

# FARMS – definitions list

## A

Term	Definition
Accrual accounting	A method of recording information in the financial records when a transaction or event occurs, even if cash has not changed hands
Accrued expenses	Liabilities, or debts, to pay for received good or services that have not been invoiced by the supplier
Age grade census	An annual national census that provides a snapshot of student and employee data in schools. It is a requirement for NTG schools to provide this information to the Australian Government under the <i>Australian Education Act 2013</i> (Cth), section 77(2)(f)
Annual general meeting	A meeting required by school body constitutions with specific actions that must occur at the meeting
Annual planning scenario	A tool in the SRMMS used by principals to plan for the funding year
Annual school improvement plan	A plan developed by the school each year with identified goals, targets and strategies to improve students' outcomes and achieve the longer term EIA
Assets – financial	Financial resources controlled by the NTG school because of past events from which future economic benefits are expected to flow. School-held financial assets are recorded in CiA financial records. Some NTG school financial assets are held on behalf of the minister, and some may be owned by the school body
Assets – physical	NTG school physical assets are school-held tangible items. If the physical item meets certain recognition criteria, it must be recorded as an asset on a balance sheet. NTG school physical assets that do not belong to the school body must be recorded as NTG assets such as school land and buildings. Treasurer's Direction A2.2 Property, plant and equipment relates. Other assets will be recorded on the school body balance sheet in CiA as plant and equipment if they meet the recognition criteria for assets in the FARMS manual Accounting section. Assets recorded in CiA or in a school-held asset register may belong to either the school body or be held on behalf of the minister, depending on the source of the funds used to purchase the assets
Audit	An official inspection of the school's accounts or compliance with policy
Auditor	A person who performs an official inspection of accounts or compliance with policy
Australian Accounting Standards Board	The AASB is an Australian Government agency that develops and maintains financial reporting standards applicable to entities in the private and public sectors of the Australian economy
Australian business number	A unique number used to identify Australian business names and companies
Australian business register	An online system to allow users to update ABN details and manage authorisations

Term	Definition
Australian Government	The government of Australia at the federal level. Note: also known as Commonwealth when referencing national legislation
Australian Taxation Office	The Australian government's main revenue collection agency
Authorised deposit-taking institution	A body corporate that has an authority to carry on banking business in Australia as defined in Part I and section 9(3) of the <i>Banking Act 1959</i>

## B

Term	Definition
Back to school payment scheme	An NTG initiative to assist families with certain school related costs at the beginning of the school year
Benchmark funds	School-held cash funds to the value of one month operational expenditure from the previous year, kept uncommitted as a risk-mitigation strategy
Benefit	Like a gift in that it is valuable to the receiver, but it is usually less tangible. Benefits can include preferential treatment, privileged access to confidential information, favours, discounts and loyalty programs, a new job or promotion or promises of a new job or promotion.
Business activity statement	A report of tax information for a defined period provided to the ATO
Business manager	A department employee who is a member of the school leadership team and responsible for supporting the principal in school business matters, particularly financial management and record keeping, statutory compliance and management of non-teaching employees and facilities, including safety and emergency management. Includes school and bureau-based business managers. Some schools may have more than one employee working in business manager roles with different titles, and larger schools may have more than one NTPS employee that would be considered a business manager. Other titles include operations manager, finance manager and administration manager. This role is also sometimes referred to as the registrar

## C

Term	Definition
Calendar year	The year used by schools as their financial reporting year: 1 January to 31 December
Capital works – major	Works undertaken to create a new asset or space, or to change the use, function or layout of an existing asset or space where the project value exceeds \$1 million, GST exclusive
Capital works – minor	Works undertaken to create a new asset or space, or to change the use, function or layout of an existing asset or space where the project value is under \$1 million, GST exclusive
Cash assets	All bank accounts, undeposited funds, floats or petty cash, term deposits, advances and investments

Term	Definition
Cash benchmark	The average of one month of the school's previous 12-month operational expenditure, excluding any capital, or depreciation expenses, to be retained as uncommitted funds when budgeting
Cash benchmark – adjusted	An adjusted cash benchmark approved by the school body.
Cash received	Cash that is received into SHF and managed by schools and school bodies
Chart of accounts	An index of every type of account in an accounting system, which helps to organise transactions for reporting
Ci Anywhere	Software used to record information relating to school body resources, managed by the department
Cluster funding	Used to describe funding provided to a school or schools by the department to be spent on behalf of several schools or distributed to several schools
Conflict of interest	A situation where a conflict arises for a person or group between competing interests. These are often, but not always, interests of public duty versus private interests and can be reasonably perceived, potential or actual conflicts of interest
Constitution	A school constitution is the set of rules that define how the school is governed
Contract	A legally binding agreement reached between 2 parties, which the courts have the authority and obligation to enforce
Creditors	Liabilities to pay for goods or services that have been received and invoiced or formally agreed with the supplier

## D

Term	Definition
Debtors	Amounts owed to a school that remain uncollected at the end of a reporting period
Deductible gift recipients	Organisations that have registered to be able to accept tax deductible donations for specific purposes and to meet certain requirements of the registration
Delegated officer	The person authorised in the school's delegations document to perform specific functions
Delegation	When someone who has authority and responsibility for a specific task officially appoints another person with the authority and responsibility for that task. That person has delegation to perform that task
Department-held budget	The budget submitted by the principal in the SRMMS for the use of the NTG school's DHF
Department-held funds	Most of the funding under the school SRM, managed by principals and held in the department's Government accounting system (GAS) ledger
Depreciation	A way to reflect the decline in value of an asset

## E

Term	Definition
Eligible student	For the BTS payment scheme, a student enrolled in an eligible school, including NTG schools or NT non-government schools established under the Education Act
Equity	What is left if you take away the total liabilities from the total assets
Explicit improvement agenda	A plan for school improvement based on the recommendations received following a school review

## F

Term	Definition
Facility funding	Funding given to schools for facility operational costs, previously known as Fixed other funding
Final funding	The final annual funding under the SRM calculated for schools in Term 1 of the funding year
Finance leases	A legally binding agreement where regular payments are made to permit the use of an asset, and a final residual payment at the end of the contract transfers ownership of the asset
Financial year	For SHF recorded in CiA, the financial year is 1 January to 31 December. The payroll year and financial year for the department is 1 July to 30 June. Even though schools' DHF are subject to the department's financial year, they are managed to line up with the SHF financial year
Fringe benefits tax	A tax employer's pay on benefits paid to an employee, or their associate, such as a family member, in addition to their salary or wages to comply with the <i>Fringe Benefits Tax Act 1986</i> (Cth)
Fringe benefits tax year	1 April – 31 March. Used as the reporting period for fringe benefits tax
Fuel tax credits	Money spent on fuel can be claimed back as credits in the circumstances under the <i>Fuel Tax Act 2006</i> (Cth)
Funding agreement	An agreement where financial assistance is provided by a funder to help achieve the recipient's own organisational goals in a document that outlines the terms, conditions, obligations and accountability of the funder and the recipient
Fundraising	Activities approved by the CE for raising money to be expended on, or in relation to, the school
Furniture, fittings and equipment	Non-consumable curriculum, office or classroom specific equipment for new and refurbished capital works projects. These are physical assets. FFE belong to the NTG unless they meet the criteria for ownership by the school body
Future year projects	Jobs used as a 2 to 5 year savings goal for a particular project that allows identified approved funds to be carried forward into future year reserves. Also called reserves jobs
Future year reserves	SHF identified to be spent in future years. These are identified as R jobs in CiA

## G

Term	Definition
Gazette	A publication that records the business and proceedings of the NTG and is authorised to publish public or legal notices
General ledger	A record of financial transactions, including income, expenditure, debts owed, and assets owned
Goods and services tax	A general consumption tax legislated by <i>A New Tax System Goods and Services Tax Act 1999</i> (Cth)
Government employee housing	Housing provided to eligible employees where there is a limited or non-existent rental market
Government school	A school declared by government Gazette notice as a government school under the the Education Act, section 73(1). This includes schools that have been declared independent public schools by the Education Act, section 74 (1)
Guarantee	Taking on the responsibility for another’s debt or contractual performance if that other person does not pay or perform

## H

Term	Definition
Housing	See Government employee housing

## I

Term	Definition
Indemnity	Agreeing to compensate, protect or insure another person or entity against future financial loss, damage or liability
Independent public school	A government school designated by Gazette notice as a school that has greater autonomy to provide education to children and young persons in the community it serves. The Education Act, section 74(2) relates
Infrastructure Planning and Investment	A branch in the department to support schools to navigate and access eligible funding programs, including funding programs managed by DIPL and TFHC
Input tax elections	Documented choices schools may make about certain transactions being treated as input taxed
Input taxed	As defined in section 9.30 of the <i>A New Tax System Goods and Services Tax Act 1999</i> (Cth), this refers to there being no entitlement to an input tax credit for the things that are acquired or imported to make the supply
Integrated client account	The ATO records of interactions with clients
Integrated revenue application	An online system used by the NTG for employers to pay any payroll tax
Internal controls	A set of activities that are included in normal operating procedures to look after assets and minimise errors

## J

Term	Definition
Job codes	Codes in CiA used to identify specific activities at the school such as the canteen. They are like cost centres in GAS
Joint school representative body	A type of school representative body for more than one government school, as stated in the Education Act, section 103(4)(c). Joint school representative bodies do not have all the functions of other school representative bodies. Details are under section 107(2) of the Education Act
Journal	Noun – a transaction recorded in an accounting system like CiA or GAS Verb – to transfer funds in an accounting system by manually creating a journal

## K

## L

Term	Definition
Liabilities	Present obligations of a school that arise from past events

## M

Term	Definition
Mandatory reporting	Reporting that must be made under specific circumstances in the <i>Care and Protection of Children Act 2007</i> and the <i>Independent Commissioner Against Corruption Act 2017</i>
Material	There are many different definitions of material which are used in different situations. For keeping school body financial records and reporting, a transaction or financial record can be considered material if, due to its nature or size, it could reasonably be anticipated to influence decision making. Material will vary by school
Minister	The Minister for Education in the NTG
Motion	A formal proposal to do something, order something to be done or express a particular opinion that a school council considers, discusses and votes on. Once a motion is passed, it becomes a resolution
Multi-school management council	A school body established under the Education Act, section 118(1)(b)
MyBiz	A reporting site for schools managed by the NTG to provide principals and business managers with key performance and management reports for their school
MyGov	A system used by the Australian Government for individuals to interact with government
MyGovID	A system used by the Australian Government for individuals to interact with government

## N

Term	Definition
Natural account numbers	Specific numbers used to name different assets, liabilities, equity, income and expenses in CiCiA
Nominal Gift	An item given or offered during a business relationship and includes token gifts, that is often mass produced like, pens, cups, mugs, calendars, stationery, or items with company logo on them.
Non-urgent minor repairs	General or minor repairs
Northern Territory Public Sector (NTPS) employee	An employee under NTPS employment conditions and subject to the <i>Public Sector Employment and Management Act 1993</i> . Employment may be ongoing or permanent, fixed term contract or temporary, or casual
Not-for-profit	Where the main objective is not the generation of profits. The AASB's Not-for-profit entity standard-setting framework – October 2020 provides more information. Not for profit school body activities may make a profit, but any profit made must be used towards the purposes of the activity or the NTG school as a whole

## O

Term	Definition
Official bank account	A bank account required to be opened by all school bodies in the name of the school body by regulation 34(1) of the Education Regulations
Operating lease	An agreement where regular payments are made to permit the use of an asset, without transferring ownership at the end of the lease
Operational costs	May include general non-employee related expenses such as printing, stationery, computers and Microsoft Office licences
Optional projection scenario	School initiated projection scenario in the SRMMS to adjust the proposed cash to be transferred to SHF in response to budget adjustments
Other bank accounts	Bank accounts that school bodies may open with the approval of the CE that are not official bank accounts created under section 34(1) of the Education Regulations
Outside school hours care	A program of care for children outside standard school hours

## P

Term	Definition
Parent	A child's father, mother or any other person who has parental responsibility for that child, including a person who is regarded as a parent of the child under Aboriginal or Torres Strait Islander customary law or tradition. The definition of a parent does not include a person standing in place of the parent on a temporary basis

Term	Definition
Parent consultative group	A group established under section 116 of the Education Act. Principals must establish a parent consultative group when a school management council exists. A parent consultative group is unincorporated and acts as an advisory group to the principal, rather than as a decision making group. It does not have financial powers and responsibilities, which are instead carried out by the school management council
Pay as you go	The tax required by the <i>Taxation Administration Act 1953</i> (Cth) for employers to withhold from their employees' pay to send to the ATO
PayID	A payment platform for instant payment transfer linking a mobile phone or email address to a bank account
Preschool	Quality early childhood education delivered for a minimum of 15 hours per week, 600 hours per year, as part of a school
Principal	The department employee responsible for the leadership, operation and management of the school. Performs the functions of the accountable officer and the executive officer for the school body
Private use	Use of resources for private reasons, not reasons determined by employment or professional responsibilities
Procurement	A strategic process to line up resource use with strategic goals and maintain proper accountability and transparency for the use of public funds. The procurement process includes the transactional purchasing process
Projection scenario	A tool within the SRMMS used by principals to manage their school budget throughout the year
Provisions	Funds set aside to cover probable future expenses
Purchasing	A transactional process to approve and pay for goods and services

## Q

## R

Term	Definition
Real property	Land and anything attached to the land
Recognise	Used as an accounting term where a transaction meets criteria to be recorded in financial records
Recurrent funding	Funding transferred to SHF from the school's DHF. May include SNBFF funding, facility funding, students with disability funding and targeted funding
Registered BAS agent	A provider permitted to provide tax agent, BAS and tax or financial, advice services as they are registered with the Tax Practitioners Board
Repairs and maintenance	Works undertaken to keep an asset in working condition
Reporting categories	Tags against specific jobs in CiA to help reporting related jobs
Reserves jobs	Jobs used as a 2 to 5 year savings goal for a particular project that allows identified approved funds to be carried forward into future year reserves. Also called future year reserves



Term	Definition
Resolution	A confirmed decision, supported by a majority of votes of members present at a school body meeting, and acts as a binding decision of a school council. A resolution must be recorded in the minutes
Revenue	Income generated by grants, donations, sales of goods and services and other operations of the school
Risk management	Applying judgement, experience and competence to determine the suitable levels of assurance in a situation

## S

Term	Definition
School	A government school or non-government school as defined under the Education Act, section 5
School body	The Education Regulations, regulation 21, defines a school body as a school representative body, school management council or a multi-school management council. School representative bodies are established by the minister under the Education Act, section 2, and include independent public school boards, school councils, and joint school representative bodies. The Education Regulations definition of school bodies is used in the FARMS manual as a more inclusive term than school representative bodies
School body employee	An employee engaged by a school body
School budget	School's proposed use of school resources
School Business Services	A Financial Services team in the department providing direct support to schools in financial and resource management
School community	School-based department employees, school body employees, parents, carers, students and other persons who have a direct involvement or interest in the school
School contribution	Funds transferred from SHF to DHF
School council	A school representative body for any government school other than independent public schools as referred to under section 103(4)(b) of the Education Act
School employees	NTPS school employees and school body employees
School-held budget	The school body's approved budget for the SHF
School-held draft budget	A budget for the SHF of a school, endorsed by the school body at the end of the previous year and evolving until the SH budget is approved by the school body after the annual DHF are finalised for the year
School-held funds	Funds held in school body bank accounts managed through CiA. Funds may be held on behalf of the minister, held on behalf of other parties, or owned by the school body. Education Regulations, regulation 34(4), states requirements for school bodies to deposit money in official bank accounts

Term	Definition
School improvement plan	A plan for an individual school's improvement
School leadership	The principal and others in school leadership roles supporting the principal in implementing educational and resource management. Usually includes assistant principals and business managers, and may include others such as faculty heads
School management council	A school management council established under section 118(1)(a) of the Education Act
School number	A unique 3 digit number used to identify schools in CiA. The number is the organisation ID defined in the Education directory and used by the department's data warehouse
School per student rate	Unique per student rate for each school based on student needs
School property	Property that is owned or leased on behalf of the school by the minister, and property that is owned or leased by the school body
School representative body	As defined in Part 2, Division 2 of the Education Act and Part 5 of the Education Regulations. There are 3 types of school representative bodies: school council, independent public school board, and joint school representative body
School resource and governance framework	Provides the requirements for school business operations, school body constitutions, policies, procedures, and guidelines and tools to support compliance
School resources	Resources used or managed by the school including school managed funds, the school workforce, school assets, and school infrastructure
School resourcing model	The funding model used by the department to resource schools
School resourcing model management system	The system used by school leadership to plan and monitor their annual use and allocation of resources received through the SRM
School review	A review conducted in all NTG schools every 4 years as an opportunity for the school to review and reflect on its current practice, areas for improvement and evidence of progress made towards improving the quality of teaching and learning and student outcomes
Senior director education	A regional position in the department who is the line manager of school principals in that region
Senior director school operations	A position in the department who manages school operations

Term	Definition
Standard curriculum program	The provision of teaching and learning activities, instructional support and instructional materials for delivery of the following: <ul style="list-style-type: none"> <li>the Early Years Learning Framework</li> <li>the Australian Curriculum</li> <li>the senior secondary NT Certificate of Education and Training</li> <li>VET</li> </ul>
Stock on hand	School assets that are kept for sale in the ordinary course of school business, such as school uniforms and stationery
Students with disability	Children, students or learners who require special assistance or adjustments and support because of cognitive, physical, social, emotional or sensory impairment that impacts their ability to participate in education on the same basis as their peers. Also refers to the funding provided to support these students
Substantial gift	A gift of considerable value that is worth more than \$100
Superannuation	Money put aside by a person's employer over their working life for them to live on when they retire from work
Superannuation guarantee	The minimum amount of superannuation employers must pay for employees to avoid the super guarantee charge under the <i>Superannuation Guarantee (Administration) Act 1992</i> (Cth)
Supply	As defined in section 9-10 of the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth), any form of supply whatsoever including, but not limited to, a supply of goods and services

## T

Term	Definition
Targeted funding	Additional funding allocated to schools to address areas of student need outside of the SNBFF or for specific or unique programs
Tax file number	A unique number to identify taxpayers, assigned by the ATO and used to identify PAYG withheld amounts sent to the ATO on behalf of employees
Threshold amount	The threshold amount for minor new works set out in the Treasurer's Directions issued under section 38 of the <i>Financial Management Act 1995</i>
Time off in lieu	If certain conditions are met, an employee may take time off during normal working hours in lieu of other forms of payment for work already performed outside usual work hours
Trading activities	Activities to raise funds that require the use of the school's ABN, generates profits, and must adhere to other legislation such as taxation

## U

Term	Definition
Unacquitted grant	Grant funding with contractual performance obligations that have not yet been met

Term	Definition
Unearned revenue	Money received before the good or service is provided
Urgent minor repairs	Urgent repair action needed, usually for safety reasons

## V

Term	Definition
Vehicle booking system	An electronic system to record the use of NT vehicles and report any FBT implications
Vocational education and training	Course where teaching and training is designed to teach knowledge and specific practical skills required for the workplace

## W

Term	Definition
Waiver	A financial waiver is ceasing to recover a loss, now or at any time in the future. Waiver is also used in early childhood education and care for regulated preschools and early learning centres
Write-off	Where an asset is removed from the financial records because it is no longer under the control of the school or no longer is functional

## X

## Y

## Z