



info@rightway.co.nz
0800 555 024

Greytown District Trust Lands

SPOTLIGHT REPORT - March 2020

Prepared 15 April 2020



CONTENTS

Executive Summary	3
Profit & Loss.....	6
Balance Sheet Analysis	7
Mandated Compliance - Charts.....	8
Mandated Compliance - Summary	9

Highlights

1. Capital Expenditure & Debt planning

Spotlight Forecasting Analysis

Profit and loss against the 2019/20 budget:

Year end wrap up:

- Trading Income \$53k down on budget, cost of sales \$2.5k improvement on budget = Gross Profit \$51k down on budget [Note this includes a transfer of \$35k R&M on Police Station - previously accounted for as Capital Improvements].
- Interest Income is up \$14.6k from the original budget [related to funds on deposit/investment]
- Opex savings of \$38k on budget. Admin savings of \$7.4k on budget - This is savings/limited spend on Health & Safety, New Dev Investigation, & Legal Fees. Total savings of \$46.2k
- Net result = \$58.1k ahead of 'profit after grants' (per budget) - with an under spent Grant allocation of \$30.2k.

[Have accrued: \$2k Election costs, Audit Fee, Valuation Fee]

Position / Debt Analysis

- The WBS debt was repaid fully and property guarantees removed in March 2020.
- \$2 mill on BNZ deposit.
- \$234.5k on Deposit with BNZ (\$32k transferred in Feb 20 to fulfil budget plan).
- \$51k cash in the bank [Net of \$2mill transfer on 2nd April] (with adequate working capital cover of > \$25k).
- \$25k total working capital cover (which means cash plus debtors is \$25k greater than our GST/creditors/grants obligation/holiday pay liabilities owing). This is after a

transfer of \$2 mill on 2nd April 2020 [Clearing excess 2020 profit booked to the funds on deposit]

- Leave analysis:
 - Kevin = Annual Leave 42.76hrs (\$3.02k), Sick Leave = 11 days owing.
 - Helga = Annual Leave 25.49hrs (\$0.820k), Sick Leave = 16 days owing.

Total YTD Capex

Full Financial year \$7.1k [Was \$41k originally]

Transferred Police Station costs relating to R&M \$34.5k [after discussion with auditor over the correct treatment and nature of this fix up on the property].

PROPERTY

1. Summary Analysis

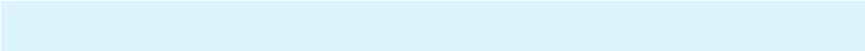
	PROPERTY ANALYSIS (CONTRIBUTIONS)					
	Investment	Renewal	Total Fund	Interest	Sale of property	Term deposit & Savings
Target	70,000	210,000	280,000	34,255	919,000	750,301
Per Month	5,833	17,500	23,333			
March 2020 Target	70,000	210,000	280,000			
Improvements Spend		- 39,316	- 39,316			
Adjusted Target	70,000	170,684	240,684			
Banked end of March 2020	70,000	229,151	299,151	52,414	1,132,670	2,234,536
Ahead of Target	-	58,467	58,467			

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:

- \$2 Mill on Deposit now with BNZ. \$234.5k on Deposit with BNZ.
- Total Investment/Renewal buckets - Target reached (actually \$58k ahead of target - which represents the 2020 excess profit on budget being transferred to deposit on 2nd April in addition to the WBS transfer).

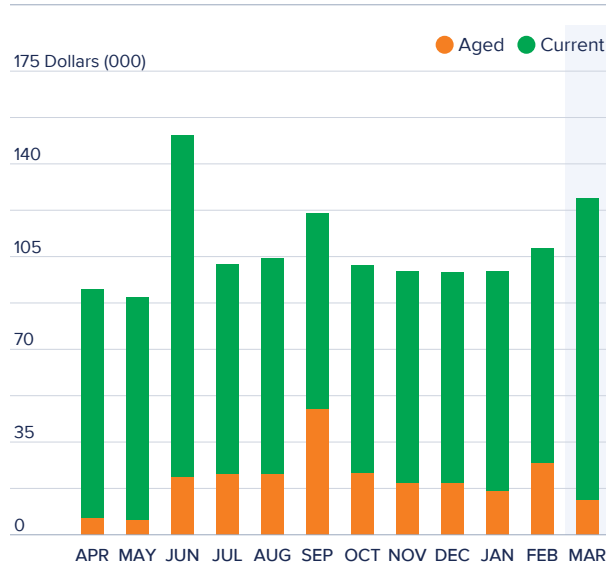


	YTD	Actual vs Orig Budget			Projections Analysis			
	Actual	Budget	Variance	Variance %	19/20 Proj	Orig Budget	Variance	Variance %
Interest Income	52,455	37,839	14,616	38.6%	52,455	37,839	14,616	38.6%
Recoveries	92,192	102,114	-9,922	-9.7%	92,192	102,114	-9,922	-9.7%
Rents	903,829	947,799	-43,970	-4.6%	903,829	947,799	-43,970	-4.6%
Total Revenue	1,048,476	1,087,752	-39,276	-3.6%	1,048,476	1,087,752	-39,276	-3.6%
Total Cost of Sales	183,153	185,711	-2,558	-1.4%	183,153	185,711	-2,558	-1.4%
Gross Profit	865,323	902,041	-36,718	-4.1%	865,323	902,041	-36,718	-4.1%
GP%	82.5%	82.9%			82.5%	82.9%		
ADMIN	247,707	248,334	-627	-0.3%	247,707	248,334	-627	-0.3%
GRANTS	254,180	303,236	-49,056	-16.2%	254,180	303,236	-49,056	-16.2%
OPEX	17,638	62,799	-45,161	-71.9%	17,638	62,799	-45,161	-71.9%
Total OPEX	519,525	614,369	-94,844	-15.4%	519,525	614,369	-94,844	-15.4%
Operating Profit	345,798	287,672	58,126	20.2%	345,798	287,672	58,126	20.2%
EBITDA	345,798	287,672	58,126	20.2%	345,798	287,672	58,126	20.2%
EBITDA%	33.0%	26.4%			33.0%	26.4%		
Depreciation	2,136	2,580	-444	-17.2%	2,136	2,580	-444	-17.2%
EBIT	343,662	285,092	58,570	20.5%	343,662	285,092	58,570	20.5%
EBT	343,662	285,092	58,570	20.5%	343,662	285,092	58,570	20.5%

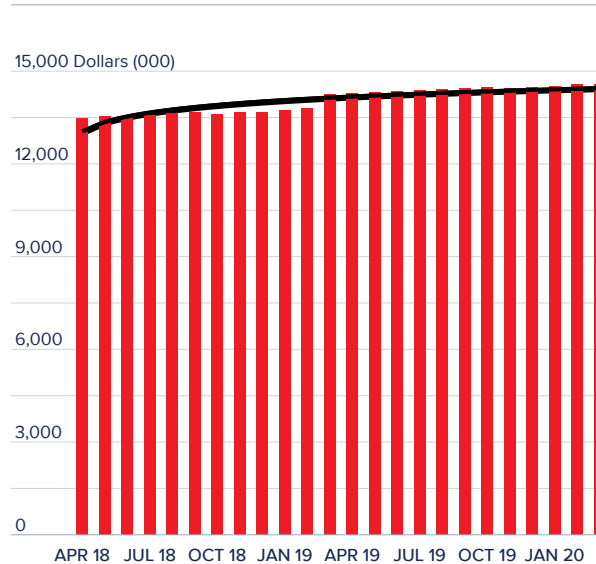
Accounts Receivable
Bank Accounts
Dev WIP
Total Current Assets
Term Assets
Total Assets
Accounts Payable
Grants Committed Not yet paid
Other Current Liabilities
Total Current Liabilities
Term Liabilities
Total Liabilities
Equity

Now	Monitors	
As at Mar 20	CAPEX Monitor	YTD
127,137	Improvements to Investment Proper	8,807
2,352,948	Buildings	-349,806
149,095	Freehold Land	-918,047
2,629,180	Total CAPEX	-1,259,046
12,109,258		
14,738,438	Debt Monitor	As at Mar 20
33,856	Accounts Payable	53,856
20,000	Taxes	32,170
100,448	Other	68,599
154,304	Total Debt	154,625
321		
154,625		
14,583,813		

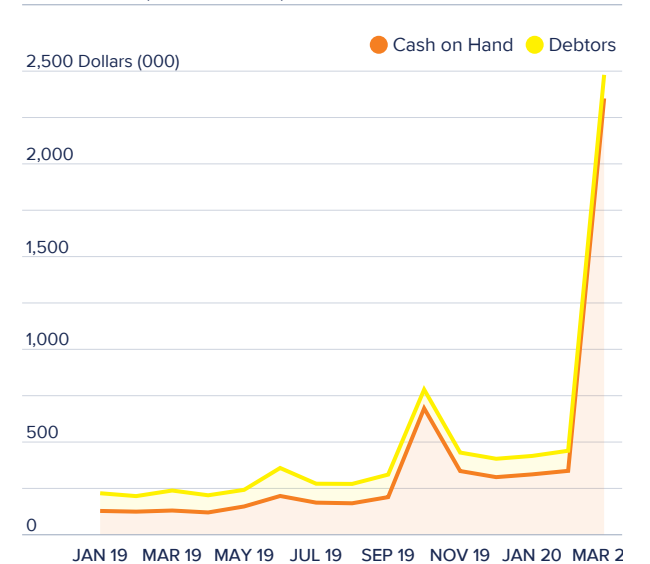
RECEIVABLES



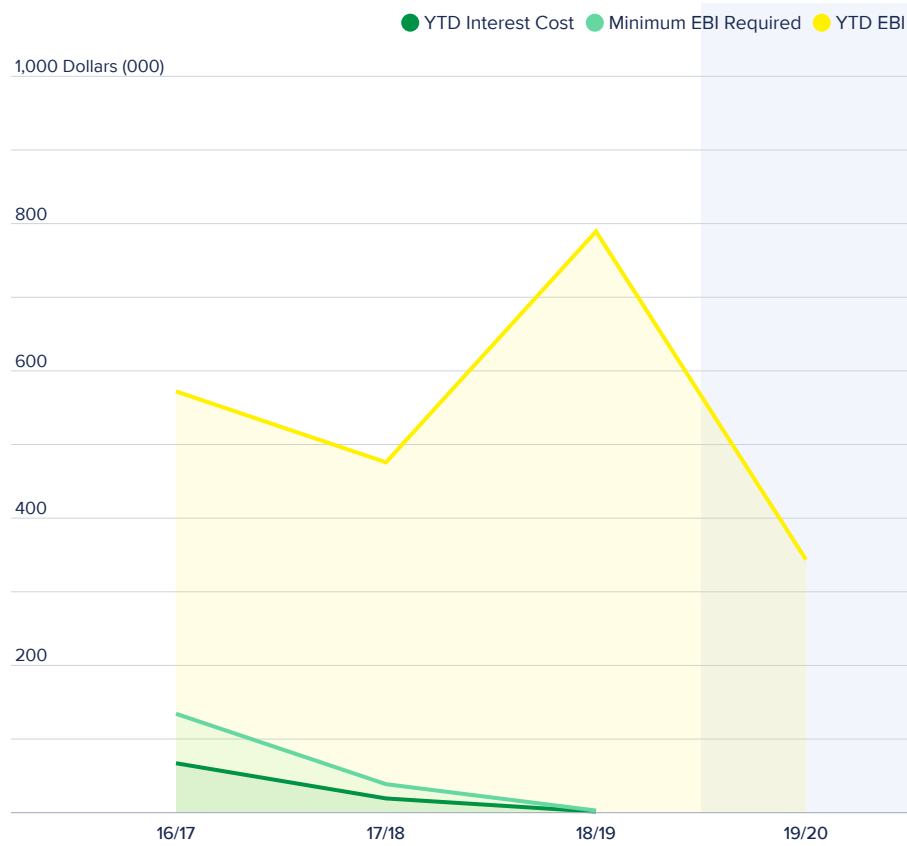
EQUITY TREND



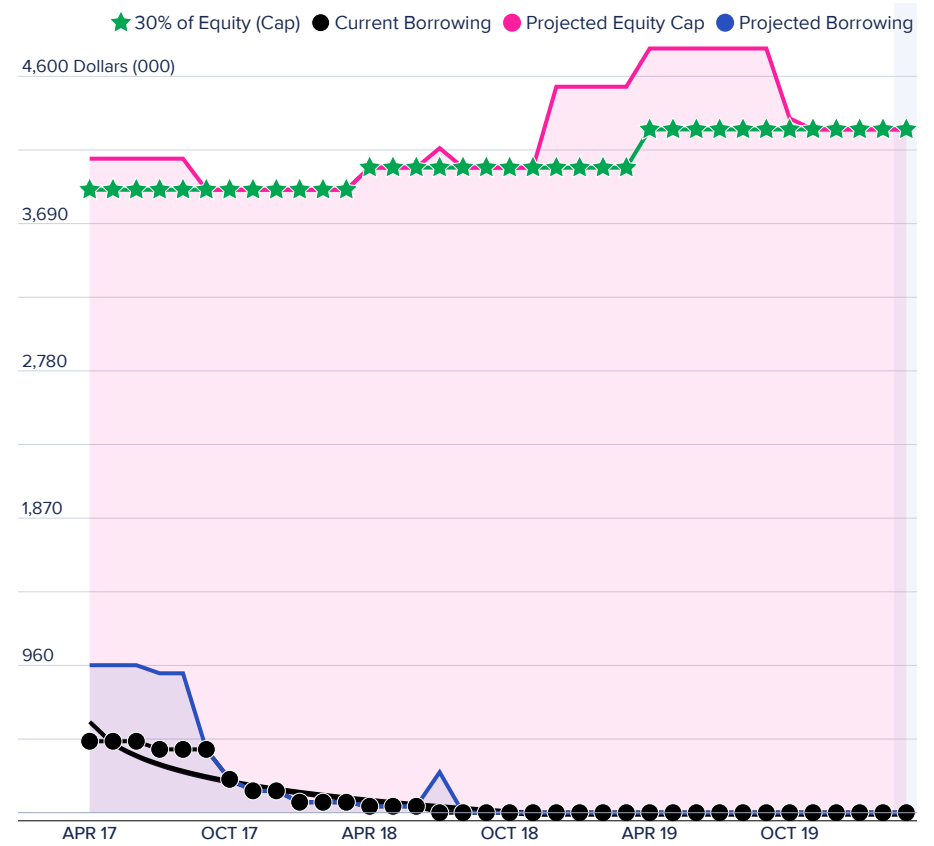
LIQUIDITY - (Cash + Debtors)



EBI > Interest Cost x2



Borrowing < 30% of Equity



Mandated Compliance

Compliance with Minister mandated borrowing restrictions	
1. EBI > interest cost x 2	
YTD interest	0.60
Minimum EBI cover required (YTD interest x 2)	1.20
YTD EBI	343,660
2. Borrowing < 30% of equity	
Cap based on equity	4,363,667
Current level of drawdown from WBS	0
<i>The Trust is therefore fully compliant with both its borrowing restrictions.</i>	
Projected available borrowing allocation up to cap	
Cap based on equity	4,363,667
Projected Borrowing Cap	4,363,667
Less	
Current level of drawdown from WBS	0
Projected additional drawdown:	
Total Gain	0
Projected repayment Debt:	0
Total Debt Repaid	0
Projected available borrowing allocation up to cap	4,363,667
Land Reserve Balance - per Policy	1,730,734