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Masterton Trust Lands Trust announces 2019/20 annual result & COVID-19 community support fund

Masterton Trust Lands Trust (MTLT) announced another year of positive financial results and a COVID-19 community support fund at its annual general meeting (AGM) today.

The community-owned Trust recorded a surplus of \$5.2 million for the year to 31 March 2020. Total assets grew to \$74.3 million, with the overall value of the Trust's property portfolio increasing by 6.3 percent. Rental income was up slightly at \$5.1 million, with the occupancy rate of Trust-owned properties maintained at almost 100 percent.

MTLT distributed \$902,592 in grants over the year, an increase of 15.2 percent from the previous year.

MTLT Chairperson Leanne Southey said the results were still subject to audit, with Audit New Zealand unable to complete the audit process ahead of the Trust's AGM. Under its Act, MTLT is required to hold an AGM and publish an annual report within five months of its 31 March balance date.

"The COVID-19 pandemic has caused delays to this year's audit process. Audit New Zealand will complete the process and an Audit Report will be available in due course."

Miss Southey said MTLT's business activities and grants programme for the year were based on a new six-year strategy that was introduced in June 2019.

"The new strategy underpins all our activities. It aims to strengthen the Trust's long-term viability while progressively increasing the level of grants we distribute each year to benefit the Masterton community."

In line with the strategy, the Trust repaid \$500,000 of debt during the year, reducing debt as a proportion of total assets from 33.3 percent to 30.5 percent.

MTLT's property maintenance programme for the year included a major upgrade of its building that houses three shops in the Kuripuni shopping village, along with improvement work on other Trust-owned properties.

MTLT provided over \$600,000 of concessional rent grants to community organisations during the year. The Trust's 2019/20 grants programme also provided support for a range of education, art and community initiatives.

Almost \$280,000 was provided to fund education initiatives including leadership opportunities for students, school science resource kits, vocational and academic scholarships, and professional development for teachers. Support for cultural activities included funding for the Nga Tama Toa and Poi Porotiti student programmes and Aratoi's art education visits for local schools.

Grants were also provided to support a range of engaging events for local students including the Matharapa maths competition, Wairarapa Schools Photography competition, and the inaugural Connect, Inspire, Learn student-led conference day.

"Our support for these events provided opportunities for students throughout the region to showcase their maths, debating and photography skills, try new sports and crafts, and design and lead fun workshops for their fellow students. It's been inspiring to see the depth of creativity, leadership and passion for learning demonstrated by local students at these events."

The litigation process associated with addressing the structural design issues in a number of Trust-owned buildings continued during the year.

“We are hopeful of reaching a resolution to this process over the coming year,” said Miss Southey.

The COVID-19 pandemic increasingly impacted the Trust and its tenants late in the financial year.

“The Trust provided rent relief and other assistance to a number of tenants during this time to support their businesses. The financial impact of this support is likely to affect our property development programme during the coming year.”

Miss Southey said the Trust is extending its support for organisations impacted by the pandemic with a COVID-19 community support fund. This one-off grant fund of \$50,000 will contribute to the regional pandemic recovery.

“The grants are designed to help organisations whose funding may have been affected by COVID-19 or who have had increased demand on their services as a result of the pandemic,” said Miss Southey.

The grants are open to local non-profit organisations that provide community support services.

“The Trust recognises the huge impact COVID-19 has had on the Masterton community and our local economy. Through these grants, we hope to assist local agencies to help those in our community that need support during this challenging time,” Miss Southey said.

Information and application forms for the MTLT COVID-19 community support fund are available at www.mtl.org.nz.

Ends

The year in numbers

- Surplus (after grants): \$5.2 million (up 13.4 percent)
- Rental income: \$5.1 million (up 0.6 percent)
- Total assets: \$74.3 million (up 6.3 percent)
- Equity: \$51.5 million (up 11.1 percent)
- Debt to debt plus equity: 30.5 percent (down from 33.3 percent)
- Number of tenants: 89
- Total grants: \$902,592 (up 15.2 percent)
- Grant distribution:
 - Education grants: \$277,354
 - Civic grants: \$18,000
 - Concessional rent grants: \$607,238