

# Financial Results for the three Months Ended 30 September 2013

This report summarises the Auckland Transport financial results for the three months ended 30 September 2013.

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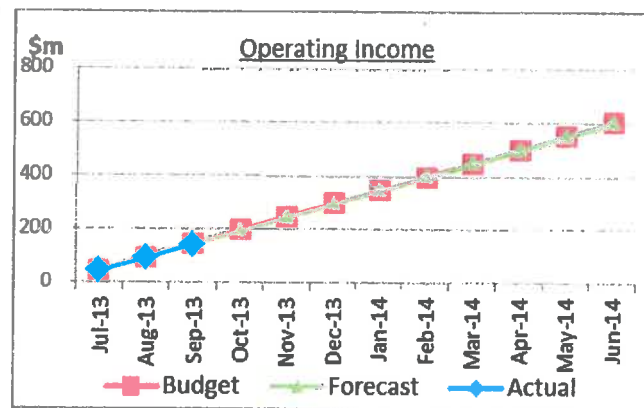
## Executive Summary

### Financial Results for the three months ended 30 September 2013:

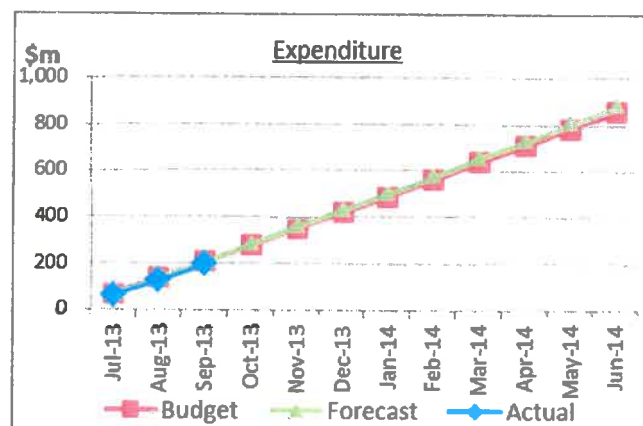
	Current month variance to Forecast \$m	Year to date variance to Forecast \$m	Year to date results	Year to date Actual \$m	Year to date Forecast \$m	Full year Forecast \$m	Full Year Budget \$m
Total operating income	(0.2)	1.3	↑	146.2	144.9	599.2	604.0
Total operating expenditure	2.5	10.6	↓	196.8	207.5	880.0	856.7
Surplus/(deficit) from operations	2.3	11.9	↑	(50.6)	(62.6)	(280.8)	(252.7)
Income for capital projects	(3.4)	(4.5)	↓	60.3	64.8	302.6	305.8
Net surplus/(deficit) before tax	(1.1)	7.4	↑	9.6	2.2	21.8	53.1
Total capital expenditure	29.1	41.5	↓	115.9	157.4	887.2	859.5

#### Key to symbols used:

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



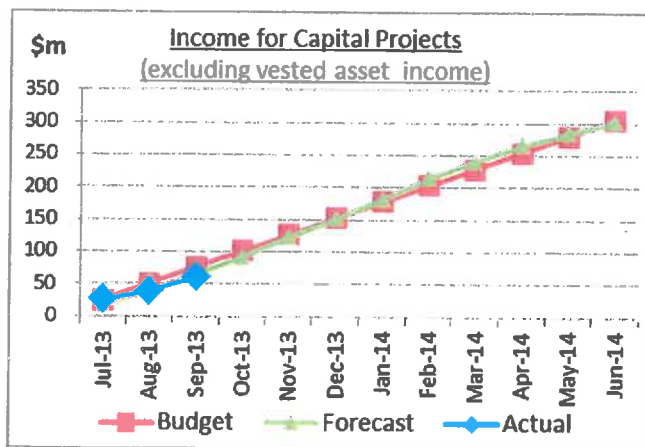
Total operating income is \$1.3m favourable to forecast due to higher than forecast NZTA operating subsidy \$0.5m and activity income \$0.8m.



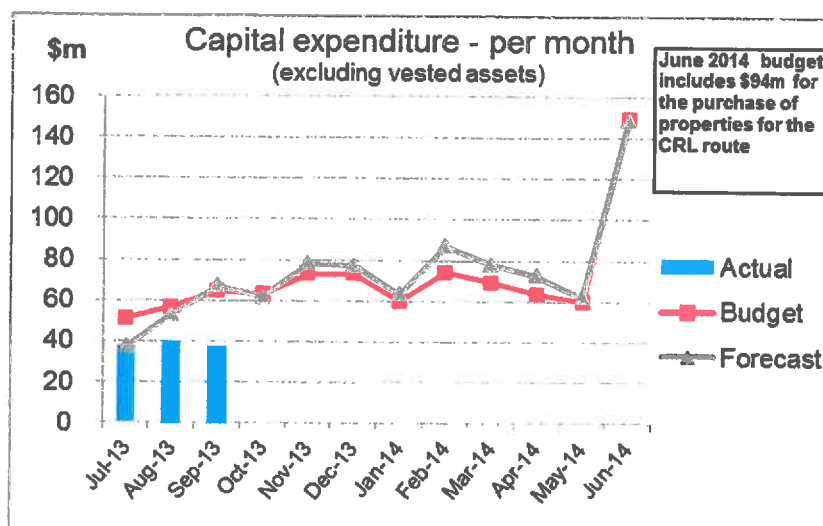
**Total operating expenditure** is below forecast by net \$10.6m mainly due to:

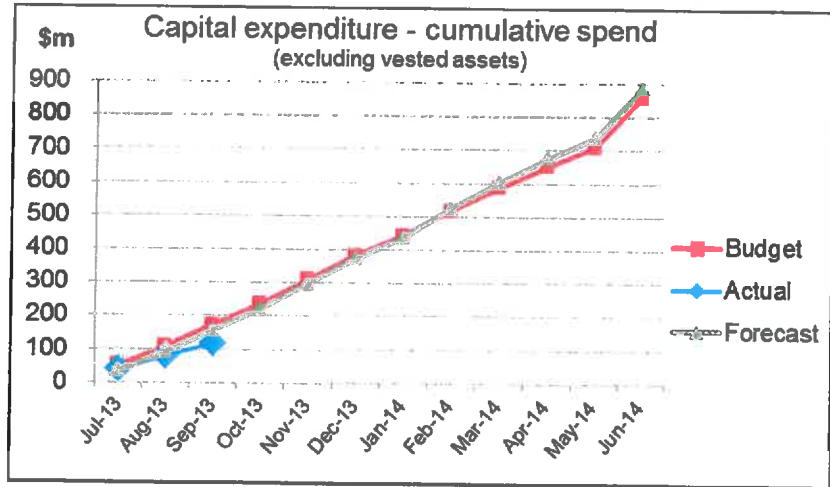
- \$8.5m favourable variance for derivatives due to unrealised interest rate swap gain
- \$2.5m lower than forecast personnel costs, of which \$0.9m was higher than forecast capitalised personnel costs

**Net surplus before tax** is \$7.4m favourable to forecast, due to higher than forecast operational result of \$11.9m partly offset by an unfavourable variance from income for capital projects of \$4.5m.



**Income for capital projects year to date** is lower than forecast by \$4.5m mainly due to lower than forecast NZTA funding as a result of new capital expenditure being lower than forecast.





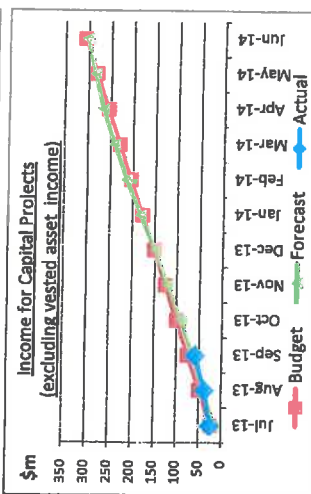
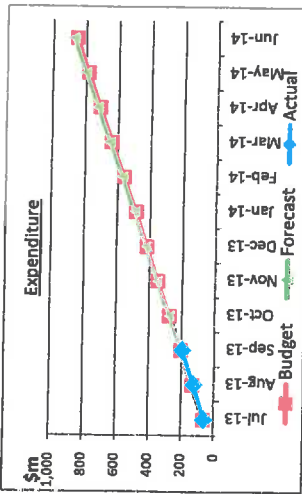
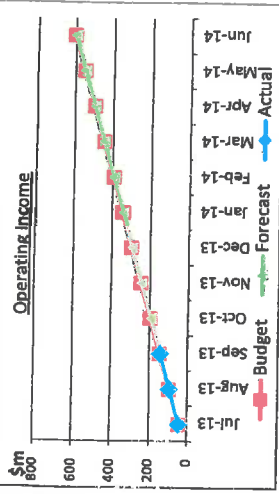
**Capital expenditure**, was \$115.9m, which is \$41.5m lower than forecast due to less expenditure on new capital of \$21.5m, renewal capital of \$1.7m and EMU project \$18.3m. Further details on the variances are in section 3a.

The **asset position** is sound with net assets of \$14.4 billion at the end of September and cash flow funding arrangements in place to ensure all liabilities can be met.

## Section 2a - Statement of Financial Performance for the three months ended 30 September 2013

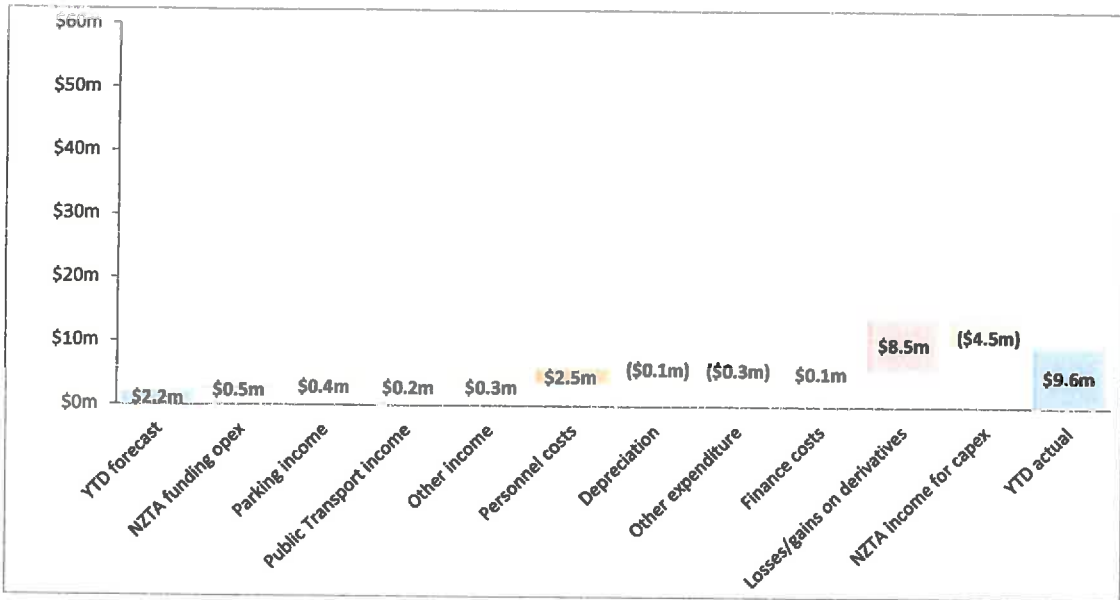
	Current month			Year to date			Full year			Results achieved
	Actual \$'000	Variance \$'000	Forecast \$'000	Actual \$'000	Variance \$'000	Forecast \$'000	Actual \$'000	Variance \$'000	Budget \$'000	
<b>Income</b>										
<b>Operating income</b>										
Auckland Council funding	19,178	-	19,178	57,534	57,534	57,534	230,138	-	230,138	●
NZ Transport Agency	17,120	(1,106)	18,226	51,322	491	50,831	215,801	(4,116)	219,917	●
Parking and enforcement income	6,305	404	5,901	18,359	382	17,977	78,212	(720)	78,932	●
Public transport income	4,251	120	4,131	13,100	156	12,944	51,005	(374)	51,378	●
Other revenue including other grants and subsidies	2,340	430	1,910	5,888	286	5,592	24,043	423	23,620	●
<b>Total operating income</b>	49,194	(152)	49,346	146,203	1,305	144,898	688,199	(4,787)	693,986	●
<b>Expenditure</b>										
Personnel costs	8,581	960	9,451	26,004	1,620	27,624	114,424	(5,953)	108,471	●
Capitalised personnel costs	(2,541)	448	(2,093)	(7,151)	852	(6,299)	(24,384)	29	(24,355)	●
Depreciation and amortisation expense	22,074	1,419	23,493	66,096	(61)	66,015	277,453	(24,031)	283,422	●
Other expenses	39,277	1,671	40,948	117,091	(275)	116,816	496,936	3,929	500,865	●
Finance costs (Electric Trains)	960	53	1,013	2,886	50	2,936	15,142	3,143	18,285	●
Losses/(gains) on derivatives	2,031	(2,031)	-	(8,086)	8,468	382	382	-	-	●
<b>Total operating expenditure</b>	70,362	2,450	72,812	186,840	10,634	207,474	878,963	(23,265)	856,688	●
<b>Profit/(loss) from Operations</b>	(21,168)	2,298	(23,466)	(50,637)	11,939	(62,576)	(280,754)	(29,052)	(282,702)	●
<b>Income for capital projects</b>										
NZ Transport Agency	10,605	(3,389)	13,994	28,221	(4,533)	32,754	174,454	(3,185)	177,639	●
Auckland Council capital grant	10,878	-	10,678	32,035	-	32,035	128,140	-	128,140	●
Other capital grants	-	-	-	-	-	-	-	-	-	●
Vested asset income	-	-	-	-	-	-	-	-	-	●
<b>Net surplus/(deficit) before tax</b>	21,283	(3,389)	24,672	60,286	(4,533)	64,789	302,594	(3,185)	305,779	●
Income tax expense	115	(1,091)	1,206	9,619	7,406	2,213	21,840	(31,237)	53,077	●
<b>Net surplus/(deficit) after tax</b>	21,168	(1,081)	23,466	50,637	7,406	2,213	280,754	(31,237)	282,702	●

● : Largely on track  
● : Monitoring/some action  
● : Action required/taken

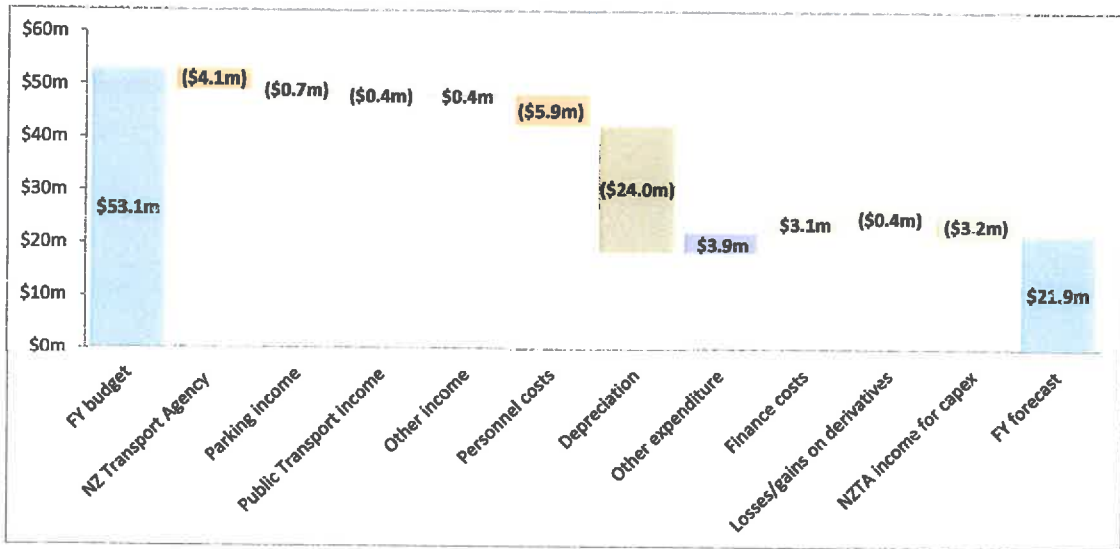


**Section 2b - Net surplus/(deficit) waterfall**

**Net surplus/(deficit) - Year to date forecast to actual (excluding vested asset income)**



**Net surplus/(deficit) - Full year budget to forecast (excluding vested asset income)**



**Section 2c - Summary of financial results by activity for the three months ended 30 September 2013**

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Rail	7,548	8,337	(789)	23,109	24,245	(1,136)	98,154	105,077	(6,923)
Bus	7,408	7,302	106	23,134	21,529	1,605	91,053	93,188	(2,135)
Ferry	757	828	(71)	2,222	1,880	342	9,877	9,832	45
Other Public Transport	2,027	2,075	(48)	5,194	5,737	(543)	25,429	24,640	789
Parking	2,981	2,955	26	9,378	8,738	640	37,222	37,942	(720)
Enforcement	3,324	2,946	378	8,981	9,259	(278)	40,990	40,990	-
Roading and footpaths	4,105	3,967	138	11,745	11,136	609	45,123	46,034	(911)
Internal support	1,866	1,758	108	4,906	4,840	66	21,213	16,145	5,068
Auckland Council operating funding	19,178	19,178	-	57,534	57,534	-	230,138	230,138	-
<b>Total operating income</b>	<b>49,194</b>	<b>49,346</b>	<b>(152)</b>	<b>146,203</b>	<b>144,898</b>	<b>1,305</b>	<b>599,199</b>	<b>603,886</b>	<b>(4,787)</b>
<b>Operating Expenditure</b>									
Rail	12,825	12,167	(658)	25,301	36,040	10,739	144,344	147,095	2,751
Bus	12,684	12,816	132	38,807	38,760	(47)	157,429	157,836	407
Ferry	1,023	1,223	200	3,284	3,611	327	15,107	14,915	(192)
Other Public Transport	3,435	3,541	106	9,261	9,439	178	43,607	44,025	418
Parking	959	1,225	266	3,050	3,692	642	14,867	14,566	(301)
Enforcement	1,667	1,820	153	5,004	5,524	520	20,946	20,976	30
Roading and footpaths	9,556	8,964	(592)	27,684	24,837	(2,847)	116,363	115,997	(366)
Internal support	6,138	7,562	1,424	18,353	19,556	1,203	89,835	87,857	(1,978)
Depreciation	22,075	23,494	1,419	66,096	66,015	(81)	277,455	253,421	(24,034)
<b>Total operating expenditure</b>	<b>70,362</b>	<b>72,812</b>	<b>2,450</b>	<b>196,840</b>	<b>207,474</b>	<b>10,634</b>	<b>879,953</b>	<b>856,688</b>	<b>(23,265)</b>
<b>Profit/(loss) from Operations</b>	<b>(21,168)</b>	<b>(23,466)</b>	<b>2,298</b>	<b>(50,637)</b>	<b>(62,576)</b>	<b>11,939</b>	<b>(280,754)</b>	<b>(252,702)</b>	<b>(28,052)</b>

## Section 2c - Rail Operations for the three months ended 30 September 2013

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Activity Income	2,680	2,622	58	8,054	8,065	(11)	29,715	29,715	-
Other income	37	149	(112)	209	353	(144)	1,460	1,460	-
NZTA operating subsidy	4,188	4,882	(694)	12,867	13,806	(939)	56,512	62,305	(5,793)
NZTA operating subsidy - Electric Trains	643	684	(41)	1,979	2,021	(42)	10,467	11,597	(1,130)
<b>Total operating income</b>	<b>7,548</b>	<b>8,337</b>	<b>(789)</b>	<b>23,109</b>	<b>24,245</b>	<b>(1,136)</b>	<b>98,154</b>	<b>105,077</b>	<b>(6,923)</b>
<b>Operating Expenditure</b>									
Personnel costs	118	178	60	379	531	152	2,343	2,343	-
Capitalised personnel costs	(51)	-	51	(51)	35	86	-	-	-
Service delivery costs and professional services	8,493	8,952	459	25,297	26,309	1,012	101,133	101,554	421
Occupancy costs	294	499	205	1,115	1,225	110	4,935	4,660	(275)
Track access charges	648	1,144	496	2,818	3,433	615	15,258	15,258	-
Other expenditure	333	381	48	942	1,189	247	5,151	4,995	(156)
Finance costs (Electric Trains)	960	1,013	53	2,887	2,936	49	15,142	18,285	3,143
Losses/(gains) on derivatives	2,030	-	(2,030)	(8,086)	382	8,468	382	-	(382)
<b>Total operating expenditure</b>	<b>12,825</b>	<b>12,167</b>	<b>(658)</b>	<b>25,301</b>	<b>36,040</b>	<b>10,739</b>	<b>144,344</b>	<b>147,095</b>	<b>2,751</b>
Depreciation	2,933	2,940	7	8,797	8,747	(50)	35,204	33,897	(1,307)
<b>Surplus/(deficit) from Operations</b>	<b>(8,210)</b>	<b>(6,770)</b>	<b>(1,440)</b>	<b>(10,989)</b>	<b>(20,542)</b>	<b>9,553</b>	<b>(81,394)</b>	<b>(75,915)</b>	<b>(5,479)</b>
Internal support costs	1,320	1,944	624	4,142	4,578	436	22,547	21,727	(820)
<b>Surplus/(deficit)</b>	<b>(9,530)</b>	<b>(8,714)</b>	<b>(816)</b>	<b>(15,131)</b>	<b>(25,120)</b>	<b>9,989</b>	<b>(103,941)</b>	<b>(97,642)</b>	<b>(6,299)</b>

### Operating Income

Lower than forecast NZTA revenue due to lower than forecast expenditure. Full year forecast for NZTA subsidy is lower than budget due to subsidy that was budgeted as operating but is actually renewal.

Full year forecast for NZTA subsidy for Electric Trains is lower than budget due to lower than budgeted interest costs, resulting from lower than planned borrowings.

### Operating Expenditure

Lower than forecast service delivery costs and professional services due to lower than forecast rolling stock maintenance costs, fuel costs savings and lower driver hire costs. Track access charges are lower than forecast as a result of new contract.

Full year finance costs have been forecast down due to lower than planned borrowings.

Electric Trains and Depot operating costs include a \$8.5m unrealised gain on the revaluation of interest rate swaps.



## Section 2c - Bus Operations for the three months ended 30 September 2013

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Activity Income	880	870	10	2,836	2,673	163	10,620	10,620	-
Other income	6	12	(6)	448	466	(18)	2,238	2,238	-
NZTA operating subsidy	6,522	6,420	102	19,850	18,390	1,460	78,195	80,330	(2,135)
<b>Total operating income</b>	<b>7,408</b>	<b>7,302</b>	<b>106</b>	<b>23,134</b>	<b>21,529</b>	<b>1,605</b>	<b>91,053</b>	<b>93,188</b>	<b>(2,135)</b>
<b>Operating Expenditure</b>									
Personnel costs	135	199	64	406	561	155	2,600	2,805	5
Capitalised personnel costs	28	-	(28)	134	116	(18)	-	-	-
Service delivery costs and professional services	12,407	12,392	(15)	37,844	37,561	(283)	151,486	151,861	375
Occupancy costs	66	163	97	247	363	116	2,463	2,463	-
Other expenditure	48	62	14	176	159	(17)	880	907	27
<b>Total operating expenditure</b>	<b>12,684</b>	<b>12,816</b>	<b>132</b>	<b>38,807</b>	<b>38,760</b>	<b>(47)</b>	<b>157,429</b>	<b>157,836</b>	<b>407</b>
Depreciation	119	125	6	356	363	7	1,489	658	(831)
<b>Surplus(deficit) from Operations</b>	<b>(5,395)</b>	<b>(5,639)</b>	<b>244</b>	<b>(16,029)</b>	<b>(17,594)</b>	<b>1,565</b>	<b>(67,885)</b>	<b>(65,306)</b>	<b>(2,559)</b>
Internal support costs	1,416	2,086	670	4,444	4,913	469	24,194	23,314	(880)
<b>Surplus(deficit)</b>	<b>(6,811)</b>	<b>(7,725)</b>	<b>914</b>	<b>(20,473)</b>	<b>(22,507)</b>	<b>2,034</b>	<b>(92,059)</b>	<b>(88,620)</b>	<b>(3,439)</b>

### Operating Income

Higher than forecast NZTA operating subsidy due to higher than forecast spend on Super Gold concessionary fares which are 100% funded by NZTA.

### Operating Expenditure

Higher than forecast service delivery costs due to higher Super Gold concessionary fares which are 100% funded by NZTA.

**Section 2c - Ferry Operations for the three months ended 30 September 2013**

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Operator access fees	326	228	98	735	668	67	3,075	3,075	-
Activity Income	87	37	50	176	110	66	500	500	-
Other Income	39	63	(24)	166	191	(25)	787	787	-
NZTA operating subsidy	305	500	(195)	1,145	911	234	5,515	5,470	45
<b>Total operating income</b>	<b>757</b>	<b>828</b>	<b>(71)</b>	<b>2,222</b>	<b>1,880</b>	<b>342</b>	<b>9,877</b>	<b>9,832</b>	<b>45</b>
<b>Operating Expenditure</b>									
Personnel costs	50	61	11	124	180	56	781	781	-
Capitalised personnel costs	(20)	-	20	(40)	(4)	36	(22)	(22)	-
Service delivery costs and professional services	862	858	(4)	2,619	2,638	19	11,130	10,940	(190)
Other expenditure	131	304	173	581	797	216	3,218	3,216	(2)
<b>Total operating expenditure</b>	<b>1,023</b>	<b>1,223</b>	<b>200</b>	<b>3,284</b>	<b>3,611</b>	<b>327</b>	<b>15,107</b>	<b>14,915</b>	<b>(192)</b>
Depreciation	174	183	9	522	531	9	2,179	2,074	(105)
<b>Surplus/(deficit) from Operations</b>	<b>(440)</b>	<b>(578)</b>	<b>138</b>	<b>(1,584)</b>	<b>(2,262)</b>	<b>678</b>	<b>(7,409)</b>	<b>(7,157)</b>	<b>(252)</b>
Internal support costs	134	197	63	420	464	44	2,286	2,203	(83)
<b>Surplus/(deficit)</b>	<b>(574)</b>	<b>(775)</b>	<b>201</b>	<b>(2,004)</b>	<b>(2,726)</b>	<b>722</b>	<b>(9,695)</b>	<b>(9,360)</b>	<b>(335)</b>

## Section 2c - Other Public Transport Operations for the three months ended 30 September 2013

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Other Income	192	151	41	468	417	51	2,610	2,984	(374)
NZTA operating subsidy	1,835	1,924	(89)	4,726	5,320	(594)	22,819	21,656	1,163
<b>Total operating income</b>	<b>2,027</b>	<b>2,075</b>	<b>(48)</b>	<b>5,194</b>	<b>5,737</b>	<b>(543)</b>	<b>25,429</b>	<b>24,640</b>	<b>789</b>
<b>Operating Expenditure</b>									
Personnel costs	1,130	1,162	32	3,325	3,302	(23)	14,776	14,838	62
Capitalised personnel costs	(59)	(71)	(12)	(218)	(325)	(107)	(665)	(636)	29
Service delivery costs and professional services	1,660	1,783	123	3,903	4,581	678	20,889	23,618	2,729
IT costs	137	155	18	560	459	(101)	1,634	1,635	1
Other expenditure	567	512	(55)	1,691	1,422	(269)	6,973	4,570	(2,403)
<b>Total operating expenditure</b>	<b>3,435</b>	<b>3,541</b>	<b>106</b>	<b>9,261</b>	<b>9,439</b>	<b>178</b>	<b>43,607</b>	<b>44,025</b>	<b>418</b>
Depreciation	772	1,192	420	2,315	1,685	(630)	12,407	8,698	(3,709)
<b>Surplus/(deficit) from Operations</b>	<b>(2,180)</b>	<b>(2,658)</b>	<b>478</b>	<b>(6,382)</b>	<b>(5,387)</b>	<b>(995)</b>	<b>(30,585)</b>	<b>(28,083)</b>	<b>(2,502)</b>
Internal support costs	395	582	187	1,240	1,370	130	6,748	6,503	(245)
<b>Surplus/(deficit)</b>	<b>(2,575)</b>	<b>(3,240)</b>	<b>665</b>	<b>(7,622)</b>	<b>(6,757)</b>	<b>(865)</b>	<b>(37,333)</b>	<b>(34,586)</b>	<b>(2,747)</b>

### Operating Income

Forecast year to date NZTA operating subsidy includes \$0.5m of subsidy for Community Transport that will be included in November's actual subsidy.

### Operating Expenditure

Delayed service delivery costs mainly due to delays in roll out of new initiatives.

**Section 2c - Parking Operations for the three months ended 30 September 2013**

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Other income	72	64	8	249	193	56	771	771	-
Parking fees	2,909	2,891	18	9,129	8,545	584	36,451	37,171	(720)
<b>Total operating income</b>	<b>2,981</b>	<b>2,955</b>	<b>26</b>	<b>9,378</b>	<b>8,738</b>	<b>640</b>	<b>37,222</b>	<b>37,942</b>	<b>(720)</b>
<b>Operating Expenditure</b>									
Personnel costs	234	328	94	732	997	265	3,429	1,870	(1,559)
Capitalised personnel costs	(16)	(17)	(1)	(36)	(50)	(14)	(202)	(202)	-
Service delivery costs and professional services	249	244	(5)	739	689	(50)	3,755	4,315	560
Occupancy costs	429	517	88	1,402	1,570	168	6,203	6,518	315
(Profit)loss on disposal of assets	-	-	-	52	-	(52)	-	-	
Other expenditure	63	153	90	161	486	325	1,682	2,065	383
<b>Total operating expenditure</b>	<b>959</b>	<b>1,225</b>	<b>268</b>	<b>3,050</b>	<b>3,692</b>	<b>642</b>	<b>14,867</b>	<b>14,566</b>	<b>(301)</b>
Depreciation	590	595	5	1,772	1,777	5	7,132	6,442	(690)
<b>Surplus/(deficit) from Operations</b>	<b>1,432</b>	<b>1,135</b>	<b>297</b>	<b>4,556</b>	<b>3,269</b>	<b>1,287</b>	<b>15,223</b>	<b>16,934</b>	<b>(1,711)</b>
Internal support costs	131	192	61	410	453	43	2,233	2,152	(81)
<b>Surplus/(deficit)</b>	<b>1,301</b>	<b>943</b>	<b>358</b>	<b>4,146</b>	<b>2,816</b>	<b>1,330</b>	<b>12,990</b>	<b>14,782</b>	<b>(1,792)</b>

**Operating Income**

On and off street parking revenue is favourable to forecast due to higher than planned occupancy.

**Operating Expenditure**

Personnel costs lower than forecast due to staff vacancies. Full year personnel costs higher than budget due to restructure moving personnel who were budgeted for under enforcement into parking.

## Section 2c - Enforcement Operations for the three months ended 30 September 2013

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Infringement income	3,324	2,946	378	8,981	9,259	(278)	40,990	40,990	-
<b>Total operating income</b>	<b>3,324</b>	<b>2,946</b>	<b>378</b>	<b>8,981</b>	<b>9,259</b>	<b>(278)</b>	<b>40,990</b>	<b>40,990</b>	<b>-</b>
<b>Operating Expenditure</b>									
Personnel costs	903	978	75	2,750	3,010	260	10,919	11,906	987
Capitalised personnel costs	16	-	(16)	20	-	(20)	-	-	-
Service delivery costs and professional services	122	125	3	400	374	(26)	1,492	1,607	115
Other expenditure	626	717	91	1,834	2,140	306	8,535	7,463	(1,072)
<b>Total operating expenditure</b>	<b>1,667</b>	<b>1,820</b>	<b>153</b>	<b>5,004</b>	<b>5,524</b>	<b>520</b>	<b>20,946</b>	<b>20,976</b>	<b>30</b>
Depreciation	20	27	7	61	68	7	314	1,091	777
<b>Surplus/(deficit) from Operations</b>	<b>1,637</b>	<b>1,099</b>	<b>538</b>	<b>3,916</b>	<b>3,667</b>	<b>249</b>	<b>19,730</b>	<b>18,923</b>	<b>807</b>
Internal support costs	188	277	89	591	653	62	3,215	3,098	(117)
<b>Surplus/(deficit)</b>	<b>1,449</b>	<b>822</b>	<b>627</b>	<b>3,325</b>	<b>3,014</b>	<b>311</b>	<b>16,515</b>	<b>15,825</b>	<b>690</b>

### Operating Income

Current month infringement income is favourable to forecast due to higher issuances than forecast, due to issuances not dropping as expected with the introduction of Central City Parking Zone. The year to date result is impacted by a reduction in the Baycorp provision from 50% to 33% and court receipts for legacy infringements and lodgement fee recoveries lower than forecast.

### Operating Expenditure

Personnel costs lower than forecast due to staff vacancies. Full year personnel costs lower than budget due to restructure moving personnel who were budgeted for under enforcement into parking.

**Section 2c - Roading and Footpaths Operations for the three months ended 30 September 2013**

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating income</b>									
Petrol tax	715	723	(8)	2,081	2,169	(88)	8,677	8,677	-
Other income	406	278	128	896	707	189	3,216	2,795	421
NZTA operating subsidy	2,984	2,966	18	8,768	8,260	508	33,230	34,562	(1,332)
<b>Total operating income</b>	<b>4,105</b>	<b>3,967</b>	<b>138</b>	<b>11,745</b>	<b>11,136</b>	<b>609</b>	<b>45,123</b>	<b>46,034</b>	<b>(911)</b>
<b>Operating Expenditure</b>									
Personnel costs	1,418	1,456	38	4,380	4,432	52	17,324	17,154	(170)
Capitalised personnel costs	(382)	(535)	(153)	(1,172)	(1,463)	(291)	(5,459)	(5,459)	-
Service delivery costs and professional services	6,814	6,459	(355)	19,513	16,911	(2,602)	84,999	84,300	(699)
Occupancy costs	1,360	1,239	(121)	4,120	3,912	(208)	15,094	15,347	253
IT costs	(3)	148	151	3	426	423	1,963	2,249	286
Other expenditure	349	197	(152)	840	619	(221)	2,442	2,406	(36)
<b>Total operating expenditure</b>	<b>9,556</b>	<b>8,964</b>	<b>(592)</b>	<b>27,684</b>	<b>24,837</b>	<b>(2,847)</b>	<b>116,363</b>	<b>115,997</b>	<b>(366)</b>
Depreciation	17,115	17,425	310	51,208	51,518	310	208,348	196,142	(12,206)
<b>Surplus/(deficit) from Operations</b>	<b>(22,566)</b>	<b>(22,422)</b>	<b>(144)</b>	<b>(67,147)</b>	<b>(65,219)</b>	<b>(1,928)</b>	<b>(279,588)</b>	<b>(266,105)</b>	<b>(13,483)</b>
Internal support costs	1,041	1,533	492	3,266	3,610	344	17,780	17,134	(646)
<b>Surplus/(deficit)</b>	<b>(23,607)</b>	<b>(23,955)</b>	<b>348</b>	<b>(70,413)</b>	<b>(68,829)</b>	<b>(1,584)</b>	<b>(297,368)</b>	<b>(283,239)</b>	<b>(14,129)</b>

**Operating Expenditure**

Higher than forecast service delivery costs due to accelerated work for vegetation control and routine maintenance, however this spend will be contained within the full year forecast.

**Section 2c - Internal support for the three months ended 30 September 2013**

	Current month			Year to date			Full Year		
	Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Forecast 30 Jun 2014 \$000	Budget 30 Jun 2014 \$000	Variance \$000
<b>Operating Income</b>									
Other income	1,223	909	314	2,918	2,716	202	12,151	12,149	2
NZTA operating subsidy	643	849	(206)	1,988	2,124	(136)	9,062	3,996	5,066
<b>Total operating income</b>	<b>1,866</b>	<b>1,758</b>	<b>108</b>	<b>4,906</b>	<b>4,840</b>	<b>66</b>	<b>21,213</b>	<b>16,145</b>	<b>5,068</b>
<b>Operating Expenditure</b>									
Personnel costs	4,573	5,089	516	13,908	14,611	703	62,251	56,973	(5,278)
Capitalised personnel costs	(2,056)	(1,470)	586	(5,788)	(4,607)	1,181	(18,036)	(18,036)	-
Directors Fees	37	33	(4)	113	100	(13)	399	399	-
Service delivery costs and professional services	1,794	2,169	375	5,298	4,768	(530)	23,982	21,062	(2,920)
Other expenditure	1,793	1,741	(52)	4,822	4,684	(138)	21,239	27,459	6,220
<b>Total operating expenditure</b>	<b>6,138</b>	<b>7,562</b>	<b>1,424</b>	<b>18,353</b>	<b>19,556</b>	<b>1,203</b>	<b>89,835</b>	<b>87,857</b>	<b>(1,978)</b>
Depreciation	352	1,007	655	1,065	1,326	261	10,382	4,419	(5,963)
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(deficit) before allocation of costs</b>	<b>(4,624)</b>	<b>(6,811)</b>	<b>2,187</b>	<b>(14,512)</b>	<b>(16,042)</b>	<b>1,530</b>	<b>(79,004)</b>	<b>(76,131)</b>	<b>(2,873)</b>
Internal support costs	(4,624)	(6,811)	(2,187)	(14,512)	(16,042)	(1,530)	(79,004)	(76,131)	2,873
<b>Total internal support allocation</b>	<b>(4,624)</b>	<b>(6,811)</b>	<b>(2,187)</b>	<b>(14,512)</b>	<b>(16,042)</b>	<b>(1,530)</b>	<b>(79,004)</b>	<b>(76,131)</b>	<b>2,873</b>
<b>Surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Operating Income**

Favourable income due to dividends received from Auckland Energy Consumer Trust.

**Operating Expenditure**

Lower than forecast personnel costs due to staff vacancies.

Higher than forecast capitalised personnel costs for corporate support \$0.4m and CDD \$0.8m.

YTD service delivery costs and professional services higher than forecast as external resources have covered some staff vacancies.

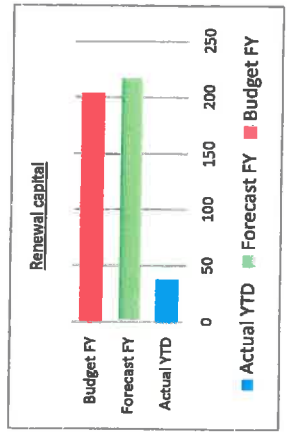
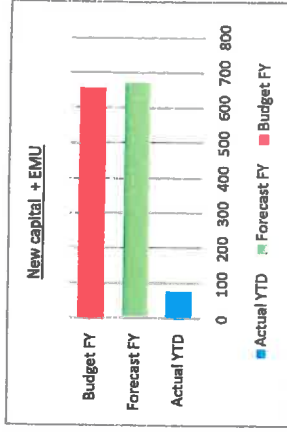
Other expenditure includes higher than forecast electricity costs.

### Section 3a - Summary of Capital Expenditure for the three months ended 30 September 2013 Split by activity

	Note	Current month			Year to date			Full year			
		Actual \$000	Forecast \$000	Variance \$000	Actual \$000	Forecast \$000	Variance \$000	Results Achieved	Forecast \$000	Budget \$000	Variance \$000
<b>New capital expenditure</b>											
Parking operations	1	2	119	117	63	2,996	2,933	●	8,295	8,299	4
Public transport	2	4,311	10,788	6,477	12,412	22,135	9,723	●	361,622	250,885	(130,737)
Roads	3	13,849	20,106	6,257	41,919	49,446	7,527	●	236,277	237,562	2,285
Other	4	1,348	2,498	1,150	3,865	5,154	1,289	●	25,325	5,665	(19,660)
<b>Total new capital</b>		<b>19,510</b>	<b>33,511</b>	<b>14,001</b>	<b>58,259</b>	<b>79,731</b>	<b>21,472</b>	●	<b>650,519</b>	<b>502,411</b>	<b>(148,108)</b>
<b>Renewal capital expenditure</b>											
Parking operations	5	68	122	54	141	249	108	●	2,121	2,121	-
Public transport	6	559	2,657	2,098	4,296	5,449	1,153	●	12,722	12,722	-
Roads		14,005	13,765	(240)	33,088	33,532	444	●	200,510	188,200	(12,310)
Other		-	-	-	-	-	-	●	1,200	-	(1,200)
<b>Total renewal</b>		<b>14,632</b>	<b>16,544</b>	<b>1,912</b>	<b>37,525</b>	<b>39,230</b>	<b>1,705</b>	●	<b>216,553</b>	<b>203,043</b>	<b>(13,510)</b>
<b>Electric motor units (EMUs)</b>											
Procurement		3,881	10,154	6,273	16,172	20,644	4,472	●	16,172	136,589	119,417
Depot		(39)	6,912	6,951	3,935	17,803	13,868	●	3,935	16,429	14,494
<b>Total EMUs</b>	<b>7</b>	<b>3,842</b>	<b>17,066</b>	<b>13,224</b>	<b>20,107</b>	<b>38,447</b>	<b>18,340</b>	●	<b>20,107</b>	<b>154,018</b>	<b>133,911</b>
<b>Total direct capital</b>		<b>37,984</b>	<b>67,121</b>	<b>29,137</b>	<b>115,891</b>	<b>157,408</b>	<b>41,517</b>	●	<b>887,179</b>	<b>859,472</b>	<b>(27,707)</b>
<b>Vested assets</b>		-	-	-	-	-	-	-	-	-	-
<b>Total capital</b>		<b>37,984</b>	<b>67,121</b>	<b>29,137</b>	<b>115,891</b>	<b>157,408</b>	<b>41,517</b>	●	<b>887,179</b>	<b>859,472</b>	<b>(27,707)</b>

**Notes: (Year to date)**

- \$2.9m favourable variance against forecast in parking operations is mainly due to Devon Lane carpark (\$2.4m, settlement delayed for purchase of Devon Lane carpark due to legal title transfer issues; Carpark Operating Equipment \$0.2m, delayed due to the payment card industry compliance issues which is expected to be resolved in October).
- \$9.7m favourable variance against forecast in public transport is mainly due to AIFS (\$6.2m, undelivered milestones for the AIFS project by the contractor Thales); Central Rail Link (\$1.1m, property settlement delayed); Bus stop improvements (\$1m, delays caused by new network implementation and reviews; PT Wharves Capex - minor (\$0.5m, project delayed).
- \$7.5m favourable variance against forecast in roads is mainly due to Smales Allens road widening (\$1.1m, property settlement delayed); Albany Highway upgrade (\$1.0m, delays on property purchases and construction); Taharoto/Wairau - Stage 3 (\$1.1m, construction delayed) and AMETI (\$2.3m, timing issue on package 4 property acquisition and delays on construction for package 1, which is expected to be within the full year forecast).
- \$1.3m favourable variance against forecast in others is primarily from IT core programme (\$0.8m, delays in disaster recovery project) and ATOC CCTV convergence work (\$0.4m, delayed).
- \$0.1m renewals underspend on parking operations is mainly due to delays with contractual agreements.
- \$1.1m renewals underspend on public transport is mainly due to Rolling Stock (\$0.9m, it is expected to be within the full year forecast).
- \$18.3m underspend on EMU project is mainly due to EMU procurement (\$4.5m, initial payment on new train now due in Oct/Nov) and EMU depot (\$13.9m, construction \$7.8m awaiting final account but likely to be saving. Mainline connection \$2.8m net saving and plant \$2.8m awaiting final invoice from supplier on train wash equipment. It is expected that will not have any impact on the completion date.

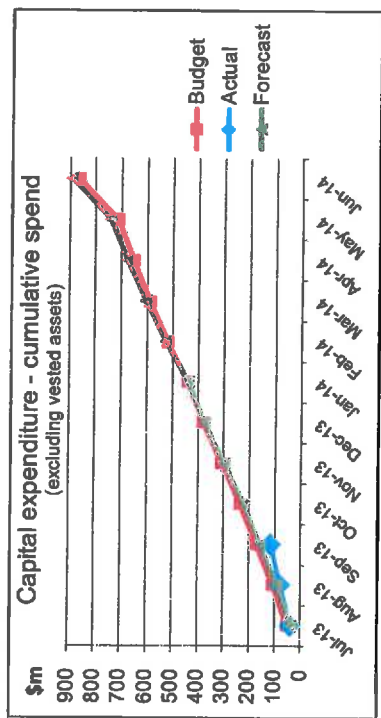
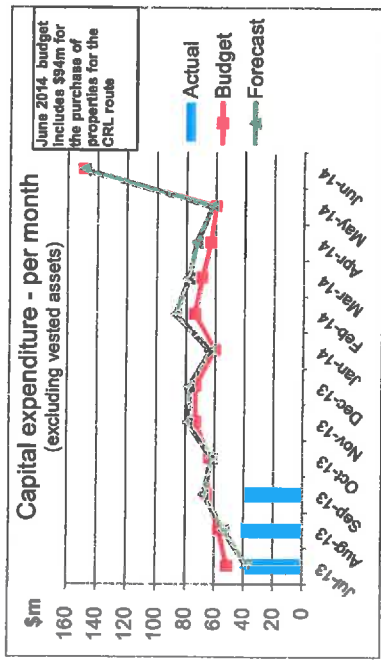
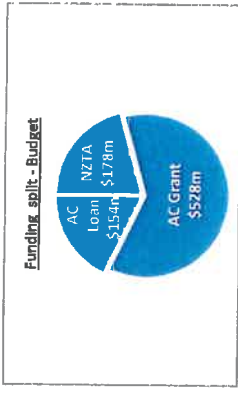


- : Largely on track
- : Some issues or risks
- : Project issues or risks



### Section 3b - Capital Expenditure Funding for the three months ended 30 September 2013

Funding	Current month			Year to date			Full year		
	Actual	Forecast	Variance	Actual	Forecast	Variance	Forecast	Budget	Variance
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
NZTA - new capital	4,831	6,616	(1,785)	12,009	15,254	(3,245)	13,764	111,621	(97,857)
NZTA - renewal capital	5,774	7,378	(1,604)	18,211	17,500	(1,288)	16,211	66,018	(49,807)
Other grants and subsidies	-	-	-	-	-	-	3,197	-	3,197
Auckland Council funding (Non EMU)	23,537	36,061	(12,524)	67,564	86,207	(18,643)	833,900	527,815	306,085
Auckland Council loan (EMU)	3,842	17,066	(13,224)	20,107	38,447	(18,340)	20,107	154,017	(133,910)
<b>Total funding</b>	<b>37,984</b>	<b>67,121</b>	<b>(29,137)</b>	<b>115,891</b>	<b>157,408</b>	<b>(41,517)</b>	<b>887,179</b>	<b>859,471</b>	<b>27,708</b>



**Section 4a - Statement of Financial Position  
As at 30 September 2013**

	Note	Actual 30 September 2013 \$000	Actual 31 August 2013 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	1	77,300	66,887
Trade and other receivables	2	122,555	118,481
Inventories		4,409	4,927
Other assets		10,957	5,644
<b>Total current assets</b>		<b>215,221</b>	<b>195,939</b>
<b>Non-current assets</b>			
Property, plant and equipment - assets		13,937,145	13,926,328
Property, plant and equipment - work-in-progress		607,981	602,676
Intangible assets		74,624	74,836
Amounts due from related parties		46,000	46,000
<b>Total non-current assets</b>		<b>14,665,750</b>	<b>14,649,840</b>
<b>Total assets</b>		<b>14,880,971</b>	<b>14,845,779</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Derivative financial instruments	3	18,694	8,735
Trade and other payables	4	135,616	139,825
Employee benefit liabilities	5	11,220	10,503
Borrowings	6	1,555	1,397
<b>Total current liabilities</b>		<b>167,085</b>	<b>160,460</b>
<b>Non-current liabilities</b>			
Derivative financial instruments	3	22,454	11,149
Employee benefit liabilities	5	851	851
Borrowings	6	242,445	228,681
Deferred tax liability	7	9,173	9,173
<b>Total non-current liabilities</b>		<b>274,923</b>	<b>249,854</b>
<b>Total liabilities</b>		<b>442,008</b>	<b>410,314</b>
<b>Net assets</b>		<b>14,438,963</b>	<b>14,435,465</b>
<b>Equity</b>			
Contributed equity		13,002,319	12,979,650
Retained earnings/(losses)		328,324	328,209
Reserves		1,108,320	1,127,606
<b>Total equity</b>		<b>14,438,963</b>	<b>14,435,465</b>

**Section 4b - Notes to the Financial Statements  
As at 30 September 2013**

	Actual 30 September 2013	Actual 31 August 2013
	\$000	\$000

**1 Cash and cash equivalents**

Cash at bank - Trading	5,667	36,819
Cash at bank - AIFS	2,174	2,135
Till floats	253	253
Cash investment with Auckland Council	69,206	27,680
<b>Total cash and cash equivalents</b>	<b>77,300</b>	<b>66,887</b>

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

Auckland Transport operates a restricted bank account for Auckland Integrated Fares System (AIFS). This account is used for the deposit of unused stored value on AT HOP cards and is therefore considered restricted funds. This account does not form part of the assets or liabilities of Auckland Transport (see also note 4).

**2 Trade and other receivables**

Trade debtors	3,382	2,901
Finance lease receivable	58	58
Infringements receivable	16,986	16,410
Amounts due from related parties	67,513	67,338
Accrued income	29,439	32,018
Goods and services tax	6,931	1,510
	<b>124,309</b>	<b>120,235</b>
Less provision for impairment of receivables	(1,754)	(1,754)
<b>Total trade and other receivables</b>	<b>122,555</b>	<b>118,481</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 the reporting date is the carrying value of each class of receivable mentioned above.

The ageing profile of receivables at 30 September 2013 is detailed below:

	Gross \$000	Impaired \$000	Net \$000
Not past due	103,587	-	103,587
Past due 1 - 30 days	2,875	-	2,875
Past due 31 - 60 days	1,821	-	1,821
Past due 61 - 90 days	1,443	-	1,443
Past due > 90 days	14,583	(1,754)	12,829
	<b>124,309</b>	<b>(1,754)</b>	<b>122,555</b>

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

The provision for impairment of receivables has been calculated on an individual basis. The provision is based on a review of significant debtor balances. Receivables are assessed as impaired due to significant financial difficulties being experienced by the debtor, and Auckland Transport management concluding that it is remote that the overdue amounts will be recovered.

Movements in the provision for impairment of receivables are as follows:

	<b>Actual \$000</b>
At 1 July 2013	1,754
Additional provisions made	-
Provisions reversed	-
Receivables written-off	-
<b>At 30 September 2013</b>	<b>1,754</b>

**Section 4b - Notes to the Financial Statements  
As at 30 September 2013**

	Actual 30 September 2013	Actual 31 August 2013
	\$000	\$000

**3 Derivative financial instruments**

**Current liability portion**

Forward foreign exchange contracts - cash flow hedges	18,433	8,504
Forward foreign exchange contracts - not hedge accounted	261	231
<b>Current derivative financial instruments</b>	<b>18,694</b>	<b>8,735</b>

**Non-current liability portion**

Interest rate swaps - cash flow hedges	2,933	984
Forward foreign exchange contracts - cash flow hedges	19,521	10,165
<b>Non-current derivative financial instruments</b>	<b>22,454</b>	<b>11,149</b>

**Forward foreign exchange contracts**

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from forward foreign exchange contract prices.

*Forward foreign exchange contracts - not hedge accounted*

The notional principal amount of outstanding forward foreign exchange contracts that were not hedge accounted was NZD \$874k. The foreign currency principal amount was EUR €375k. The loss on their revaluation of \$24k has been recorded in the Statement of Financial Performance.

*Forward foreign exchange contracts - hedge accounted*

The notional principal amount of outstanding forward foreign exchange contract cash flow hedges was NZD \$335m. The foreign currency principal amount was USD \$238m. These cash flow hedges have been accounted for as effective and the loss of \$19m on their revaluation has been transferred to the cash flow hedge reserve within equity.

**Interest rate swaps**

The fair values of interest rate swaps have been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.

The notional principal amount of the outstanding interest rate swap contracts was \$333m. At 30 September 2013 the fixed interest rates of cash flow hedge interest rate swaps varied from 5.11% to 5.4%. The gain on their revaluation of \$8.5m has been recorded in the Statement of Financial Performance.

**4 Trade and other payables**

Creditors	21,385	17,166
Accrued expenses	89,966	98,871
Retentions	7,345	7,478
Amounts due to related parties	13,661	13,114
Income in advance	1,091	1,062
AIFS Hop Card unsecured obligation	2,168	2,134
	<b>135,616</b>	<b>139,825</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.

The AIFS Hop Card unsecured obligation represents card holder deposits held in trust in a separate bank account for the benefit of the holders. Accordingly, the balance does not form part of the assets or liabilities of Auckland Transport (See note 1).

**Section 4b - Notes to the Financial Statements  
As at 30 September 2013**

Actual  
30 September 2013      Actual  
31 August 2013  
\$000                      \$000

**5 Employee benefit liabilities**

**Current portion**

Accrued salaries and wages	3,951	3,494
Accrued leave	7,269	7,009
<b>Current employee benefit liabilities</b>	<b>11,220</b>	<b>10,503</b>

**Non-current portion**

Retirement gratuities	383	383
Long service leave	468	468
<b>Non-current employee benefit liabilities</b>	<b>851</b>	<b>851</b>

**6 Borrowings**

**Current portion**

Loans from Auckland Council	1,389	1,231
Finance Leases	166	166
<b>Current borrowings</b>	<b>1,555</b>	<b>1,397</b>

**Non-current portion**

Loans from Auckland Council	242,021	228,244
Finance Leases	424	437
<b>Non-current borrowings</b>	<b>242,445</b>	<b>228,681</b>

Weighted average cost of funds on total borrowings 5.48%                      5.45%

Auckland Transport's loan debt of \$243,409,896 is issued at fixed rates of interest ranging from 4.20% to 6.06%. The interest rate on finance leases is 3%.

**7 Deferred tax liability**

	Actual 30 September 2013			
	Property, plant and equipment	Other provisions	Tax losses	Total
	\$000	\$000	\$000	\$000
Deferred tax liability				
Balance at 1 July 2012	(11,020)	-	-	(11,020)
Charged to profit and loss	1,847	-	-	1,847
Charged to equity	-	-	-	-
<b>Balance at 30 September 2013</b>	<b>(9,173)</b>	<b>-</b>	<b>-</b>	<b>(9,173)</b>

## Section 5a - Cash Flow Rolling Forecast as at 30 September 2013

	Current month		Forecast rolling 3 months		
	Actual	Forecast	Forecast	Forecast	Forecast
	\$000	\$000	Oct 2013	Nov 2013	Dec 2013
<b>Cash flows from operating activities</b>					
Total cash provided	71,665	74,018	76,565	82,629	79,028
<b>Cash applied to:</b>					
Payments to suppliers, employees and directors	54,779	48,333	49,819	50,359	48,522
Interest paid	810	1,013	1,156	1,118	1,230
Goods and services tax (net)	5,421	-	-	-	-
<b>Total cash applied</b>	<b>61,010</b>	<b>49,346</b>	<b>50,975</b>	<b>51,477</b>	<b>49,752</b>
<b>Net cash from operating activities</b>	<b>10,655</b>	<b>24,672</b>	<b>25,590</b>	<b>31,152</b>	<b>29,276</b>

<b>Cash flows from investing activities</b>					
<b>Cash provided from:</b>					
Sale of property, plant and equipment	2	-	-	-	-
<b>Total cash provided</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash applied to:</b>					
Capital expenditure projects	36,837	67,121	61,818	78,405	77,396
<b>Total cash applied</b>	<b>36,837</b>	<b>67,121</b>	<b>61,818</b>	<b>78,405</b>	<b>77,396</b>
<b>Net cash from investing activities</b>	<b>(36,835)</b>	<b>(67,121)</b>	<b>(61,818)</b>	<b>(78,405)</b>	<b>(77,396)</b>

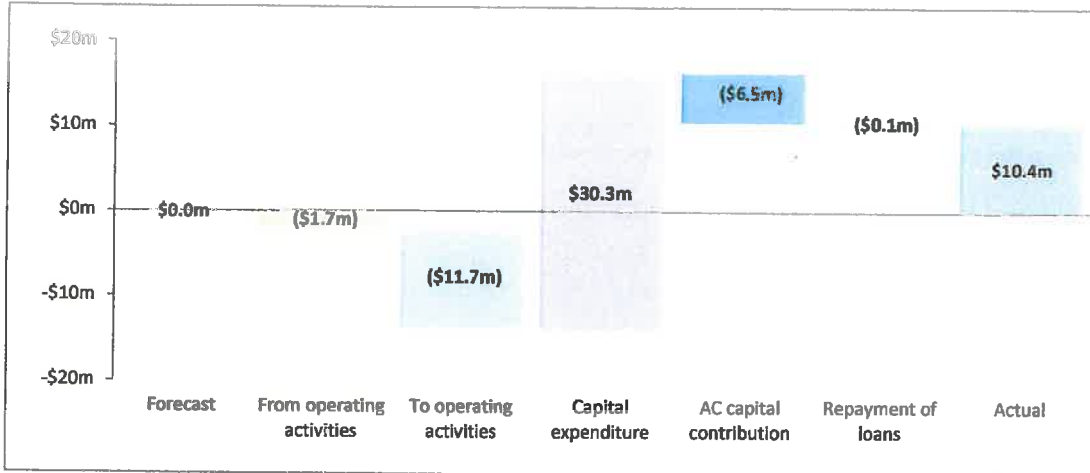
<b>Cash flows from financing activities</b>					
<b>Cash provided from:</b>					
Loan from Auckland Council - EMU	14,000	14,000	-	-	33,000
Capital contribution from Auckland Council	22,670	28,449	36,228	47,253	15,120
<b>Total cash provided</b>	<b>36,670</b>	<b>42,449</b>	<b>36,228</b>	<b>47,253</b>	<b>48,120</b>
<b>Cash applied to:</b>					
Repayments of EMU loan from Auckland Council	64	-	-	-	-
Repayments of finance lease principal	14	-	-	-	-
<b>Total cash provided</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from financing activities</b>	<b>36,592</b>	<b>42,449</b>	<b>36,228</b>	<b>47,253</b>	<b>48,120</b>

<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>10,412</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Opening cash balance	66,888	-	-	-	-
<b>Closing cash balance</b>	<b>77,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Reconciliation of net surplus/(deficit) after tax to net cash flow from operating activities		Current month
<b>Surplus/(deficit) after tax</b>		\$000
		115
<b>Add/(less) non cash items</b>		
Depreciation and amortisation		22,074
Vested assets		-
Loss on disposal of property, plant and equipment		(2)
Loss on asset write off		-
Revaluation decrement		-
Foreign exchange gains		30
Loss on interest rate swaps		1,949
Income tax		-
		<b>24,051</b>
<b>Add/(less) movements in working capital</b>		
Decrease/(Increase) in debtors and other receivables		(28,249)
Decrease/(Increase) in inventories		517
(Decrease)/Increase in creditors and other payables		(5,352)
(Decrease)/Increase in employee benefits payable		717
(Decrease)/Increase in investment funding from AC		18,856
		<b>(13,511)</b>
<b>Net cash flow from operating activities</b>		<b>10,655</b>

**Section 5b - Cash flow**

**Cash flow - Current month forecast to actual**



## Section 6 - Accounts Receivable and Accounts Payable Monthly Report.

### Accounts Receivable

An overview of the Debtors as at 30 September has 97.5% of adjusted Debtors in 30 and 60 days.

#### Debtors Ageing Analysis as at 30 September 2013

<u>Description</u>	<u>Ave Days</u>	<u>Total O/s</u>	<u>30 Days</u>	<u>60 Days</u>	<u>90 Days</u>	<u>120 Days</u>	<u>120+ Days</u>	<u>Notes</u>
<b>Debtors Ageing 30 Sep</b>	<b>131</b>	<b>4,144,189</b>	<b>1,301,490</b>	<b>615,050</b>	<b>66,493</b>	<b>144,464</b>	<b>2,016,692</b>	
		100.0%	31.4%	14.8%	1.6%	3.5%	48.7%	
O/s Related Parties	27	762,182	325,348	396,618	40,215	0	0	1
<b>Trade Debtors</b>	<b>108</b>	<b>3,382,007</b>	<b>976,142</b>	<b>218,432</b>	<b>26,277</b>	<b>144,464</b>	<b>2,016,692</b>	
		100.0%	28.9%	6.5%	0.8%	4.3%	59.6%	
Queried Invoices	204	289,110	16,207	7,858	9,569	25,757	229,719	2
Cell Sites - Property	379	1,917,876	90,682	0	0	107,386	1,719,807	3
To Baycorp (Collection)	408	21,142	0	0	1,377	3,589	16,176	4
Payment Arrangement	29	2,421	0	0	0	0	0	5
Lodged Courts (Damages)	134	106,440	54,495	6,444	6,800	3,178	35,523	6
<b>Adjusted Debtors</b>	<b>N/a</b>	<b>1,045,018</b>	<b>814,758</b>	<b>204,130</b>	<b>8,531</b>	<b>4,554</b>	<b>15,466</b>	
		100.0%	78.0%	19.5%	0.8%	0.4%	1.5%	

- 1 - This section relates to amounts owed by related parties (inter-company).
- 2 - A number of invoices have been queried or disputed by customers and we are working with them and the relevant Departments in an effort to resolve these queries. The bulk of the outstanding amount is made up of two groups of Debtors with combined outstanding invoices totalling \$223k. Finance are in contact with Property in an effort to resolve these matters.
- 3 - Property are currently working to resolve on-going issues around outstanding amounts relating to rental of cell sites. Of this an amount of \$1,681,840 was impaired at 30 June as they were considered doubtful. This has been revised from \$788k last year. The additional invoices have been included as doubtful as they remain unpaid while the issue of whether AT can recover rentals of cell sites is resolved. This matter is now with senior management for resolution.
- 4 - These are amounts which may be written off in the future. All amounts written off are approved by the CFO in accordance with accepted practice. A number of Debtors have been handed over to Baycorp for collection.
- 5 - Slow payers with payment arrangements.
- 6 - Lodged at Court relates to matters where AT is recovering damages from road accidents investigated by the Police. Many of the matters are being paid off at a nominal amount per week as instructed by the Courts.

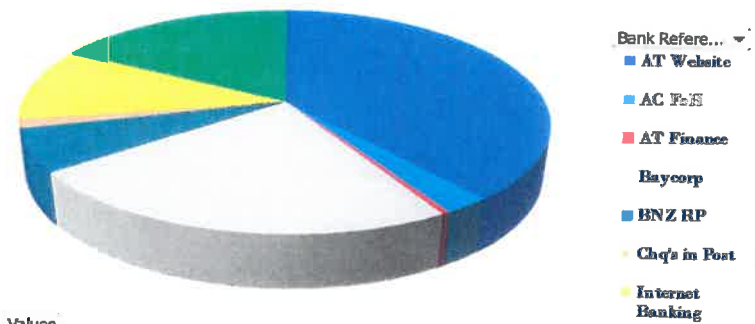


## Infringement Overview

Row Labels	Count of Amount	Value Receipts	% of Total
AT Website	12,512	\$624,567	33.7%
AC FoH	818	\$91,950	5.0%
AT Finance	122	\$4,095	0.2%
Baycorp	7,518	\$470,102	25.4%
BNZ RP	2,024	\$103,996	5.6%
Chq's in Post	419	\$41,457	2.2%
Internet Banking	3,424	\$211,790	11.4%
KiwiBank	5,663	\$303,089	16.4%
<b>Grand Total</b>	<b>32,500</b>	<b>\$1,861,046</b>	<b>100.0%</b>

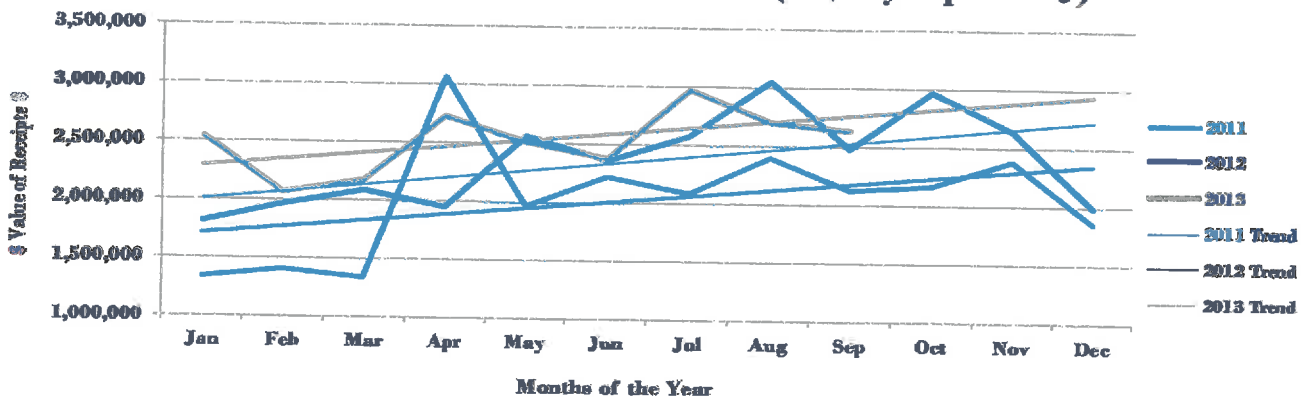
Count of Amount, Value Receipts, % of Total

### Analysis of Payment Channels



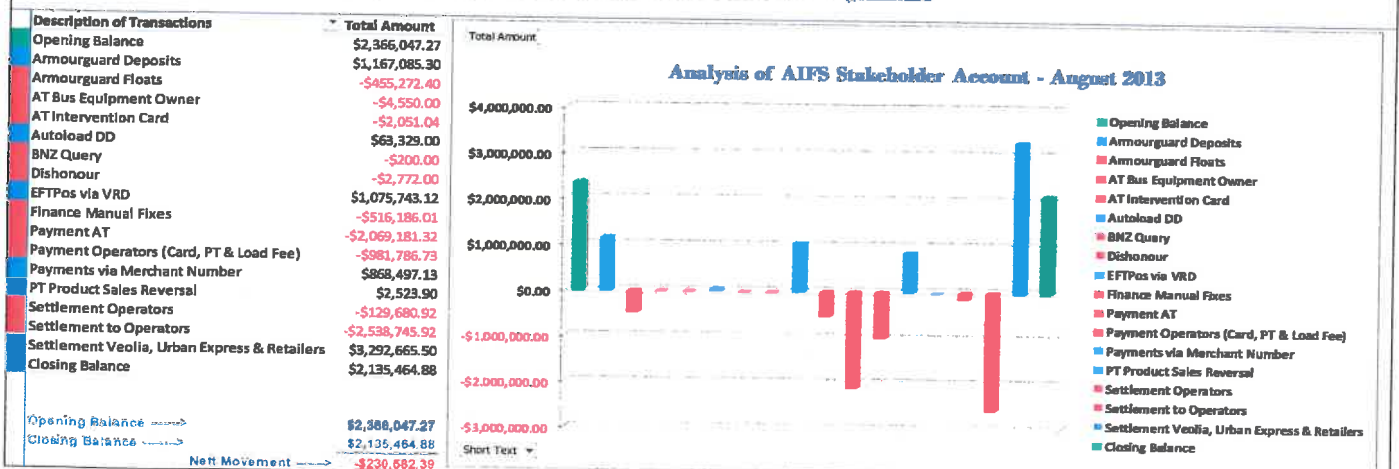
September Infringement receipts are 4.1% down on August due to the number of working days in the month. In this instance, September has 21 working days compared with 22 in August. While total receipts vary month on month depending on working days in the month, analysis has shown that AT is averaging just over 1,500 infringement receipts per day over the last 6 months. There is very little change this month with payment channels usage when compared with August.

### All Receipting 2011 vs 2012 vs 2013 (AT, Baycorp & MOJ)



The overview of receipts for 2011, 2012 and 2013 with trend lines clearly indicates that collections are increasing year on year. This analysis does not include Legacy Council collections through MOJ. While there have been increased and decreased fluctuations in issued infringements over the 33 months in the analysis, this has not affected the collection rates for the organization.

### Analysis of AIFS Stakeholder Account Movement - August 2013



## Recommendation

It is recommended that the Auckland Transport Board receive the report.

<b>Prepared by</b>	Katy Wang <b>Planning and Reporting Accountant</b>  Susan Cairns <b>Senior Financial Reporting Accountant</b>	 
<b>Recommended by</b>	Julian Michael <b>Financial Reporting Manager</b>  Stephen Smith <b>Finance Manager</b>	 
<b>Approved for submission</b>	David Warburton <b>Acting Chief Financial Officer</b>	