

8<sup>th</sup> June 2022

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

### Interim Financial Commentary May 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. These reports are noted as interim until your 2021 financial statements have been audited and signed.

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 interim operating surplus is reported to the 31<sup>st</sup> May 2022 of \$34,259 this compares to 2022 draft budget forecasting a deficit of (\$12,664). Net working capital is reporting at \$213,983 (2021 draft: \$178,283) and equity of \$272,139 (2021 draft: \$237,880).

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

### Key Financial Indicators

)	Cash and deposits at end of period		\$308,941
)	) Westpac Current account	\$170,316	
)	) Westpac Saver accounts	\$20,741	
)	) Westpac Investments	\$117,884	
)	Accounts receivable (Debtors)	\$nil	
)	Accounts payable – (Creditors)	\$nil	
)	GST payable/ (receivable)	\$21,506	
)	MOE grants in advance	\$16,317	
)	Net Working Capital	\$213,983	2021 draft \$178,283
)	Operating surplus/(deficit) year to date	\$34,259	2022 Budget deficit (\$12,664)
)	Fixed assets purchased year to date	\$12,322	
)	% Financial year to date	42%	
)	% Income budget received	57%	
)	% Expenditure budget spent	36%	

### Income and expenditure

Income is tracking at 57% and expenditure at 36% when reported against the 42% expected to the end of May 2022.

Government Grants is tracking at 56%, within this group MOE Grants is reporting at 44% with two month's allocation of April's operations grant recognised as income in the month and June's allocation recognised as income in advance. Other MOE Grants reports at 250% with \$12.4k of ERS Relief Teaching funding recognised in the month.

Locally Raised Income is reporting at 61% with Donations & Fundraising reporting at 57%. Other Income reports at 44% and Trading (net) at 27%.

Interest Earned reports at 58% or \$291 against a budget of \$500.

Learning Resources is reporting at 22% with all sub groups reporting within this expected range on the only exception being Group 220 Sports and Activities with (\$5,287) of income reported in the month due to school camp donations, to note there has been no camp expenses recorded YTD.

Administration is reporting at 39% with all sub groups reporting within the expected range.

Property is reporting at 38%, with all sub groups reporting within the expected range with the exception of Property Personnel at 53%.

Expenditure ledgers to note with budgets over \$1,000 where expenditure has exceeded the 42% expected are:

)	53100 Camp Income Donation	237%	Contributions towards camp
)	21200 Maori	96%	Tutoring
)	21500 English	69%	Resources
)	21800 EOTC – Taieri College	88%	Technology fees
)	23010 Class Materials	80%	Resources
)	26210 Teacher Aide Wages	77%	Wages
)	32150 Accounting fees	69%	Annual subscriptions
)	33150 Photocopier Service charge	93%	Monthly copier charges

#### Key Transactions May 2022

Deposits \$21,983

Significant deposits for the period were: -

)	Ministry of Education	\$13,800	ERS Relief Teaching funding
)	PTA	\$1,500	Donation towards school camp
)	Stewart Island Camp	\$1,400	Donation for cheese roll fundraiser

Balance is made up of student camp donations, interest and school house rental.

Payments \$58,863 (including payroll)

The largest payments for the period were:

)	Breen Construction	\$32,986	MOE Principals Office Refurbishment
)	Visa	\$2,000	Visa top up
)	Logic Group	\$1,679	MOE Principals Office Refurbishment

Payroll - paid from Bulk Grant

)	PP 03 2023	\$1,354
)	PP 04 2023	\$4,337
)	PP 05 2023	\$5,425

Debtors \$nil

Creditors \$nil

Property Project – Principals Office Refurbishment reports a closing balance of \$51,639.

Fixed Assets – YTD \$12.3k has been spent on fixed assets including deposit school house windows, construction of bike track, 11 x Chromebooks, iPads and a double sided book stand.

Banked Staffing – as at PP 04 2022 is reporting an underuse of \$3,803, this has not been accrued in your April 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.