

Press Release

1 June 2016

Masterton Licencing Trust Dissolved

On 24 June the Ministry of Justice passed the order in Council, which approves the vesting of the Masterton Licensing Trust into the Masterton Community Trust. From this date onwards the Masterton Licencing Trust is dissolved, all real and personal property of the Masterton Licensing Trust, including all licences under the Sale and Supply of Alcohol Act 2012, vests in the Masterton Community Trust.

Trust House Ltd was formed as a management company in 1989 and in 1997 became the operating company of the Masterton Licensing Trust, having a 94% shareholder stake, with the responsibility for managing all Wairarapa and Tararua trading outlets. Trust House Ltd will continue to own and operate all of its assets on behalf of the major shareholder, the Masterton Community Trust.

Trust House Ltd CEO, Allan Pollard, says the creation of the Masterton Community Trust is a sound business decision for our community.

“We are future proofing the organisation, becoming a community trust means that we are not bound to trade in liquor and, if we decide that this segment is no longer viable in the future, we can easily disengage, currently though we have no plans to do so. ”

“Liquor outlets in general around New Zealand are having a tough time of it. Recent social and law changes have had an impact on their profitability.”

“We will continue to assist our liquor outlets and help them grow their current business through improved financial performance; this may include implementing sales and marketing plans to drive

further revenue and will definitely include a full review of our purchasing policies to offer managers opportunities to reduce their operating expenses in this difficult market.”

“Other businesses, such as supermarkets, hospitality and housing are going from strength to strength, so it makes sense to re-balance our business model and focus on these more profitable areas, which in turn enables us to give more back to our community through funding grants.”

“Like any successful organisation, we need to be agile and open to new opportunities as they arise, be aware of changing environments and react accordingly, the forming of the Masterton Community Trust is a good example of us identifying how we could improve our business model.”

As well as re-balancing the focus of the Trust House Ltd assets, there have been significant changes within the organisation over the past 12 months.

“In the last year we have sold or exited land, buildings and businesses, restructured our senior management team and ensured that each manager was responsible for multiple segments within the organisation versus the traditional one division each approach. “

“The result of our re-structure and the review of our internal administration and procedures is the emergence of a more stream lined and cost efficient organisation, which has resulted in a strong financial performance overall,” says Allan.

Background:

Trust House Ltd is a community-owned company based in the Wairarapa. Trust House Ltd operates a range of businesses in regions of interest, including 500 rental homes, liquor stores, bars, hotels, supermarkets, a hydro electric scheme and a foundation.

Trust House Ltd aims to enhance the well-being of people in the Wairarapa region by operating local businesses that employ locals and make profits, distributing profits to community events and organisations through sponsorship and donations and by being a community housing provider that puts people first.

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