



# Greytown District Trust Lands

## SPOTLIGHT REPORT - October 2021

Prepared 12 November 2021

# CONTENTS

Executive Summary .....3

Property Analysis .....4

Profit and Loss Analysis (Summary) ..... 5

Balance Sheet Analysis .....7

Mandated Compliance - Charts..... 8

## YTD Analysis

The below Exec Summary from Xero is a highlevel view of the YTD vs Budget in the 2021/22 financial year.

SUMMARY	Apr-Oct 2021	YTD Budget	Variance
<b>Sales</b>			
<b>Rental</b>			
Commercial Buildings	411,877	418,348	(6,471)
Commercial Sections	68,253	82,538	(14,285)
<b>Total Rental</b>	<b>480,130</b>	<b>500,886</b>	<b>(20,756)</b>
Recoveries	62,442	63,929	(1,487)
<b>Total Sales</b>	<b>542,571</b>	<b>564,815</b>	<b>(22,244)</b>
Cost of Sales	(100,450)	(118,942)	18,492
<b>Gross Profit</b>	<b>442,121</b>	<b>445,873</b>	<b>(3,752)</b>
Other Income	8,058	4,950	3,108
Operating Expenses	108,919	150,137	(41,218)
<b>Net Operating Profit (Pre Grants)</b>	<b>341,260</b>	<b>300,686</b>	<b>40,574</b>
Grants	116,428	130,145	(13,718)
<b>Net Profit (Loss)</b>	<b>224,833</b>	<b>170,541</b>	<b>54,292</b>

### Balance Sheet Analysis:

#### Cash & Working Capital

\$62.3k in the bank and \$4mill moved to the investment fund, \$339k on deposit with BNZ. Liquid current assets less current liabilities = \$71.7k of working capital cover (including cash in the bank).

#### Leave liability

Helga = Annual Leave 58.32hrs (\$2.16k), Sick Leave = 21.2 days.

#### CAPEX

April 2021: \$225 - 124 Main St (Roller Blinds)

May 2021 - October 2021: Nil

## Executive analysis

### October 2021 & YTD

**Trading Income** is below budget for October and \$22.2k down on the YTD 2022.

-Rugby budgeted increase in rental from July - have not kicked in.  
-Covid relief accounts for the residual difference.  
[Recoveries revenue is also out from budget (some annualised, some spread over 12 months)].

**Gross profit** is below budget by \$1.7k in October (\$3.7k down on the YTD).

-Savings derived from Legal, Repairs & Maintenance, Valuation fees have been overcome by reduced revenue and timing of recoveries.

**Opex** is overall under budget \$5k in October (\$41.2.3k on the YTD). [Primarily from savings on Health & Safety (\$9.8k), New Dev Investigation (\$5k), Legal (\$11.7k), Trust Mgmt (\$11.4k)].

### Grants

Sports & Leisure and Rent Remission for Cobblestones in October.

For the YTD currently under Budget and have reallocated the 'Grant not yet allocated' of \$20.7k, savings from Sports & Leisure for Trust house funding and salary timing [This is now under 'Education'].

### Net Profit

October \$33.4k profit (above Target). The YTD Result is a \$224.8k profit after Grants (against Budget of \$170.5k).

-Savings on Opex as noted above are the primary reason for this positive difference. Would expect a number of budget savings to be just timing issues and will still be carried out at a later point in the year.

## PROPERTY ANALYSIS

	PROPERTY ANALYSIS (CONTRIBUTIONS)					
	Capex Renewal Plan	Earnings retained	Total Fund	Interest	Sale/purchase of property	Term deposit & Savings
Target	168,000	172,000	340,000	52,844	- 1,000,000	3,009,905
Per Month	14,000	14,333	28,333			
<b>Oct 2021 Target</b>	98,000	100,333	198,333			
Actual Spend	- 225	-	225			
Forecast Spend (Capex Plan)	6,667					
<b>Adjusted Target</b>	<b>97,775</b>	<b>100,333</b>	<b>198,108</b>			
<b>Banked end of Oct 2021</b>	97,000	100,000	197,000	3,091	1,130,000	4,339,996
Ahead of Target / (behind)	(775)	(333)	(1,108)			- 4,000,000 Investment Fund
Forecast Capex Spend Total	168,000					
Remaining	(70,775)	(72,000)	(142,775)	(49,753)	-	(192,528)
Months left	5	5	5			
Avg required per month	14,155	14,400	28,555			
<b>FORECAST CASH DEPOSIT (ORIGINAL)</b>						<b>532,524</b>

## SUMMARY

### Explanations

The table is an analysis of property investment: Renewal is represented by the Capex Plan. This is to illustrate the progress for putting aside the cash, and also the forecast planned outcomes (and how this impacts the term deposit growth).

### Activity:

\$4 Mill in the Investment Portfolio.  
\$339k in the Deposit account.

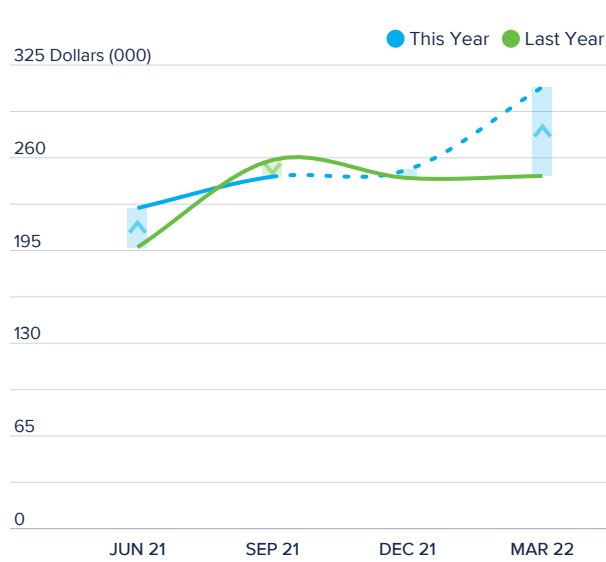
Total Property analysis: Overall Target of \$340k (\$168k on Capex Spend excluding R&M).

\$42k transfer made in October 2021 -now back in line with original plan at the end of October 2021.

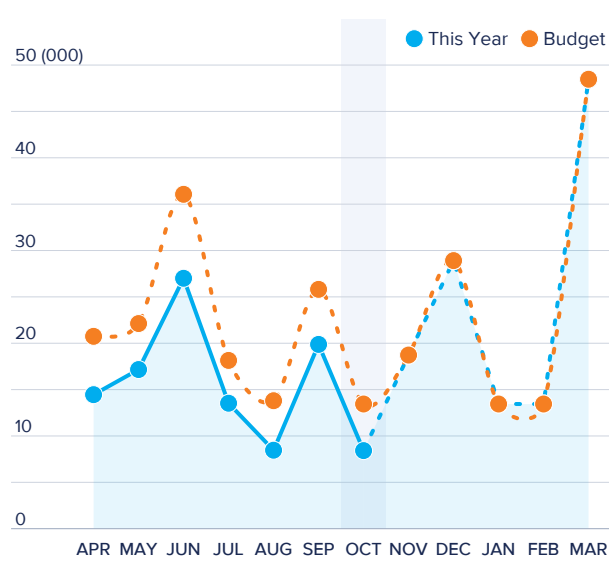
[Note: Forecast Capex Spend of \$168k planned to be spent per that specific monthly plan. Nothing spent to date, but to keep ahead of cashflow (if linear) would have \$98k set aside].

	YTD	Actual vs Orig Budget		Current Month vs Orig Budget				Projections Analysis		
	Actual	Budget	Variance	Actual	Budget	Variance	Variance %	21/22 Proj	Orig Budge	Variance
<b>Revenue</b>										
Commercial Buildings	411,875	418,348	-6,473	59,812	60,828	-1,016	-1.7%	754,009	760,482	-6,473
Commercial Sections	68,251	82,538	-14,287	9,707	13,577	-3,870	-28.5%	136,136	150,423	-14,287
Recovery Revenue	62,442	63,929	-1,487	8,719	13,137	-4,418	-33.6%	100,197	101,684	-1,487
Interest Income	8,060	4,950	3,110	834	715	119	16.6%	42,332	39,222	3,110
<b>Total Revenue</b>	<b>550,628</b>	<b>569,765</b>	<b>-19,137</b>	<b>79,072</b>	<b>88,257</b>	<b>-9,185</b>	<b>-10.4%</b>	<b>1,032,674</b>	<b>1,051,811</b>	<b>-19,137</b>
<b>Cost of Sales</b>	<b>100,451</b>	<b>118,942</b>	<b>-18,491</b>	<b>7,433</b>	<b>14,988</b>	<b>-7,555</b>	<b>-50.4%</b>	<b>146,401</b>	<b>164,892</b>	<b>-18,491</b>
<b>Gross Profit</b>	<b>450,177</b>	<b>450,823</b>	<b>-646</b>	<b>71,639</b>	<b>73,269</b>	<b>-1,630</b>	<b>-2.2%</b>	<b>886,273</b>	<b>886,919</b>	<b>-646</b>
<b>GP%</b>	<b>81.8%</b>	<b>79.1%</b>		<b>90.6%</b>	<b>83.0%</b>		<b>7.6%</b>	<b>85.8%</b>	<b>84.3%</b>	
<b>OPEX</b>										
Operating Expenditure	10,645	27,691	-17,046	2,011	1,244	767	61.7%	33,645	50,691	-17,046
Administration Expenditure	97,935	122,446	-24,511	6,076	12,203	-6,127	-50.2%	197,939	222,450	-24,511
Debt Recovery Costs	335	0	335	335	0	335	0.0%	335	0	335
<b>Net Profit Before Grants</b>	<b>341,262</b>	<b>300,686</b>	<b>40,576</b>	<b>63,217</b>	<b>59,822</b>	<b>3,395</b>	<b>5.7%</b>	<b>654,354</b>	<b>613,778</b>	<b>40,576</b>
<b>Grants</b>	<b>116,427</b>	<b>130,145</b>	<b>-13,718</b>	<b>29,812</b>	<b>29,980</b>	<b>-168</b>	<b>-0.6%</b>	<b>244,413</b>	<b>258,131</b>	<b>-13,718</b>
<b>Net Profit After Grants</b>	<b>224,835</b>	<b>170,541</b>	<b>54,294</b>	<b>33,405</b>	<b>29,842</b>	<b>3,563</b>	<b>11.9%</b>	<b>409,941</b>	<b>355,647</b>	<b>54,294</b>

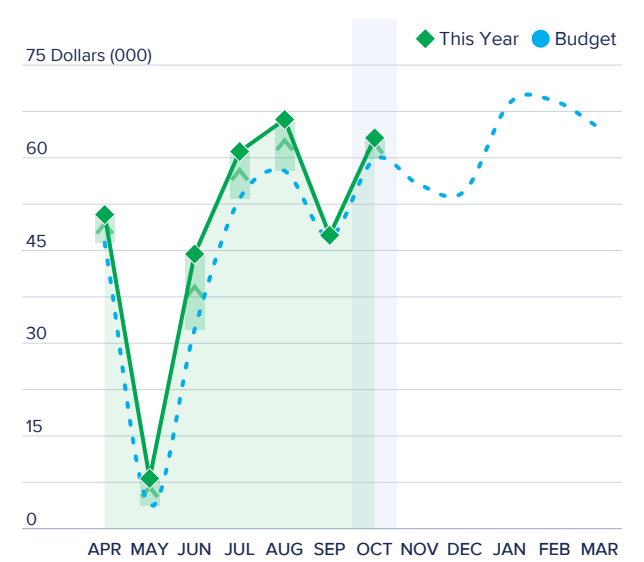
REVENUE - This Year vs. Last Year



OPEX + GRANTS - This Year vs. Budget

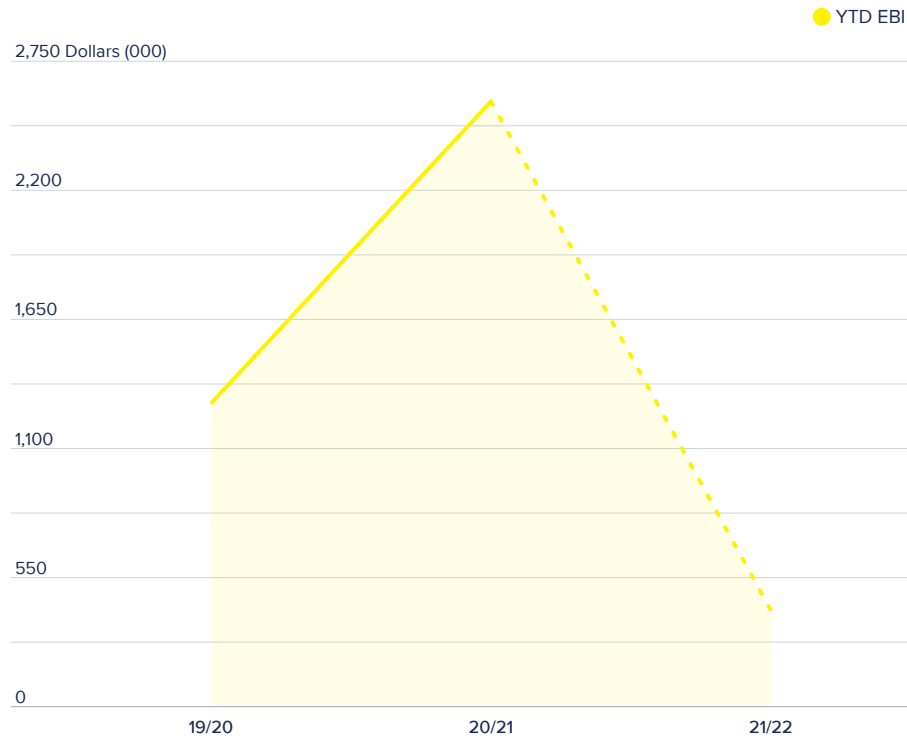


NP (After Grants) - This Year vs. Budget



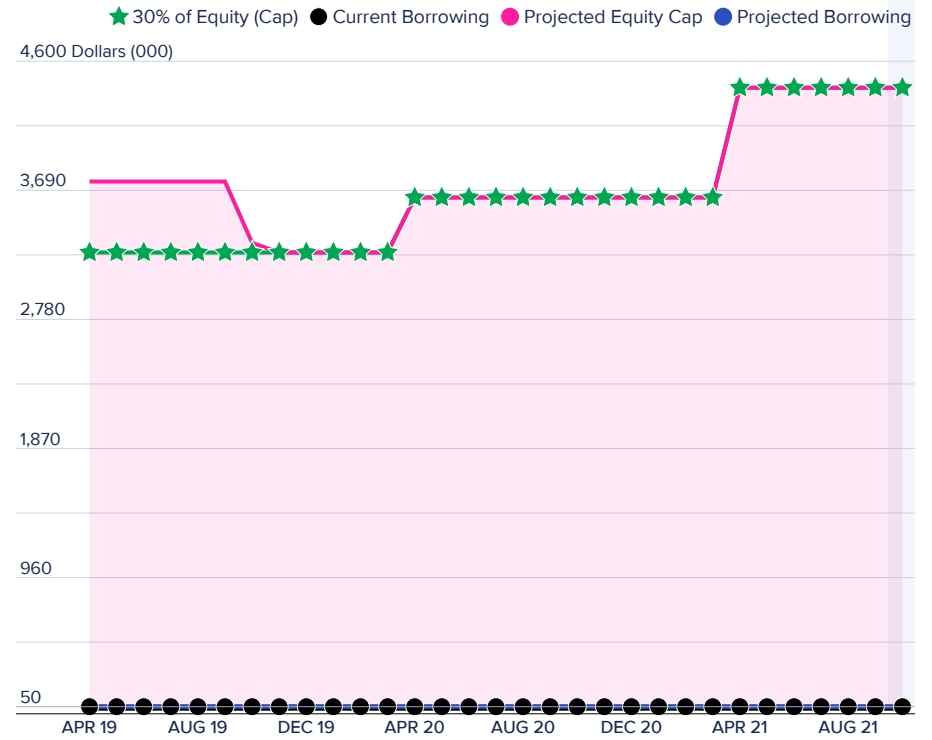
	Now	Actual vs Last Year to Date			Monitors	
	As at Oct 21	Last Year	Variance	Variance %	CAPEX Monitor	YTD
Accounts Receivable	110,752	112,530	-1,778	-1.6%	Fixed Assets	-1,160,478
Bank - Cheque	62,340	10,779	51,561	478.3%	<b>Total CAPEX</b>	<b>-1,160,269</b>
Bank - Trust Funds	66,542	66,542	0	0.0%		
Bank Investments	339,997	2,394,656	-2,054,659	-85.8%	<b>Debt Monitor</b>	<b>As at Oct 21</b>
Dev WIP	-3	-3	0	0.0%	Taxes	33,479
Prepayments	1,162	0	1,162	0.0%	Accounts Payable	8,428
<b>Total Current Assets</b>	<b>580,790</b>	<b>2,584,504</b>	<b>-2,003,714</b>	<b>-77.5%</b>	Other	58,741
Fixed Assets	13,701,184	13,053,266	647,918	5.0%	<b>Total Debt</b>	<b>100,648</b>
Investment Portfolio	4,000,000	0	4,000,000	0.0%		
Loan - Asset	155,000	155,000	0	0.0%		
<b>Total Assets</b>	<b>18,436,974</b>	<b>15,792,770</b>	<b>2,644,204</b>	<b>16.7%</b>		
Accrued Annual Leave	2,161	11,129	-8,968	-80.6%		
Creditors	8,428	19,612	-11,184	-57.0%		
Grants Committed Not yet paid	0	18,716	-18,716	-100.0%		
GST	33,479	24,728	8,751	35.4%		
Income in Advance	0	10,000	-10,000	-100.0%		
Less Allowance for Doubtful Debts	29,239	0	29,239	0.0%		
Rent & Property Costs Prepaid	27,341	26,970	371	1.4%		
<b>Total Current Liabilities</b>	<b>100,648</b>	<b>111,155</b>	<b>-10,507</b>	<b>-9.5%</b>		
<b>Total Liabilities</b>	<b>100,648</b>	<b>111,155</b>	<b>-10,507</b>	<b>-9.5%</b>		
<b>Equity</b>	<b>18,336,326</b>	<b>15,681,615</b>	<b>2,654,711</b>	<b>16.9%</b>		

**EBI > Interest Cost x2**



Test: EBI > interest cost x 2  
 EBI = \$224k. Interest cost = \$nil

**Borrowing < 30% of Equity**



Borrowing Cap = \$4,480mill [Equity of \$14,936 mill]  
 Adjusted to remove impact of revalued Community Land (to lower the borrowing capacity).  
 Land Reserve Balance - per Policy is \$2,459,967