

8<sup>th</sup> November 2022

Board of Trustees  
Strath Taieri School  
Hyde-Middlemarch Road, RD1  
Middlemarch 9596

## Financial Commentary October 2022

This commentary has been prepared to supplement the monthly financial accounts and reports. It summarises key financial information and identifies significant variances and areas that may need attention.

Monthly accruals have been processed based on the 2022 budget to recognise the monthly expense estimate for depreciation, MOE use of land and buildings, MOE funded teacher salaries, audit fees and the allocation to cyclical maintenance.

### Financial position

An operating surplus is reported to the 31<sup>st</sup> October 2022 of \$54,184 this compares to 2022 approved budget forecasting a deficit of (\$12,664). Net working capital is reporting at \$236,877 (2021 Audited: \$177,813) and equity of \$293,469 (2021 Audited: \$237,410). To note a \$38k PTA donation towards Playground Equipment has been received in the month, this has a positive impact on the school's operating result.

The school continues to be in a sound financial position with current assets continuing to comfortably cover current liabilities ensuring there are sufficient cash resources to meet current financial obligations.

### Key Financial Indicators

)	Cash and deposits at end of period		\$233,864
)	) Westpac Current account	\$92,692	
)	) Westpac Saver accounts	\$23,288	
)	) Westpac Investments	\$117,884	
)	Accounts receivable (Debtors)	\$32,024	
)	Accounts payable – (Creditors)	\$nil	
)	GST payable/ (receivable)	\$4,694	
)	MOE grants in advance	\$24,130	
)	Net Working Capital	\$236,877	2021 Audited \$177,813
)	Operating surplus/(deficit) year to date	\$54,184	2022 Budget deficit (\$12,664)
)	Fixed assets purchased year to date	\$24,523	
)	% Financial year to date	83%	
)	% Income budget received	120%	
)	% Expenditure budget spent	84%	

### Income and expenditure

Income is tracking above budget at 120% and expenditure just above budget at 84% when reported against the 83% expected to the end of October 2022.

Government Grants is tracking at 103%, within this group MOE Grants is reporting at 92% with one month's allocation of October's MOE Operations grant recognised as income in the period and Nov/Dec's allocation recognised as income in advance. Other MOE Grants continues to report at 288% due to \$5k Covid support funding, \$5k PB4L funding, \$12k ERS funding, \$1k of Additional Relief funding, \$600 winter heating grant & \$1.8k of MOE Supplied CO2 monitors & Air Purifiers.

Locally Raised Income reports at 224% with Donations & Fundraising reporting at 237% due to the PTA Playground Equipment donation. Other Income reports at 90%, Trading (net) reports at 110% and Student Council continues to report expenditure of (\$76).

Interest Earned reports at 139% or \$693 against a budget of \$500.

Learning Resources continues to report under budget at 51% with all sub groups reporting within the expected range with the only exception being Group 220 Sports and Activities at (80%) with (\$7,973) net of income reported YTD with the majority due to school camp donations, to note YTD \$13.3k of Camp income has been recorded against YTD \$2.8k of camp expenditure. Curriculum Personnel is reporting at 130% within this group Teacher Aide wages reports at 235% and Relief Teachers at 117%.

Administration is reporting at 94% with all sub groups reporting within the expected range the only exception is General at 104% due to \$813 of Wellbeing expenditure recorded in the month (YTD \$5.9k), this is offset against \$12k of Wellbeing income received in May 2022.

Property is reporting at 94%, sub groups to note that are reporting over budget are Property Personnel at 114%, Repairs & Maintenance at 102% and School House at 89%

Expenditure ledgers to note with budgets over \$1,000 where expenditure has exceeded the 83% expected are:

)	21200 Maori	300%	Tutoring
)	23010 Class Materials	103%	Resources
)	26100 Relief Teachers	117%	Wages
)	26210 Teacher Aide Wages	235%	Wages
)	32150 Accounting fees	111%	Annual subscriptions & additional support
)	33150 Photocopier Service charge	197%	Monthly copier charges
)	41300 School Signage & Branding	105%	Artwork & delivery of new signs
)	44010 Building & Furniture	160%	General repairs and glazing
)	40050 Machine Maintenance	579%	Heat pump service x 7 (\$1.7k of expenses against a \$300 budget)

#### Key Transactions October 2022

Deposits \$79,717

Significant deposits for the period were: -

)	Ministry of Education	\$40,578	Operations grant instalment 4
)	PTA	\$38,383	Donation towards Playground equipment
)	Strath Taieri Lions	\$750	Photocopying recoveries
Balance is made up of student donation, interest and school house rental.			

Payments \$22,991 (including payroll)

The largest payments for the period were:

)	The Design Studio	\$5,750	MOE Roof project – progress claim
)	Logic Group	\$1,924	MOE Principals Refurbishment project
)	Solutions & Services	\$1,267	Xero/Monty subscriptions 2023

Payroll - paid from Bulk Grant

PP 14 2023     \$3,402     PP 15 2023     \$4,738

Debtors \$32,024

)	Ministry of Education	\$29,942	MOE Roofing QLE upgrade
)	Ministry of Education	\$1,294	PLD maths
)	Ministry of Education	\$788	LSC project - Covid increases

Creditors \$nil

Property Project – There are two active MOE Property Projects reporting a combined balance of (\$7,632)

1. Principals Refurbishment Project     \$(28,669) overspend
2. AMS CP Roofing Upgrade                 \$ 21,036

Fixed Assets – YTD \$24.5k has been spent on fixed assets including school house windows, construction of bike track, 11 x Chromebooks, 5 x iPads, double sided book stand, 2 x office desks, deposit for blinds, laminator and MOE CO2 Monitors and Air Purifiers.

Banked Staffing – as at PP 15 2022 is reporting an underuse of \$7,419, when calculated at the reimbursement rate of \$65,500 equates to \$5,819, this has not be accrued in your October accounts.

Please do not hesitate to contact us if there are queries about this report or the school's finances.

Kind regards,  
**Simone Strong**

Accounts Consultant, Solutions and Services Ltd

Disclaimer of Liability The analysis and opinions contained in this report are based upon the School's financial records as supplied to Solutions & Services Ltd. The financial records have not been audited and while we have applied our best endeavours, the information should be viewed in this light.