

6<sup>th</sup> October 2022

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

## Financial Commentary September 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 30<sup>th</sup> September 2022 of \$16,735 this compares to 2022 approved budget forecasting a deficit of (\$12,664). Net working capital is reporting at \$198,481 (2021 audited: \$177,813) and equity of \$256,020 (2021 audited: \$237,410).

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		\$175,141
• Westpac Current account	\$34,552	
• Westpac Saver accounts	\$22,705	
• Westpac Investments	\$117,884	
• Accounts receivable (Debtors)	\$2,081	
• Accounts payable – (Creditors)	\$nil	
• GST payable/ (receivable)	(\$2,596)	
• MOE grants in advance	\$1,838	
• Net Working Capital	\$198,481	2021 Audited \$177,813
• Operating surplus/(deficit) year to date	\$16,735	2022 Budget deficit (\$12,664)
• Fixed assets purchased year to date	\$22,717	
• % Financial year to date	75%	
• % Income budget received	91%	
• % Expenditure budget spent	76%	

### Income and expenditure

Income is tracking above budget at 91% and expenditure just above budget at 76% when reported against the 75% expected to the end of September 2022.

Government Grants is tracking at 94%, within this group MOE Grants is reporting at 84% with the final month's allocation of July's operations grant recognised as income in the period. Other MOE Grants continues to report at 268% due to \$5k Covid support funding, \$5k PB4L funding, \$12k ERS funding, \$1k of Additional Relief funding and a \$600 winter heating grant.

Locally Raised Income continues to report under budget at 65% with Donations & Fundraising and Other Income all reporting at 75%. Trading (net) reports at 108% and Student Council reports expenditure of (\$76).

Interest Earned reports at 93% or \$466 against a budget of \$500.

Learning Resources continues to report under budget at 46% with all sub groups reporting within the expected range with the only exception being Group 220 Sports and Activities at (89%) with (\$8,905) net of income reported YTD with the majority due to school camp donations, to note there has been YTD \$13.3k of Camp income recorded against YTD \$2.2k of camp expenditure. Curriculum Personnel is reporting at 124% with \$1.2k of Relief Teacher expenditure recognised in the month.

Administration is reporting at 84% with all sub groups reporting within the expected range the only exception is General at 96% due to \$2.5k of Wellbeing expenditure recorded in the month (YTD \$5k), this is offset against \$12k of Wellbeing income received in May 2022.

Property is reporting at 87%, sub groups to note that are reporting over budget are Property Personnel at 102%, Repairs & Maintenance at 96% and School House at 86%

Expenditure ledgers to note with budgets over **\$1,000** where expenditure has exceeded the 75% expected are:

• 21200 Maori	300%	Tutoring
• 21800 EOTC – Taieri College	88%	Technology fees
• 23010 Class Materials	103%	Resources
• 26100 Relief Teachers	114%	Wages
• 26210 Teacher Aide Wages	210%	Wages
• 21750 Subscriptions/Publications/Copyright	84%	Annual subscriptions
• 32150 Accounting fees	103%	Annual subscriptions & additional support
• 33150 Photocopier Service charge	179%	Monthly copier charges
• 41300 School Signage & Branding	105%	Artwork & delivery of new signs
• 44010 Building & Furniture	155%	General repairs and glazing
• 40050 Machine Maintenance	579%	Heat pump service x 7 (\$1.7k of expenses against a \$300 budget)

## Key Transactions September 2022

### Deposits \$2,868

Significant deposits for the period were: -

- Ministry of Education \$1,875 Furniture & Equipment grant
  - Otago Principals Association \$500 Subsidy for Dare to Lead course
- Balance is made up of interest and school house rental.

### Payments \$22,014 (including payroll)

The largest payments for the period were:

- Steve Toomey Plumbing \$1,427 Plumbing repairs School House & School
- School Docs \$1,380 Annual subscription
- Holy Family School \$1,380 Attendance fee Structured Literacy

### Payroll - paid from Bulk Grant

- PP 12 2023 \$3,560
- PP 13 2023 \$3,716

### Debtors \$2,082

- Ministry of Education \$1,294 PLD maths
- Ministry of Education \$788 LSC project - Covid increases

### Creditors \$nil

**Property Project** – Principals Office Refurbishment currently reports an overspend of (\$26,997).

**Fixed Assets** – YTD \$22.7k 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 and deposit for blinds and a laminator.

**Banked Staffing** – as at PP 13 2022 is reporting an underuse of \$6,327, when calculated at the reimbursement rate of \$65,500 equals \$4,962, this has not be accrued in your September 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.