



# Greytown District Trust Lands

## SPOTLIGHT REPORT - July 2022

Prepared 15 August 2022

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## YTD Analysis

The below Exec Summary from Xero is a highlevel view of the YTD vs Budget in the 2022/23 financial year.

	APR-JUL 2022	YTD BUDGET	VARIANCE
<b>SUMMARY</b>			
<b>Income</b>			
<b>Rental</b>			
Commercial Buildings	219,153	215,110	4,043
Commercial Sections	39,292	39,292	-
<b>Total Rental</b>	<b>258,444</b>	<b>254,402</b>	<b>4,042</b>
Portfolio Investment Income	40,557	46,356	(5,799)
Interest Income	2,903	2,792	111
Recoveries	47,550	36,129	11,421
<b>Total Income</b>	<b>349,454</b>	<b>339,679</b>	<b>9,775</b>
Cost of Sales	(91,119)	(92,212)	1,093
<b>Gross Profit</b>	<b>258,336</b>	<b>247,467</b>	<b>10,869</b>
Operating Expenses	65,687	98,596	(32,909)
<b>Net Operating Profit (Pre Grants)</b>	<b>192,649</b>	<b>148,871</b>	<b>43,778</b>
Grants	44,375	58,356	(13,981)
<b>Net Profit (Loss)</b>	<b>148,274</b>	<b>90,515</b>	<b>57,759</b>

### Balance Sheet Analysis:

#### Cash & Working Capital

\$99k in the bank and \$114k on deposit with BNZ.

Liquid current assets less current liabilities = \$112k of working capital cover

#### Accounts Receivable

Seki Works debt outstanding \$18,397. Company has been put into liquidation on 1st July. Conversation with liquidator held early August confirms there is a list of creditors including the IRD and not a lot of assets. Current costs paid to Baycorp \$1,941. Original debt was for \$29,239.

#### CAPEX

May: \$3,561 LED lights for The Olive Press.

August (Expected): \$16,353 Roller door at Whanganui and \$3,063 New Air con unit at Whanganui

## Executive analysis

### JULY 2022 & YTD

**Trading Income** Below budget for July by \$1.5k and \$9.7k up on the YTD 2023 - \$5.7k decrease in portfolio investment income for July

**Gross profit** Below budget for July by \$10.5k and \$10.8k up on the YTD 2023 - \$12k building insurance paid (not budgeted)

**Opex** Below budget for July by \$14k and \$32k down on the YTD 2023 which is primarily from savings on Health & Safety, property advisor fees and legal expenses

#### Grants

Recognition of the grants pre-paid for the months July-December 2022

- Royal NZ: \$4,375
- Greytown Sports & Leisure Society: \$7,500
- Greytown Rugby Club: \$18,750

Recognition of the grants committed not yet paid for the months July - December 2022

- Greytown Bowling Club - \$12,375 payable on 1 July 2022

**Net Profit** July 22 \$44k profit (against budgeted profit of \$37k)

## Investment Portfolio

<b>Investment Portfolio Summary</b>	
<b>Initial Deposits</b>	<b>4,000,000</b>
<i>Increase</i>	
Investment Income	25,126
Unrealised FX Gains	10,514
<i>Decrease</i>	
Withdrawal to fund property purchase	- 600,000
Management Fees	- 2,679
Tax on Dividend Income	- 2,653
Realised FX Losses	- 3,073
Market Revaluation to 31 March 2022	- 119,487
<b>Closing Balance as at 31 March 2022</b>	<b>3,307,748</b>
Deposits - April 2022	2,500,000
Investment Return - April 2022	8,454
Investment Return - May 2022	9,052
Investment Return - June 2022	17,227
Investment Return - July 2022	5,824
<b>Balance as per Balance Sheet 31 July 2022</b>	<b>5,848,305</b>

## SUMMARY

### Explanations

The table is an analysis of investment portfolio. Monthly income is gross income estimated as received from Craigs. No market re-valuation has been shown after 31 March 2022. Revaluation is to occur every six months.

### Activity - July 2022

\$5.8 Mill in the Investment Portfolio.

\$181k in the Deposit account which is made up of BNZ General Funds Deposit \$114k, BNZ Morisons Bush \$55k and BNZ Pipe Band \$10k.

(\$17k transfer from BNZ cheque account to BNZ General Funds Deposit in July 2022)

### Portfolio Investment Income

Forecast for July 2022: \$11,589

### Projected Investment Income

See next page for updated projected investment income details from Craigs.

## Investment Portfolio (Continued)

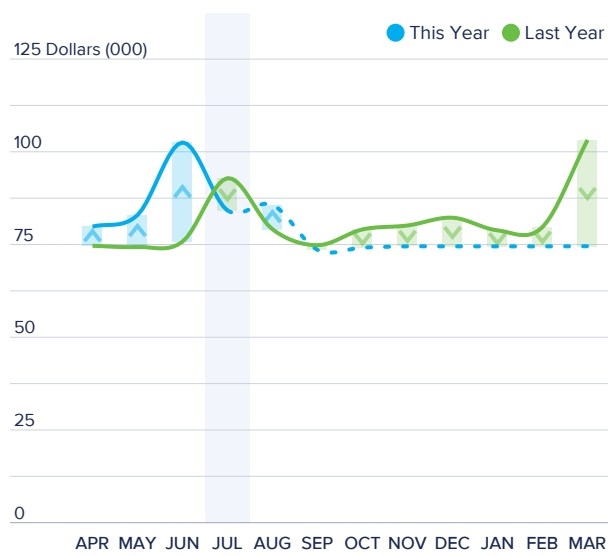
### Projected Investment Income

Updated projected investment income details from Craig

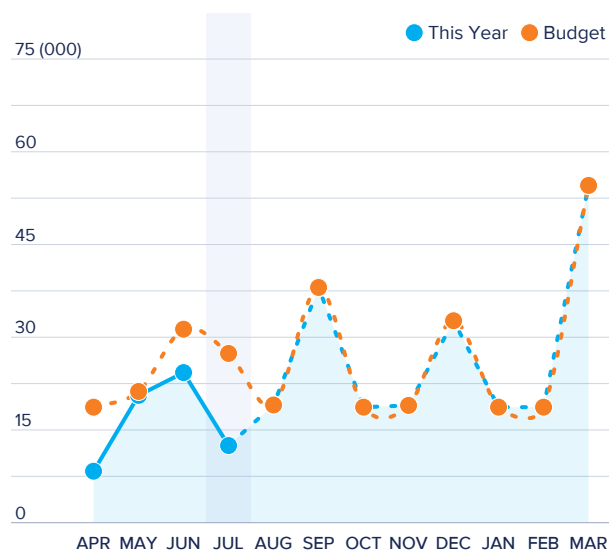
		April	May	June	July	August	September	October	November	December	January	February	March	Total	
3,400,000	3.5%	8,454	9,052	17,227	5,824	5,500	17,500	15,000	15,000	12,500	5,000	5,000	18,500	134,556	
2,500,000	3.5%					7,292	7,292	7,292	7,292	7,292	7,292	7,292	7,292	58,333	assumes funds invested for 8 months
3,500,000	3.5%							3,403	3,403	3,403	3,403	3,403	3,403	20,417	assumes 33% of funds invested for 6 months
		8,454	9,052	17,227	5,824	12,792	24,792	25,694	25,694	23,194	15,694	15,694	29,194	213,306	

	YTD	Actual vs Orig Budget		Current Month vs Orig Budget				Projections Analysis		
	Actual	Budget	Variance	Actual	Budget	Variance	Variance %	22/23 Proj	Orig Budge	Variance
<b>Revenue</b>										
Commercial Buildings	219,152	215,110	4,042	57,235	54,588	2,647	4.8%	537,552	533,510	4,042
Commercial Sections	39,292	39,292	0	9,823	9,823	0	0.0%	117,918	117,918	0
Portfolio Investment Income	40,557	46,356	-5,799	5,824	11,589	-5,765	-49.7%	191,600	197,399	-5,799
Interest Income	2,903	2,792	111	733	698	35	5.0%	8,487	8,376	111
Recovery Revenue	47,550	36,129	11,421	10,554	9,000	1,554	17.3%	99,852	88,431	11,421
<b>Total Revenue</b>	<b>349,454</b>	<b>339,679</b>	<b>9,775</b>	<b>84,169</b>	<b>85,698</b>	<b>-1,529</b>	<b>-1.8%</b>	<b>955,409</b>	<b>945,634</b>	<b>9,775</b>
<b>Cost of Sales</b>	<b>91,117</b>	<b>92,212</b>	<b>-1,095</b>	<b>19,096</b>	<b>10,041</b>	<b>9,055</b>	<b>90.2%</b>	<b>155,015</b>	<b>156,110</b>	<b>-1,095</b>
<b>Gross Profit</b>	<b>258,337</b>	<b>247,467</b>	<b>10,870</b>	<b>65,073</b>	<b>75,657</b>	<b>-10,584</b>	<b>-14.0%</b>	<b>800,394</b>	<b>789,524</b>	<b>10,870</b>
<b>GP%</b>	<b>73.9%</b>	<b>72.9%</b>		<b>77.3%</b>	<b>88.3%</b>		<b>-11.0%</b>	<b>83.8%</b>	<b>83.5%</b>	
<b>OPEX</b>										
Operating Expenditure	9,914	19,461	-9,547	3,659	3,230	429	13.3%	46,140	55,687	-9,547
Administration Expenditure	55,770	79,135	-23,365	8,821	24,150	-15,329	-63.5%	238,890	262,255	-23,365
<b>Net Profit Before Grants</b>	<b>192,653</b>	<b>148,871</b>	<b>43,782</b>	<b>52,593</b>	<b>48,277</b>	<b>4,316</b>	<b>8.9%</b>	<b>515,364</b>	<b>471,582</b>	<b>43,782</b>
<b>Grants</b>	<b>44,375</b>	<b>58,356</b>	<b>-13,981</b>	<b>8,375</b>	<b>10,605</b>	<b>-2,230</b>	<b>-21.0%</b>	<b>211,097</b>	<b>225,078</b>	<b>-13,981</b>
<b>Net Profit After Grants</b>	<b>148,278</b>	<b>90,515</b>	<b>57,763</b>	<b>44,218</b>	<b>37,672</b>	<b>6,546</b>	<b>17.4%</b>	<b>304,267</b>	<b>246,504</b>	<b>57,763</b>

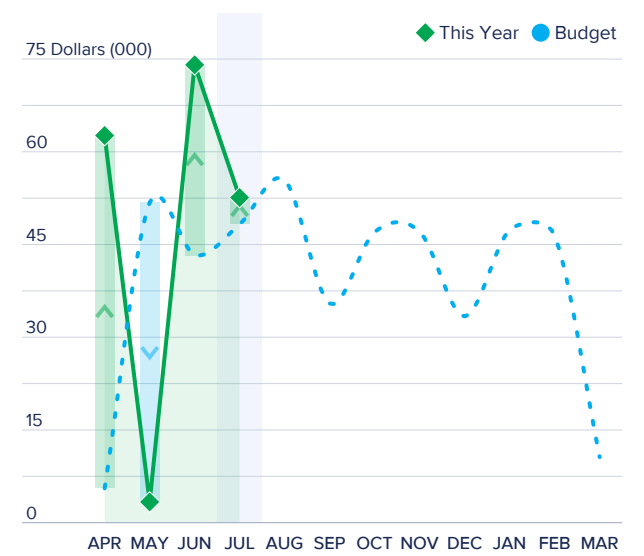
REVENUE - This Year vs. Last Year



OPEX + GRANTS - This Year vs. Budget



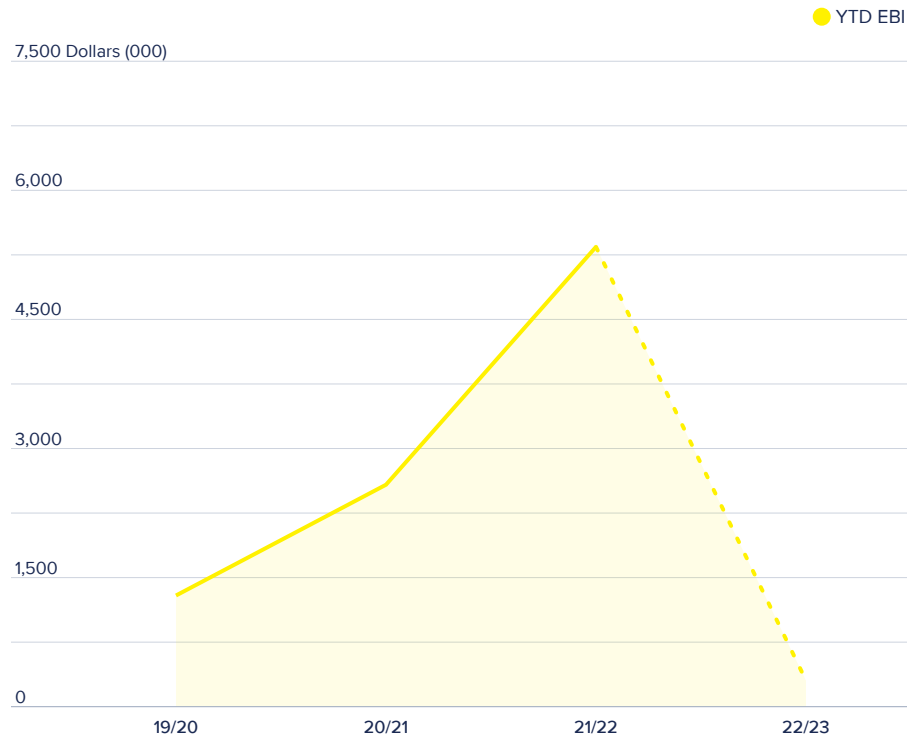
NP (After Grants) - This Year vs. Budget



	Now	Actual vs Last Year to Date			Monitors	
	As at Jul 22	Last Year	Variance	Variance %	CAPEX Monitor	YTD
Accounts Receivable	120,425	121,704	-1,279	-1.1%	Fixed Assets	3,476
Allowance for Doubtful Debts	-18,397	-29,239	10,842	37.1%	<b>Total CAPEX</b>	<b>3,562</b>
Bank - Cheque	99,401	31,755	67,646	213.0%		
Bank - Trust Funds	66,542	66,542	0	0.0%	<b>Debt Monitor</b>	<b>As at Jul 22</b>
Bank Investments	114,470	3,046,828	-2,932,358	-96.2%	Taxes	25,154
Prepaid Grant	30,625	0	30,625	0.0%	Accounts Payable	18,518
Prepayments	2,930	6,598	-3,668	-55.6%	Other	44,942
<b>Total Current Assets</b>	<b>415,996</b>	<b>3,244,188</b>	<b>-2,828,192</b>	<b>-87.2%</b>	<b>Total Debt</b>	<b>88,614</b>
Fixed Assets	17,272,120	14,861,748	2,410,372	16.2%		
Investment Portfolio	5,848,305	0	5,848,305	0.0%		
Loan - Asset	155,000	155,000	0	0.0%		
<b>Total Assets</b>	<b>23,691,421</b>	<b>18,260,936</b>	<b>5,430,485</b>	<b>29.7%</b>		
Accrued Annual Leave	2,655	1,716	939	54.7%		
Accrued Expenses	289	0	289	0.0%		
Creditors	6,143	12,556	-6,413	-51.1%		
Grants Committed Not yet paid	12,375	0	12,375	0.0%		
GST	25,154	20,783	4,371	21.0%		
Rent & Property Costs Prepaid	41,998	35,997	6,001	16.7%		
<b>Total Current Liabilities</b>	<b>88,614</b>	<b>71,052</b>	<b>17,562</b>	<b>24.7%</b>		
<b>Total Liabilities</b>	<b>88,614</b>	<b>71,052</b>	<b>17,562</b>	<b>24.7%</b>		
<b>Equity</b>	<b>23,602,807</b>	<b>18,189,884</b>	<b>5,412,923</b>	<b>29.8%</b>		

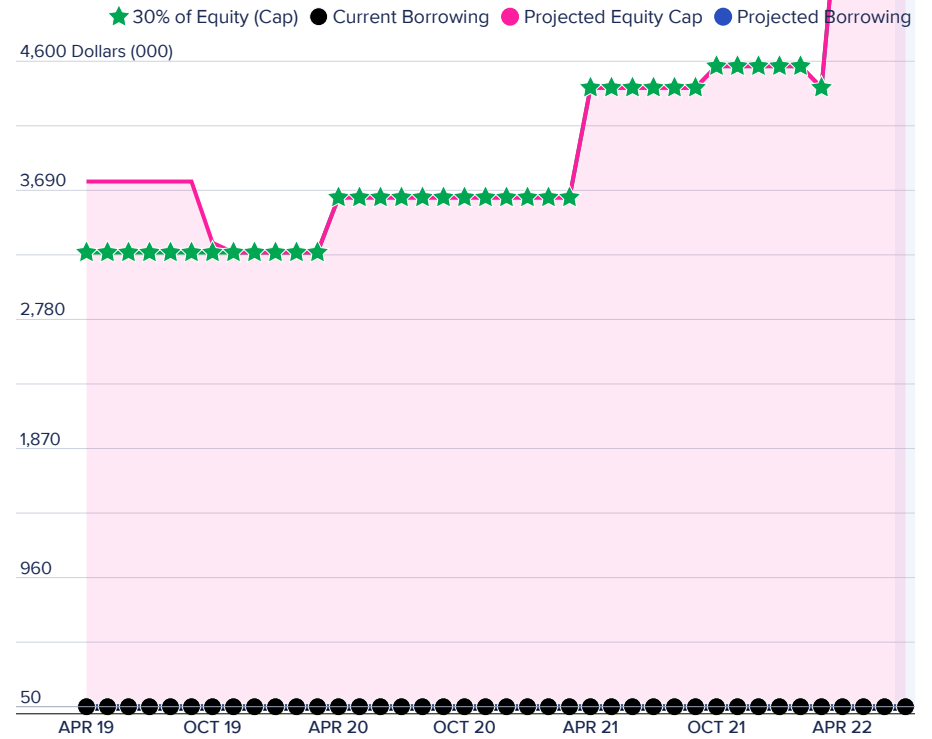


**EBI > Interest Cost x2**



Test: EBI > interest cost x 2  
 EBI = \$37.78k. Interest cost = \$nil

**Borrowing < 30% of Equity**



Borrowing Cap = \$4,530mill [Equity of \$15,103 mill]  
 Adjusted to remove revalued Community Land.  
 Land Reserve Balance - per Policy is \$2,459,967 (Pre sale of Niven St, and 215 Main St].