

6th July 2022

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

Interim Financial Commentary June 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 June 2022 of \$24,339 this compares to 2022 draft budget forecasting a deficit of (\$12,664). Net working capital is reporting at \$200,800 (2021 draft: \$177,813) and equity of \$261,749 (2021 draft: \$237,410).

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

Key Financial Indicators

)	Cash and deposits at end of period		\$238,227
)) Westpac Current account	\$99,152	
)) Westpac Saver accounts	\$21,191	
)) Westpac Investments	\$117,884	
)	Accounts receivable (Debtors)	\$nil	
)	Accounts payable – (Creditors)	\$nil	
)	GST payable/ (receivable)	\$13,031	
)	MOE grants in advance July-Dec in lieu of donations	\$3,677	
)	Net Working Capital	\$200,800	2021 draft \$177,813
)	Operating surplus/(deficit) year to date	\$24,339	2022 Budget deficit (\$12,664)
)	Fixed assets purchased year to date	\$17,868	
)	% Financial year to date	50%	
)	% Income budget received	61%	
)	% Expenditure budget spent	44%	

Income and expenditure

Income is tracking above budget at 61% and expenditure below budget at 44% when reported against the 50% expected to the end of June 2022.

Government Grants is tracking at 64%, within this group MOE Grants is reporting at 53% with the final third of April's operations grant allocation recognised as income in the period. Other MOE Grants continues to report at 250%.

Locally Raised Income is reporting at 39% with Donations & Fundraising reporting at 56%, Other Income at 50% and Trading (net) at 114% with \$6k of school jersey's expenditure recognised in the month.

Interest Earned reports at 66% or \$331 against a budget of \$500.

Learning Resources is reporting at 26% with all sub groups reporting within this expected range on the only exception being Group 220 Sports and Activities at (90%) with (\$8,967) net of income reported in the month due to school camp donations. Curriculum Personnel is reporting at 85% with \$4k of relief teacher expenditure recognised in the month.

Administration is reporting at 48% with all sub groups reporting within the expected range.

Property is reporting on budget at 50%, sub groups to note that are reporting over budget at School House at 79% due to annual insurance premiums and Property Personnel at 66% due to salary expenses.

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

)	21200 Maori	74%	Tutoring
)	21500 English	70%	Resources
)	21800 EOTC – Taieri College	88%	Technology fees
)	23010 Class Materials	85%	Resources
)	26100 Relief Teachers	83%	Wages
)	26210 Teacher Aide Wages	115%	Wages
)	32150 Accounting fees	78%	Annual subscriptions
)	33150 Photocopier Service charge	112%	Monthly copier charges
)	40050 Machine Maintenance	579%	Heat pump service x 7

Key Transactions June 2022

Deposits \$7,616

Significant deposits for the period were: -

)	Alf Bradford & Co	\$5,720	Donated Hay Bales for senior camp
)	Tokomaro Kapa Haka	\$650	Kapa Haka donation

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

Payments \$78,330 (including payroll)

The largest payments for the period were:

)	Breen Construction	\$41,129	MOE Principals Office Refurbishment
)	True Fleece	\$6,922	School jersey's
)	Morlite Aluminium	\$6,378	Supply and install school house windows

Payroll - paid from Bulk Grant

)	PP 06 2023	\$5,015
)	PP 07 2023	\$5,372

Debtors \$nil

Creditors \$nil

Property Project – Principals Office Refurbishment reports a closing balance of \$14,414.

Fixed Assets – YTD \$17.9k has been spent on fixed assets including school house windows, construction of bike track, 11 x Chromebooks, 5 x iPads and a double sided book stand.

Banked Staffing – as at PP 07 2022 is reporting an underuse of \$5,171, this has not been accrued in your June 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.