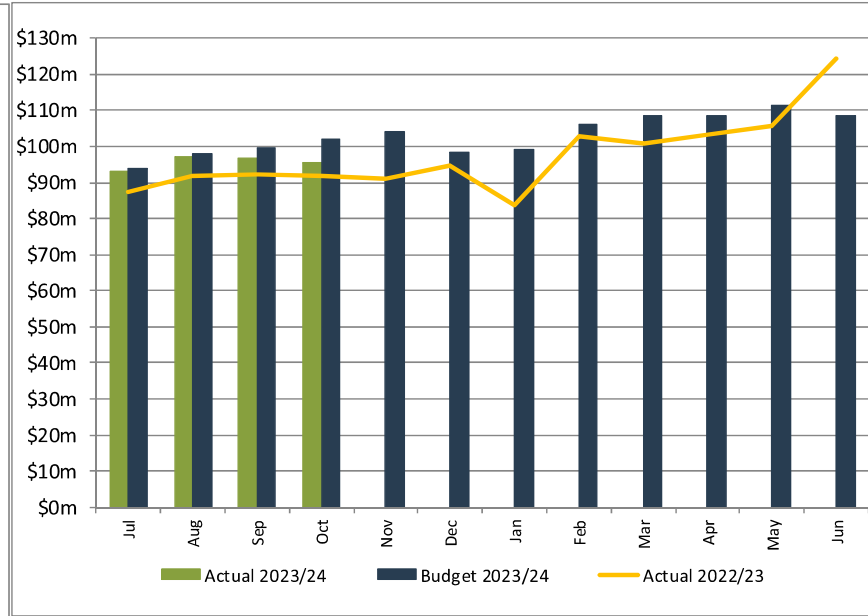


**Section 2 – Financial results for the four months ended 31 October 2023 (continued)**

**Operating income**



**Operating expenditure excluding depreciation**



**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
<b>Operating Income</b>							
Rail	11,055	12,014	(959)	44,068	47,218	(3,150)	144,940
Bus	26,109	25,423	686	104,876	98,951	5,925	306,534
Ferry	3,632	4,066	(434)	14,173	15,861	(1,688)	47,499
Other public transport	1,002	2,372	(1,370)	8,614	9,465	(851)	29,629
Parking	4,064	4,610	(546)	14,604	16,290	(1,686)	50,275
Enforcement	5,209	5,844	(635)	22,017	21,978	39	72,986
Roading and footpaths	9,116	8,350	766	40,966	40,224	742	96,516
Internal support	6,298	4,728	1,570	24,373	19,636	4,737	58,179
Auckland Council operating funding	35,120	35,120	-	126,052	126,052	-	439,358
<b>Total operating income</b>	<b>101,605</b>	<b>102,527</b>	<b>(922)</b>	<b>399,743</b>	<b>395,675</b>	<b>4,068</b>	<b>1,245,916</b>
<b>Operating Expenditure</b>							
Rail	17,024	18,091	1,067	68,415	70,994	2,579	227,593
Bus	38,362	39,243	881	153,968	152,055	(1,913)	479,818
Ferry	5,451	5,617	166	21,691	21,960	269	67,699
Other public transport	3,062	5,090	2,028	17,027	18,791	1,764	71,081
Parking	1,115	1,196	81	4,038	4,298	260	13,050
Enforcement	3,363	2,483	(880)	11,649	9,823	(1,826)	30,487
Roading and footpaths	14,108	14,775	667	53,792	56,183	2,391	167,336
Internal support	12,903	15,335	2,432	51,203	58,909	7,706	180,661
Depreciation and amortisation	43,571	44,590	1,019	173,287	174,810	1,523	552,450
<b>Total operating expenditure</b>	<b>138,959</b>	<b>146,420</b>	<b>7,461</b>	<b>555,070</b>	<b>567,823</b>	<b>12,753</b>	<b>1,790,175</b>
<b>Surplus/(deficit) from Operations</b>	<b>(37,354)</b>	<b>(43,893)</b>	<b>6,539</b>	<b>(155,327)</b>	<b>(172,148)</b>	<b>16,821</b>	<b>(544,259)</b>



## 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	2,758	3,500	(742)	10,812	14,042	(3,230)	42,124
Other income	125	123	2	882	478	404	1,559
Waka Kotahi NZ Transport Agency operating funding	7,605	7,672	(67)	30,139	29,812	327	92,692
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	567	719	(152)	2,235	2,886	(651)	8,565
<b>Total operating income</b>	<b>11,055</b>	<b>12,014</b>	<b>(959)</b>	<b>44,068</b>	<b>47,218</b>	<b>(3,150)</b>	<b>144,940</b>
<b>Operating Expenditure</b>							
Personnel costs	440	470	30	1,862	1,829	(33)	5,458
Capitalised personnel costs	(26)	(101)	(75)	(62)	(309)	(227)	(179)
Public transport contracts	10,819	10,712	(107)	42,088	42,357	269	136,881
Contractors-maintenance	-	10	10	23	20	(3)	80
Professional services	-	7	7	-	29	29	332
Track access charges	2,829	3,601	772	13,222	13,657	435	44,229
Other expenditure	1,167	1,055	(112)	4,160	4,062	(98)	12,744
Finance costs	1,795	2,337	542	7,142	9,349	2,207	28,048
<b>Total operating expenditure</b>	<b>17,024</b>	<b>18,091</b>	<b>1,067</b>	<b>68,415</b>	<b>70,994</b>	<b>2,579</b>	<b>227,593</b>
Depreciation and amortisation	3,267	3,813	546	13,066	15,233	2,167	45,848
<b>Surplus/(deficit) from Operations</b>	<b>(9,236)</b>	<b>(9,890)</b>	<b>654</b>	<b>(37,413)</b>	<b>(39,009)</b>	<b>1,596</b>	<b>(128,501)</b>
Internal support costs	2,065	2,917	852	8,265	10,700	2,435	35,316
<b>Surplus/(deficit)</b>	<b>(11,301)</b>	<b>(12,807)</b>	<b>1,506</b>	<b>(45,678)</b>	<b>(49,709)</b>	<b>4,031</b>	<b>(163,817)</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	8,906	5,790	3,116	33,852	23,215	10,637	71,314
Other income	783	898	(115)	3,224	2,948	276	9,836
Waka Kotahi NZ Transport Agency operating funding	13,727	15,399	(1,672)	56,171	59,401	(3,230)	185,653
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	2,693	3,336	(643)	11,629	13,387	(1,758)	39,731
<b>Total operating income</b>	<b>26,109</b>	<b>25,423</b>	<b>686</b>	<b>104,876</b>	<b>98,951</b>	<b>5,925</b>	<b>306,534</b>
<b>Operating Expenditure</b>							
Personnel costs	417	431	14	1,699	1,659	(40)	5,015
Capitalised personnel costs	(64)	(105)	(41)	(221)	(472)	(251)	(1,251)
Public transport contracts	34,792	35,359	567	137,059	137,142	83	434,133
Contractors-maintenance	199	137	(62)	476	547	71	1,641
Professional Services	23	59	36	59	224	165	738
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	2,995	3,362	367	14,896	12,955	(1,941)	39,542
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>38,362</b>	<b>39,243</b>	<b>881</b>	<b>153,968</b>	<b>152,055</b>	<b>(1,913)</b>	<b>479,818</b>
Depreciation and amortisation	633	620	(13)	2,527	2,425	(102)	7,729
<b>Surplus/(deficit) from Operations</b>	<b>(12,886)</b>	<b>(14,440)</b>	<b>1,554</b>	<b>(51,619)</b>	<b>(55,529)</b>	<b>3,910</b>	<b>(181,013)</b>
Internal support costs	4,353	6,149	1,796	17,425	22,558	5,133	74,455
<b>Surplus/(deficit)</b>	<b>(17,239)</b>	<b>(20,589)</b>	<b>3,350</b>	<b>(69,044)</b>	<b>(78,087)</b>	<b>9,043</b>	<b>(255,468)</b>



An Auckland Council Organisation

Entered by Board Secretary

Board Meeting| 28 November 2023  
Agenda item no. 11  
Closed Session

## 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	702	689	13	2,508	2,395	113	8,221
Activity income	1,011	1,309	(298)	3,834	5,263	(1,429)	15,963
Other income	125	94	31	436	376	60	1,128
Waka Kotahi NZ Transport Agency operating funding	1,700	1,805	(105)	7,018	7,151	(133)	20,181
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	94	169	(75)	377	676	(299)	2,006
<b>Total operating income</b>	<b>3,632</b>	<b>4,066</b>	<b>(434)</b>	<b>14,173</b>	<b>15,861</b>	<b>(1,688)</b>	<b>47,499</b>
<b>Operating Expenditure</b>							
Personnel costs	84	114	30	376	450	74	1,340
Capitalised personnel costs	6	(26)	(32)	(115)	(120)	(5)	(303)
Public transport contracts	4,698	4,733	35	18,297	18,487	190	57,133
Contractors-maintenance	(8)	-	8	(8)	-	8	-
Professional Services	-	-	-	-	-	-	-
Ferry access charges	31	40	9	156	161	5	489
Other expenditure	640	756	116	2,985	2,982	(3)	9,040
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>5,451</b>	<b>5,617</b>	<b>166</b>	<b>21,691</b>	<b>21,960</b>	<b>269</b>	<b>67,699</b>
Depreciation and amortisation	270	473	203	1,080	1,891	811	5,683
<b>Surplus/(deficit) from Operations</b>	<b>(2,089)</b>	<b>(2,024)</b>	<b>(65)</b>	<b>(8,598)</b>	<b>(7,990)</b>	<b>(608)</b>	<b>(25,883)</b>
Internal support costs	614	868	253	2,459	3,183	724	10,505
<b>Surplus/(deficit)</b>	<b>(2,703)</b>	<b>(2,892)</b>	<b>188</b>	<b>(11,057)</b>	<b>(11,173)</b>	<b>116</b>	<b>(36,388)</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	902	815	87	3,359	3,254	105	11,169
Waka Kotahi NZ Transport Agency operating funding	100	1,557	(1,457)	5,255	6,211	(956)	18,460
Waka Kotahi NZ Transport Agency operating funding - Top-up from Crown	-	-	-	-	-	-	-
<b>Total operating income</b>	<b>1,002</b>	<b>2,372</b>	<b>(1,370)</b>	<b>8,614</b>	<b>9,465</b>	<b>(851)</b>	<b>29,629</b>
<b>Operating Expenditure</b>							
Personnel costs	2,388	2,440	52	9,498	9,069	(429)	27,800
Capitalised personnel costs	38	(606)	(644)	148	(2,007)	(2,155)	(4,023)
Public transport contracts	(94)	405	499	22	1,620	1,598	4,860
Contractors-maintenance	(308)	1,427	1,735	3,129	4,848	1,719	21,297
Professional Services	237	271	34	1,316	961	(355)	6,739
Track and ferry access charges	17	-	(17)	-	-	-	-
IT costs	53	54	1	383	253	(130)	1,204
Other expenditure	731	1,099	368	2,531	4,047	1,516	13,204
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>3,062</b>	<b>5,090</b>	<b>2,028</b>	<b>17,027</b>	<b>18,791</b>	<b>1,764</b>	<b>71,081</b>
Depreciation and amortisation	346	326	(20)	1,331	1,282	(49)	4,010
<b>Surplus/(deficit) from Operations</b>	<b>(2,406)</b>	<b>(3,044)</b>	<b>638</b>	<b>(9,744)</b>	<b>(10,608)</b>	<b>864</b>	<b>(45,462)</b>
Internal support costs	645	911	266	2,581	3,342	760	11,030
<b>Surplus/(deficit)</b>	<b>(3,051)</b>	<b>(3,955)</b>	<b>904</b>	<b>(12,325)</b>	<b>(13,950)</b>	<b>1,624</b>	<b>(56,492)</b>





## 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	3,952	4,508	(556)	14,076	15,995	(1,919)	49,169
Other income	112	102	10	528	295	233	1,106
<b>Total operating income</b>	<b>4,064</b>	<b>4,610</b>	<b>(546)</b>	<b>14,604</b>	<b>16,290</b>	<b>(1,686)</b>	<b>50,275</b>
<b>Operating Expenditure</b>							
Personnel costs	177	227	50	552	893	341	2,654
Capitalised personnel costs	24	11	(13)	124	45	(79)	143
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	136	130	(6)	543	506	(37)	1,530
Professional Services	12	10	(2)	105	40	(65)	122
Track and ferry access charges	-	-	-	-	-	-	-
Other expenditure	766	818	52	2,714	2,814	100	8,601
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>1,115</b>	<b>1,196</b>	<b>81</b>	<b>4,038</b>	<b>4,298</b>	<b>260</b>	<b>13,050</b>
Depreciation and amortisation	910	902	(8)	3,643	3,600	(43)	10,864
<b>Surplus/(deficit) from Operations</b>	<b>2,039</b>	<b>2,512</b>	<b>(473)</b>	<b>6,923</b>	<b>8,392</b>	<b>(1,469)</b>	<b>26,361</b>
Internal support costs	118	167	49	474	614	140	2,025
<b>Surplus/(deficit)</b>	<b>1,921</b>	<b>2,345</b>	<b>(424)</b>	<b>6,449</b>	<b>7,778</b>	<b>(1,329)</b>	<b>24,336</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	5,209	5,844	(635)	22,015	21,978	37	72,986
Other income	-	-	-	2	-	2	-
<b>Total operating income</b>	<b>5,209</b>	<b>5,844</b>	<b>(635)</b>	<b>22,017</b>	<b>21,978</b>	<b>39</b>	<b>72,986</b>
<b>Operating Expenditure</b>							
Personnel costs	1,563	1,301	(262)	5,712	5,076	(636)	15,259
Capitalised personnel costs	41	-	(41)	125	-	(125)	-
Public transport contracts	-	-	-	-	-	-	-
Contractors-maintenance	287	218	(69)	917	850	(67)	2,868
Professional Services	16	20	4	92	81	(11)	241
Track access charges	-	-	-	-	-	-	-
Debt forgiven/written off by MOJ	205	78	(127)	661	291	(370)	1,034
Movement in doubtful debts	445	212	(233)	1,479	774	(705)	2,747
Other expenditure	806	654	(152)	2,663	2,751	88	8,338
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>3,363</b>	<b>2,483</b>	<b>(880)</b>	<b>11,649</b>	<b>9,823</b>	<b>(1,826)</b>	<b>30,487</b>
Depreciation and amortisation	61	78	17	254	286	32	1,068
<b>Surplus/(deficit) from Operations</b>	<b>1,785</b>	<b>3,283</b>	<b>(1,498)</b>	<b>10,114</b>	<b>11,869</b>	<b>(1,755)</b>	<b>41,431</b>
Internal support costs	277	391	114	1,107	1,433	326	4,731
<b>Surplus/(deficit)</b>	<b>1,508</b>	<b>2,892</b>	<b>(1,384)</b>	<b>9,007</b>	<b>10,436</b>	<b>(1,429)</b>	<b>36,700</b>

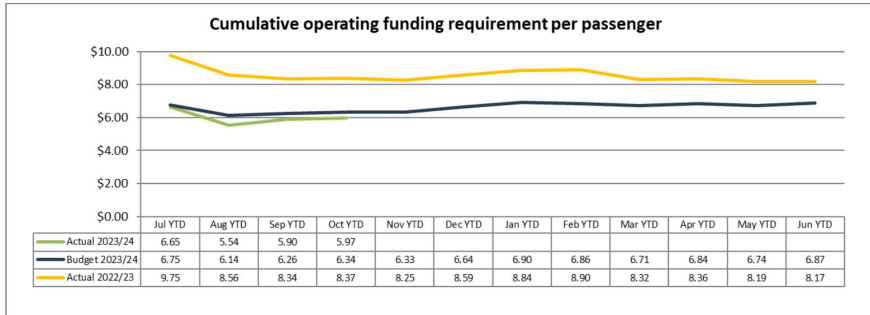
## Section 2b – Roading and Footpaths Operations

	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	616	917	(301)	2,668	4,101	(1,433)	11,048
Other income	814	759	55	5,316	4,108	1,208	10,289
Waka Kotahi NZ Transport Agency operating funding	7,686	6,674	1,012	32,982	32,015	967	75,179
<b>Total operating income</b>	<b>9,116</b>	<b>8,350</b>	<b>766</b>	<b>40,966</b>	<b>40,224</b>	<b>742</b>	<b>96,516</b>
<b>Operating Expenditure</b>							
Personnel costs	3,599	3,637	38	14,270	14,005	(265)	42,138
Capitalised personnel costs	(1,223)	(1,192)	31	(4,987)	(4,968)	19	(12,497)
Public transport contracts	(282)	-	282	-	-	-	-
Contractors-maintenance	8,094	9,087	993	33,918	35,873	1,955	103,845
Professional Services	806	1,306	500	2,234	3,409	1,175	12,518
Track and ferry access charges	-	-	-	-	-	-	-
Utilities and facilities costs	-	-	-	-	-	-	-
Other expenditure	3,114	1,937	(1,177)	8,357	7,864	(493)	21,332
Finance costs	-	-	-	-	-	-	-
<b>Total operating expenditure</b>	<b>14,108</b>	<b>14,775</b>	<b>667</b>	<b>53,792</b>	<b>56,183</b>	<b>2,391</b>	<b>167,336</b>
Depreciation and amortisation	35,100	35,439	339	139,827	139,670	(157)	435,702
<b>Surplus/(deficit) from Operations</b>	<b>(40,092)</b>	<b>(41,864)</b>	<b>1,772</b>	<b>(152,653)</b>	<b>(155,629)</b>	<b>2,976</b>	<b>(506,522)</b>
Internal support costs	1,518	2,144	626	6,077	7,867	1,790	25,966
<b>Surplus/(deficit)</b>	<b>(41,610)</b>	<b>(44,008)</b>	<b>2,398</b>	<b>(158,730)</b>	<b>(163,496)</b>	<b>4,766</b>	<b>(532,488)</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	688	672	16	2,496	2,688	(192)	8,063
Other income	697	439	258	3,829	2,958	871	9,333
Waka Kotahi NZ Transport Agency operating funding	4,913	3,617	1,296	18,048	13,990	4,058	40,783
<b>Total operating income</b>	<b>6,298</b>	<b>4,728</b>	<b>1,570</b>	<b>24,373</b>	<b>19,636</b>	<b>4,737</b>	<b>58,179</b>
<b>Operating Expenditure</b>							
Personnel costs	9,278	10,032	754	36,484	39,629	3,145	117,876
Capitalised personnel costs	(3,072)	(2,208)	864	(9,798)	(9,507)	291	(25,415)
Public transport contracts	-	(1)	(1)	-	(3)	(3)	(10)
Contractors-maintenance	73	117	44	907	437	(470)	1,652
Professional services	1,539	1,441	(98)	4,578	5,111	533	15,515
Track and ferry access charges	-	-	-	-	-	-	-
IT costs	2,716	3,510	794	10,750	13,731	2,981	41,614
Directors fees	38	39	1	151	155	4	465
Other expenditure	2,329	2,402	73	8,122	9,343	1,221	28,926
Finance costs	2	3	1	9	13	4	38
<b>Total operating expenditure</b>	<b>12,903</b>	<b>15,335</b>	<b>2,432</b>	<b>51,203</b>	<b>58,909</b>	<b>7,706</b>	<b>180,661</b>
Depreciation and amortisation	2,984	2,939	(45)	11,559	10,424	(1,135)	41,546
<b>Surplus/(deficit) from Operations</b>	<b>(9,589)</b>	<b>(13,546)</b>	<b>3,957</b>	<b>(38,389)</b>	<b>(49,697)</b>	<b>11,308</b>	<b>(164,028)</b>
Internal support allocated	9,589	13,546	3,957	38,389	49,697	11,308	164,028
<b>Surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Section 2c – Operational funding requirement per passenger for the four months ended 31 October 2023**



- The YTD operational cost (net of third party revenue) of \$5.85 per passenger on the PT Network is lower than the budget of \$6.34 mainly due to higher than expected bus and ferry patronage.
- \$3.08 per passenger is subsidised by Waka Kotahi.

	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	59,042	60,614	1,572	3%	236,932	235,660	(1,272)	(1%)	747,062
Less: Fare revenues and other income \$000									
Customers	14,410	12,403	2,007	16%	55,548	48,717	6,831	14%	150,145
Waka Kotahi NZ Transport Agency top-up	3,354	4,224	(870)	(21%)	14,241	16,949	(2,708)	(16%)	50,302
Total	17,764	16,627	1,137	7%	69,789	65,666	4,123	6%	200,447
<b>Operating funding requirement \$000</b>	<b>41,278</b>	<b>43,987</b>	<b>2,709</b>	<b>6%</b>	<b>167,143</b>	<b>169,994</b>	<b>2,851</b>	<b>2%</b>	<b>546,615</b>
Patronage 000's	7,228	6,681	547	8%	28,550	26,809	1,740	6%	79,568
<b>Operating funding requirement per passenger</b>	<b>\$5.71</b>	<b>\$6.58</b>	<b>\$0.87</b>	<b>13%</b>	<b>\$5.85</b>	<b>\$6.34</b>	<b>\$0.49</b>	<b>8%</b>	<b>\$6.87</b>
Waka Kotahi NZ Transport Agency operating funding per passenger	\$3.00	\$3.48	\$0.49	14%	\$3.08	\$3.36	\$0.28	8%	\$3.51
Local share funding (AC) per passenger	\$2.71	\$3.10	\$0.39	13%	\$2.77	\$2.98	\$0.21	7%	\$3.36
<b>Operating funding requirement per passenger</b>	<b>\$5.71</b>	<b>\$6.58</b>	<b>\$0.87</b>	<b>13%</b>	<b>\$5.85</b>	<b>\$6.34</b>	<b>\$0.49</b>	<b>8%</b>	<b>\$6.87</b>



**Section 2c – Operational funding requirement per passenger for the four months ended 31 October 2023 (continued)**

**Public Transport operating expenditure per passenger funding sources**

	Current month				Year to date				Full year	
	Actual	Budget	Variance	Actual % to Total	Actual	Budget	Variance	Actual % to Total	Budget	Budget % to Total
<b>Rail, Bus and Ferry operations:</b>										
<b>Operating expenditure per passenger</b>	<b>\$8.17</b>	<b>\$9.07</b>	<b>\$0.90</b>	<b>100%</b>	<b>\$8.30</b>	<b>\$8.79</b>	<b>\$0.49</b>	<b>100%</b>	<b>\$9.39</b>	<b>100%</b>
<b>Operating expenditure per passenger is funded by:</b>										
Customers	\$1.99	\$1.86	(\$0.14)	24%	\$1.95	\$1.82	(\$0.13)	23%	\$1.89	20%
Waka Kotahi NZ Transport Agency top-up	\$0.46	\$0.63	\$0.17	6%	\$0.50	\$0.63	\$0.13	6%	\$0.63	7%
Waka Kotahi NZ Transport Agency operating funding	\$3.00	\$3.48	\$0.49	37%	\$3.08	\$3.36	\$0.28	37%	\$3.51	37%
Local share funding (AC)	\$2.71	\$3.10	\$0.39	33%	\$2.77	\$2.98	\$0.21	33%	\$3.36	36%
<b>Total operating expenditure per passenger</b>	<b>\$8.17</b>	<b>\$9.07</b>	<b>\$0.90</b>	<b>100%</b>	<b>\$8.30</b>	<b>\$8.79</b>	<b>\$0.49</b>	<b>100%</b>	<b>\$9.39</b>	<b>100%</b>

23% of the YTD operating expenditure is funded by customers; the rest is funded by Waka Kotahi and Auckland Council. This is favourable to budget mainly due to higher than expected bus and ferry patronage.



### 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	2,845	5,877	3,032	11,943	16,108	4,165	53,500
Asset Management	34,041	37,194	3,153	122,419	145,222	22,803	418,118
Bus Projects	4,679	1,940	(2,739)	7,382	8,074	692	40,777
Corridor Improvements	494	886	392	1,187	2,911	1,724	11,690
Ferry, Multi-modal, and Park and Ride	9,689	2,959	(6,730)	25,897	21,909	(3,988)	50,202
Local Board Priorities	776	2,506	1,730	8,466	8,531	65	18,479
Network Capacity and Performance	1,577	1,699	122	3,235	6,993	3,758	22,000
Operational Programmes	1,825	3,232	1,407	11,659	15,797	4,138	37,526
Population Growth	2,117	1,640	(477)	9,625	12,838	3,213	41,658
Rapid Transit: Bus Projects	9,695	14,447	4,752	47,599	50,300	2,701	180,000
Rapid Transit: Rail Projects	(161)	2,902	3,063	3,628	8,331	4,703	105,448
Safety	3,901	4,259	358	17,838	18,673	835	47,000
Sustainability Projects that are in addition to travel choice projects	43	41	(2)	247	121	(126)	500
<b>Total direct capital</b>	<b>73,417</b>	<b>81,385</b>	<b>7,968</b>	<b>275,181</b>	<b>324,934</b>	<b>49,753</b>	<b>1,057,990</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	28,730	34,914	(6,184)	101,637	114,302	(12,665)	387,155
Waka Kotahi NZ Transport Agency renewal co-investment	13,011	12,687	324	41,721	49,043	(7,322)	129,260
Other capital grants	-	1,040	(1,040)	(4,085)	7,391	(11,476)	29,135
Auckland Council capital grant	31,676	32,744	(1,068)	135,907	154,198	(18,291)	512,441
<b>Total direct capital funding</b>	<b>73,417</b>	<b>81,385</b>	<b>(7,968)</b>	<b>275,180</b>	<b>324,934</b>	<b>(49,754)</b>	<b>1,057,991</b>

### Section 3c – RFT Capital and Operational Expenditure

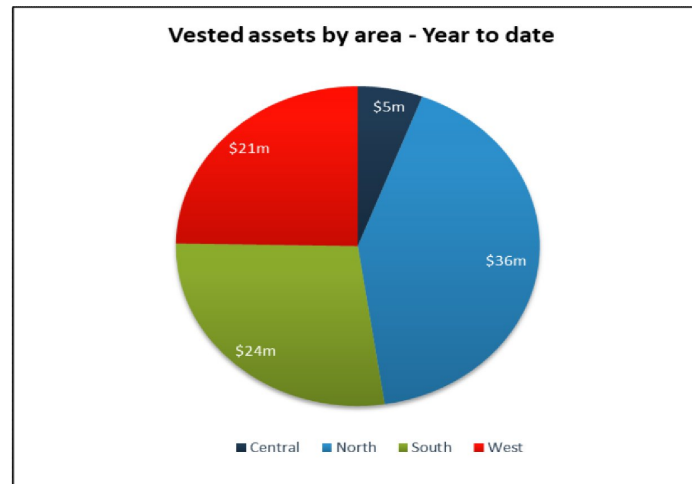
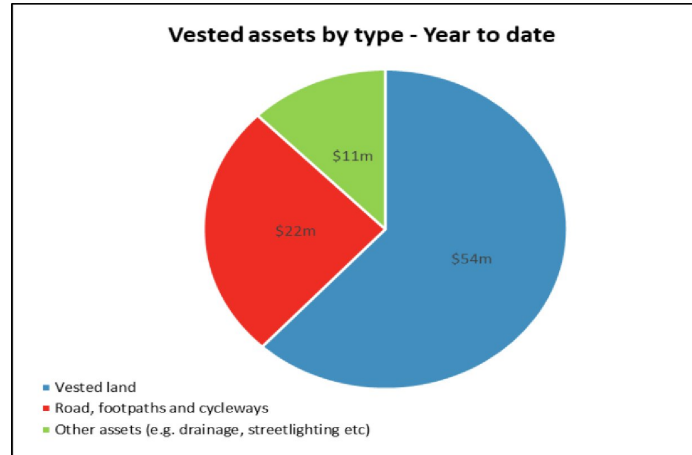
#### RFT Capital and Operating Expenditure

	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>172,578</b>	<b>102,602</b>	<b>275,180</b>	<b>602,838</b>	<b>455,152</b>	<b>1,057,990</b>
<b>Funding</b>						
Waka Kotahi NZ Transport Agency	83,740	59,618	143,358	254,012	262,402	516,415
Others (ACC,Crown, others)	(3,452)	(633)	(4,085)	11,929	17,206	29,135
Auckland Council	92,290	43,617	135,907	336,897	175,544	512,441
<b>Total funding</b>	<b>172,578</b>	<b>102,602</b>	<b>275,180</b>	<b>602,838</b>	<b>455,152</b>	<b>1,057,990</b>
<b>Programme of capital projects supported by the RFT scheme</b>						
Project 1: Bus priority improvements		12,598			41,377	
Project 2: City centre bus infrastructure		382			7,500	
Project 3: Improving airport access		1,208			15,300	
Project 4: Eastern Busway		45,110			162,000	
Project 5: Park-and-ride facilities		2			-	
Project 6: Electric trains and stabling		3,628			105,448	
Project 7: Ferry Network Improvements		2,473			12,469	
Project 8: Road safety		17,784			46,000	
Project 9: Active transport		7,739			11,000	
Project 10: Penlink		-			-	
Project 11: Mill Road corridor		-			-	
Project 12: Road corridor improvements		161			8,000	
Project 13: Network capacity and performance improvement		3,235			22,000	
Project 14: Growth-related transport infrastructure		8,283			24,058	
<b>Total</b>		<b>102,602</b>			<b>455,152</b>	
<b>Operating expenditure</b>		<b>3,387</b>			<b>3,897</b>	
<b>Programme of operating projects supported by the Auckland RFT scheme</b>						
Project 3: Improving airport access (Net of farebox and Waka Kotahi co-funding)		3,183			2,497	
Project 8: Road safety (Fully funded by Auckland Council)		204			1,400	
<b>Total</b>		<b>3,387</b>			<b>3,897</b>	

**Section 3d – Vested Assets**

**As at 31 October 2023**

	Current month	Year to date
	Actual \$000	Actual \$000
<b>Vested Assets - Top 10 Suburbs</b>		
Warkworth	20	20,416
Hobsonville	-	12,093
Flat Bush	6,270	8,031
Drury	5,789	7,733
Long Bay	1,666	7,006
Swanson	3,000	5,999
Milldale	5,870	5,870
Auckland Central	-	4,027
Mangere	-	2,974
Kaukapakapa	-	2,800
Other	6,718	9,693
<b>Total Vested Asset</b>	<b>29,334</b>	<b>86,642</b>



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

#### CATTR Gross Capital and Operating Expenditure

	Year to date				Full year				Life				Committed \$000
	Actual	Budget	Variance		Actual	Budget	Remaining		Actual	Budget	Remaining		
	\$000	\$000	\$000	%	\$000	\$000	\$000	%	\$000	\$000	\$000	%	
<b>By Capital/Operational</b>													
<b>Capital</b>	<b>4,056</b>	<b>9,227</b>	<b>5,171</b>	<b>56%</b>	<b>4,056</b>	<b>38,642</b>	<b>34,586</b>	<b>90%</b>	<b>13,248</b>	<b>356,645</b>	<b>343,397</b>	<b>96%</b>	<b>24,351</b>
Climate Action TR - Bus	-	-	-	-	-	-	-	-	-	40,375	40,375	100%	-
Climate Action TR - Cycling	745	1,226	481	39%	745	9,900	9,155	92%	2,196	112,578	110,382	98%	2,545
Climate Action TR - Ferry	2,537	5,716	3,179	56%	2,537	24,212	21,675	90%	10,227	126,848	116,621	92%	21,458
Climate Action TR - Walking	774	2,285	1,511	66%	774	4,530	3,756	83%	825	76,844	76,019	99%	348
<b>Operational</b>	<b>815</b>	<b>1,643</b>	<b>828</b>	<b>50%</b>	<b>815</b>	<b>11,961</b>	<b>11,146</b>	<b>93%</b>	<b>2,088</b>	<b>451,153</b>	<b>449,065</b>	<b>100%</b>	<b>1,885</b>
Climate Action TR - Bus	532	814	282	35%	532	9,183	8,651	94%	1,682	423,422	421,740	100%	1,474
Climate Action TR - Cycling	215	523	308	59%	215	1,569	1,354	86%	329	14,991	14,662	98%	400
Climate Action TR - Ferry	-	-	-	-	-	292	292	100%	-	(414)	(414)	100%	-
Climate Action TR - Walking	21	306	285	93%	21	917	896	98%	21	7,070	7,049	100%	11
Climate Action TR - Overhead	47	-	(47)	-	47	-	(47)	-	56	6,084	6,028	99%	-
<b>Gross Expenditure</b>	<b>4,871</b>	<b>10,870</b>	<b>5,999</b>	<b>55%</b>	<b>4,871</b>	<b>50,603</b>	<b>45,732</b>	<b>90%</b>	<b>15,336</b>	<b>807,798</b>	<b>792,462</b>	<b>98%</b>	<b>26,236</b>
<b>Fare revenue from CATTR delivered services</b>	<b>(19)</b>	<b>(16)</b>	<b>3</b>	<b>(19%)</b>	<b>(19)</b>	<b>(1,445)</b>	<b>(1,426)</b>	<b>99%</b>	<b>(73)</b>	<b>(98,449)</b>	<b>(98,376)</b>	<b>100%</b>	<b>-</b>
Climate Action TR - Bus	(19)	(16)	3	(19%)	(19)	(1,241)	(1,222)	98%	(73)	(90,665)	(90,592)	100%	-
Climate Action TR - Ferry	-	-	-	-	-	(204)	(204)	100%	-	(7,784)	(7,784)	100%	-
<b>Waka Kotahi</b>	<b>(1,908)</b>	<b>(309)</b>	<b>1,599</b>	<b>(517%)</b>	<b>(1,908)</b>	<b>(4,349)</b>	<b>(2,441)</b>	<b>56%</b>	<b>(5,617)</b>	<b>(385,437)</b>	<b>(379,820)</b>	<b>99%</b>	<b>-</b>
<b>CATTR Local Share</b>	<b>(2,944)</b>	<b>(10,544)</b>	<b>(7,600)</b>	<b>72%</b>	<b>(2,944)</b>	<b>(44,809)</b>	<b>(41,865)</b>	<b>93%</b>	<b>(9,647)</b>	<b>(323,913)</b>	<b>(314,266)</b>	<b>97%</b>	<b>-</b>

- **Ferry** charging infrastructure orders (transformers and charging equipment) delivered in October 2023.
- **Walking** projects:
  - Pukekohe Town Centre construction has commenced.
  - Spend vs budget variance due to delayed construction start but Causeway and Marua Rd to start in the coming month.
  - Design project progressing with 2nd tranche underway.
- **Cycling** projects:
  - Hobsonville Road cycling project is progressing well with detailed design underway and construction due to start next financial year.
  - New Lynn/Kelston Cycle Focus Area project is progressing broadly to plan with a two-month delay to programme. Draft concept design work is underway.
  - Manurewa Cycle Connection project will proceed, having been put on pause. Contract renegotiations are underway and there is likely to be under-delivery to annual plan as a result.
  - A tender for business case/design for the Albany Cycle Connection project is due to go to market in early 2024.
- For **bus**, there has been some spend on the marketing / promotion ahead of the North West Busway service changes going live in Nov-23.
  - In addition, the CATTR will pick up ongoing operational cost for NW service changes from Nov-23 to Jun-2024 and Route 74 and Route 76 services from 1 Jan-24 (ongoing)





## Section 4a – Statement of Financial Position (continued)

As at 31 October 2023

	Note	Actual 31 October 2023 \$000	Actual 30 September 2023 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	31,071	9,578
Receivables	2	571,982	583,320
Inventories		12,669	12,675
Other assets		24,533	24,012
Non-current assets held for sale		1,451	1,451
Derivative financial instruments		1,869	21
<b>Total current assets</b>		<b>643,575</b>	<b>631,057</b>
<b>Non-current assets</b>			
Property, plant and equipment (PPE)		26,111,897	26,087,039
Intangible assets		125,297	119,946
Work in progress (PPE and intangible assets)	3	1,155,605	1,126,616
Derivative financial instruments		1,368	-
<b>Total non-current assets</b>		<b>27,394,167</b>	<b>27,333,601</b>
<b>Total assets</b>		<b>28,037,742</b>	<b>27,964,658</b>

## Section 4a – Statement of Financial Position (continued)

As at 31 October 2023

	Note	Actual 31 October 2023 \$000	Actual 30 September 2023 \$000
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables and accruals	4	281,033	276,958
Employee entitlements	5	25,209	24,169
Derivative financial instruments		-	419
Provisions		453	495
Borrowings	6	11,403	11,363
Total current liabilities		318,098	313,404
<b>Non-current liabilities</b>			
Employee entitlements	5	290	290
Derivative financial instruments		-	1,788
Borrowings	6	456,120	457,117
Total non-current liabilities		456,410	459,195
<b>Total liabilities</b>		<b>774,508</b>	<b>772,599</b>
<b>Net assets</b>		<b>27,263,234</b>	<b>27,192,059</b>
<b>Equity</b>			
Contributed capital		13,276,876	13,276,876
Accumulated funds		5,735,575	5,664,400
Other reserves		8,250,783	8,250,783
<b>Total equity</b>		<b>27,263,234</b>	<b>27,192,059</b>

## Section 4b – Notes to the Financial Statements

### As at 31 October 2023

	Actual 31 October 2023 \$000	Actual 30 September 2023 \$000
<b>1 Cash and cash equivalents</b>		
Cash at bank	8,889	9,364
Cash at bank - held for retentions	21,964	-
Till floats	218	214
<b>Total cash and cash equivalents</b>	<b>31,071</b>	<b>9,578</b>

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

<b>2 Receivables</b>		
Trade and other debtors	10,332	6,812
Infringement receivable	55,801	55,417
Amounts due from related parties	419,730	444,107
Accrued revenue	113,134	103,551
	<b>598,996</b>	<b>609,888</b>
Less provision for impairment of receivables	(27,014)	(26,568)
<b>Total current receivables</b>	<b>571,982</b>	<b>583,320</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.

## Section 4b – Notes to the Financial Statements (continued)

### As at 31 October 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	6,901	4,076	-	419,724	430,701
Past due 1 - 30 days	553	3,635	-	7	4,195
Past due 31 - 60 days	91	2,720	-	1	2,812
Past due 61 - 90 days	85	2,181	-	(2)	2,264
Past due > 90 days	2,702	3,214	39,975	-	45,891
	<b>10,332</b>	<b>15,826</b>	<b>39,975</b>	<b>419,730</b>	<b>485,863</b>
Impairment	(526)	(2,503)	(23,985)	-	(27,014)
	<b>9,806</b>	<b>13,323</b>	<b>15,990</b>	<b>419,730</b>	<b>458,849</b>

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	-	824	655	1,479
Provisions reversed	-	-	-	-
Provisions relating to receivables written-off	-	-	-	-
Balance at 31 October 2023	<b>526</b>	<b>2,503</b>	<b>23,985</b>	<b>27,014</b>

**Section 4b – Notes to the Financial Statements (continued)**

**As at 31 October 2023**

	Opening balance 1 July 2023	Acquisition YTD 31 October 2023	Capitalisation YTD 31 October 2023	Closing balance 31 October 2023
	\$000	\$000	\$000	\$000
<b>3 Work in Progress (WIP)</b>				
<b>WIP by activity</b>				
Roads and footpaths	510,326	114,031	-41,497	582,860
Public Transport	500,444	84,582	-12,282	572,745
<b>Total WIP</b>	<b>1,010,771</b>	<b>198,613</b>	<b>-53,779</b>	<b>1,155,605</b>
<b>WIP by status</b>				
Current WIP (completion in future)				907,795
Due for capitalisation within policy				31,911
Due for capitalisation not within policy				214,949
Forecast completion date not yet provided (new projects)				950
<b>Total WIP</b>				<b>1,155,605</b>
<b>Top 10 Programmes</b>				<b>WIP Closing balance 31 October 2023</b>
Eastern Busway Stages 1 to 4				292,775
Supporting Growth				81,786
Safety Programme				61,636
Urban Cycleways Programme				55,610
Decarbonisation of the Ferry Fleet Stage 1				52,192
Public Transport Safety				49,605
EMU Rolling Stock and Stabling Tranche for CRL				47,967
Rosedale and Constellation Bus Stations				47,456
Unplanned Natural Event				42,459
Connected Communities				33,562
<b>Total</b>				<b>765,049</b>



## Section 4b – Notes to the Financial Statements (continued)

As at 31 October 2023

	Actual 31 October 2023 \$000	Actual 30 September 2023 \$000
<b>4 Payables and accruals</b>		
<b>Current portion</b>		
Creditors	30,773	38,633
Goods and services tax	4,424	9,676
Accrued expenses	194,167	189,858
Retentions	21,964	22,020
Amounts due to related parties	18,163	16,151
Revenue in advance	11,542	620
<b>Total current payables</b>	<b>281,033</b>	<b>276,958</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.

## Section 4b – Notes to the Financial Statements (continued)

As at 31 October 2023

	Actual 31 October 2023 \$000	Actual 30 September 2023 \$000
<b>5 Employee entitlements</b>		
<b>Current portion</b>		
Accrued salaries and wages	9,093	8,167
Accrued leave	16,116	16,002
<b>Total current employee entitlements</b>	<b>25,209</b>	<b>24,169</b>
<b>Non-current portion</b>		
Retirement gratuities	253	253
Long service leave	37	37
<b>Total non-current employee entitlements</b>	<b>290</b>	<b>290</b>
<b>6 Borrowings</b>		
<b>Current portion</b>		
Finance lease	1,076	1,075
Loans from Auckland Council	10,327	10,288
<b>Total current borrowings</b>	<b>11,403</b>	<b>11,363</b>
<b>Non-current portion</b>		
Finance lease	1,452	1,542
Loans from Auckland Council	454,668	455,575
<b>Total non-current borrowings</b>	<b>456,120</b>	<b>457,117</b>
Weighted average cost of funds on total borrowings	4.54%	4.54%

AT's loan debt of \$465 million is issued at a fixed rate of interest of 4.54%.

## 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>758,913</b>	<b>740,921</b>	<b>2,305,087</b>
<b>Cash applied to</b>			
Payments to suppliers and employees	399,751	423,285	1,215,672
Interest paid	6,006	9,362	28,086
<b>Total cash applied</b>	<b>405,757</b>	<b>432,647</b>	<b>1,243,758</b>
<b>Net cash from operating activities</b>	<b>353,156</b>	<b>308,274</b>	<b>1,061,329</b>
<b>Cash flows from investing activities</b>			
<b>Cash provided from</b>			
Sale of property, plant and equipment	61	-	-
<b>Cash applied to:</b>			
Purchase of property, plant and equipment	323,430	304,935	1,057,990
<b>Net cash from investing activities</b>	<b>(323,369)</b>	<b>(304,935)</b>	<b>(1,057,990)</b>
<b>Cash flows from financing activities</b>			
<b>Cash applied to</b>			
Repayments of EMU loan from Auckland Council	3,339	3,339	3,339
Repayments of finance lease principal	355	-	-
<b>Net cash from financing activities</b>	<b>(3,694)</b>	<b>(3,339)</b>	<b>(3,339)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>26,093</b>	<b>-</b>	<b>-</b>
Opening cash and cash equivalents	4,978	-	-
<b>Closing cash balance</b>	<b>31,071</b>	<b>-</b>	<b>-</b>

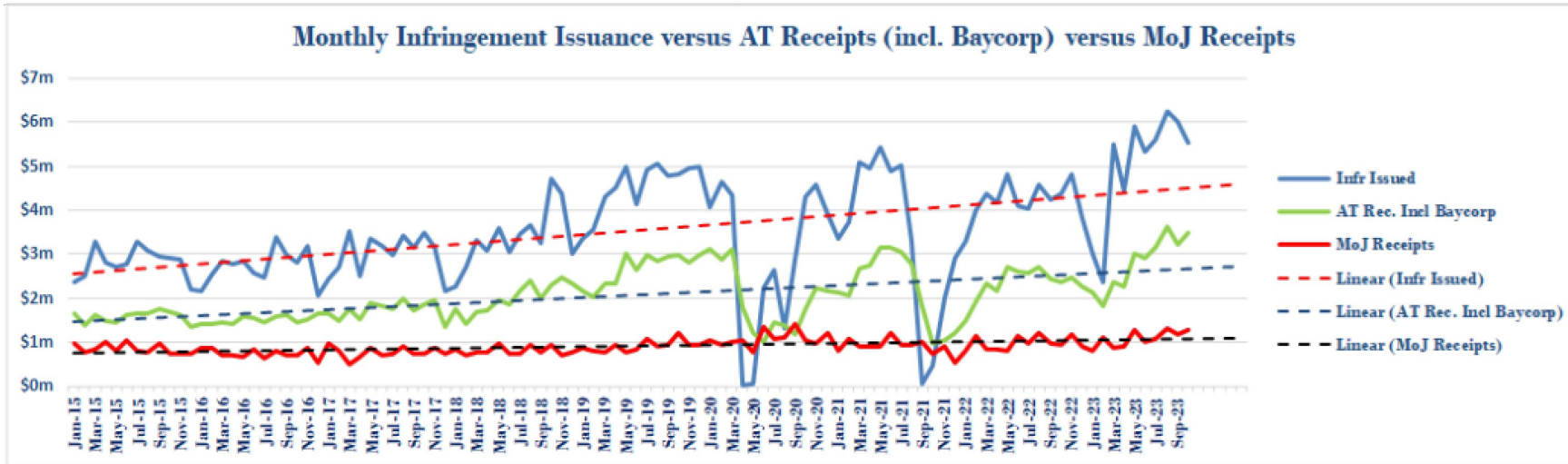
  

<b>Reconciliation of surplus after tax to net cash from operating activities</b>	<b>Actual \$000</b>
<b>Surplus after tax</b>	<b>209,811</b>
<b>Add/(less) non-cash items</b>	
Depreciation and amortisation	173,287
Vested asset income	(86,642)
Gain on disposal of property, plant and equipment	(61)
Write-off of capital works	483
Gains/(losses) on derivatives	(2,646)
	<b>84,421</b>
<b>Add/(less) movements in balance sheet items</b>	
Receivables	71,397
Inventories	(629)
Other assets	(10,996)
Payables and accruals	(2,230)
Employee entitlements	6,158
Provisions	(4,776)
	<b>58,924</b>
<b>Net cash from operating activities</b>	<b>353,156</b>


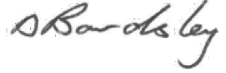



**Section 6 – Infringement Overview**

Over 106 months (January 2015 to October 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, despite more matters lodged with them.



**Te pou whenua tuhinga / Document ownership**

<b>Submitted by</b>	Sam Ho <b>Financial Reporting Manager</b>	
	David Bardsley <b>Group Manager Finance</b>	
<b>Recommended by</b>	Mark Laing <b>Executive General Manager Finance</b>	
	Dean Kimpton <b>Chief Executive</b>	