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Greytown District Trust Lands

SPOTLIGHT REPORT - June 2019

Prepared 11 July 2019



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Highlights

1. Capital Expenditure & Debt planning

Spotlight Forecasting Analysis

Profit and loss against the 2019/20 budget:

- Gross Profit, ahead of budget forecast (\$7.1k - savings on R&M to date).
- OPEX - no notable spend, well within budget range.
- GRANTS - on budget with a clawback on Rent remissions (\$2k on Education community in advance and \$1k Apprenticeship).
- YTD profit is \$99.9k (net of Grants), \$16.3k ahead of budget.

The audit/financial statements are now complete for signoff.

Position / Debt Analysis

- The WBS debt was repaid in 'July 2018' - still \$10.
- \$812k now on Term Deposit (\$12k interest added in June 2019). [Note that \$68k moved on 2nd July 2019 to increase to \$880k].
- \$142k cash in the bank (with adequate working capital cover of > \$105k).
- \$105k total working capital cover (which means cash plus debtors is \$105k greater than our GST/creditors/grants obligation/holiday pay liabilities owing).
- Leave analysis:
 - Kevin = 136hrs (\$9.1k), SL = 8 days owing.
 - Helga = 29hrs (\$0.9k), SL = 13 days owing.

Total YTD Capex

HIGHLIGHTS

- Apr: \$Nil
- May: \$2.6k Wagnai (Blinds).
- June: \$3.4k Wagnai (Blinds).

[The spend on Arbour Place cumulative from last year is \$135k].

PROPERTY

1. Summary Analysis

	PROPERTY ANALYSIS (CONTRIBUTIONS)				
	Investment	Renewal	Interest	Sale of property	Term deposit
Target	70,000	210,000	34,255	342,000	750,301
Per Month	5,833	17,500			
June 2019 Target	17,500	52,500			
Banked end of June	50,000	68,000	12,405	-	880,706
Ahead of Target	32,500	15,500			
<i>Remaining</i>	<i>(20,000)</i>	<i>(142,000)</i>	<i>(21,850)</i>	<i>(342,000)</i>	<i>(525,850)</i>
<i>Months left</i>	<i>9</i>	<i>9</i>			
<i>Avg required per month</i>	<i>2,222</i>	<i>15,778</i>			
FORECAST CASH DEPOSIT					1,406,556

2. Properties

The above table is an analysis of property investment and renewal buckets to illustrate the progress for putting aside the cash, and also the forecast planned outcomes (and how this impacts the term deposit growth).

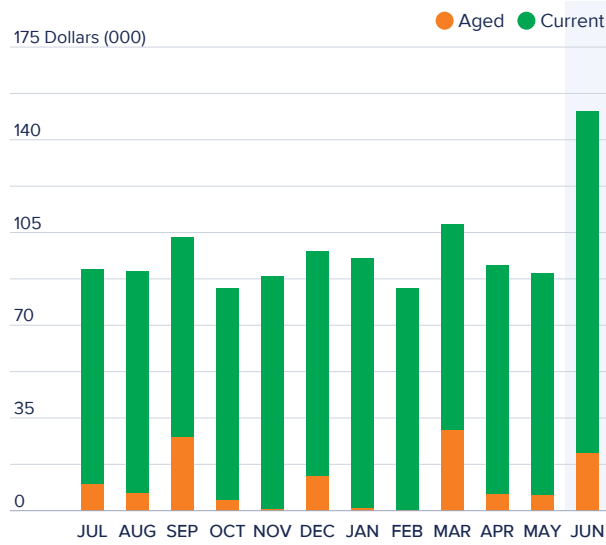
Activity:

- Deposit on Arbour Place (Net \$22.8k) - still awaiting settlement.
- We have included a provision in the mandate analysis for sale of all three Lots at Arbor Place net \$499k.
- \$880k is on term deposit (as a further \$68k was moved on 2nd July 2019)

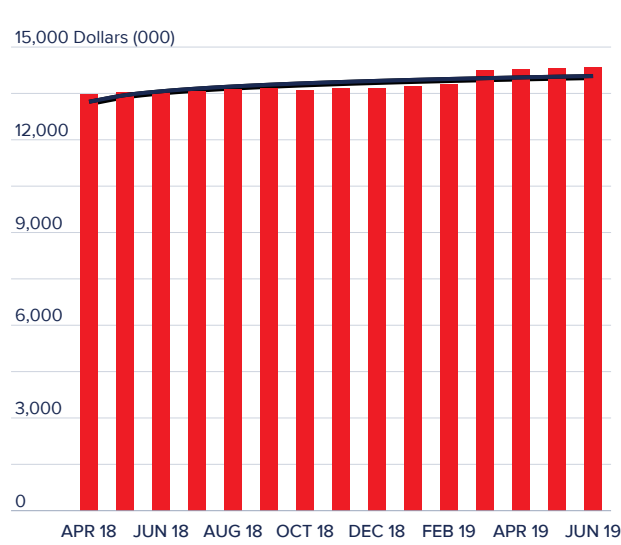
	YTD	Actual vs Orig Budget			Projections Analysis			
	Actual	Budget	Variance	Variance %	19/20 Proj	Orig Budget	Variance	Variance %
Interest Income	12,405	12,973	-568	-4.4%	37,271	37,839	-568	-1.5%
Recoveries	50,736	59,579	-8,843	-14.8%	93,271	102,114	-8,843	-8.7%
Rents	235,696	235,261	435	0.2%	948,234	947,799	435	0.0%
Total Revenue	298,837	307,813	-8,976	-2.9%	1,078,776	1,087,752	-8,976	-0.8%
Total Cost of Sales	68,319	83,905	-15,586	-18.6%	170,125	185,711	-15,586	-8.4%
Gross Profit	230,518	223,908	6,610	3.0%	908,651	902,041	6,610	0.7%
GP%	77.1%	72.7%			84.2%	82.9%		
ADMIN	59,464	55,460	4,004	7.2%	252,338	248,334	4,004	1.6%
GRANTS	64,043	62,567	1,476	2.4%	304,712	303,236	1,476	0.5%
OPEX	6,907	21,636	-14,729	-68.1%	48,070	62,799	-14,729	-23.5%
Total OPEX	130,414	139,663	-9,249	-6.6%	605,120	614,369	-9,249	-1.5%
Operating Profit	100,104	84,245	15,859	18.8%	303,531	287,672	15,859	5.5%
EBITDA	100,104	84,245	15,859	18.8%	303,531	287,672	15,859	5.5%
EBITDA%	33.5%	27.4%			28.1%	26.4%		
Depreciation	178	645	-467	-72.4%	2,113	2,580	-467	-18.1%
EBIT	99,926	83,600	16,326	19.5%	301,418	285,092	16,326	5.7%
EBT	99,926	83,600	16,326	19.5%	301,418	285,092	16,326	5.7%

	Now	Monitors	
	As at Jun 19	CAPEX Monitor	YTD
Accounts Receivable	150,891	Improvements to Investment Proper	5,722
Bank Accounts	209,191	Total CAPEX	5,722
Dev WIP	135,874		
Other Current Assets	812,706	Debt Monitor	As at Jun 19
Total Current Assets	1,308,662	Accounts Payable	89,389
Term Assets	13,220,986	Taxes	20,136
Total Assets	14,529,648	Term Loans	11
Accounts Payable	88,389	Other	80,031
Grants Committed Not yet paid	1,000	Total Debt	189,567
Other Current Liabilities	99,434		
Total Current Liabilities	188,823		
Term Liabilities	744		
Total Liabilities	189,567		
Equity	14,340,081		

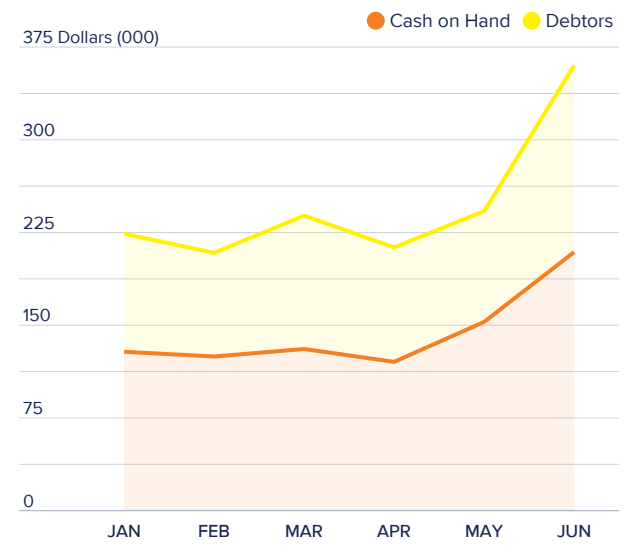
RECEIVABLES



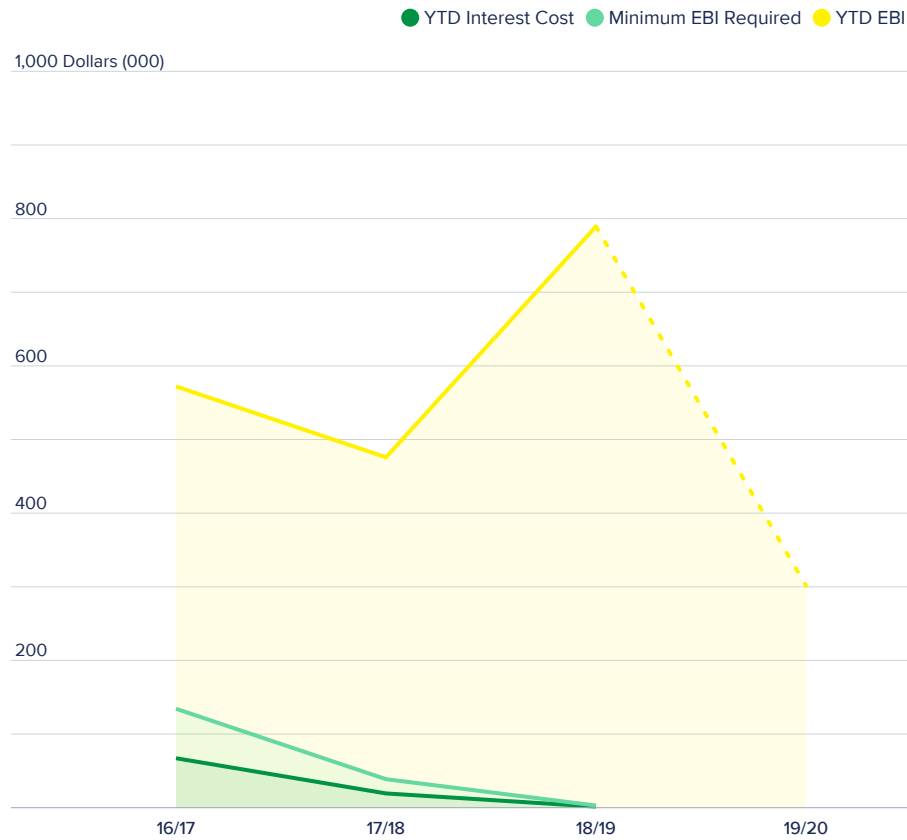
EQUITY TREND



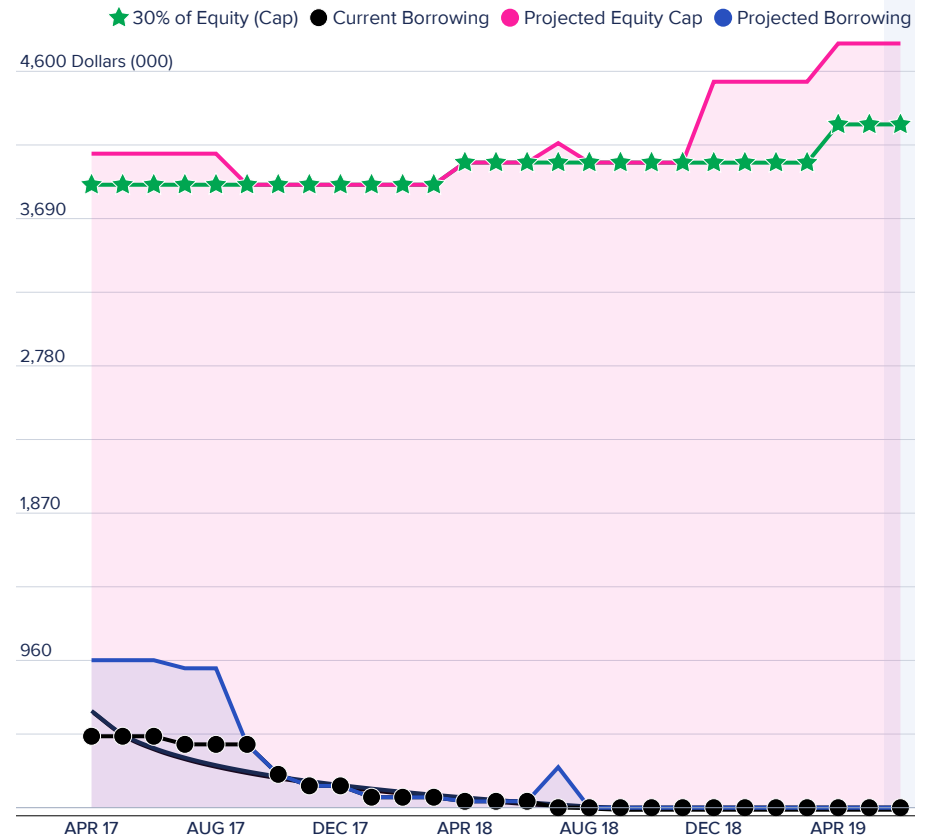
LIQUIDITY - (Cash + Debtors)



EBI > Interest Cost x2



Borrowing < 30% of Equity



Mandated Compliance

Compliance with Minister mandated borrowing restrictions	
1. EBI > interest cost x 2	
YTD interest	0.15
Minimum EBI cover required (YTD interest x 2)	0.30
YTD EBI	99,927
2. Borrowing < 30% of equity	
Cap based on equity	4,302,024
Current level of drawdown from WBS	11
<i>The Trust is therefore fully compliant with both its borrowing restrictions.</i>	
Projected available borrowing allocation up to cap	
Cap based on equity	4,302,024
Projected Borrowing Cap	4,302,024
Less	
Current level of drawdown from WBS	(11)
Projected additional drawdown:	
<i>Sale of Lot 25 \$375 less costs</i>	355,000
Sale of smaller lots \$85k & \$65k	144,000
Total Gain	499,000
Projected repayment Debt:	
	0
Total Debt Repaid	0
Projected available borrowing allocation up to cap	4,801,014
Land Reserve Balance - per Policy	1,480,734