

9th May 2022

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

Interim Financial Commentary April 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 30th April 2022 of \$21,130 this compares to 2022 draft budget forecasting a deficit of (\$12,664). Net working capital is reporting at \$198,101 (2021 draft: \$178,283) and equity of \$259,010 (2021 draft: \$237,880).

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

Key Financial Indicators

) Cash and deposits at end of period		\$345,821
)) Westpac Current account	\$207,765	
)) Westpac Saver accounts	\$20,172	
)) Westpac Investments	\$117,884	
) Accounts receivable (Debtors)	\$196	
) Accounts payable – (Creditors)	\$nil	
) GST payable/ (receivable)	\$25,460	
) MOE grants in advance	\$28,960	
) Net Working Capital	\$198,101	2021 draft \$178,283
) Operating surplus/(deficit) year to date	\$21,130	2022 Budget deficit (\$12,664)
) Fixed assets purchased year to date	\$12,322	
) % Financial year to date	33%	
) % Income budget received	43%	
) % Expenditure budget spent	29%	

Income and expenditure

Income is tracking at 40% and expenditure at 29% when reported against the 33% expected to the end of April 2022.

Government Grants is tracking at 40%, within this group MOE Grants is reporting at 36% with one month's allocation of April's operations grant recognised as income in the month and May and June allocation recognised as income in advance. Other MOE Grants continues to report at 111% with \$10k of income recorded (\$2k Covid Support, \$5k PB4L & \$3k Covid Distance Learning).

Locally Raised Income is reporting at 61% with Donations & Fundraising reporting at 59%. Other Income reports at 37% and Trading (net) at 26%.

Interest Earned reports at 48% or \$238 against a budget of \$500.

Learning Resources is reporting at 29% with all sub groups reporting within this expected range except Class Materials reports at 42%.

Administration is reporting at 29% with all sub groups reporting within the expected range.

Property is reporting at 28%, with all sub groups reporting within the expected range with the exception of Caretaking & Cleaning at 41% and Personnel at 39%.

Expenditure ledgers to note with budgets over \$1,000 where expenditure has exceeded the 33% expected are:

)	21500 English	68%	Resources
)	21800 EOTC – Taieri College	88%	Technology fees
)	23010 Class Materials	70%	Resources
)	21750 Subscriptions/Pubs/Copyright	51%	Annual subscriptions
)	32150 Accounting fees	61%	Annual subscriptions
)	33150 Photocopier Service charge	72%	Monthly copier charges

Key Transactions April 2022

Deposits \$45,793

Significant deposits for the period were: -

)	Ministry of Education	\$41,503	Operations grant instalment 2
)	Ministry of Education	\$2,300	Covid support funding
)	PTA	\$983	Bid Food fundraising

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

Payments \$14,432 (including payroll)

The largest payments for the period were:

)	Crowe Horwath	\$4,025	2021 Interim audit fee
)	Dunedin City Council	\$773	MOE Principals Office Refurbishment
)	Ricoh	\$630	Monthly photocopier charges

Payroll - paid from Bulk Grant

)	PP 01 2023	\$3,151
)	PP 02 2023	\$2,183

Debtors \$196. There is one recorded debtor to Strath Taieri A&P for photocopier recoveries.

Creditors \$nil

Property Project – Principals Office Refurbishment reports a closing balance of \$83,043.

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

Banked Staffing – as at PP 02 2022 is reporting an overuse of (\$2,409), this has 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.